CONDOMINIUM OFFERING PLAN

257 WEST 117TH STREET CONDOMINIUM

A PLAN FOR CONDOMINIUM OWNERSHIP

Premises known as
257 West 117th Street
New York, New York 10026

Total Purchase Price for all 16 Residential Units $19.919,964.00

The Condominium will also have one Commercial Unit that is not being offered for sale by Sponsor under this Plan.

NAME AND ADDRESS OF SPONSOR AND SELLING AGENT:

BRIDGE CAPITAL CORP.
1274 FIFTH AVENUE
NEW YORK, NEW YORK 10029

SPONSOR

THE CORCORAN GROUP
2112 BROADWAY
NEW YORK, NEW YORK 10023

SELLING AGENT

Date of Acceptance for Filing: March 5, 2004

This Plan May Not Be Used After March 4, 2005 Unless Extended by Amendment.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN (SEE SPECIAL RISKS SECTION OF THIS PLAN).

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

SECOND AMENDMENT TO THE CONDOMINIUM OFFERING PLAN FOR THE FITZGERALD CONDOMINIUM (FORMERLY KNOWN AS THE 257 WEST 117TH STREET CONDOMINIUM) LOCATED AT 257 WEST 117TH STREET, NEW YORK, NEW YORK

The Condominium Offering Plan for The Fitzgerald Condominium (formerly known as the 257 West 117th Street Condominium) (the "Condominium"), located at 257 West 117th Street, New York, New York (the "Project"), which was accepted for filing on March 5, 2004, as amended by First Amendment which was accepted for filing on March 22, 2004 (as so amended, the "Plan") is hereby further modified and supplemented by this Second Amendment (the "Amendment"), as follows:

I. SPECIAL RISKS.

The section of the Plan entitled "Special Risks" is hereby amended to add the following provision:

As more fully set forth in Section VI hereinbelow, Purchasers are advised that the [redacted] Litigation (as hereinafter defined) is presently pending including a notice of pendency against the entire project. [redacted] claims, as they relate to the Project, are limited solely to the [redacted] Units (as hereinafter defined), which are newly designated Units 6A, 7B and 7C. However, since the Declaration of Condominium has not yet been recorded, separate tax lots have not yet been assigned for the individual Units. Accordingly, said notice of pendency was filed against the entire base lot, instead of against just the [redacted] Units. One of [redacted] claims seeks to set aside the deed from the Original Sponsor to the New Sponsor. Should [redacted] prevail on such claim, title to the Units would revert to the Original Sponsor. Notwithstanding the foregoing, Commonwealth (as hereinafter defined) has agreed to insure title with respect to all Units (other than the Sorenson Units) free of the [redacted] Litigation provided that the Condominium Declaration and the Unit Deeds will be executed by both Original Sponsor and New Sponsor. Original Sponsor and New Sponsor have agreed to both execute the Declaration and the Unit Deeds. In the event of a claim under any title policy, Purchasers are advised that title insurance provides monetary protection to the extent of the insurance purchased by each Purchaser and does not guarantee that any Purchaser will be permitted to retain title to or occupancy of the Unit. However, since as hereinafter stated, the Original Sponsor has agreed to perform all obligations under all Purchase Agreements, and Original Sponsor has agreed to execute all Unit Deeds, even if title were to revert to the Original Sponsor, no Purchaser will be out of title or occupancy of any Unit. Sponsor represents that [redacted] has not asserted a claim nor does he have the right to assert a claim with respect to any Unit other than the [redacted] Units.

II. NEW SPONSOR

By deed dated as of July 13, 2005, Bridge Capital Corp. (the "**Original Sponsor**") conveyed all of its right, title and interest in and to the Property to 257/117 Realty LLC, a New York limited liability company having an office at 820 Second Avenue, New York, New York 10017 (the "**New Sponsor**"). The principals of New Sponsor are (i) Robert Friedman, (ii) Bernard Friedman, and (iii) Original Sponsor. The New Sponsor hereby joins the Original Sponsor in the offering of Units under the Plan as co-Sponsor. All references to the Sponsor in the Plan and all amendments thereto, and in any purchase agreement or any other document executed thereunder shall be deemed to mean the Original Sponsor and the New Sponsor collectively. In the event that [redacted] claim to set aside the deed from the Original Sponsor to the New Sponsor is resolved in favor of the Original Sponsor, New Sponsor reserves the right to amend this Plan to remove the Original Sponsor from being a Sponsor hereunder. In the unlikely event that [redacted] claim to set aside said deed is resolved in favor of [redacted] Original Sponsor shall remain fully obligated under this Plan and under all Purchase Agreements so that Purchasers would derive title to the Units directly from Original Sponsor instead of from New Sponsor. Attached hereto as Exhibit A is Certification of Sponsor and Principals of Sponsor duly executed and acknowledged by New Sponsor.

III. EXISTING PURCHASERS; RIGHT OF RESCISSION.

As of the date of this Amendment, Original Sponsor has entered into a Purchase Agreement dated as of May 17, 2004 with [redacted], a bona fide Purchaser, for Residential Unit No. 7A (formerly 7B) together with the 4.1925% (formerly 5.120%) interest in the Common Elements appurtenant thereto, which Purchase Agreement is presently in effect. New Sponsor shall be obligated to perform under the said Purchase Agreement and the Down Payment made thereunder shall continue to be held in escrow by the Escrow Agent designated therein under the terms of said Purchase Agreement. The Unit designation has changed from 7A to 7B, however the location of said Unit within the Building and floor plan for said Unit has remained substantially the same. The Original Sponsor also entered into a Purchase Agreement dated as of May 17, 2004 with [redacted] a bona fide Purchaser, for Residential Unit No. 7D (formerly 7C) together with the 4.0968% (formerly 4.899%) interest in the Common Elements appurtenant thereto. However, said Purchase Agreement was terminated on October 5, 2006 by written agreement of the Sponsor and [redacted] whereupon the Down Payment was refunded to [redacted]

In addition to the foregoing, Original Sponsor entered into purchase agreements with [redacted] for the sale of Units 6B, 7A and 7D as designated in the original Plan, which Units are now designated as Units 6A, 7B and 7C. Said purchase agreements were subsequently cancelled by the Original Sponsor and are now subject of litigation filed by [redacted] Please see Paragraph V hereinbelow for additional information.

Based upon the revised budget, building plans and the delay in the commencement of the first year of Condominium operation, each of the above Purchasers shall have the right to rescind his or her Purchase Agreement within fifteen (15) days of service of a copy of this Amendment. Not later than fifteen (15) days after the receipt of this Amendment, any Purchaser who desires to exercise his or her right of rescission must deliver to Sponsor's attorney, Seiden & Schein, P.C., 570 Lexington Avenue, 14th floor, New York, New York 10022, by certified United States mail, return receipt requested, a written notice that Purchaser no longer desires to purchase a Unit and wishes to rescind his or her Purchase Agreement. In the event that a Purchaser timely exercises his or her right of rescission, Sponsor shall return to Purchaser the down payment made at the time the Purchase Agreement was executed, together with any and all interest earned thereon, and upon the return of such down payment, Purchaser and Sponsor shall have no further obligations under the Purchase Agreement.

IV. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The section of the Plan entitled "Description of Property and Improvements" is hereby amended as set forth in this Section II. The plans for the Building have been revised and filed with the Department of Buildings. The Commercial Unit has been eliminated and all references in the Plan to the Commercial Unit, Commercial Unit Owner and Commercial Limited Common Elements are hereby deemed stricken. The total number of Residential Units to be constructed in the Building is hereby increased from sixteen (16) to forty-seven (47) Units. Seven (7) Residential Units shall be located on the first floor, eight (8) Residential Units shall be located on each of the second through fifth floors, and four (4) Residential Units shall be located on each of the sixth and seventh floors. Attached hereto as Exhibit B is the revised Description of Property and Building Condition certified by Michael Even, R.A.. Attached hereto as Exhibit C are the revised Floor Plans of all Units. Attached hereto as Exhibit D is a new Certification of Sponsor's Architect with respect to the revised Description of Property and Building Condition. The forty-seven (47) Residential Units range in size from 739 square feet to 2,458 square feet. One (1) of the Residential Units will be conveyed to the Condominium by the Sponsor for use as a Resident Manager's Unit and will not be offered for sale hereunder. See Paragraph VI hereinbelow for further information.

The subsection entitled "Anticipated Completion of Construction" is hereby amended to provide that the Sponsor presently anticipates that the Building will be sufficiently completed to permit Closings of Residential Units to begin on or about July 1, 2007; subject to delays caused by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials, governmental restrictions, or other events beyond the Sponsor's reasonable control.

The lease of the Commercial Unit to the John A. Resienbach Charter School is no longer in effect and the former Commercial Unit space is presently vacant and undergoing conversion to Residential Units.

V. REVISED SCHEDULE A

Attached hereto as Exhibit E is the revised Schedule A of the Plan and Notes to Schedule A, which Schedule sets forth the unit number, area, room count, offering price, percentage Common Interest, estimated Common Charges, estimated Real Estate Taxes (with and without the J-51 abatement), and estimated total carrying cost for all forty-seven (47) of the Residential Units.

VI. WITHDRAWAL OF NOTICE OF EFFECTIVENESS; PENDING ACTIONS

Sponsor hereby withdraws the notice dated December 16, 2004 which declared the Plan effective.

Pursuant to the terms of the Section of the Plan entitled "Effective Date", Sponsor may declare the Plan effective when Purchase Agreements have been entered into and are in effect with respect to not less than fifteen percent (15%) of the forty-six (46) Residential Units offered for sale under the Plan. At the time the notice declaring the Plan effective was sent, Purchase Agreements for sale of 19% of the Units in the Condominium had been entered into by Original Sponsor (as hereinafter defined).

However, on March 18, 2005, Original Sponsor elected to cancel the Purchase Agreements entered into between Original Sponsor and [redacted] for Units originally designated under the Plan as 6B, 7A and 7D (which Purchase Agreement had formerly been for Unit 5B), which Units are now designated as Units 6A, 7B and 7C (collectively, the "[redacted] Units"). On April 12, 2005, [redacted] filed a lawsuit and notice of pendency against Sponsor in Supreme Court, New York County under Index No. 601289/05 raising claims of breach of contract, fraud, unjust enrichment, estoppel, specific performance, constructive trust and unilateral mistake based upon the Original Sponsor's termination of said Purchase Agreements. [redacted] also filed a Notice of Pendency against the Building on that date. On October 17, 2005, the Court, Hon. Charles E. Ramos presiding, dismissed [redacted] claims for fraud in the inducement, unjust enrichment, specific performance, estoppel, and for alter ego liability against the sole shareholder of the Original Sponsor. The Court also canceled the Notice of Pendency and directed [redacted] to file an amended complaint. On October 31, 2005, the Court denied [redacted] motion for reargument and ruled that his motion was frivolous. On November 14, 2005, [redacted] filed a notice of appeal with the Appellate Division, First Department. On November 23, 2005 [redacted] filed an amended complaint containing the same claims as in the original complaint and additional claims for breach of contract, breach of duty of good faith and fair dealing, and illegality of the termination provision in [redacted] purchase agreements. On December 29, 2005, the Appellate Division granted [redacted] application to re-file his notice of pendency. Since the Declaration of Condominium has not yet been recorded, separate tax lots have not yet been assigned for the individual Units. Accordingly, [redacted] filed said notice of pendency on January 13, 2006 against the

entire base lot, instead of against just the [redacted] Units. The Sponsor filed a motion to reargue and for clarification as to whether [redacted] was entitled to file the notice of pendency against the entire Building. Said motion was denied and [redacted] appeal was heard by the Appellate Division in its June 2006 term and the Appellate Division held that the fraud in the inducement claims were properly dismissed.

On February 16, 2006, [redacted] filed an additional lawsuit in Supreme Court, New York County under Index No. 600533/06 seeking to set aside the conveyance of title from Original Sponsor to New Sponsor (as hereinafter defined), which lawsuit is presently pending (the "Additional [redacted] Litigation"). On April 19, 2006, Original Sponsor answered the amended complaint. As of the date of this Amendment, a motion for summary judgment has been filed by the Original Sponsor and New Sponsor and is presently pending. In the event that the deed to New Sponsor is set aside, the Original Sponsor shall remain obligated under this Plan to sell the Units to each Purchaser.

The Sponsor believes that [redacted] lawsuits (collectively, the "[redacted] Litigation") are baseless and without merit. Sponsor represents that it shall vigorously defend said lawsuits, but makes no representation or guarantee as to any particular outcome. Since [redacted] was only under contract to purchase the [redacted] Units, even if [redacted] prevails in the [redacted] Litigation, only the [redacted] Units would be affected. Attached hereto as Exhibit I is a letter from Commonwealth Land Title Insurance Company ("Commonwealth") indicating that it will insure title to all Units, other than the [redacted] Units, free of the [redacted] Litigation provided that the Condominium Declaration and Unit Deeds will be executed by both Original Sponsor and New Sponsor. Original Sponsor and New Sponsor have agreed to so execute the Declaration and the Unit Deeds. Accordingly, title shall be conveyed to Purchasers of such Units subject to the notice of pendency. Notwithstanding the foregoing, Purchasers are not required to obtain title insurance from Commonwealth. If any Purchaser elects to obtain title insurance from a company other than Commonwealth and such company declines to insure against the [redacted] Litigation, such Purchaser shall have the right to terminate the Purchase Agreement and receive a full refund of the Down Payment deposited thereunder. As more fully set forth in Exhibit I, Commonwealth shall not be required to insure title to any of the [redacted] Units free of [redacted] action for specific performance. The [redacted] Units shall not be offered for sale hereunder to third parties unless and until [redacted] claim for specific performance has been resolved in favor of Original Sponsor and the notice of pendency has been discharged, at which time the Sponsor may amend this Plan so as to offer the [redacted] Units for sale hereunder.

In addition to the foregoing litigations, one (1) other proceeding involving Stanley Wolfson and [redacted] is pending in the Supreme Court of the State of New York, County of New York under Index No. 105020/06. This proceeding is a defamation action brought by Mr. Wolfson against [redacted] This matter is still pending. The outcome of such proceeding will not adversely affect the Property, the Units, or the Sponsor's ability to meet its obligations under the Plan.

VII. RESIDENT MANAGER'S UNIT.

The Condominium will employ a resident manager (the "Resident Manager") who will reside in Unit 1B in the Building. On or shortly after the First Closing, the Sponsor shall convey Unit 1B to the Board of Managers for no charge. Closing costs, including without limitation, transfer taxes, title insurance and recording fees due in connection with the conveyance of the Resident Manager's Unit will be paid by the Condominium Board, on behalf of Unit Owners, out of the Working Capital Fund. In the event that the Working Capital Fund of the Condominium at the time of Closing of the Resident Manager's Unit are insufficient to make such payments, Sponsor will advance such sums on behalf of the Condominium Board for repayment to the Sponsor pursuant to a non-interest bearing, fully-amortizing, non-secured promissory note requiring 12 equal monthly payments. As more fully set forth in footnote 12 to Schedule B attached as Exhibit F hereto, all expenses associated with the Resident Manager's Unit including real estate taxes, electric, basic telephone service and basic repairs shall be paid by the Condominium. The Sponsor estimates the foregoing expenses to total approximately $7,620 in the aggregate during the first year of operation. The Sponsor expects that the Resident Manager's Unit will close on or shortly after the First Unit Closing and that such closing would only be delayed by possible administrative delays.

The aforementioned costs, fees, and expenses associated with the conveyance and use of the Resident Manager's Unit by the Condominium Board, are Special Risks of this Plan. See Schedule B and the accompanying note 12 attached hereto as Exhibit F for additional information.

VIII. SCHEDULES B AND C

Attached hereto as Exhibit F is the revised Schedule B and Notes to Schedule B, which sets forth a revised budget for the first year of Condominium operation from July 1, 2007 until June 30, 2008 based upon forty-seven (47) Residential Units and no Commercial Units.

Attached hereto as Exhibit G is a new Certification by Sponsor's Expert as to Adequacy of Budget as set forth in Exhibit F.

Attached hereto as Exhibit H is the revised Schedule C, which sets forth a new certification concerning compliance of the revised allocation of percentage of Common Interest for the Units with section 339-i of the New York Real Property Law.

IX. THE COMMERCIAL UNIT

The section of the Plan entitled "The Commercial Unit" is hereby stricken in its entirety.

X. REAL ESTATE TAXES.

Based upon the opinion letter of Sponsor's real estate tax counsel, Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, 6 East 45th Street, New York, New York 10017 (the "Tax Counsel"), a copy of which letter is annexed hereto as Exhibit H, the section of the Plan entitled "Real Estate Taxes" is hereby modified as set forth below.

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and each Unit Owner will not be responsible for the payment of, nor will that Unit Owner's Unit be subjected to, any lien arising from the non-payment of taxes on other Units.

Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

Assessments in New York City are made on a fiscal year basis running from July 1 in any one year to the next succeeding June 30. The status of a property on January 5 of any one year is the basis for the assessment for the fiscal year beginning that July 1.

The tentative assessment roll for the Property for the tax year commencing July 1, 2006 and ending June 30, 2007 was published on January 17, 2006 and shows an actual Assessed Value ("AV") of $456,750. The Property is currently classified for New York City real estate tax purposes as Class 4 (commercial) property.

It is anticipated that the renovation of the Property will not be completed by January 5, 2007. Tax Counsel projects an AV for the partially constructed building of $2,000,000 for the 2007/2008 tax year and that the Property will then be classified as a Class 2 (residential) property at a projected tax rate of 12.5%.

It is anticipated that the renovation of the Property will be completed prior to January 5, 2008. Tax Counsel projects an AV for the completed building of $3,850,000 for the 2008/2009 tax year and a projected tax rate of 12.5%.

Based upon the foregoing, taxes for the Property **without J-51 benefits** during the first year of condominium operation (July 1, 2007 through June 30, 2008) are projected to be as follows:

Tax Year	Est. Assessed Value	Est. Tax Rate	Est. Tax
2007/08	$2,000,000	12.5%	$250,000

Taxes for the Property for the first post-construction year (July 1, 2008 through June 30, 2009) **without J-51 benefits** are projected as follows:

Tax Year	Est Assessed Value	Est Tax Rate	Est Tax
2008/09	$3,850,000	12.5%	$481,250

The first Unit Closing is expected to occur on or about July 1, 2007. At that time, the tax roll for the 2007/2008 tax year will have already been set based upon the entire Building. Until such time as the Units are individually assessed (which is expected to commence with the 2008/2009 tax year), taxes for the entire Building will be allocated among the Units based upon the percentage of Common Elements appurtenant to such Unit multiplied by the annual tax for the Building. Accordingly, the real estate tax amounts set forth on Schedule A for each Unit **without J-51** tax benefits during the first year of condominium operation are based upon the projected tax attributable to each Unit. Commencing with the 2008/2009 tax year, it is expected that each Unit Owner will receive a separate tax bill for the taxes assessed against his/her Unit. At the Closing of each Unit, the Purchaser thereof shall be obligated to apportion the tax allocation for such Unit with the Sponsor as more fully set forth in the Purchase Agreement.

Tax Counsel has been advised that in determining the assessed values for the individual residential units, the Department of Finance, commencing with the 2006/2007 assessment roll, will follow the residential common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined.

Notwithstanding the foregoing, the tax assessment for each Unit may be allocated on a basis that differs from the allocation of Common Interests. SPONSOR MAKES NO REPRESENTATION THAT THE AV OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THERE IS NO REPRESENTATION, GUARANTEE OR WARRANTY (i) as to the AV of the Units or the tax rate during the first year of Condominium operation or thereafter; or (ii) as to the tax rate during the first year of Condominium operation,

No tax certiorari proceedings are pending with respect to the Property.

Section 6.14.4 of the By-laws provides that in the event any Unit Owner individually seeks to have the AV of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

J-51 Benefits.

As more fully set forth in the Plan, the Sponsor will use its best efforts to obtain J-51 benefits on behalf of the Unit Owners. Under the J-51 program, the application for J-51 benefits cannot be submitted until after construction has been completed. In light of the processing time under the J-51 Program, full J-51 Benefits will not be in place until the first post-construction tax year (2008/2009), which will be after the first year of condominium operation.

Assuming that the Sponsor obtains J-51 benefits, the opinion of Tax Counsel states that, based upon processing times of J-51 applications, such benefits may not be in place during the first year of condominium operation (July 1, 2007 through June 30, 2008). Accordingly, estimated taxes on the Building for the first year of condominium operation are expected to be as follows:

Tax Year	Est Assessed Value	Est Exempt Value	Est Taxable Value	Est Tax Rate	Est Tax	Est Abatement	Est Net Tax
2007/08	$2,000,000	-0-	$2,000,000	12.5%	$250,000	$0	$250,000

The real estate tax amounts set forth on Schedule A for each Unit **with J-51** tax benefits during the first year of condominium operation are based on the above calculations.

During the first post-construction tax year (2008/2009) estimated real estate taxes **with J-51** tax benefits are expected to be as follows:

Tax Year	Est Assessed Value	Est Exempt Value	Est Taxable Value	Est Tax Rate	Est Tax	Est Abatement	Est Net Tax
2008/09	$3,850,000	$3,193,250	$656,750	12.5%	$82,094	$60,150	$21,944

Prospective Purchasers are advised that, although this Plan states that the Unit Owners may or will receive J-51 Benefits, Sponsor does not anticipate obtaining the J-51 Benefits before the First Closing and makes no representation that J-51 Benefits will be available during the first year of condominium operation. The real estate tax projections and carrying charges contained in Schedule A show real estate taxes and carrying charges that reflect both the availability and non-availability of such limited J-51 Benefits. Sponsor anticipates that full J-51 Benefits will be available commencing with the first post-construction tax year (2008/2009).

PURCHASERS ARE ADVISED THAT THERE IS NO REPRESENTATION, GUARANTEE OR WARRANTY (i) as to the assessed value of the Building or the Units, (ii) as to the tax rate during the first year of Condominium operation or thereafter, or (iii) whether the Units will qualify for benefits under J-51 Program, and if the Units qualify, the amount of the J-51 Benefits.

XI. IDENTITY OF PARTIES

The section of the Plan entitled "Identity of Parties" is hereby modified and amended to provide as follows:

New Sponsor

The New Sponsor is 257/117 Realty LLC, a New York Limited Liability Company, with an office at c/o Penmark Realty Corp., 820 Second Avenue, New York, New York 10017.

The principals of the New Sponsor are (i) Original Sponsor, having an office at 1175 York Avenue, New York, New York 10021, (ii) Robert G. Friedman, having an office at 820 Second Avenue, New York, New York 10017, and (iii) Bernard Friedman, having an office at 820 Second Avenue, New York, New York 10017. The sole Managers of the New Sponsor are Robert G. Friedman and Bernard Friedman. The Original Sponsor, Bridge Capital Corp. is a member of the New Sponsor and Stanley Wolfson is a principal of the Original Sponsor.

Robert Friedman and Bernard Friedman, as individuals, partners or principals, have been involved in real estate for, respectively, 30 years and 40 years, and both have been involved in the following offerings during the past five (5) years:

SPONSOR	NAME/ADDRESS	YEAR OF OFFERING
105/15 Realty LLC	105 East 15 Corp. 105 East 15th St., NY, NY	2000
240/35 Associates, L.P.	240-35 Owners Corp. 240 East 35th St., NY, NY	1990
117/37 Associates, L.P.	117-37 Owners Corp. 117 East 37th Street, NY, NY	1993
London Towne House Associates LP	360 West 22nd Street Owners, Inc. 360 West 22nd Street, NY, NY	1991
321 Partners	The Continental Condominium 321 East 48th Street, NY, NY	1985
East 54th Street Associates	320 East 54th Street Condominium 320 East 54th Street, NY, NY	1986

315/55 Realty LLC	315 West 55th Street Owners Corp. 315 West 55th Street, NY, NY	1999
180/58 Realty LLC	911 Alwyn Owners Corp. 180 West 58th Street, NY, NY	1999
317/73 Realty LLC	317 East 73rd Owners Corp. 317 East 73rd Street, NY, NY	1999
510 Partners	The Carriage House Condominium 510 East 80th Street, NY, NY	1985
210-14/88 Associates, L.P.	210 E. 88th St. Owners Inc. 210-214 East 88th Street, NY, NY	1993
210/90 Associates, L.P.	210 East 90th St. Owners Inc. 210 East 90th Street, NY, NY	1994
Strivers Gardens Realty LLC	Strivers Gardens Condominium 300 West 135th Street, NY, NY	2004

Robert Friedman and Bernard Friedman, as individuals, partners or principals, owns ten percent or more of the Unsold Units in each of the developments set forth above.

There have been no prior felony convictions of Sponsor and/or principals of Sponsor. The sponsor entities of the foregoing offerings are current in all of their financial obligations under such offering plans, including but not limited to the payment of maintenance or common charges, taxes, reserve or working capital fund payments, assessments and payments for repairs or improvements promised in such plans and payments of underlying mortgages or loans for which shares or Units have been pledge or mortgaged. Offering plans for prior offerings are available for inspection at the Department of Law.

Managing Agent and Budget Expert

Penmark Realty Corp. ("**Penmark**"), having offices at 820 Second Avenue, New York, New York 10017 will be the new Managing Agent for the Condominium. Penmark has been engaged in the management of residential buildings in New York City for 30 years, and at present has 45 buildings in its management portfolio. One of the principals of the Sponsor, Bernard Friedman, is also a principal of Penmark. The fees for Penmark's management services are at prevailing rates. Set forth below is a representative list of other properties presently managed by Penmark:

1.	Fifth 956 Corporation 956 Fifth Avenue New York, NY 10021	2.	838 Fifth Avenue Condominium 838 Fifth Avenue New York, NY 10021
3.	40 East 80 Apartment Corporation 40 East 80th Street New York, NY 10021	4.	1049 Fifth Avenue Condominium 1049 Fifth Avenue New York, NY 10028
5.	The Spencer Condominium 1 East 62nd Street New York, NY 10022	6.	1082 Park Avenue 1082 Park Avenue Corporation New York, NY 10028
7.	1235 Park Condominium 1235 Park Avenue New York, NY 10128	8.	333 West End Tenants Corp. 333 West End Avenue New York, NY 10023
9.	345 57 Corp. 345 East 57th Street New York, NY 10022	10.	891 Park Avenue Corporation 891 Park Avenue New York, NY 10021

Saparn Realty, Inc., having offices at 505 Eighth Avenue, Suite 1802, New York, NY 10018, has reviewed the estimates of all amounts of income and expenses in revised Schedule B annexed hereto as Exhibit F and has provided the certification with respect thereto. Saparn has no financial relationship, past or present, in the Property or to the Sponsor, except that it is being paid a fee for its services.

XII. NEW MORTGAGES ENCUMBERING THE PROJECT; SPONSOR'S RIGHT TO RENT UNSOLD UNITS

On January 28, 2005, Sponsor obtained a loan from Country Bank in the principal amount of $3,500,000 (the "Acquisition Loan"), which Loan is secured by, among other things, a consolidated first mortgage (the "First Mortgage") encumbering the Project. Effective as of July 31, 2006, the Acquisition Loan was assigned by Assignment of Mortgage dated July 27, 2006 to Washington Mutual Bank. On July 31, 2006, the Sponsor obtained from Washington Mutual Bank (i) a construction loan in the amount of $8,728,300 which loan is secured by, among other things, a second mortgage (the "Second Mortgage") encumbering the Project, and (ii) a project loan in the amount of $1,771,700, which loan is secured by among other things, a third mortgage (the "Third Mortgage") encumbering the Project. The Sponsor entered into a certain Construction and Project Loan Agreement with Washington Mutual Bank dated as of July 31, 2006 which provides that the lien of the First Mortgage, Second Mortgage and Third Mortgage shall be released from individual Units upon the prepayment of the greater of (i) the minimum release price for each Unit as set forth in such Agreement, and (ii) 90% of the actual gross sales price of each Unit sold. Pursuant to the terms of the aforementioned Mortgages, Lender has the right to collect from New Sponsor monthly escrows for real estate taxes. Lender does not presently collect such escrows. As of the date hereof, the

unpaid principal balance of the First Mortgage is $3,500,000.00. The principal amounts outstanding under the Second Mortgage and Third Mortgage vary as funds are advanced from time to time for the payment of construction costs.

Under the terms of the Sponsor's Construction and Project Loan Agreement with Washington Mutual Bank, the Sponsor is not permitted to rent or lease any Unit without the Lender's prior written consent. Said Agreement does not provide for a minimum number of Unit sales before declaring the Plan effective.

Sponsor represents that it will endeavor in good faith to sell in a timely manner at least fifty-one (51%) of the Residential Units to Purchasers who represent that they are purchasing for their personal occupancy. Accordingly, a majority of the Units will be owned by owner-occupants. Sponsor does not represent that it will endeavor to sell, rather than rent, the remaining forty-nine percent (49%) of the Residential Units. The Residential Units reserved by Sponsor may remain unsold indefinitely, and Sponsor may dispose of such Residential Units as it chooses, including selling to investors, renting to tenants, permitting occupancy by relatives or others, allowing them to remain vacant, or selling to Purchasers who represent that they are purchasing for personal occupancy.

XIII. NAME OF THE BUILDING

The name of the Building has been changed to "Fitzgerald." All references in the Plan to "The 257 West 117th Street Condominium" shall be deemed to be references to "The Fitzgerald Condominium."

XIV. AMENDMENT OF DECLARATION OF CONDOMINIUM

The Declaration of Condominium and By-laws, as set forth in Part II of the Plan, are hereby amended to reflect the elimination of the Commercial Unit. As more fully set forth in Section III hereinabove, Mr. Sorenson has brought an action seeking, in part, to set aside the deed from the Original Sponsor to the New Sponsor. Although Sponsor believes that Mr. Sorenson's action is without merit, in the unlikely event that he prevails, it is possible that the Court would set aside the deed restoring Original Sponsor as the fee owner, in which event Original Sponsor shall remain obligated to sell the Units under this Plan. As a result, Commonwealth has indicated its willingness to insure title free and clear of this claim if both the Original Sponsor and the New Sponsor sign the Declaration. Accordingly, the Declaration has been modified to provide for execution thereof by both, Original Sponsor and New Sponsor. Attached as Exhibit J is an underlined revision of the Declaration and By-laws setting forth all changes made thereto.

XV. WORKING CAPITAL FUND.

The Section of the Plan entitled "Working Capital Fund" is hereby amended as follows:

The Sponsor's obligation to advance the sum of $64,000 to the Condominium Board for the initial Working Capital Fund, and each Purchaser's obligation to pay $4,000 to the Sponsor at his/her Unit Closing as reimbursement of such advance, is hereby stricken. In lieu of the foregoing, each Purchaser of a Unit shall be required at the Closing of such Unit to make a contribution to the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) month's Common Charges in effect for such Unit(s).

At or prior to the First Unit Closing, the Sponsor shall apportion certain items with the Sponsor as more fully set forth in the Plan. If any of said items cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges or Common Charges attributable to Unsold Units.

In the event that capital expenditures for renewal or replacement of Building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, the Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the Bylaws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the Bylaws each Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets.

XVI. BELOW GRADE RECREATION ROOMS

It is a Special Risk of this Plan that below grade recreation rooms may not be used as bedrooms, living rooms or dining rooms and such uses could result in violations being posted against the Building.

XVII. EXTENSION OF OFFERING

The expiration of the Plan is hereby extended for a period of six (6) months after the date of acceptance for filing of this Second Amendment by the Department of Law.

XVIII. NO OTHER MATERIAL CHANGES

There have not been any material changes in the Plan, except as set forth in the First Amendment and this Second Amendment.

November 22, 2006

Sponsor:
257/117 REALTY LLC
BRIDGE CAPITAL CORP.

SCHEDULE OF EXHIBITS

Exhibit A	Certification of Sponsor and Principals of Sponsor
Exhibit B	New Architect's Description of Property
Exhibit C	New Floor Plans
Exhibit D	Certification of Sponsor's Architect
Exhibit E	New Schedule A and Notes to Schedule A
Exhibit F	Revised Budget for First Year of Condominium Operation
Exhibit G	Certificate of Adequacy of Budget
Exhibit H	New Schedule C – Compliance with Section 339-i of the Real Property Law
Exhibit I	Tax Counsel's Opinion as to Real Estate Taxes and J-51 Benefits
Exhibit J	Letter from Commonwealth Title Insurance Company
Exhibit K	Redlined Condominium Declaration and By-laws

EXHIBIT A

CERTIFICATION OF SPONSOR AND PRINCIPALS OF SPONSOR

CERTIFICATION OF SPONSOR AND PRINCIPALS OF SPONSOR PURSUANT TO PART 20 OF THE REGULATIONS ISSUED UNDER GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
23rd Floor
New York, New York 10271
Attention: Investment Protection Bureau

Re: Condominium Offering Plan
The 257 West 117th Condominium
257 West 117th Street, New York, New York

Gentlemen:

The undersigned certify as follows:

We are the new Sponsor and the principals of the new Sponsor of the Condominium Offering Plan for the captioned property.

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 Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for making this certification. We jointly and severally certify that the Offering Plan does, and that all documents submitted hereafter by us which amend or supplement the Offering 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 or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) 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.

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.

SPONSOR:

257/117 Realty LLC

By: _____
Robert Friedman, Member

Sworn to before me this
26th day of April, 2006

Ricki Booth
Notary Public

RICKI BOOTH
NOTARY PUBLIC, State of New York
No. 01B05085197
Qualified in New York County
Commission Expires Sept. 15, 2009

PRINCIPALS OF SPONSOR:

_____
Robert Friedman, Individually

Sworn to before me this
26 day of April, 2006

Ricki Booth
Notary Public

RICKI BOOTH
NOTARY PUBLIC, State of New York
No. 01B05085197
Qualified in New York County
Commission Expires Sept. 15, 2009

_____
Bernard Friedman, Individually

Sworn to before me this
26 day of April, 2006

Ricki Booth
Notary Public

RICKI BOOTH
NOTARY PUBLIC, State of New York
No. 01B05085197
Qualified in New York County
Commission Expires Sept. 15, 2009

BRIDGE CAPITAL CORP.

By: _____
Stanley Wolfson, President

Sworn to before me this
27 day of April, 2006

Ricki Booth
Notary Public

RICKI BOOTH
NOTARY PUBLIC, State of New York
No. 01B05085197
Qualified in New York County
Commission Expires Sept. 15, 2009

EXHIBIT B

PART II OF OFFERING PLAN

NEW ARCHITECT'S DESCRIPTION OF PROPERTY

Description of Property and Building Condition

257 West 117th Street
New York, NY 10026

05 October 2006

Prepared by Michael Even, RA
License No. 018776
New York State

EM Design Group
265 West 117th Street
New York, NY 10018



GENERAL

The building has a common lobby area that has an elevator which serves new residential condominium units on the cellar through seventh floors. There will be four condominiums per floor on the sixth– seventh floors, for a total of eight two-bedroom units. There will be eight condominiums per floor on the second – fifth floors, for a total of 32 one bedroom units. There will be seven condominium units on the first floor, six one bedroom units and one studio. Two common egress stairways serve the cellar through seventh floors. All renovation work is within the existing structure and no additions to the building are planned. Air development rights do not apply to this conversion. A revised temporary certificate of occupancy will be obtained prior to closing. The street façade is to be resurfaced and/or repaired and a Local Law 10/11 report will be filed upon completion. Inspection certificates for the elevator and the boiler will be provided prior to the closing. The building is a proposed J-2 Residential in an R7-2 zoning district.

ORIGINAL CONSTRUCTION

The original building dates to the late Nineteenth Century, with later floors added sometime in the early 20th Century. The building is located at 257 West 117th street, New York City, NY. It Occupies block 1923, and occupies Lot ten on the north side of West 117th Street between Frederick Douglas Blvd. and St. Nicholas Avenue. The lot size is 10,092 Square feet and measures 100' x 100.92'. The building occupies the entire lot with the exception of a rear yard which is up to five feet deep. The building has seven floors and a cellar. The total building height is 75 feet +/-, not including the stair and elevator bulkheads. The existing parapet is 3'-0" high. The floor to floor height varies. The building is of Class 2B combustible construction, with load bearing brick exterior walls. It is composed of two sections, an earlier section of heavy timber beams and columns with wood joist floor framing, and a later section of cast iron columns and beams with wood floor joist floor framing. The foundation walls themselves were not accessible and their condition can not be determined, but it is assumed by the general good condition of the structure that they foundations are intact and adequate. No new levels or additions are to be added. The street level façade was recently stuccoed, and no signs of settlement of exterior walls was detected. The cellar floors, wall and ceiling are in good

condition. The foundation walls examined from the cellar are in good condition with no indication of deterioration. Exterior foundations and footing are not accessible but are assumed to be in good condition.

Floor framing on the east side is composed of wood beams and concrete slab bearing on cast iron columns and brick exterior walls. Floor framing on the west side is composed of wood beams and plywood bearing on heavy timber columns and brick exterior walls. The overall condition of the structure appears to be good.

CURRENT WORK RENOVATION

The current renovation work involves improvements to all areas of the cellar through seventh floors, the roof, and the first floor lobby. All work being undertaken will have been approved by the NYC Department of Buildings by the time of completions. The new work will comply with NYC Local Law 58/87 (handicapped provision). All new work will include the renovation of a residential lobby, and eight renovated floors of the building, which will contain a total of 47 residential units. These will occupy the cellar through seventh (top) floors. All new interior partitions will be minimum of gypsum board over metal studs. Two hour fire rated gypsum board floor/ceiling assemblies will be installed on all areas of the cellar through sixth floors, and a two hour fire rated roof/ceiling assemblies will be installed on the seventh floor. The current renovation work is expected to be substantially complete in the winter of 2007.

The contractors will carry Comprehensive General Liability insurance covering their operations for this work.

STREET, SIDEWALKS & YARDS

West 117th Street is paved in asphalt and the sidewalks are poured concrete, which are both in satisfactory condition. The residential proposal will contain no exterior driveways or ramps. The lobby is at grade level. The rear yard runs the length of the building and varies to five feet deep. It is currently paved and will be made maintenance accessible to the residential owners. It is in good condition. There are no recreation areas included in the residential proposal. There are no on street lights on the exisitng sidewalk for this property. New quartz halogoen eexterior lights (or equal) will be provided on the exterior surface of the building at both the front (seven new lights) and the rear (seven new lights).

EXTERIOR FACADES & BULKHEADS

The exterior brick was observed to be in good condition. The masonry appears to be in good condition and shows no sign of deterioration or distress. Any and all defects found will be brought up to good condition during the building renovation.

The windows will be one over one aluminum framed double hung, thermally insulated windows with spiral balance that tilt in for cleaning. The windows will be existing and will be fully watersealed with flashing and sealant to prevent leaks. New windows at street and rear façade are to be by Crystal Windows, Model # CTD-5000, aluminum double hung or equal. Windows at lot lines to be self-closing ¾ hour fire rated by Optimum Window Manufacturing Corp., Model # SC7650 or equal. Lintels and sills are generally in satisfactory condition and will be scraped and repainted. No evidence of any foundation subsoil deficiencies or moisture seepage was noted in the first floor facades.

ROOFS

A new roof has recently been installed on the mail level of the building. The roofing is Firestone APP 180 modified bitumen with a ten year guarantee and a one year warranty on labor and installation or equal.

The main roof is pitched to drain to internal drains, and additional drains will be installed as part of this renovation. The roof is surrounded by brick parapets which are topped in clay tile copings. Parapets were in poor condition and will be repaired and/ or replaced with new parapets, provided with metal coping and new flashing as required.

All roof drainage is through cast iron roof drains connected to drain lines. All roof drains to be new. There are currently no active leaks in roof drainage systems.

Skylights will be provided for units in the north east and south east units. These skylights are to be Velux (or equal).

A new roof terrace will be installed above the north east (unit 7D) and south east units (unit 7A) (see enclosed plans). The terrace will receive a 42" high chain link fence or masonry wall . Surrounding the roof deck on all sides with a 72" chain link fence between units for privacy. Rubber pavers will be installed to provide an adequate walking surface and protect the new roof membrane.

ENTRANCE VESTIBULE, PUBLIC HALLS, AND STAIRWAYS

All of the public areas will have gypsum board and metal stud walls, and gypsum board ceilings. Fire rating will be two hour where required. New lighting fixtures will be installed throughout. A pair of aluminum and glass doors will frame each end of the vestibule leading to the common first floor lobby. The common first floor lobby will have polished concrete floors. All service doors to be flush panel steel with steel buck. Residential unit doors to be inset panel fire-rated steel doors with steel buck self-closing hinges.

New fire stairs to be prefabricated steel plate with thin-set concrete treads. Stairs to be painted.

New mailboxes for residential units by Security Manufacturing, Inc., Horizontal, front loading, 910 Series or equal.

The public hallways will have wall to wall carpeting on the floors and new ceiling mounted lighting fixtures. All material and fixtures to be new.

SERVICE AREAS

The cellar contains various utility service and meter rooms. All miscellaneous metalwork in basement and on roof is in good condition.

These areas are finished with concrete floors and masonry walls. Ceiling mounted fluorescent lighting is provided in all rooms. The overall condition of the service area will be good.

UTILITIES

Electricity:
Electricity will be provided by Consolidated Edison Company ("Con Ed"), a regulated company. One master meter will be provided. The electricity consumed for each residential unit (including the electricity required to power the air conditioning units and any supplemental heating elements or heaters located in the same) and the common areas of the building (including the lobby, storage, exterior ornamental lighting, pumps, etc.) shall be separately sub metered, using Electronic Computerized Metering similar to Quadlogic. The cost of the electricity consumed for the common areas will be borne by the Owners as a common expense and allocated to each owner.

Gas:
Gas will be provided by Consolidated Edison Company. Two separate meters will be provided. One meter will be provided for the boilers (space heating and domestic hot water) and one meter for kitchen ranges in the residential units. The cost of the gas consumed, including all gas used for cooking, domestic hot water heating or space heating purposes in the building will borne by the Owners as a common expense and allocated to each owner.

Water and Sewer:
Water supply and combined sewer servicing the building will be provided by the City of New York. There will be one (1) existing 4" water service to supply water for domestic water use. There will be a single meter on the domestic water service. The existing 4" water service for fire protection will be replaced with new 6" water service.

Telephone:
Telephone service will be provided by individual subscription. It will be the purchaser's obligation to provide telephones and arrange for telephone service for his or her unit.

Cable Television:
Cable television service will be provided by a local cable television company. It will be the purchaser's obligation to provide telephones and arrange for telephone service from Time Warner or from a digital satellite television service (DSTS) provider who has been granted access to the building. Each unit owner who desires to obtain such service or services will be required to pay the cable company or DSTS provider for activating the wiring in his/her unit. Thereafter, the unit owner will be required to pay a monthly service charge to the cable company or the DSTS provider, which will vary depending upon the services subscribed to by the unit owner.

Data Transmission:
Residential units will be pre-wired for "high-speed Internet access". All charges with respect to utilizing this service will be paid separately by the owner of such units.

Drains:
All roof areas will be provided with cast iron roof and area drains which will discharge through internal leaders into building storm drains.

AUXILIARY FACILITIES
Laundry rooms: None. There shall be electrical washer and dryer for each residential unit.
Professional Offices: Building Management Office.

PLUMBING AND DRAINAGE

Water Supply:
Potable water shall be supplied via New York City public water system. The water pressure shall be maintained by a new water pressure booster pump system. The existing 4" domestic water service shall remain. There will be a single meter for all units. The existing RPZ device on the first floor will be removed and a new Double Check Valve will be provided on the domestic water service in the cellar. Domestic hot water will be generated by indirect-fired storage type hot water heaters connected to the boilers. Domestic hot and cold water will be distributed horizontally at the ceiling of the first floor to supply water risers, placed within fire rated shafts via piping system. Branch piping will be provided to all plumbing fixtures, appliances and mechanical equipment. Domestic hot water will be provided with hot water recirculation piping and pumps as required by the Code. All aboveground domestic hot and cold water piping shall be type "L" copper pipe distribution system. All hot and cold domestic water piping shall be insulated with a thickness in compliance with the New York State Energy Conservation Code.

Gas:
Gas for space heating, domestic hot water and residential cooking shall be provided by means of a schedule 40 steel piping distribution system in accordance with New York City Building Code. Gas shall be supplied by regulated, local gas utility company, Con Edison.

Fire Protection System:
A wet standpipe system will be provided. The sprinkler system will be interconnected with the standpipe system. Hose outlet valves shall be provided on every floor.
The building will be fully sprinklered. The sprinkler system will be provided for "Light Hazard" occupancy classification. It will include Siamese connections and a control valve rig assembly for every fire zone. The valve rig assembly will consist of a shut-off valve with a tamper switch and a flow alarm switch with sprinkler alarm panel and central office connection.
Water for the system will be provided through a 6" fire service connected to the City water main on W117th Street. Water pressure shall be maintained by a fire pump.
Sprinkler system shall be black, steel schedule 10 and 40 with malleable iron fittings.
Sprinkler heads shall be Reliable Sprinkler Company Model 'G' or equivalent in concealed pendant, sidewall or upright configuration as required meeting space conditions.
Siamese connections shall be flush mount type installed in compliance with the Code.
Hard-wired smoke/CO combination detectors are provided within 10'-0" of all bedrooms within the apartments.

Tanks/Enclosures:
There are no water storage tanks or enclosures required or specified for the project.
Sanitary Sewage System:
All sanitary drainage is connected to the public street sewer. Sanitary piping shall be no-hub cast iron above grade and hub spigot with neoprene joints and stainless steel clamps below grade. Sewage pump shall be provided for miscellaneous areas located below grade. The building from the cellar floor up is connected to the municipal combined sewer system and flows by gravity out to the street main.

Storm Drainage:

System:
Storm water shall be collected by means of a series of roof-mounted drains and cast iron no-hub piping system that are located in the building interior, and disposed of into the public storm water system. Sump pump shall be provided for area drains located below grade where required.

Permits Required:
Approval shall be obtained from the New York City Department of Environmental Protection for one 6" fire water service. Application will be filed with the NYC Department of Environmental Protection.

HEATING, AIR CONDITIONING AND VENTILATION

Heating/Air Conditioning:
Residential Units: Cooling and heating in each apartment will be provided by a DX (direct expansion) split air conditioning system consisting of air handling units equipped with hot water coils located within the space served and ducted to air distribution outlets and remote air-cooled condensing units located on the roof, with refrigerant piping to/from air handling units. The cooling capacity of the system will be from two to four tons depending on the size of each apartment. Hot water for heating will be generated by modular gas-fired boilers located on the Roof. The water will be distributed to air handling unit coils by a set of centrifugal pumps and piping distribution system. All hot water piping shall be of type "L" copper pipe distribution system. All hot water piping shall be insulated with a thickness in compliance with the New York State Energy Conservation Code.

Building Management Office:
Cooling in the office at the cellar will be provided with a DX split air conditioning system consisting of a ductless wall mounted fan coil unit and an air cooled condensing unit located on the roof with refrigerant piping to/from fan coil unit. Heating will be provided with a hot water radiator connected to hot water system.

Compactor Room:
The room in the cellar will be provided with a DX split air conditioning system consisting of a ductless wall mounted fan coil unit and an air cooled condensing unit located on the roof with refrigerant piping to/from fan coil unit.

Lobby:
The lobby will be provided with a packaged DX air cooled air conditioning unit equipped with a hot water coil located in the space above hung ceiling in the entry vestibule ducted to air outlets in the lobby. Hot water generated by the boilers will be utilized for heating the lobby. Condenser air will be provided through louvers at the exterior wall ducted to the unit's condenser.
Corridors: The corridors will be air conditioned and heated with a packaged DX roof top air conditioning unit equipped with gas-fired furnace. The unit will be ducted to air outlets in the corridors.

Elevator Machine Room:
The room will be served by a split air cooled heat pump system consisting of a fan coil unit with auxiliary electric heater located in the room and a heat pump unit located on the roof of the machine room with refrigerant piping to/from fan coil unit.

Utility Rooms:
Supplemental heat will be provided by hot water heating units utilizing hot water generated by the boilers. The units will be equipped with a built-in thermostat.
Stairs Wells: Stair will be heated with electric baseboard type heaters equipped with a built-in thermostat.

Ventilation:

All bathrooms within the building interior will be mechanically ventilated with a system of combined air ducts and roof mounted exhaust fans. Make up air will be provided through door undercuts. Kitchens will be ventilated by natural means utilizing the building fenestration with the exception of kitchens located within the building interior. These kitchens will be ventilated with a system of combined air ducts and roof mounted fans. The utility room in the cellar will be mechanically ventilated by an in-line type exhaust fan located in the cellar ducted to a louver located at the exterior wall. The elevator hoist-way will be provided with a smoke opening at the top. A louver with a motorized damper and smoke detector for activation will be provided for smoke venting.

ELECTRICAL

General:
The main electrical service shall enter the building underground from West 117th Street. The service shall have the capacity of 4000 amps at 208 volt, 3-phase. The wiring shall be protected by fused switches in accordance with the New York City Electrical Code. There shall be one-meter room, which shall contain the electrical meters for the building. Residential units shall be served by a 100-amp 208-volt single-phase panel fused at 100 amps.

Service:

Each apartment shall have approximately 30 circuits, including appropriate circuits for air conditioning units, appliances and general lighting as required. Each apartment to have ceiling mounted lights in the entry, corridors, bedrooms, kitchens and living rooms. Outlets shall be provided in each room as required by the NYC Electrical Code and the National Electrical Code. The building shall be equipped with an intercom system, with a main panel located at the lobby and an owner panel in each apartment. Public corridors shall be lit by means of 34-watt lighting fixtures with emergency battery packs as required to maintain NYC minimum 2' foot-candles upon power failure. Cellar areas to be lit by means of standard fluorescent industrial type exposed surface mounted lights.

PUBLIC AREA LIGHTING

General:
All entrances to the apartments are provided with a minimum of one light fixture. The street entrances and corridors of the building shall be provided with light fixtures. Seven exterior lights on the south elevation and seven exterior lights on the north elevation will be Quartz Halogen lamps with continuous gasket to seal housing (Cooper Lighting Model "Invue" or equal). The lobby has been provided with a combination of ceiling mounted and recessed fixtures. All lighting levels have been designed in accordance with the NYC Building Code and the Housing Maintenance Code. These fixtures have been wired to the building house meter.

PERMITS, CERTIFICATES AND VIOLATIONS

The building is being constructed under a permit issued by the New York City Department of Buildings.

Permits and Inspections to be obtained/completed:
New Building Permit (Department of Buildings)
Mechanical Systems Permit (Departments of Buildings)
Plumbing Permit (Department of Buildings)

Controlled Inspections:
Fire stopping
Eng./Installed Ventilation Certificate.
Plumbing Certificate.
Sprinkler Test (hydrostatic).
Standpipe Test.
Fire Alarm Test.

ELEVATOR

A new elevator by will consist of an approximately 5' x 6' finished cab with a one speed sliding type automatic door, which stops at the first through seventh floors. The elevator will be traction type, 2500 pound capacity and operate at 200 feet per minute. It will have fully automatic controls. Finishes will be ceramic tile floor and composite panel walls and ceiling. Elevator is new and once completed an inspection certificate will be provided. The expected maximum passenger capacity is 12 persons.

The elevator will run in a fireproof shaft and will have a machine room on the roof. Over all condition of the elevator system will be new.

RESIDENTIAL UNITS

All apartments will be finished with three inch wide hardwood floors over plywood subfloor and painted gypsum board walls and ceiling. The doors will be painted mdf. Millwork trim will be provided at the bases and door openings. Bathrooms will be finished with new stone and ceramic tile floors, stone glass tops, wood cabinets, and appliances (see enclosed appliance list). The condition of all fixtures, appliances and finishes in the apartments is new. See fixture and finish schedules. Six units on the first floor will have below grade recreation rooms. These recreation rooms may not be used as bedrooms, living rooms, or dining rooms and doing so could result in violations being posted against the building.

Ceiling heights of rooms within the apartment will vary.

INTERCOM

There will be two intercom panels at the front vestibule door (one outside and one inside the vestibule) of the first floor common lobby and will communicate with residential units. New intercom panels are to be installed in each apartment as a part of the current work. Door releases will be provided at the outside vestibule doors.

REFUSE DISPOSAL

Normal NYC residential refuse collection and recycling. Refuse is placed in a refuse bin on each floor in a refuse closet. Refuse closets are ventilated per code.

PEST CONTROL

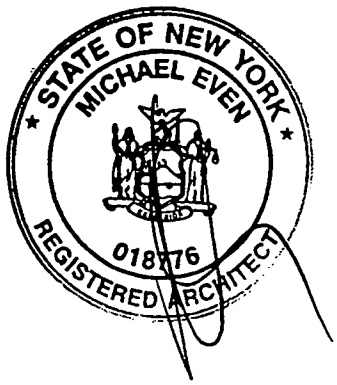
Routine pest control will be provided on an as need basis.

ASBESTOS AND LEAD PAINT

An asbestos inspection was performed by an NYC DEP Certified Asbestos Investigator, Vladamir Elzon. No asbestos was found. A copy of the report is attached. All interior surface and finishes in the project will be constructed new and will not contain any lead paint. Any lead paint which my have existed on the premises prior to renovation will be removed or concealed within new construction.

VIOLATIONS

All current violations will be cleared prior to obtaining a Certificate of Occupancy. See enclosed list. A new temporary Certificate of Occupancy will be issued at the closing of the project.



Bathroom Fixture List

Master Bathrooms:

Fixture	Make	Model	Finish
Lavatory	Kohler	Katherine	White
Sink Faucets	Kohler	Purist	Polished Chrome
Tub	Kohler	Tea for two	White
Tub fittings	Kohler	Purist	Polished Chrome
Shower fittings	Kohler	Purist	Polished Chrome
Toilet	Toto	Dauton	White

Secondary Bathrooms:

Lavatory	Kohler	Katherine	White
Sink Faucets	Kohler	Purist	Polished Chrome
Tub	Kohler	Tea for two	White
Tub fittings	Kohler	Purist	Polished Chrome
Toilet	Toto	Dauton	White

Powder Rooms:

Lavatory	Kohler	Katherine	White
Sink Faucets	Kohler	Purist	Polished Chrome
Toilet	Toto	Dauton	White

Kitchen Appliances & Fixtures List

Range	GE	36"	Stainless Steel
Range Hood	GE	36"	Stainless Steel
Refrigerator	Liebherr	36"	Stainless Steel
Wine Cooler	GE	20"	Stainless Steel
Sink	Elkay	Lustertone	Stainless Steel
Sink Faucet	Elkay	Arezzo	Stainless Steel
Dishwasher	Miele	Incognito	Stainless Steel
Washer/Dryer	Asko	W600	White

Finish Schedule: Common Areas

	Main Lobby	*Elevator*	*Residential Corridors*
Floors	Polished Concrete	Stone Tile	Glue Down Nylon Carpet
Walls	GWB + Panels	Panels	Gypsum Wall Board
Baseboards	Stainless Steel	Stone	Painted Wood
Trim	Wood	Wood	Painted Wood
Ceiling	Metal Panel	Metal Panel	Gypsum Wall Board
Lighting	Recessed and Cove	Recessed	Recessed
Entry Doors	Aluminum + Glass		Painted Steel
Service Doors	Painted Steel		Painted Steel

Finish Schedule: Recreation Rooms

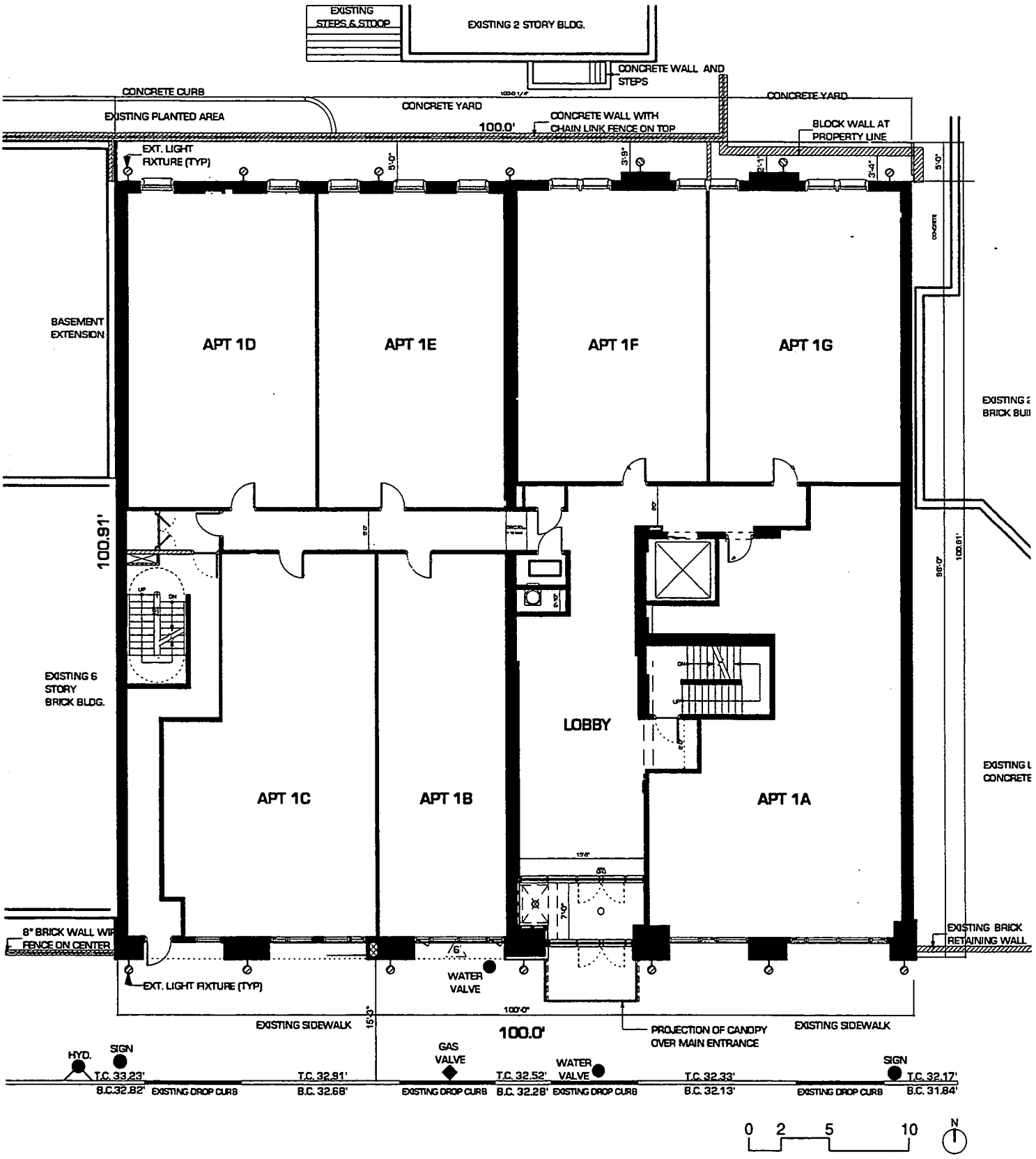
Floors	Solid Wood Strip Flooring
Walls	Gypsum Wall Board
Baseboards	Painted Wood
Ceiling	Gypsum Wall Board
Lighting	Recessed
Entry Doors	Painted Steel
Service Doors	Painted Wood

EXHIBIT C

NEW FLOOR PLANS

October 5, 2006

257 West 117th Street : **PLOT PLAN**

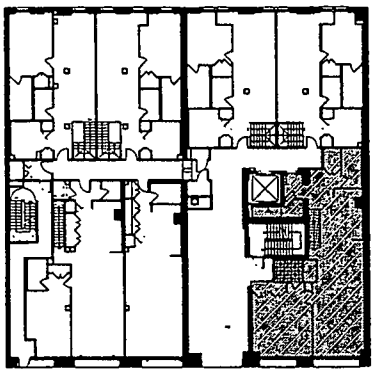


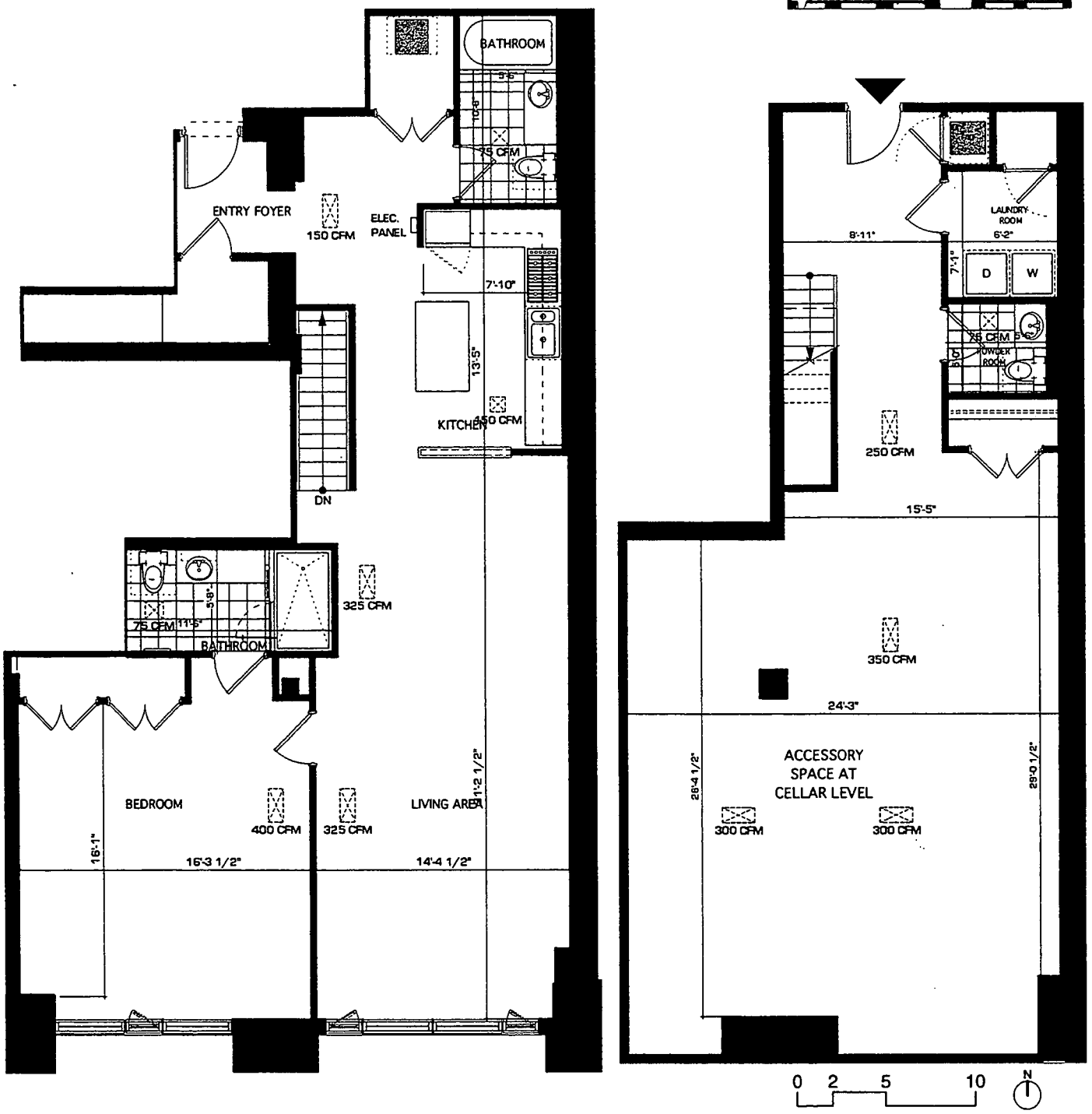
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October 5, 2006

257 West 117th Street

RESIDENCE 1A
1st FLOOR WITH LOWER LEVEL
1 BEDROOM
2 BATHROOMS, 1 HALF BATH
1488 SQUARE FEET, UPPER LEVEL
1194 SQUARE FEET, LOWER LEVEL



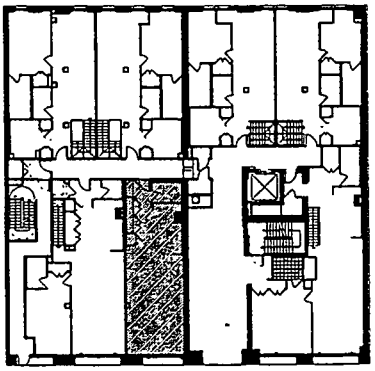


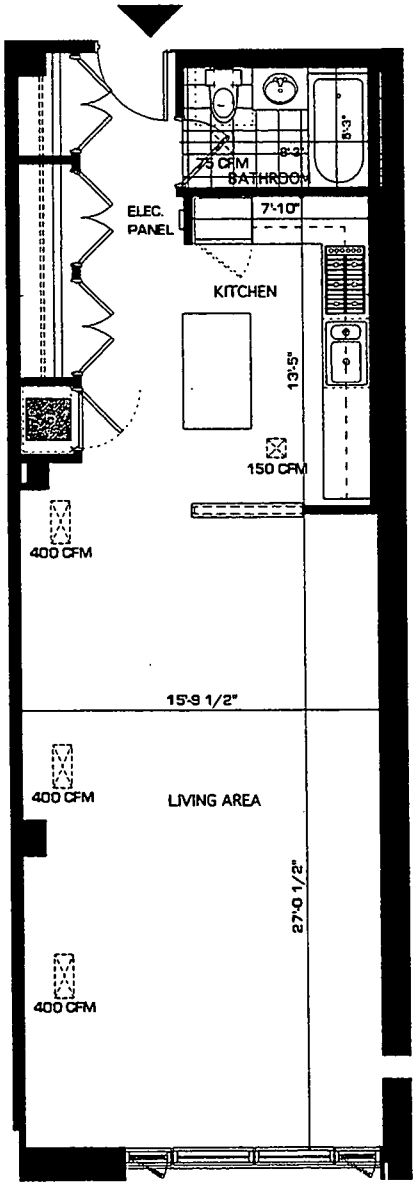
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October 5, 2006

257 West 117th Street

RESIDENCE 1B
1st FLOOR
1 BEDROOM
1 BATHROOM
820 SQUARE FEET





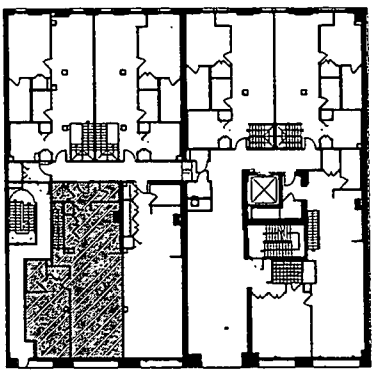
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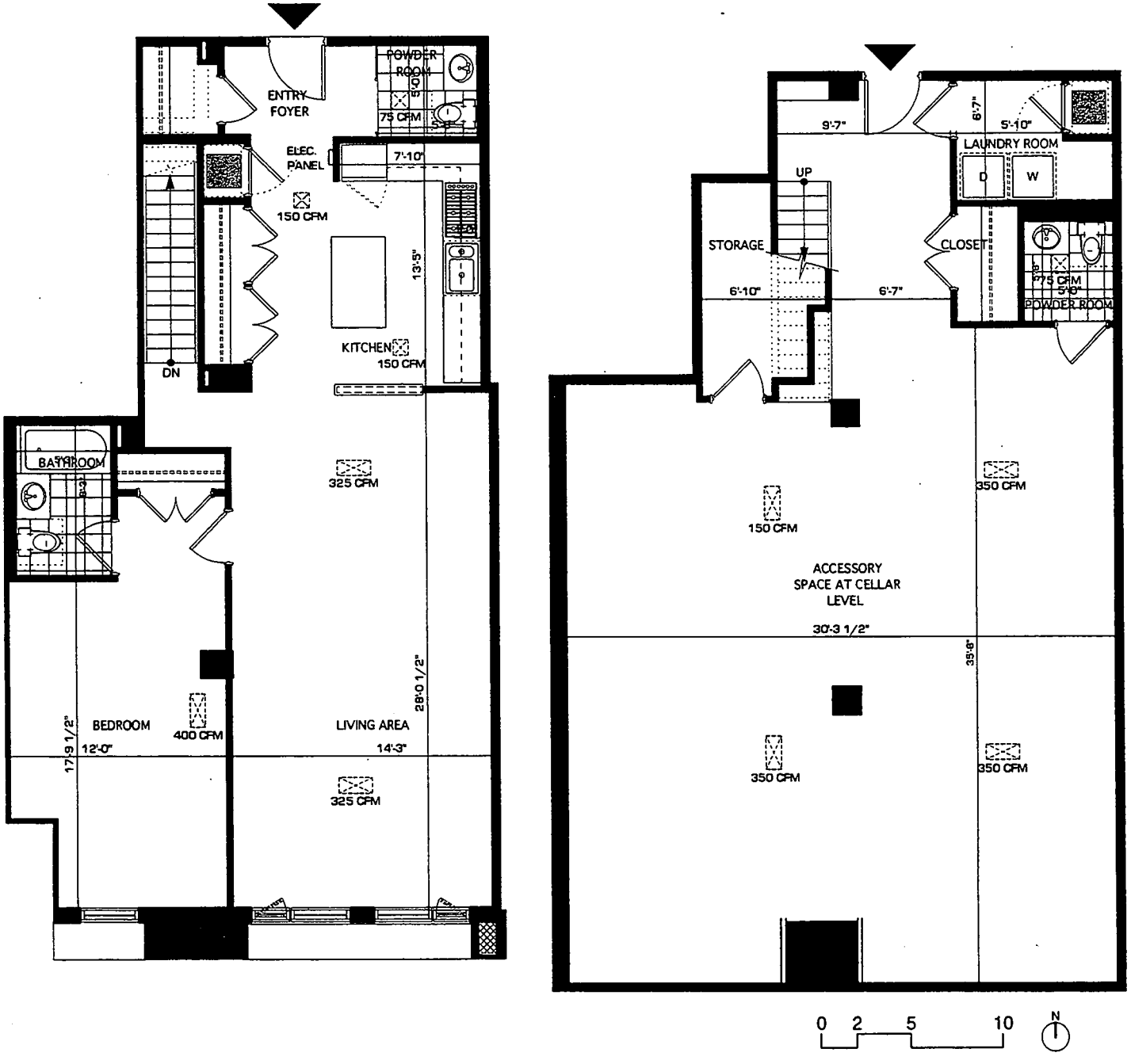
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October 5, 2006

257 West 117th Street

RESIDENCE 1C
1st FLOOR WITH LOWER LEVEL
1 BEDROOM
1 BATHROOM, 2 HALF BATHS
1130 SQUARE FEET, UPPER LEVEL
1404 SQUARE FEET, LOWER LEVEL



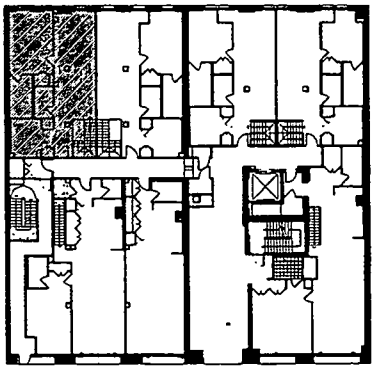


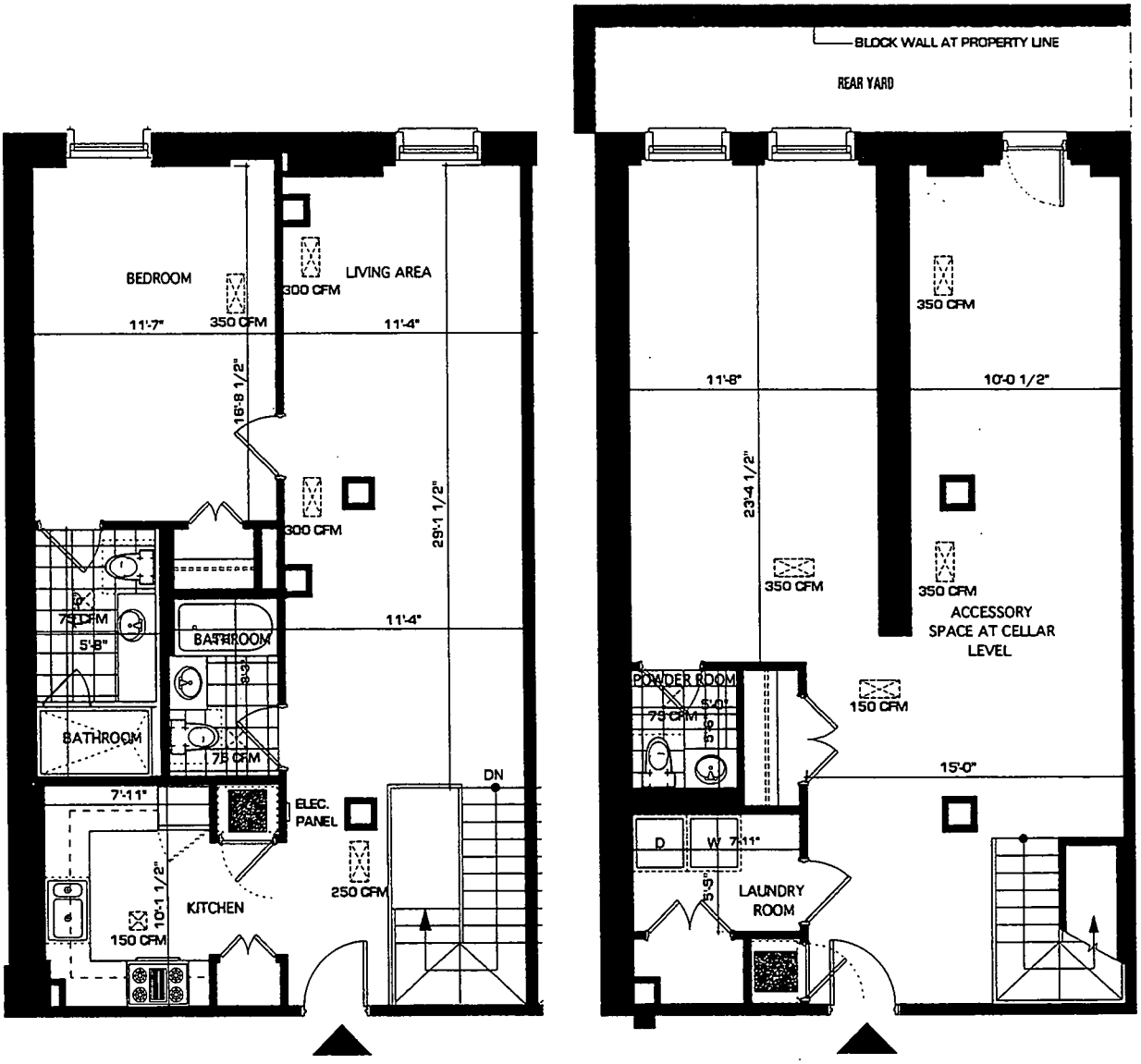
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October 5, 2006

257 West 117th Street

RESIDENCE 1D
1st FLOOR WITH LOWER LEVEL
1 BEDROOM
2 BATHROOMS, 1 HALF BATH
1028 SQUARE FEET, UPPER LEVEL
1152 SQUARE FEET, LOWER LEVEL





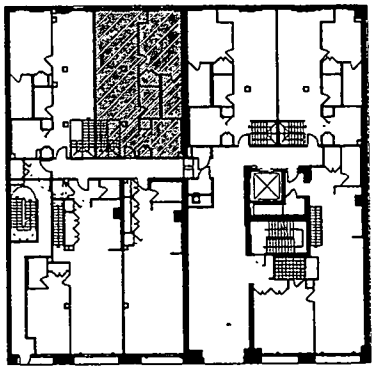
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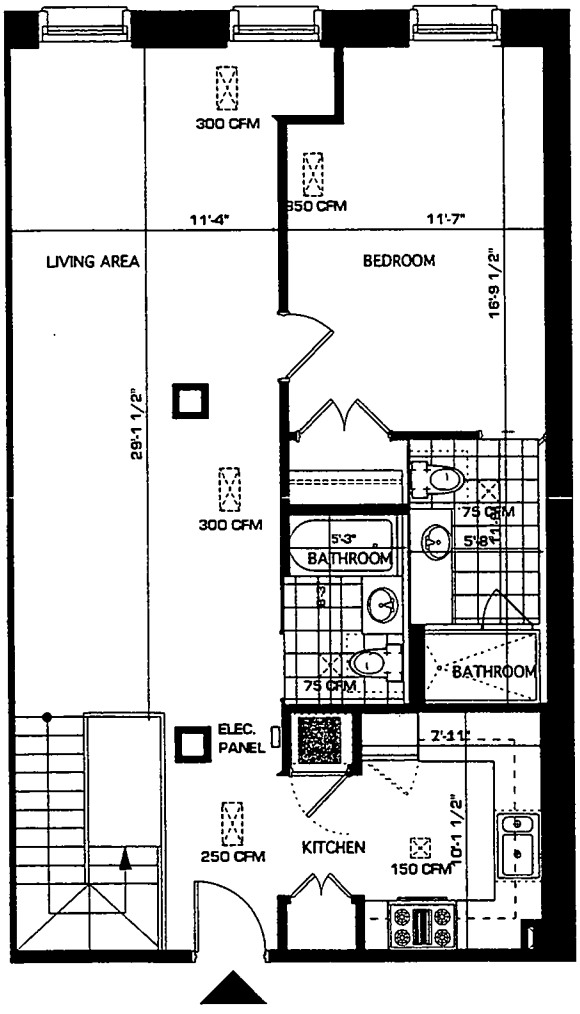
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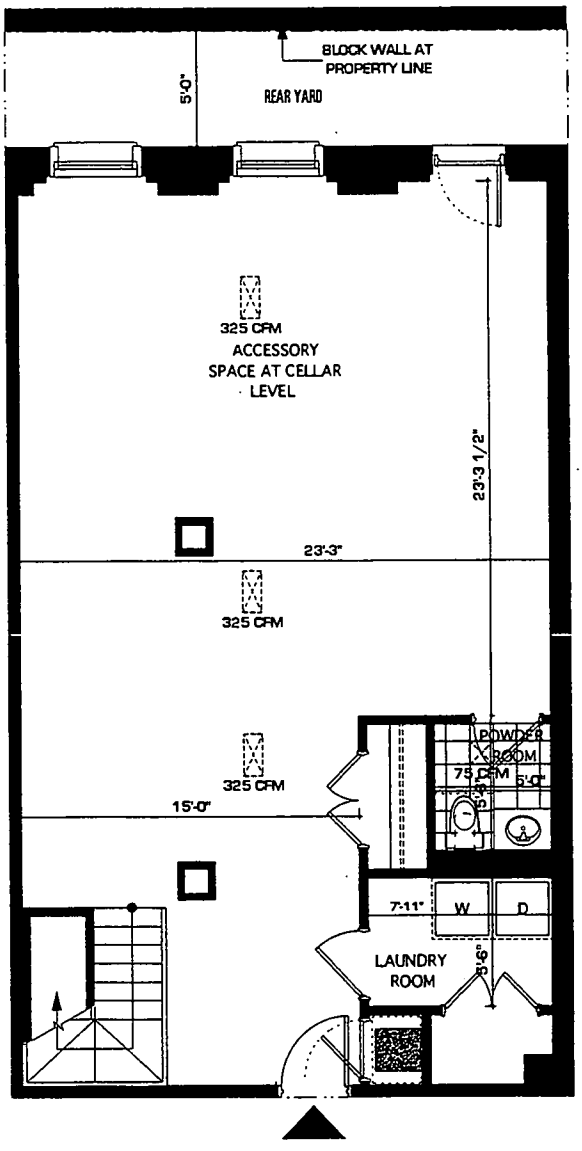
October 5, 2006

257 West 117th Street

RESIDENCE 1E
1st FLOOR WITH LOWER LEVEL
1 BEDROOM
2 BATHROOMS, 1 HALF BATH
1000 SQUARE FEET, UPPER LEVEL
1119 SQUARE FEET, LOWER LEVEL







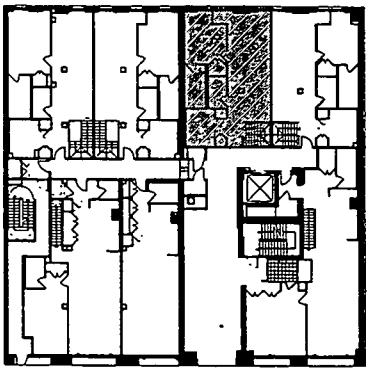
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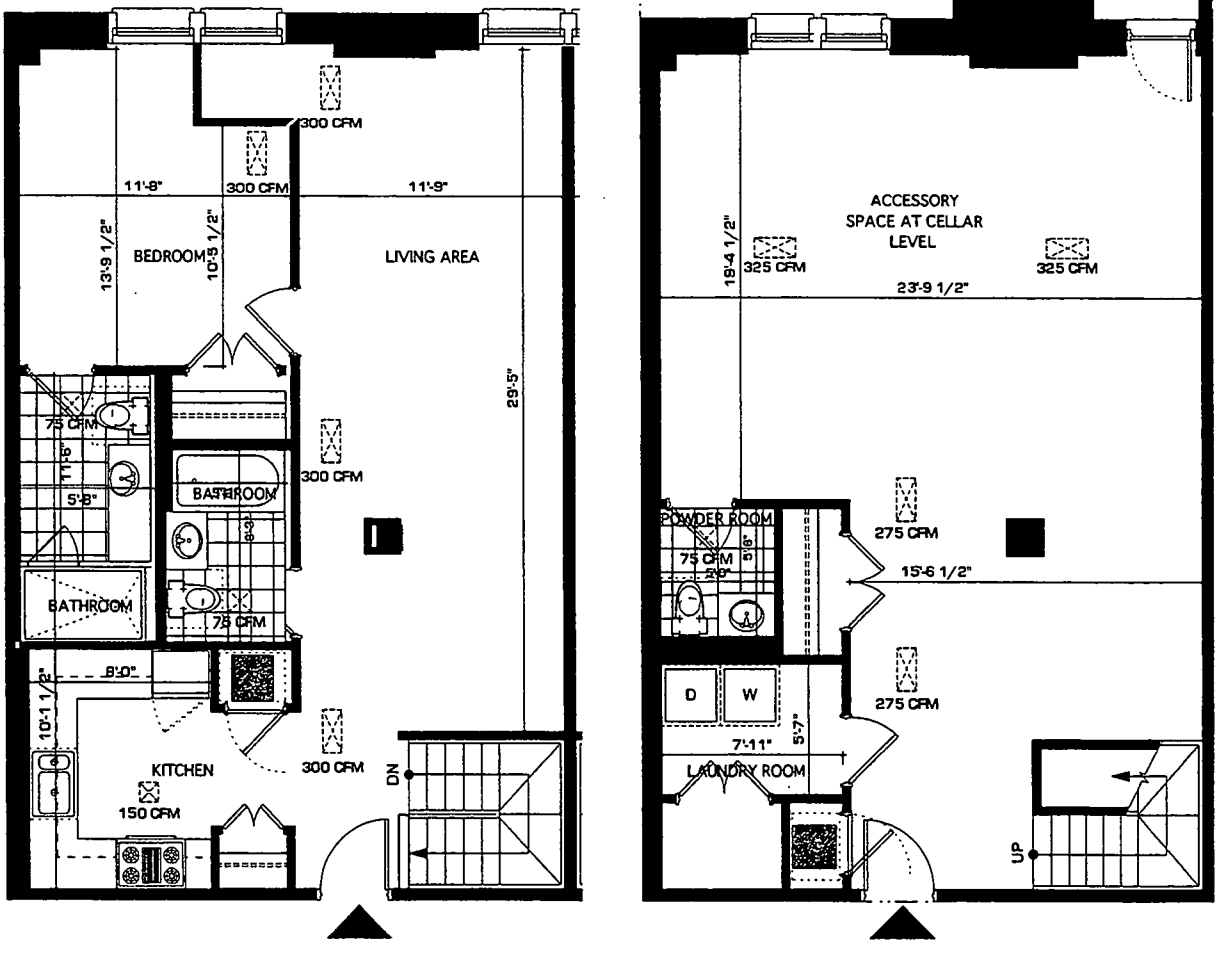
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October 5, 2006

257 West 117th Street

RESIDENCE 1F
1st FLOOR WITH LOWER LEVEL
1 BEDROOM
2 BATHROOMS, 1 HALF BATH
945 SQUARE FEET, UPPER LEVEL
1066 SQUARE FEET, LOWER LEVEL





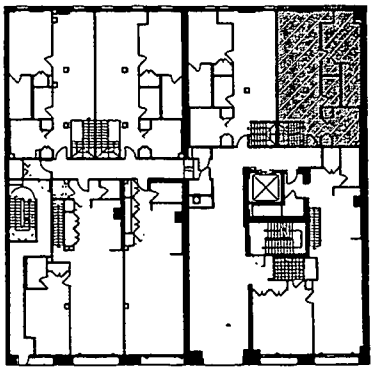
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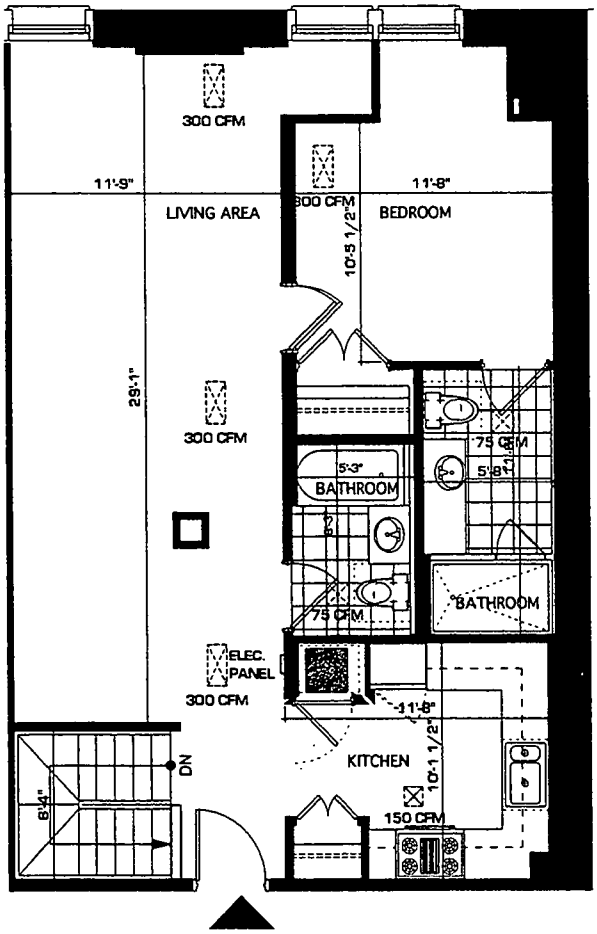
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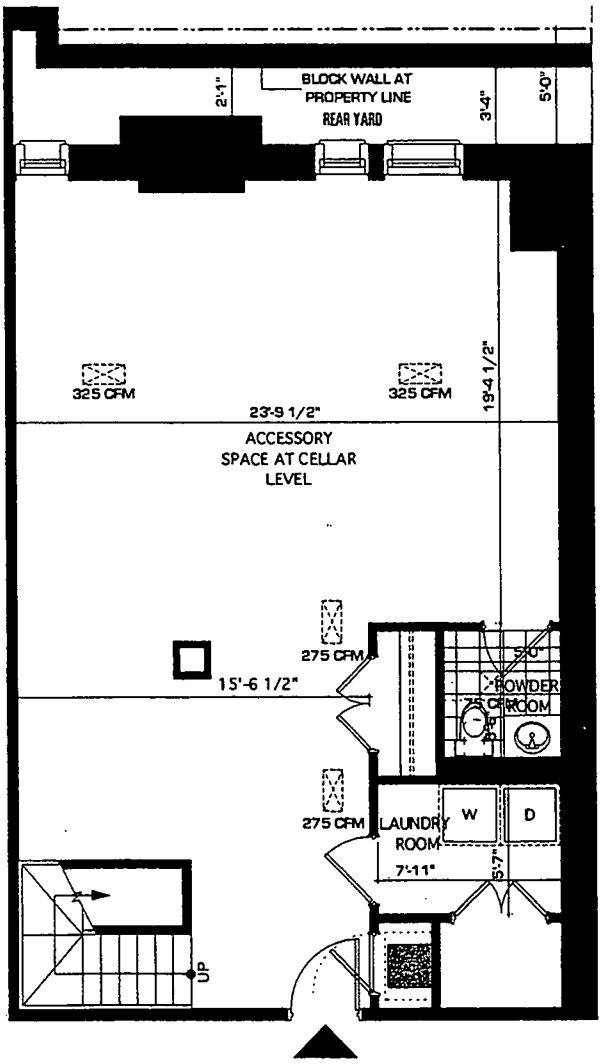
October 5, 2006

257 West 117th Street

RESIDENCE 1G
1st FLOOR WITH LOWER LEVEL
1 BEDROOM
2 BATHROOMS, 1 HALF BATH
970 SQUARE FEET, UPPER LEVEL
1091 SQUARE FEET, LOWER LEVEL







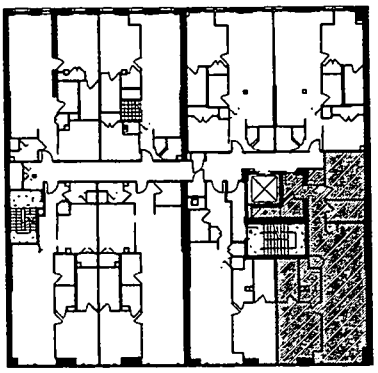
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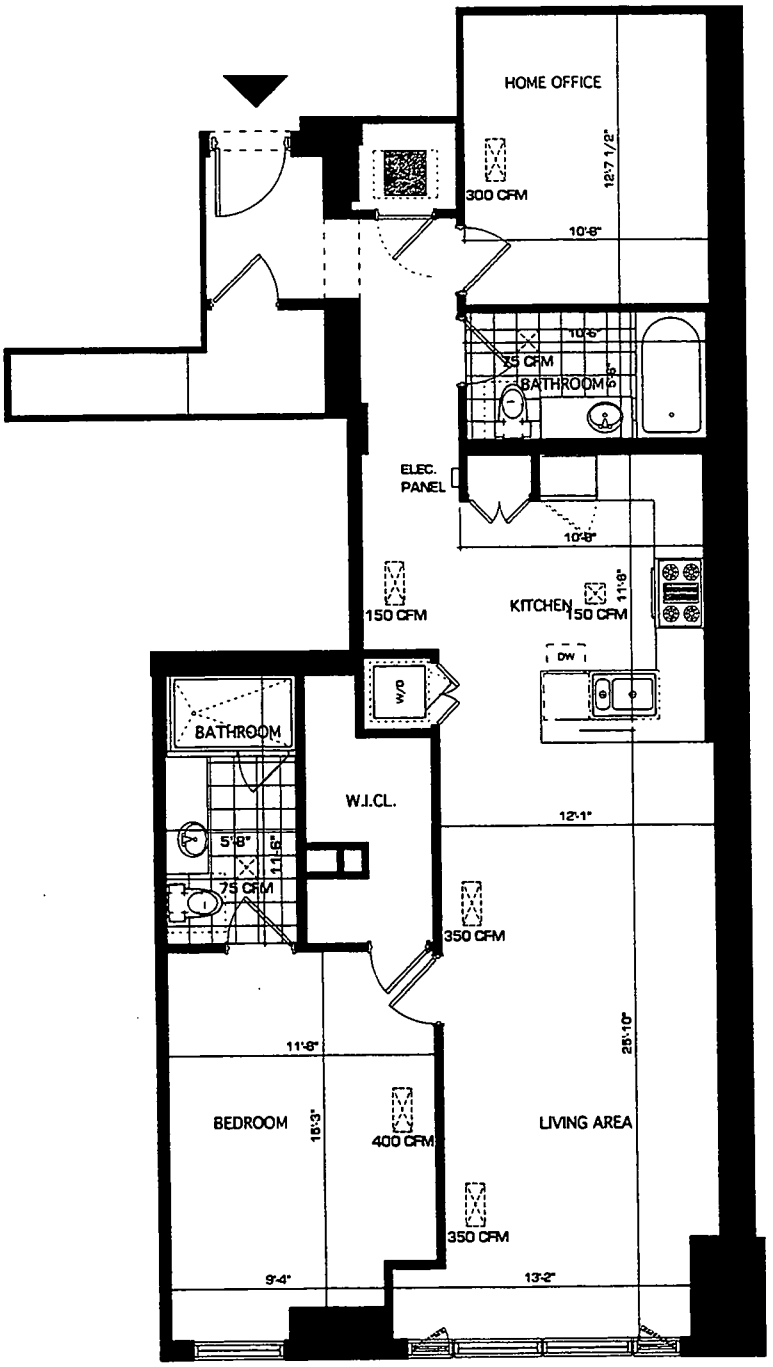
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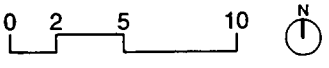
October 5, 2006

257 West 117th Street

RESIDENCE 2A
2nd FLOOR
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1358 SQUARE FEET



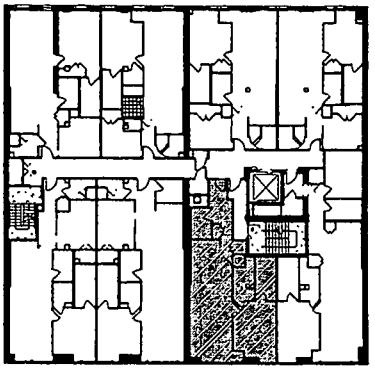




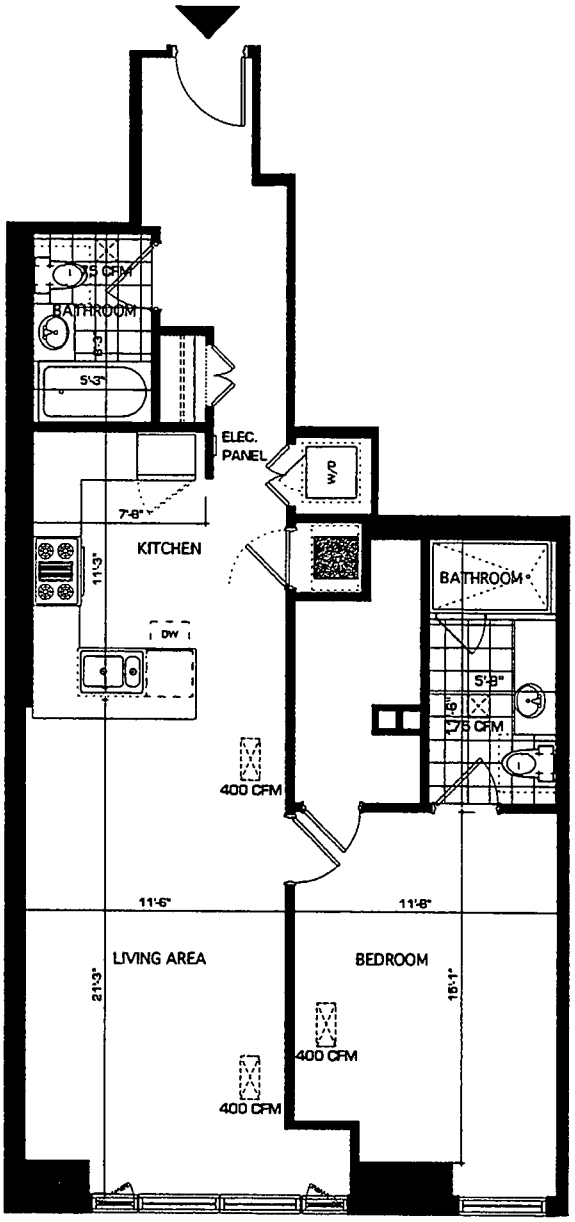
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257 West 117th Street



RESIDENCE 2B
2nd FLOOR
1 BEDROOM
2 BATHROOMS
953 SQUARE FEET



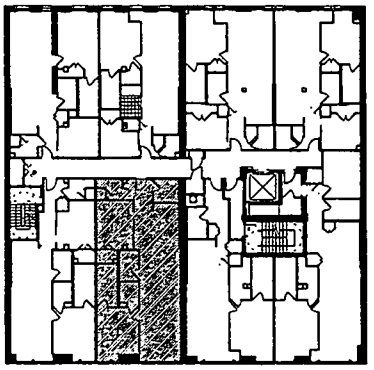
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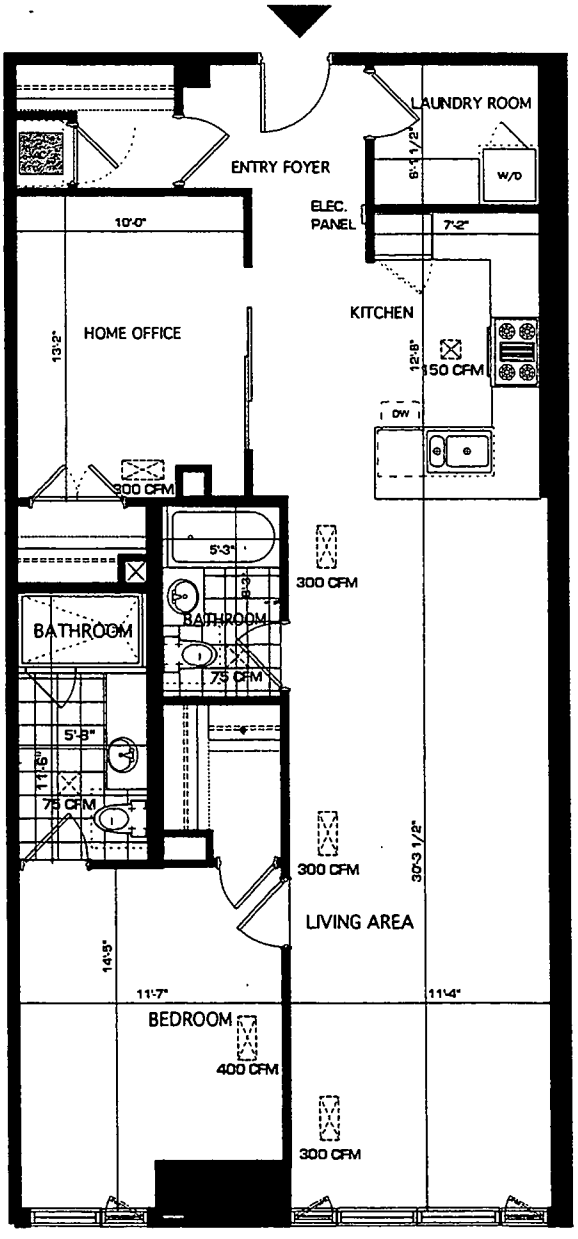
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257 West 117th Street

RESIDENCE 2C
2nd FLOOR
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1223 SQUARE FEET





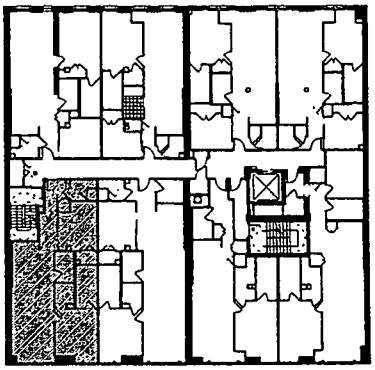
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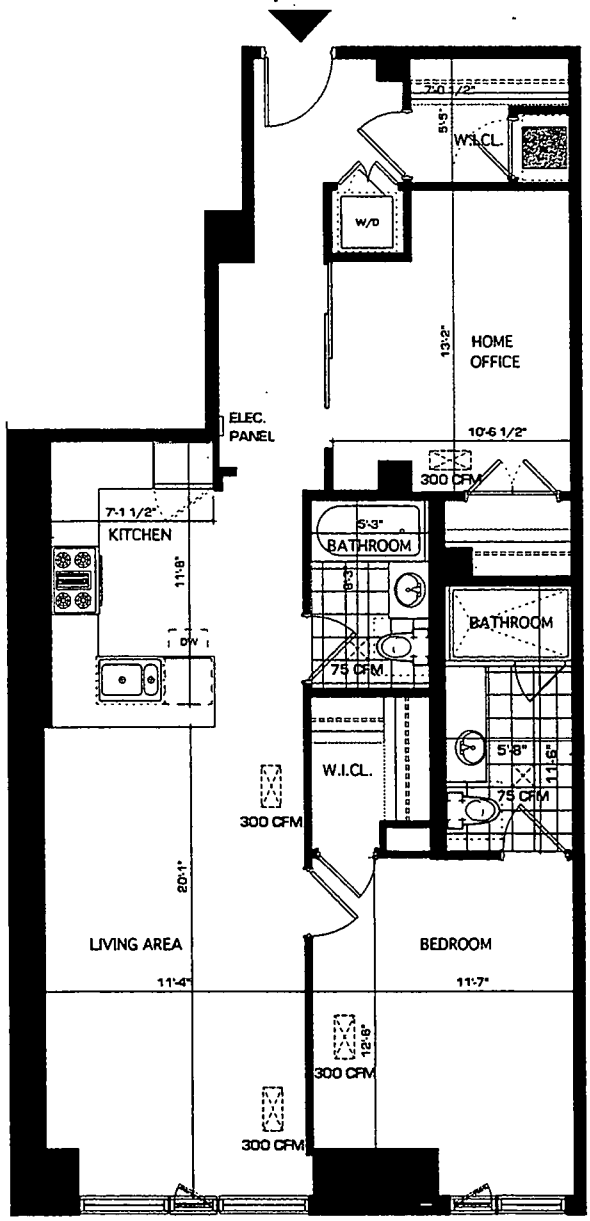
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257 West 117th Street

RESIDENCE 2D
2nd FLOOR
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1098 SQUARE FEET



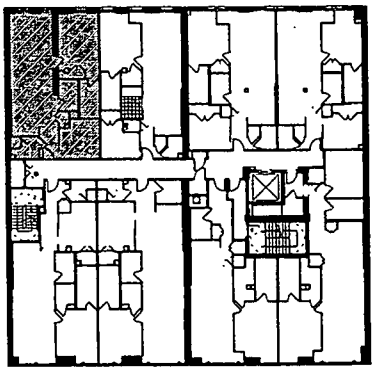


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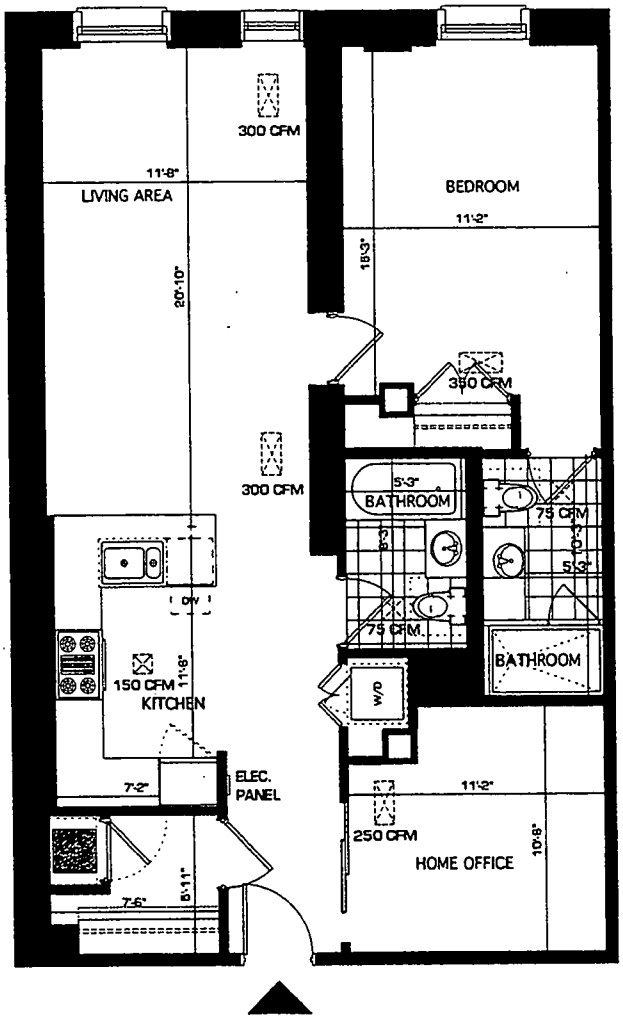
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257 West 117th Street



RESIDENCE 2E
2nd FLOOR
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1072 SQUARE FEET

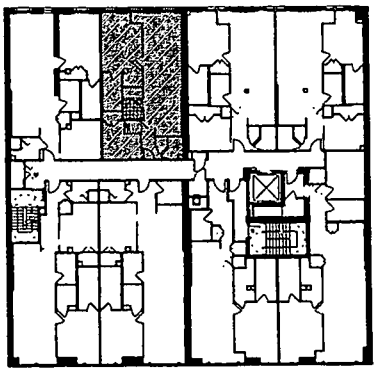


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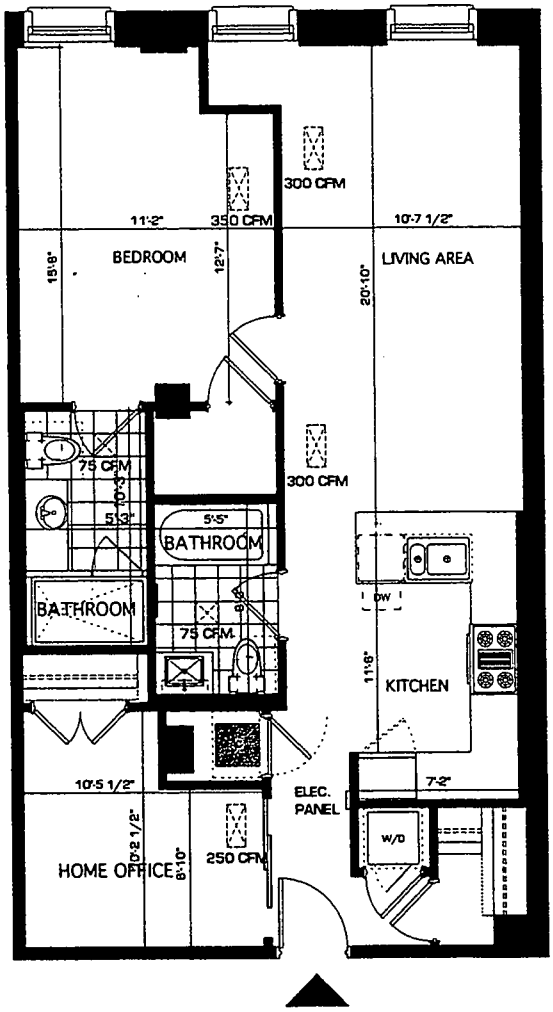
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257 West 117th Street



RESIDENCE 2F
2nd FLOOR
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
952 SQUARE FEET

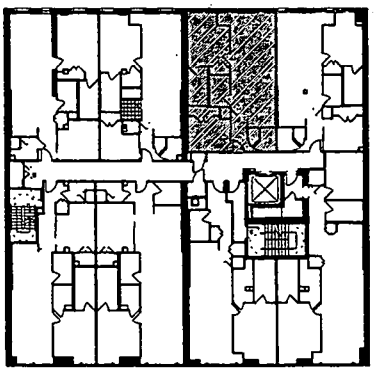


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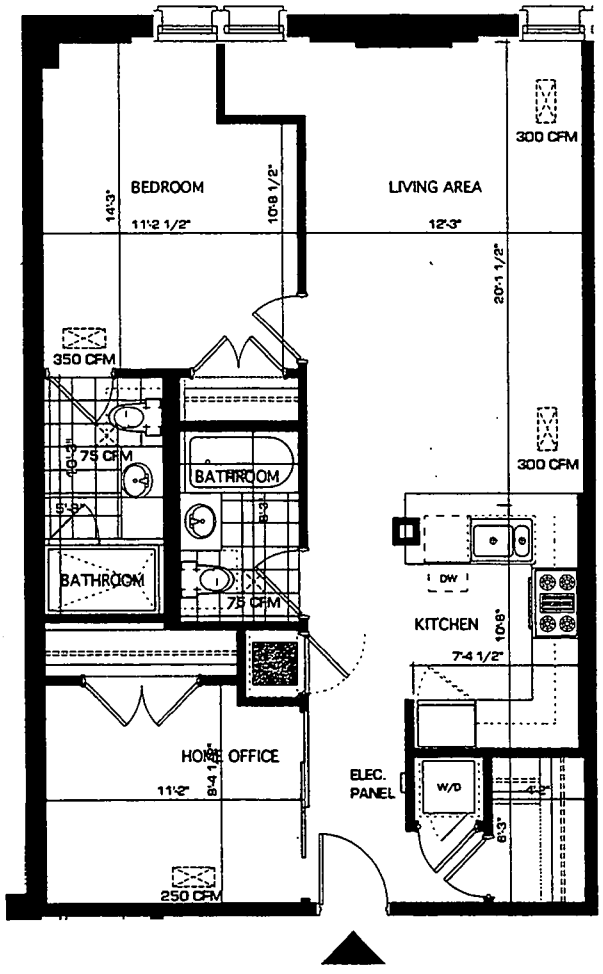
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October 5, 2006

257 West 117th Street



RESIDENCE 2G
2nd FLOOR
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
965 SQUARE FEET



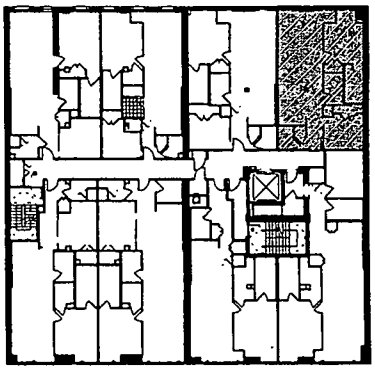
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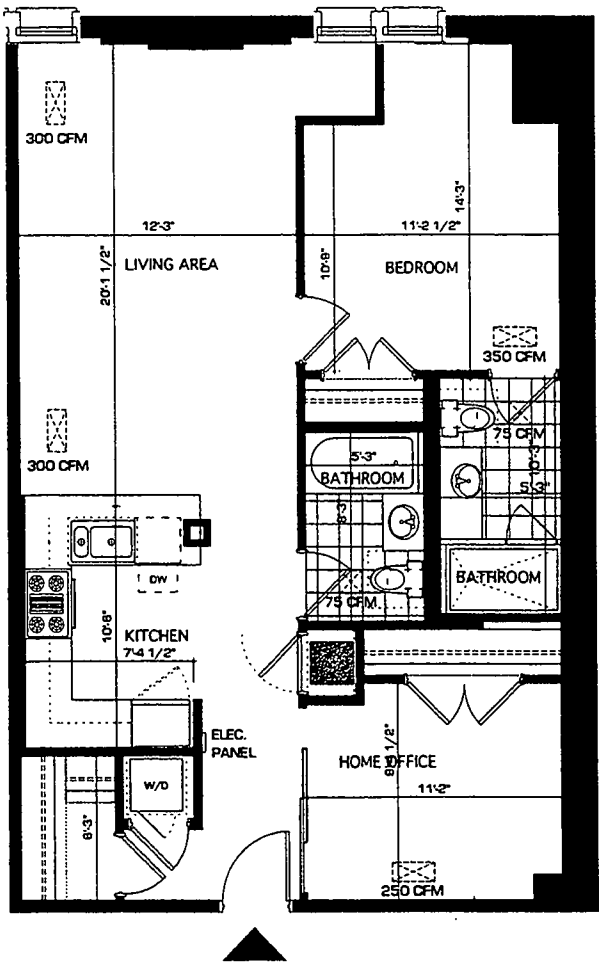
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October 5, 2006

257 West 117th Street

RESIDENCE 2H
2nd FLOOR
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
994 SQUARE FEET





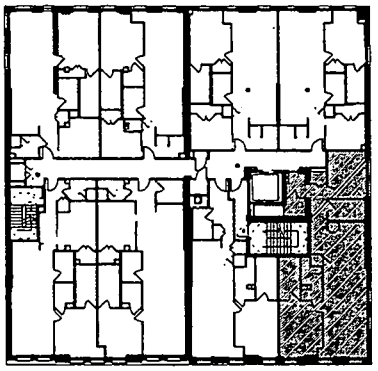
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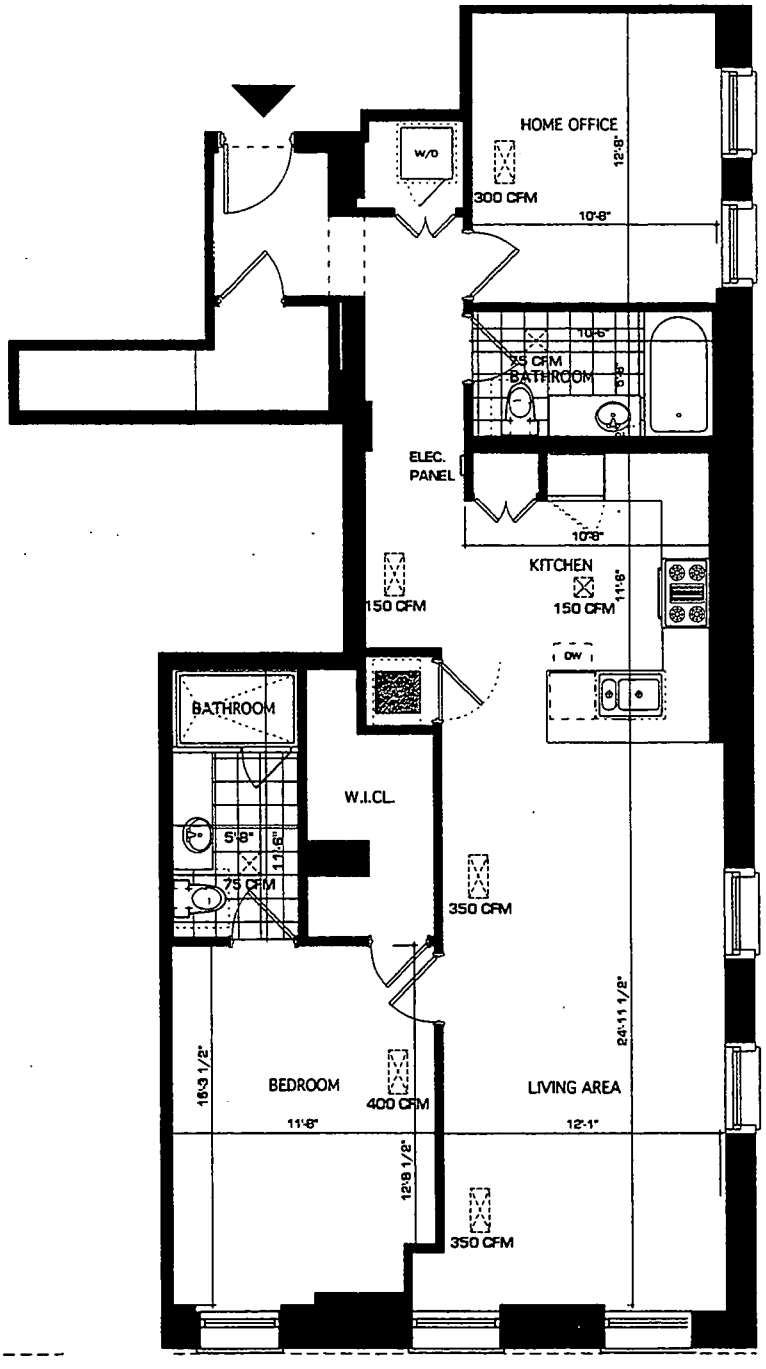
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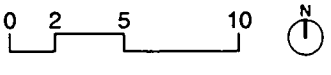
October 5, 2006

257 West 117th Street

RESIDENCE 3-5A
3rd-5th FLOORS
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1351 SQUARE FEET





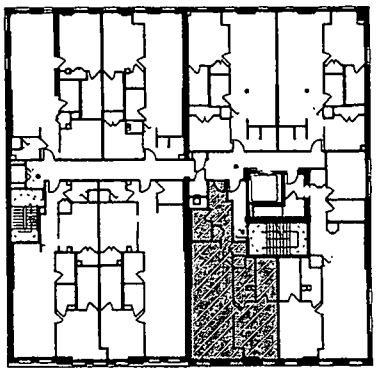


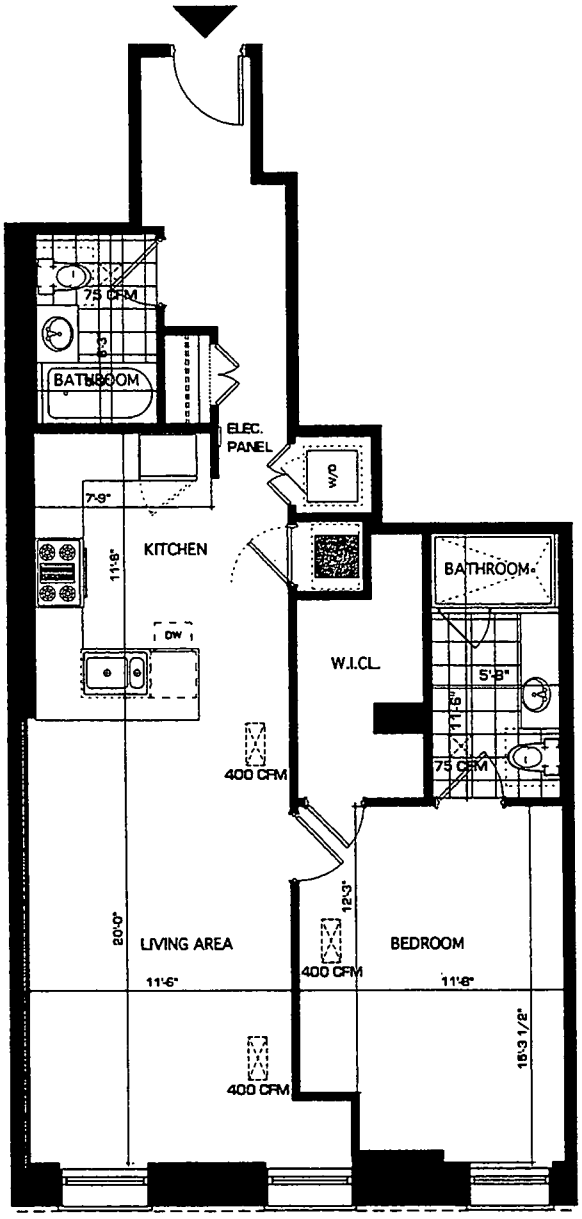
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257 West 117th Street

RESIDENCE 3-5B
3rd-5th FLOORS
1 BEDROOM
2 BATHROOMS
948 SQUARE FEET





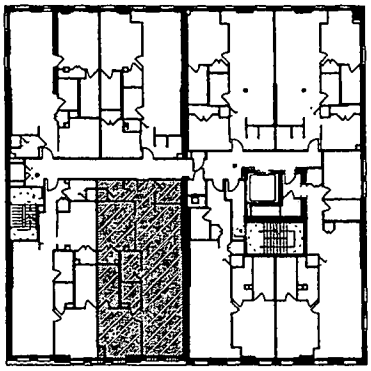
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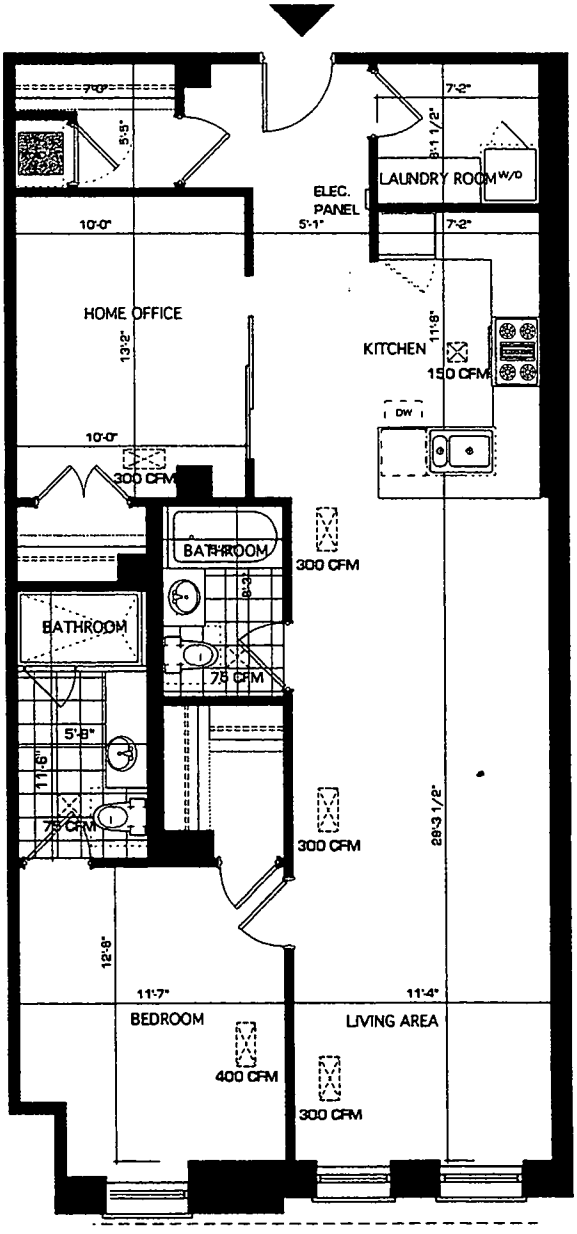
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257 West 117th Street

RESIDENCE 3-5C
3rd-5th FLOORS
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1196 SQUARE FEET



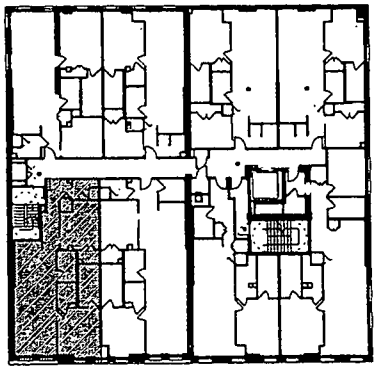


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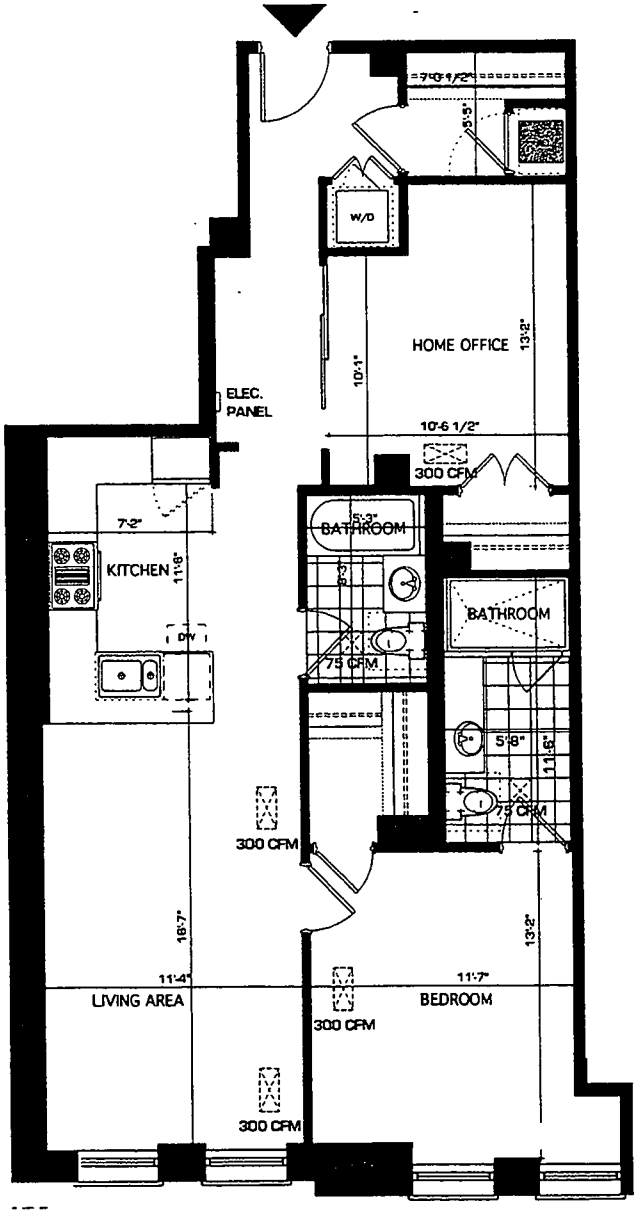
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257 West 117th Street



RESIDENCE 3-5D
3rd-5th FLOORS
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1088 SQUARE FEET



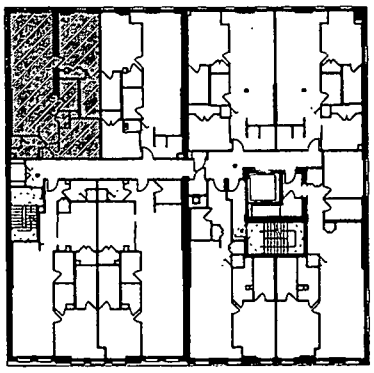
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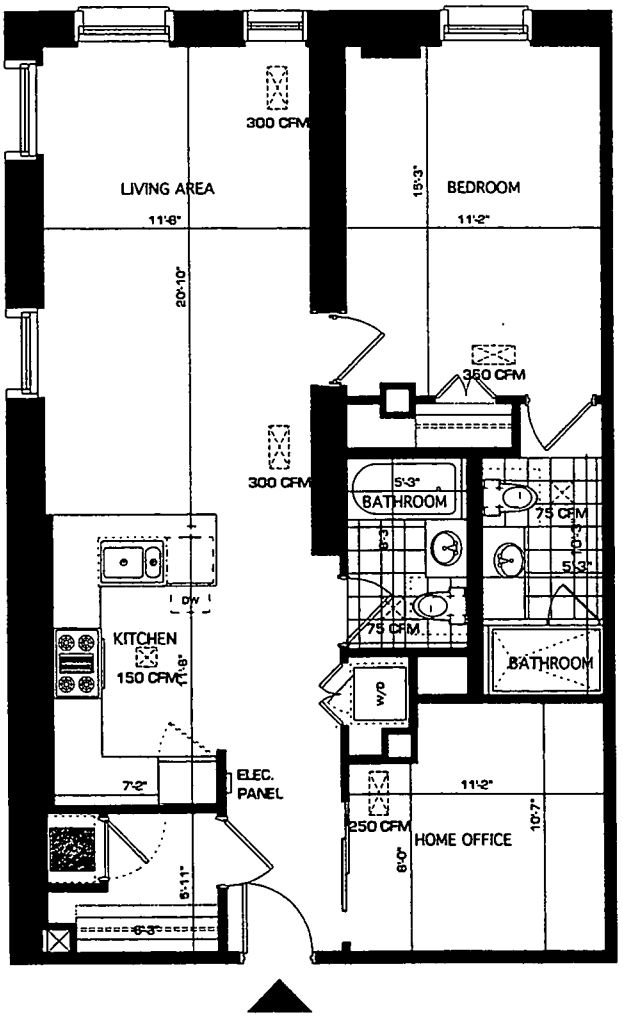
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257 West 117th Street

RESIDENCE 3-5E
3rd-5th FLOORS
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
1072 SQUARE FEET



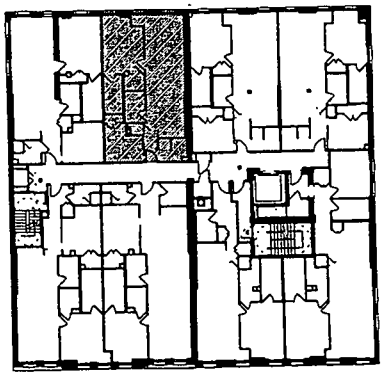


0 2 5 10 N

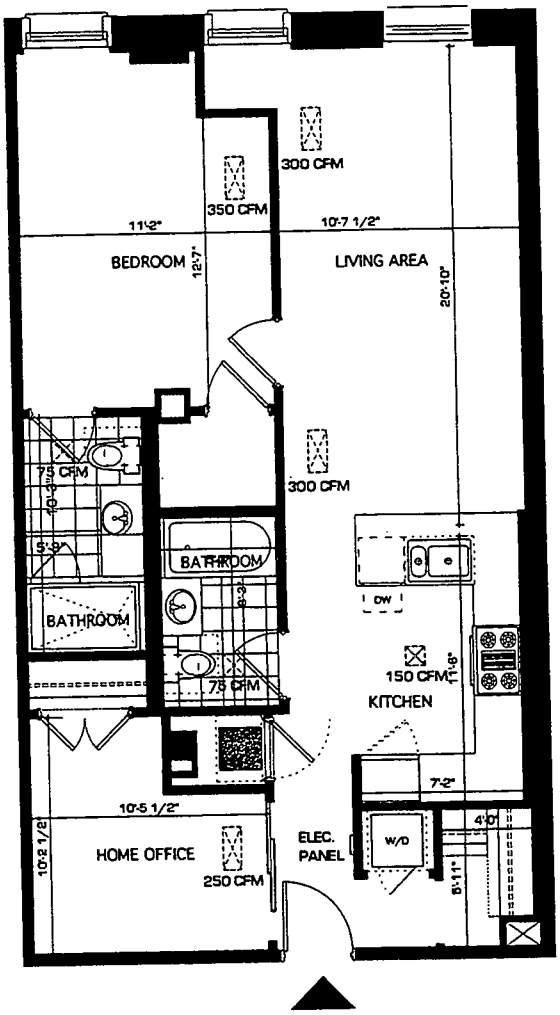
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street



RESIDENCE 3-5F
3rd-5th FLOORS
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
952 SQUARE FEET

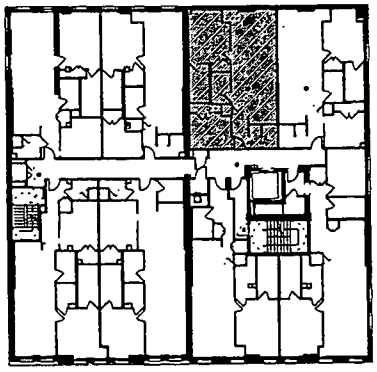


0 2 5 10 N

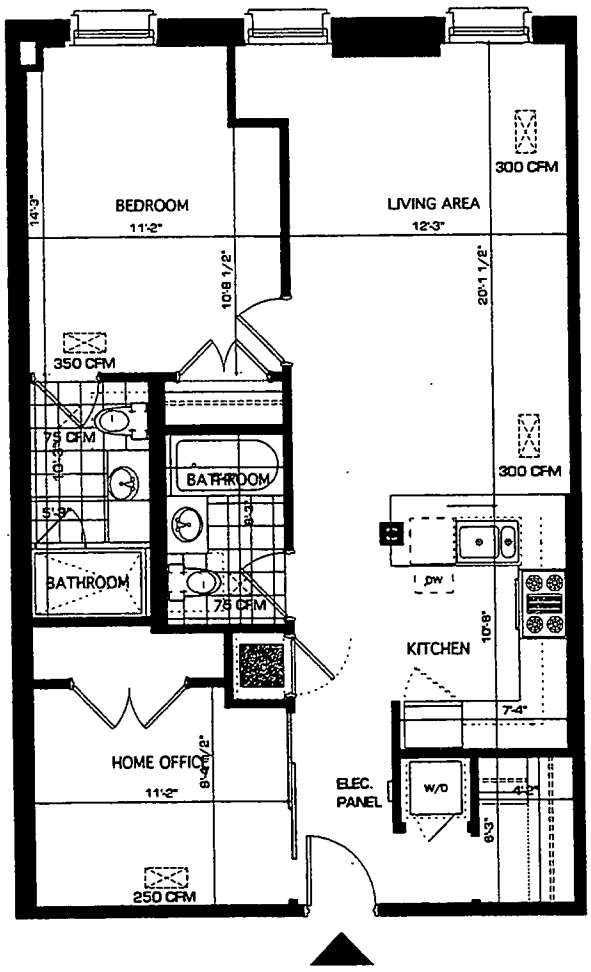
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street



RESIDENCE 3-5G
3rd-5th FLOORS
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
966 SQUARE FEET



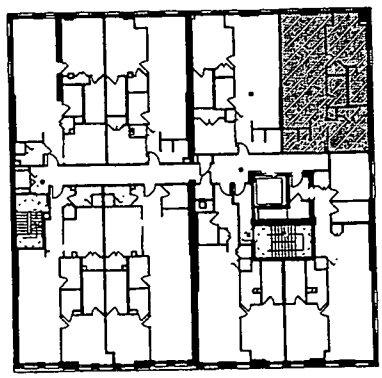
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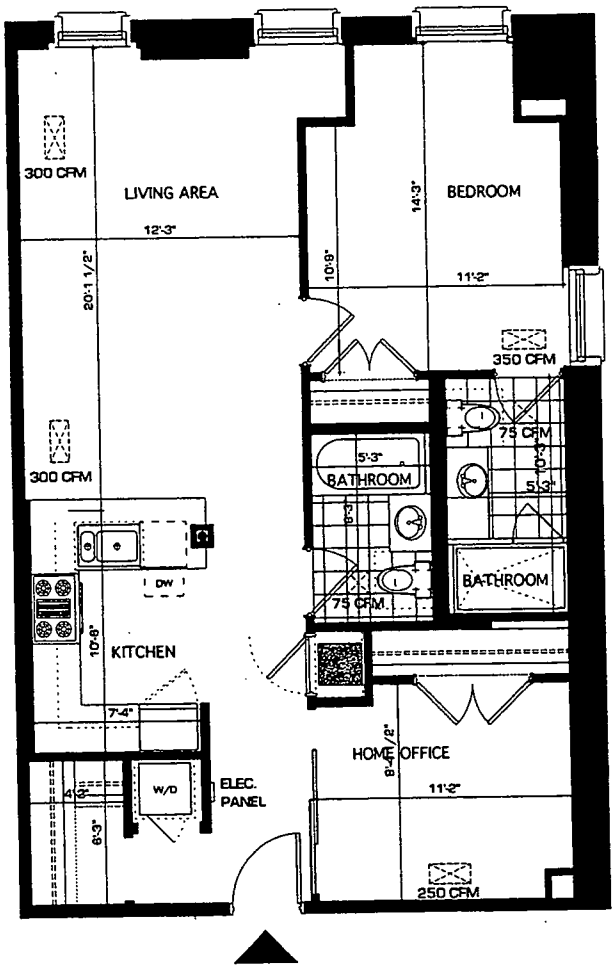
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street

RESIDENCE 3-5H
3rd-5th FLOORS
1 BEDROOM
1 HOME OFFICE
2 BATHROOMS
994 SQUARE FEET





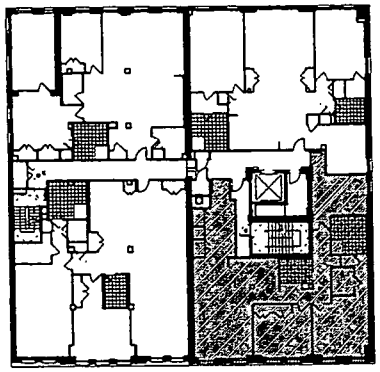
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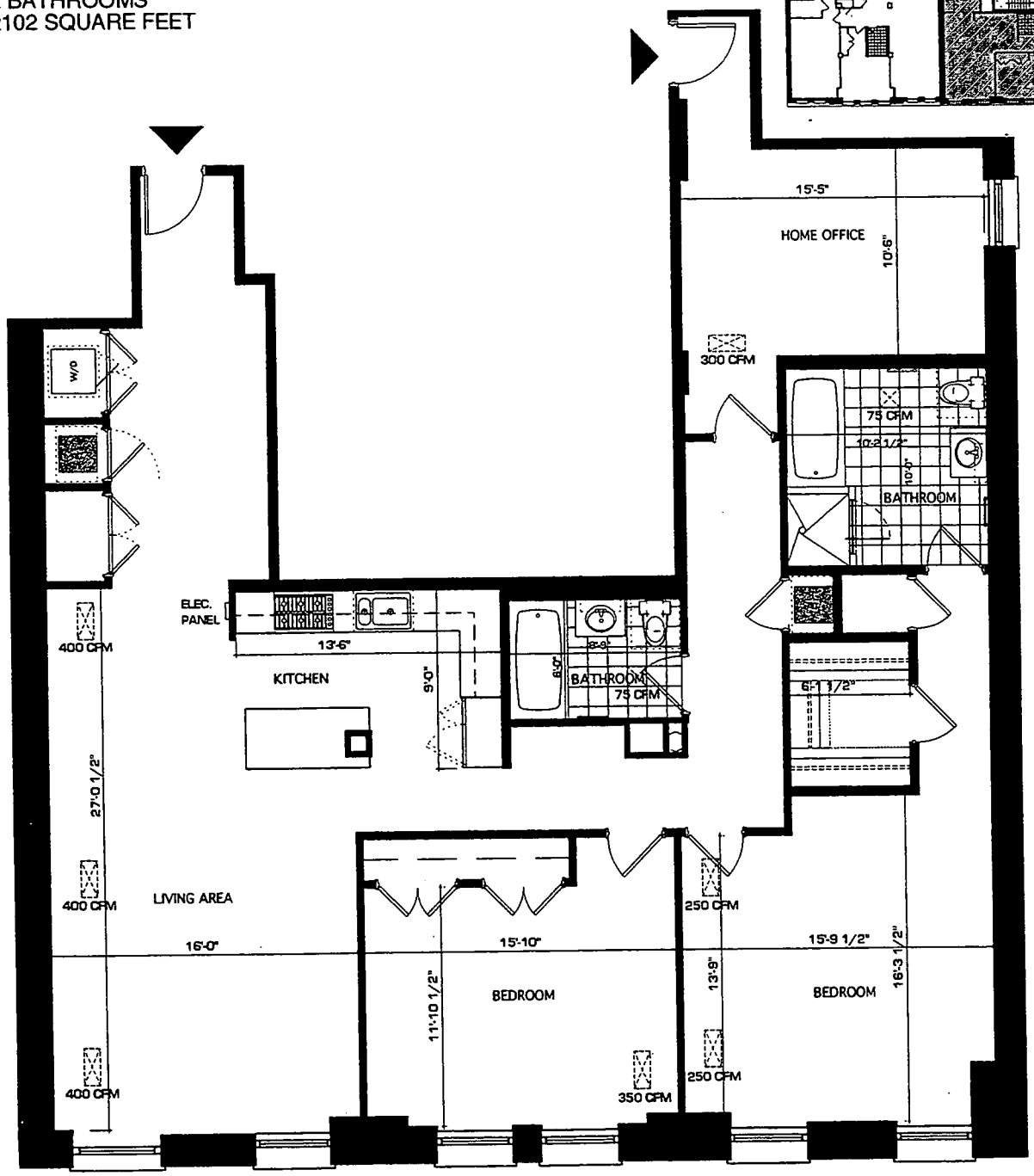
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street

RESIDENCE 6A
6th FLOOR
2 BEDROOM
1 HOME OFFICE
2 BATHROOMS
2102 SQUARE FEET





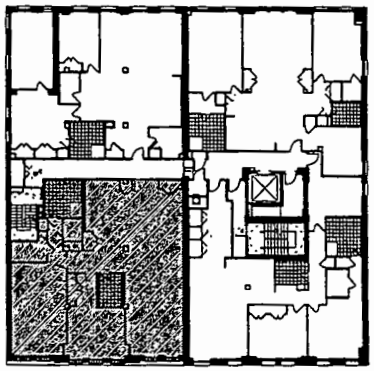
0 2 5 10 N

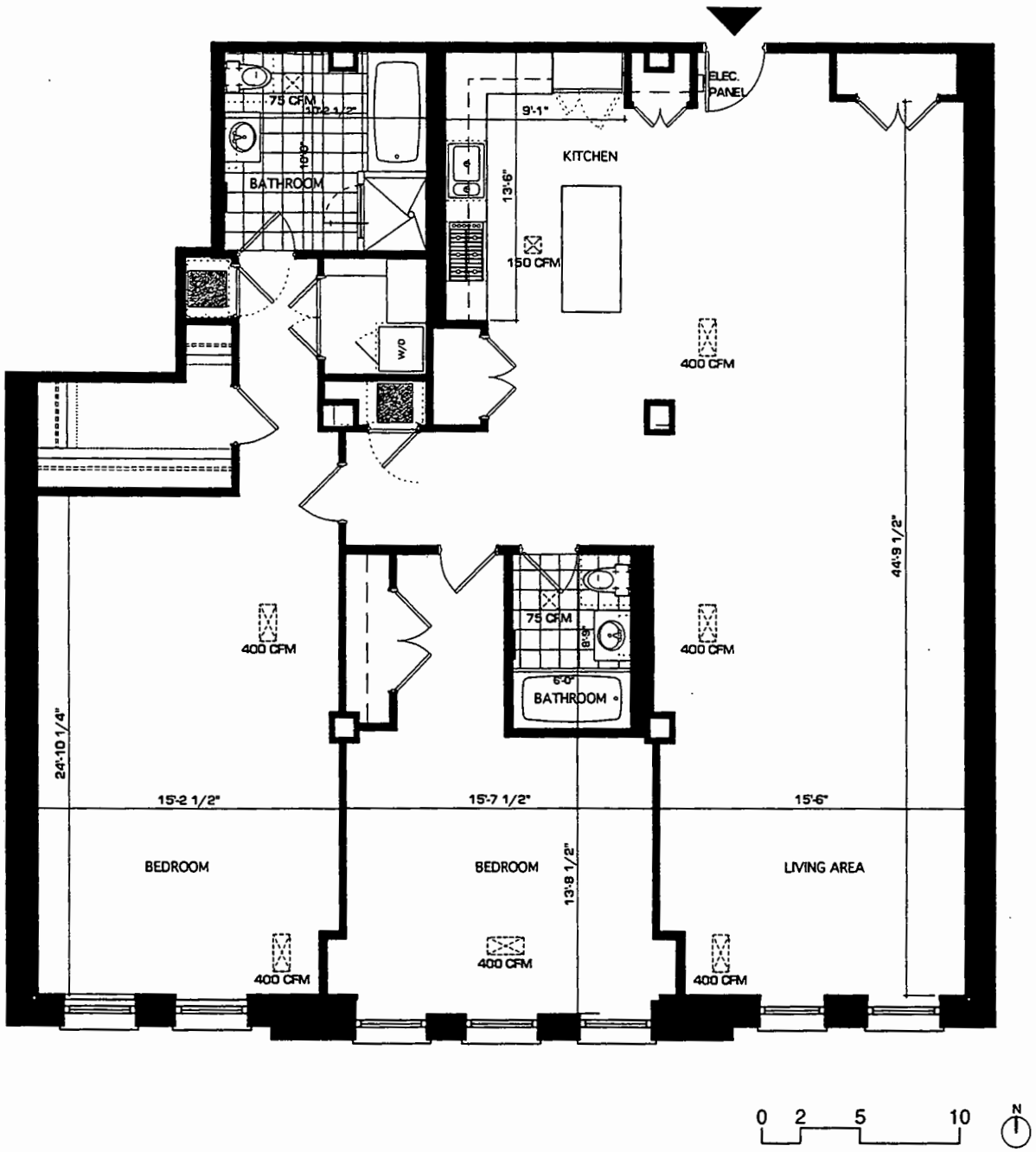
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street

RESIDENCE 6B
6th FLOOR
2 BEDROOM
2 BATHROOMS
2284 SQUARE FEET





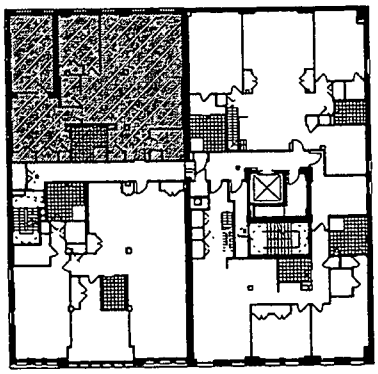
0 2 5 10 N

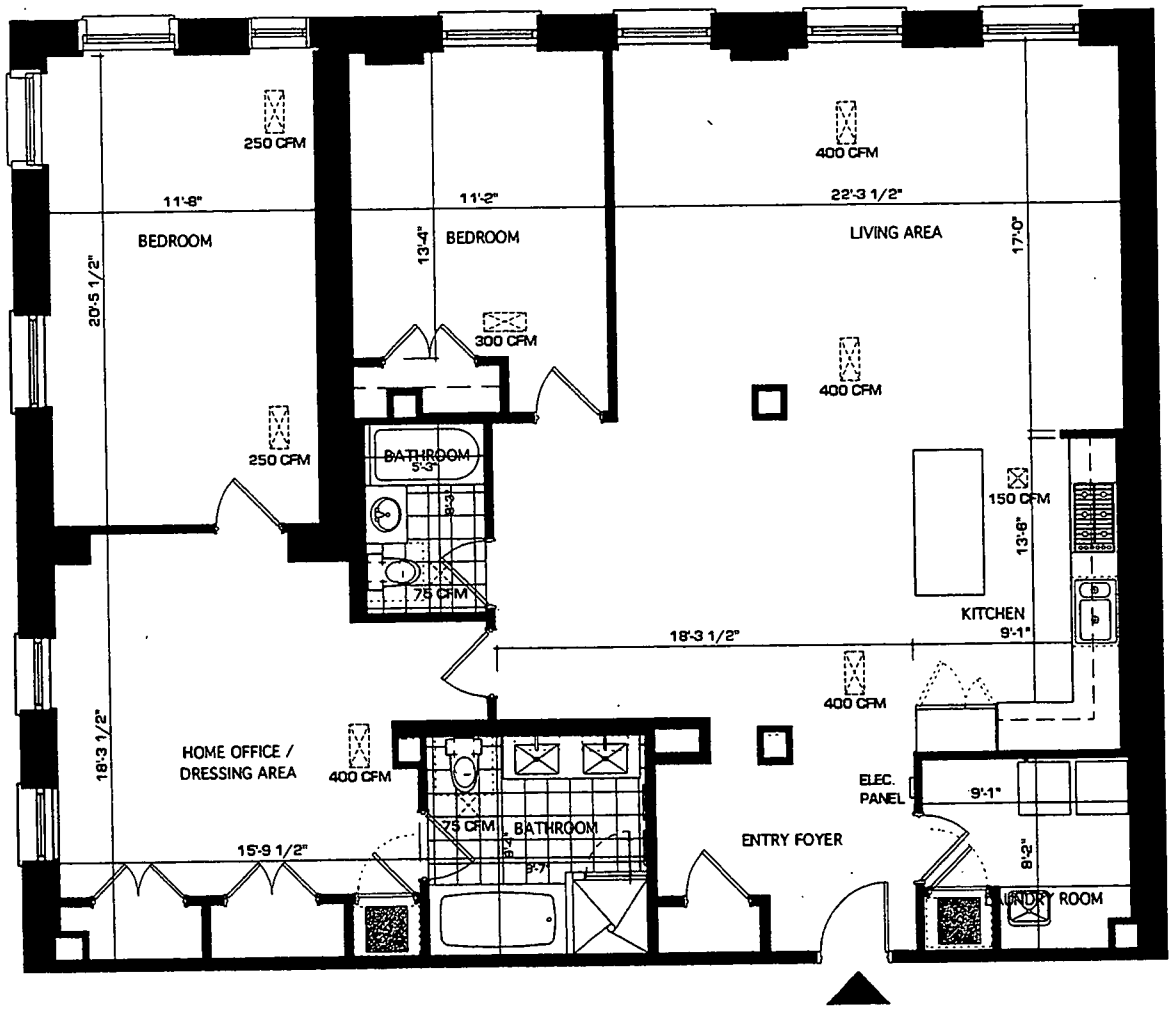
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street

RESIDENCE 6C
6th FLOOR
2 BEDROOM
1 HOME OFFICE/DRESSING AREA
2 BATHROOMS
2025 SQUARE FEET



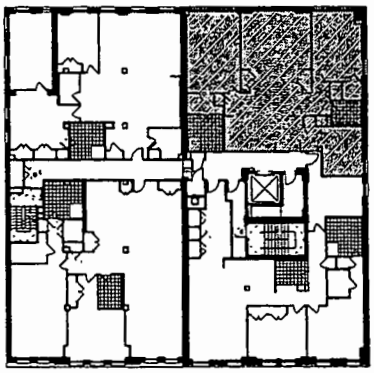


0 2 5 10 N

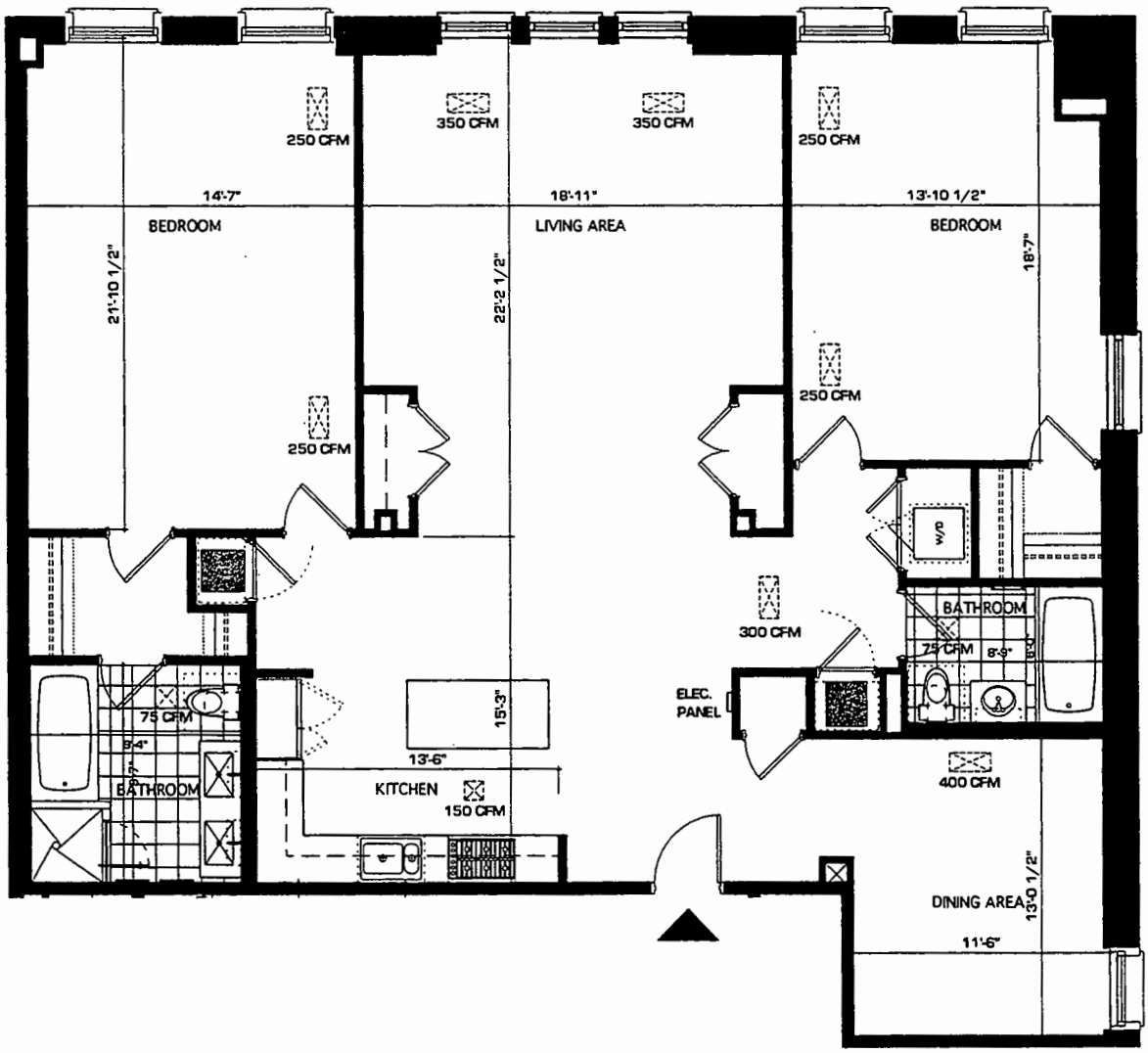
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street



RESIDENCE 6D
6th FLOOR
2 BEDROOM
2 BATHROOMS
2047 SQUARE FEET



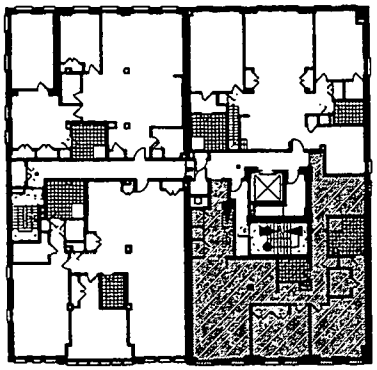
0 2 5 10 N

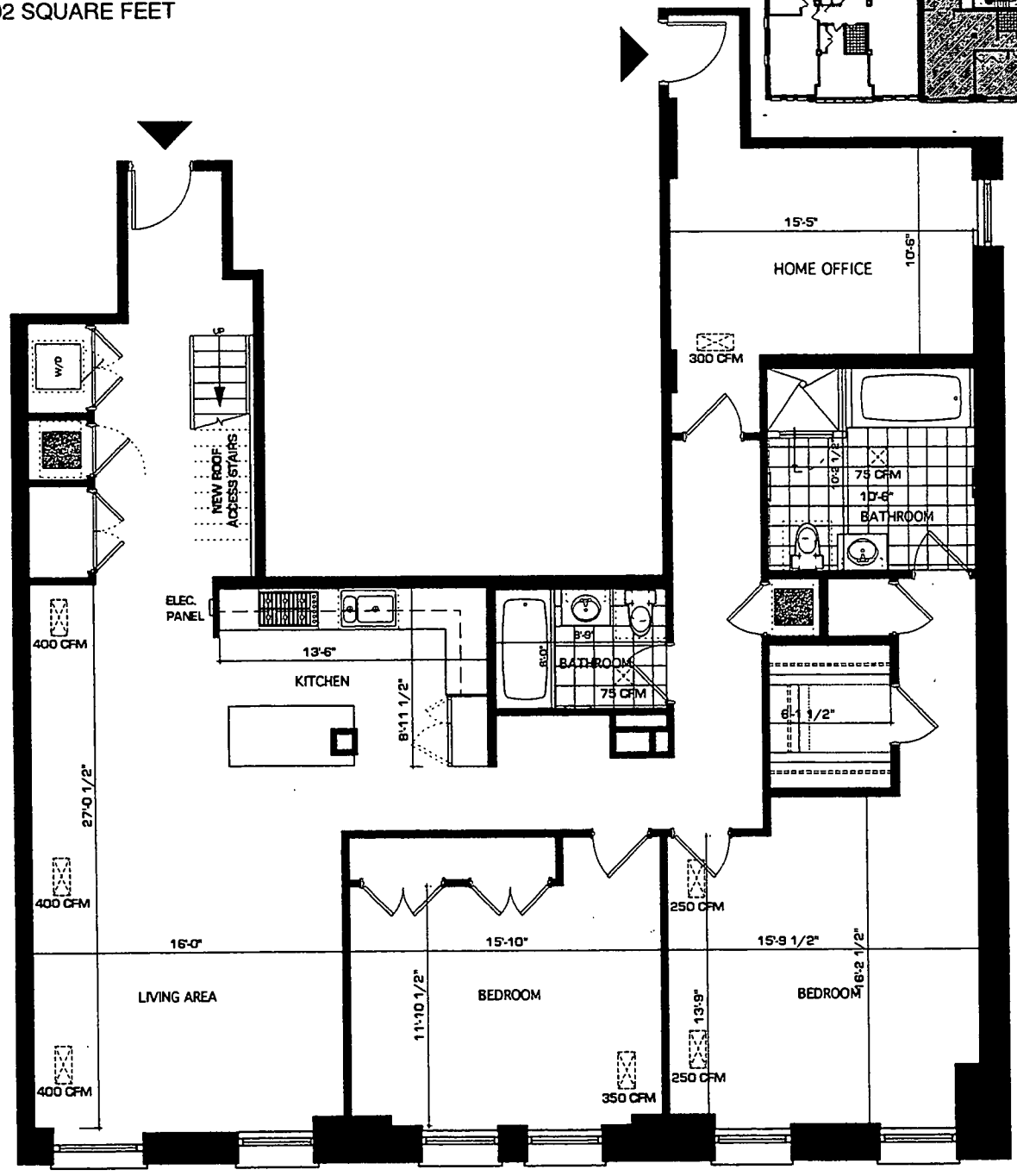
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

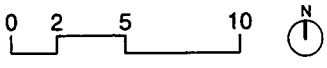
October 5, 2006

257 West 117th Street

RESIDENCE 7A
7th FLOOR, WITH ROOF TERRACE
2 BEDROOM
1 HOME OFFICE
2 BATHROOMS
2102 SQUARE FEET





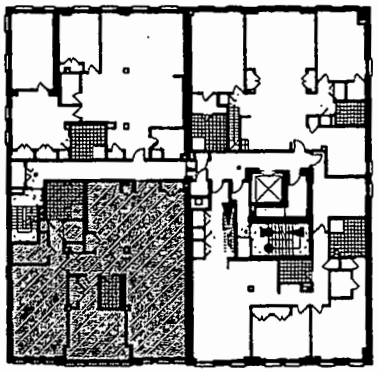


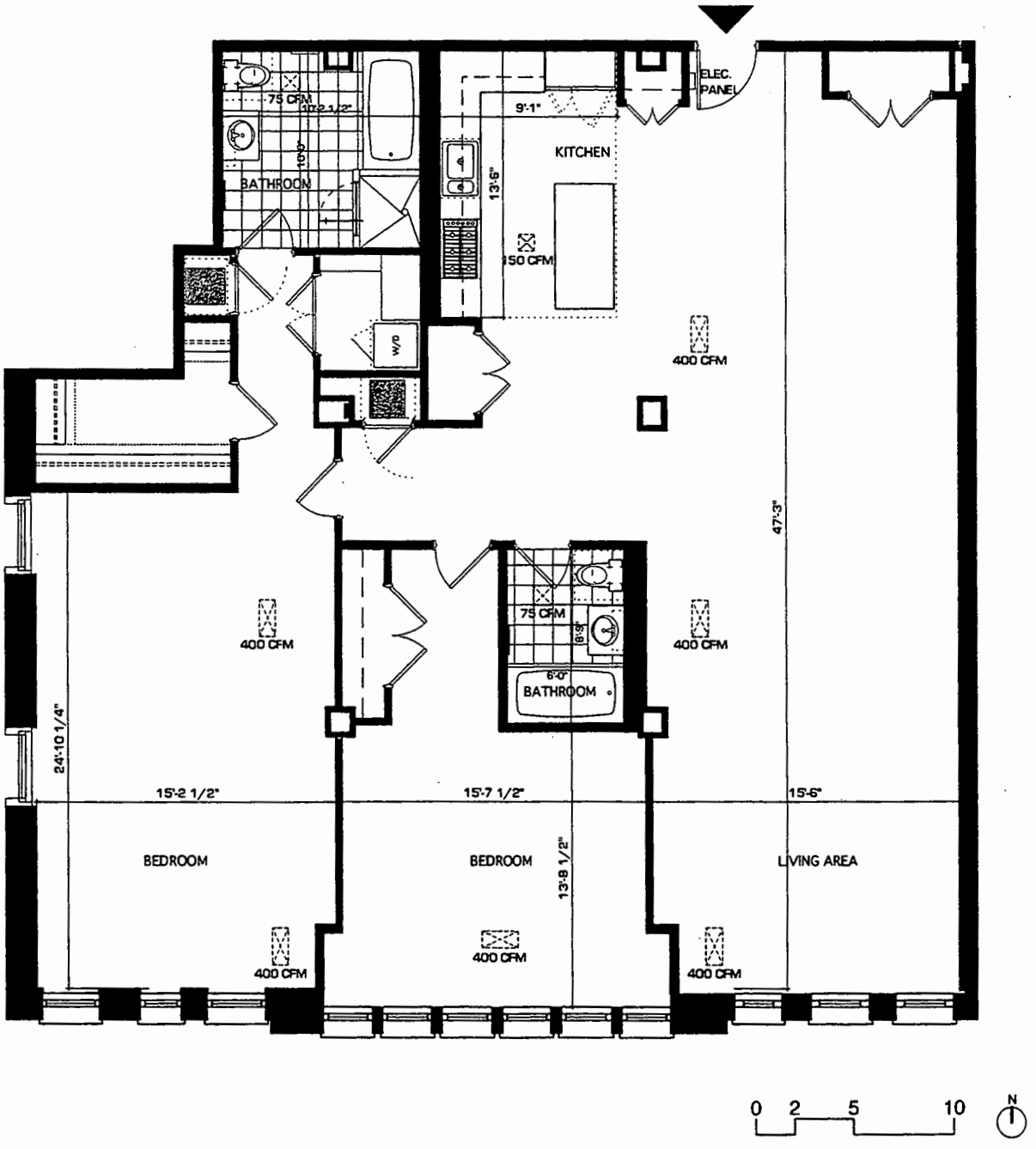
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street

RESIDENCE 7B
7th FLOOR
2 BEDROOM
2 BATHROOMS
2284 SQUARE FEET

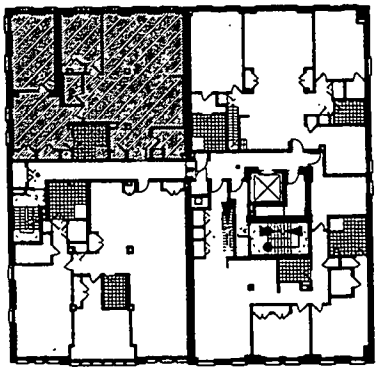




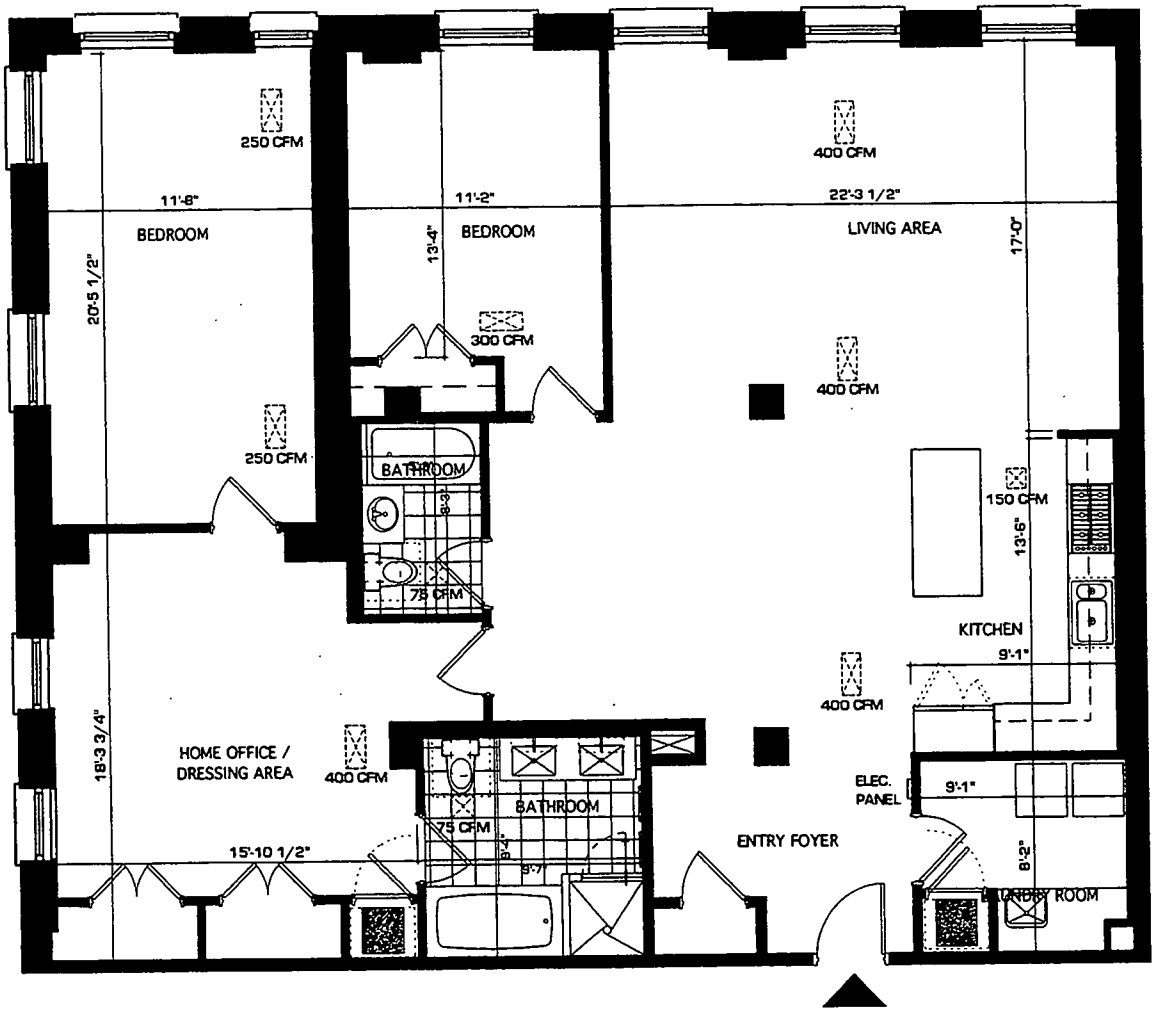
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street



RESIDENCE 7C
7th FLOOR
2 BEDROOM
1 HOME OFFICE/DRESSING AREA
2 BATHROOMS
2025 SQUARE FEET

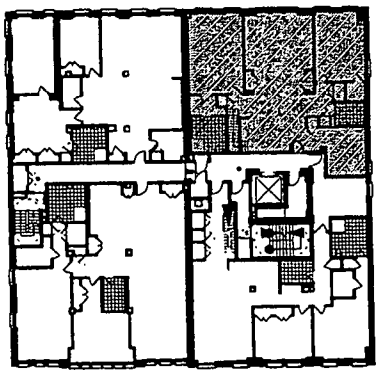


0 2 5 10 N

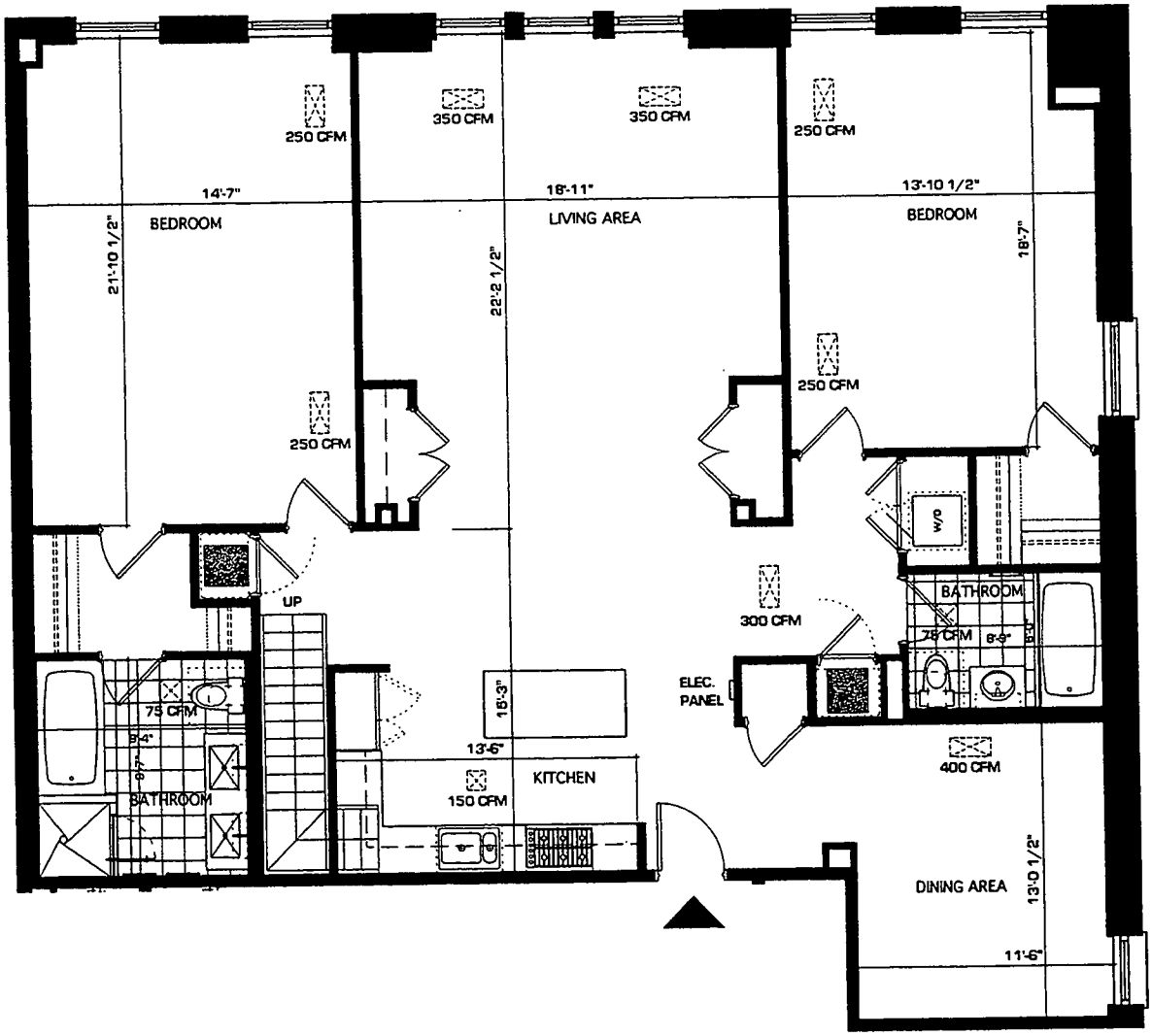
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street



RESIDENCE 7D
7th FLOOR, WITH ROOF TERRACE
2 BEDROOM
2 BATHROOMS
2047 SQUARE FEET

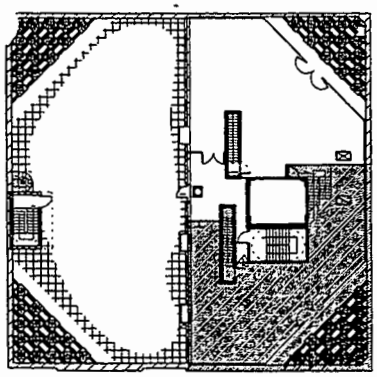


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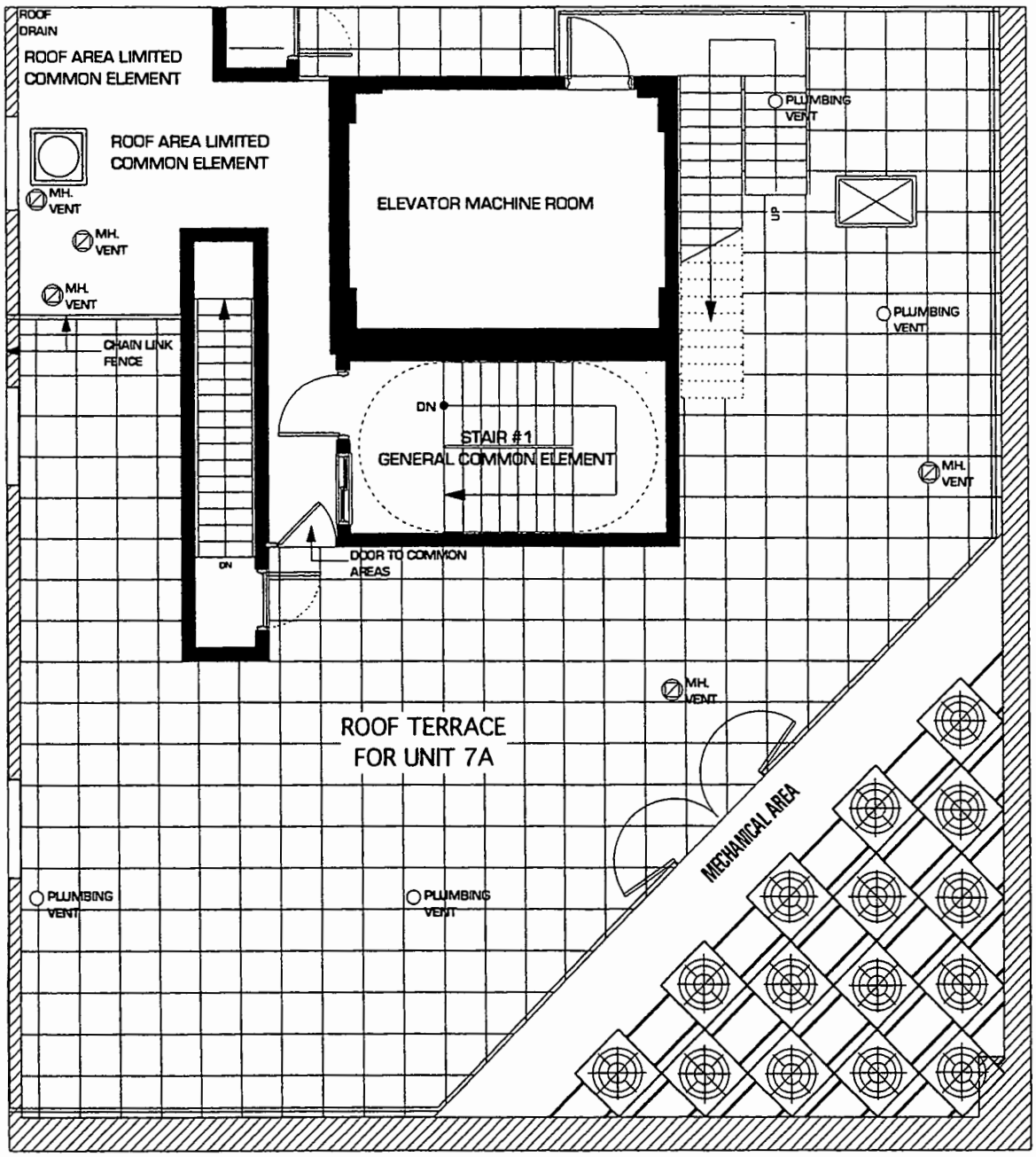
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street



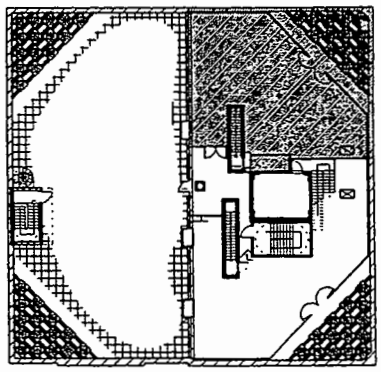
ROOF TERRACE ABOVE 7A
1535 SQFT



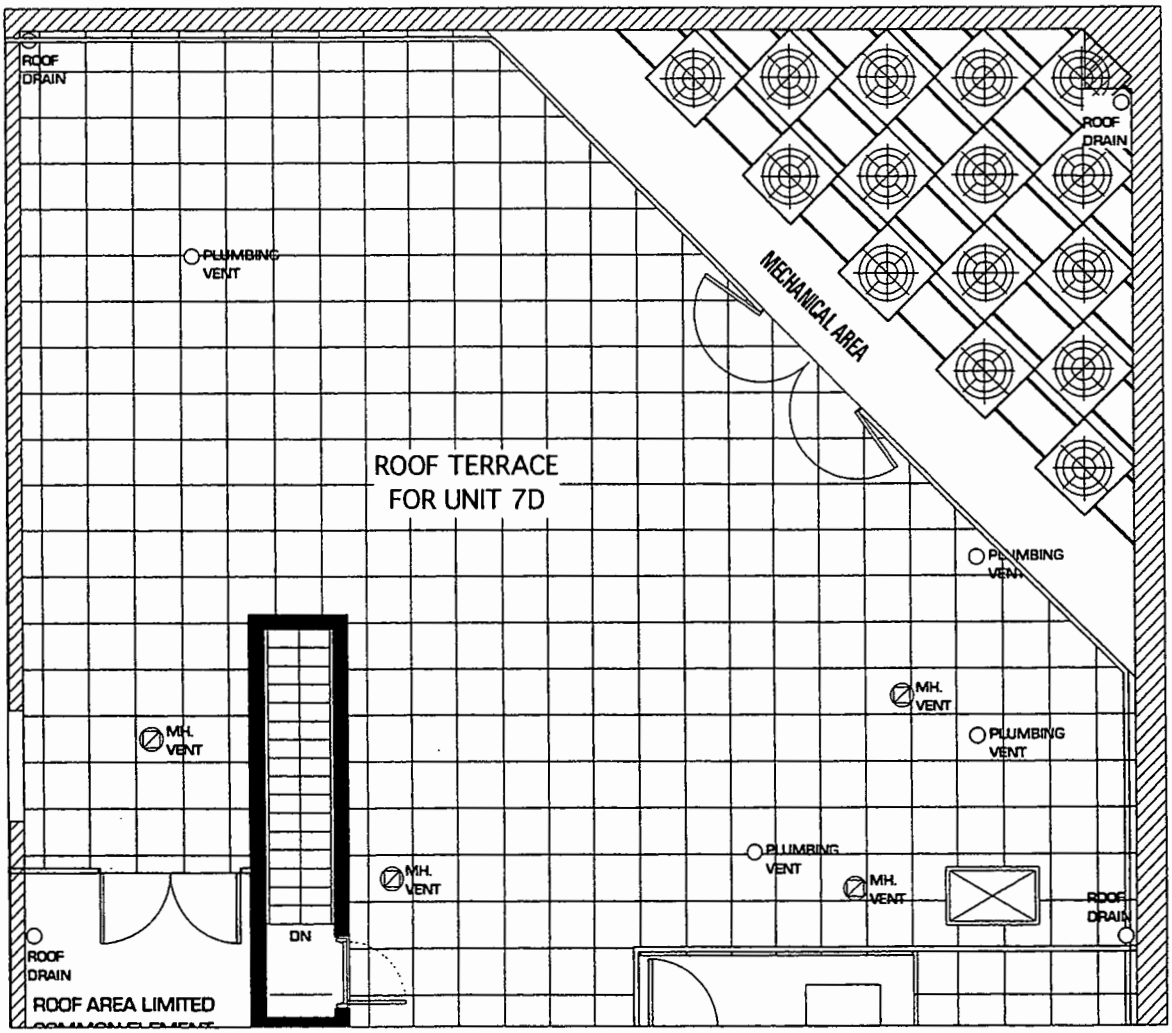
All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

October 5, 2006

257 West 117th Street



ROOF TERRACE ABOVE 7D
1528 SQUARE FEET



0 2 5 10 N

All dimensions on these floor plans are approximate and subject to construction deviations and tolerances. The Sponsor has the right to revise layout and dimensions in accordance with the Offering Plan.

EXHIBIT D

CERTIFICATION OF SPONSOR'S ARCHITECT

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO PART 20 OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Attn.: Investment Protection Bureau

Re: Condominium Offering Plan
The Fitzgerald Condominium
257 West 117th Street, New York, New York

Gentlemen:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction and/or renovation of the property (the "Report"). I visually inspected existing portions of the renovated property on 03 MARCH, 2006 and I examined the building plans and specifications that were prepared by EM Design Group dated 05 OCTOBER, 2006. I prepared the Report dated October 5, 2006, a copy of which is intended to be incorporated into the Offering Plan so that prospective Purchasers may rely on the Report.

I am a registered architect/licensed engineer in the State of New York.

I understand that I am 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 this Report.

I have read the entire Report and have 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. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation and/or construction,

provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(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; and

(vii) does 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.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing the Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property, and it is to be understood that all aspects of the physical condition of the property cannot be determined by a visual inspection, and that all statements contained in this certification are premised on or limited to such visual inspection.

Michael Even, R.A.

Sworn to before me
this 27 day of October, 2006

Notary Public

MICHELLE A MCNALLY
Notary Public - State of New York
NO. 01MC6148724
Qualified in New York County
My Commission Expires 6/26/10

STATE OF NEW YORK
MICHAEL EVEN
018776
REGISTERED ARCHITECT

EXHIBIT E

NEW SCHEDULE A AND NOTES TO SCHEDULE A

SCHEDULE A

FITZGERALD CONDOMINIUM
257 West 117th Street , New York, NY
OFFERING PRICES AND RELATED INFORMATION
July 1, 2007 through June 30, 2008

Unit		SQ. FT Area (Note 1)	SQ. FT Terrace Area (Note 1)	Total No. of Rooms (Note 2)	No. of Bedrooms (Note 2)	No. of Baths (Note 2)	No. of 1/2 Baths (Note 2)	No. of Home Offices (Note 2)	Offering Price (Note 3)	Percentage of Common Interest (Note 4)	Estimated Monthly Common Charges (Note 5)	Estimated Monthly Real Estate Taxes without J-51 (Note 6)	Estimated Monthly Real Estate Taxes with J-51 for Second Year (Note 7)	Estimated Total Monthly Carrying Costs without J-51 (Note 6)
1A	D	1310		4	1	1	1		$805,000.00	2.2095%	$1,222.77	$460.31	$40.40	$1,683.07
1B	R	739		2		1			$0.00	1.2464%	$0.00	$259.67	$22.79	$259.67
1C	D	1323		5	1	1	2		$905,000.00	2.2314%	$1,234.90	$464.87	$40.80	$1,699.78
1D	D/T	1028	125	5	1	2	1		$755,000.00	1.7866%	$988.71	$372.20	$32.67	$1,360.91
1E	D/T	1000	122	5	1	2	1		$705,000.00	1.7381%	$961.88	$362.10	$31.78	$1,323.97
1F	D/T	945	117	5	1	2	1		$765,000.00	1.6432%	$909.37	$342.33	$30.05	$1,251.71
1G	D/T	970	82	5	1	2	1		$805,000.00	1.6706%	$924.54	$348.04	$30.55	$1,272.58
2A		1323		5	1	2		1	$709,000.00	2.2314%	$1,234.90	$464.87	$40.80	$1,699.78
2B		953		4	1	2			$755,000.00	1.6073%	$889.54	$334.86	$29.39	$1,224.40
2C		1223		5	1	2		1	$609,000.00	2.0627%	$1,141.56	$429.74	$37.72	$1,571.30
2D		1098		5	1	2		1	$805,000.00	1.8519%	$1,024.88	$385.81	$33.87	$1,410.70
2E		1072		5	1	2		1	$615,000.00	1.8081%	$1,000.62	$376.68	$33.06	$1,377.29
2F		952		5	1	2		1	$595,000.00	1.6057%	$888.61	$334.51	$29.36	$1,223.12
2G		965		5	1	2		1	$585,000.00	1.6276%	$900.74	$339.08	$29.76	$1,239.82
2H		994		5	1	2		1	$685,000.00	1.6765%	$927.81	$349.27	$30.66	$1,277.08
3A		1318		5	1	2		1	$719,000.00	2.2230%	$1,230.23	$463.12	$40.65	$1,693.35
3B		948		4	1	2			$765,000.00	1.5989%	$884.87	$333.11	$29.24	$1,217.98
3C		1079		5	1	2		1	$619,000.00	1.8199%	$1,007.15	$379.14	$33.28	$1,386.29
3D		1205		5	1	2		1	$815,000.00	2.0324%	$1,124.76	$423.41	$37.17	$1,548.17
3E		1072		5	1	2		1	$625,000.00	1.8081%	$1,000.62	$376.68	$33.06	$1,377.29
3F		952		5	1	2		1	$605,000.00	1.6057%	$888.61	$334.51	$29.36	$1,223.12
3G		966		5	1	2		1	$595,000.00	1.6293%	$901.67	$339.43	$29.79	$1,241.11
3H		994		5	1	2		1	$695,000.00	1.6765%	$927.81	$349.27	$30.66	$1,277.08

The following symbols were used in this Schedule:
"D" denotes Duplex
"R" denotes Resident Manager's Unit
"T" denotes private Terrace

The accompanying notes should be read in conjunction with this Schedule.

SCHEDULE A

FITZGERALD CONDOMINIUM
257 West 117th Street , New York, NY
OFFERING PRICES AND RELATED INFORMATION
July 1, 2007 through June 30, 2008

Unit	SQ. FT Area (Note 1)	SQ. FT Terrace Area (Note 1)	Total No. of Rooms (Note 2)	No. of Bedrooms (Note 2)	No. of Baths (Note 2)	No. of 1/2 Baths (Note 2)	No. of Home Offices (Note 2)	Offering Price (Note 3)	Percentage of Common Interest (Note 4)	Estimated Monthly Common Charges (Note 5)	Estimated Monthly Real Estate Taxes without J-51 (Note 6)	Estimated Monthly Real Estate Taxes with J-51 for Second Year (Note 7)	Estimated Total Monthly Carrying Costs without J-51 (Note 6)
4A	1318		5	1	2		1	$729,000.00	2.2230%	$1,230.23	$463.12	$40.65	$1,693.35
4B	948		4	1	2			$775,000.00	1.5989%	$884.87	$333.11	$29.24	$1,217.98
4C	1079		5	1	2		1	$629,000.00	1.8199%	$1,007.15	$379.14	$33.28	$1,386.29
4D	1205		5	1	2		1	$825,000.00	2.0324%	$1,124.76	$423.41	$37.17	$1,548.17
4E	1072		5	1	2		1	$635,000.00	1.8081%	$1,000.62	$376.68	$33.06	$1,377.29
4F	952		5	1	2		1	$615,000.00	1.6057%	$888.61	$334.51	$29.36	$1,223.12
4G	966		5	1	2		1	$605,000.00	1.6293%	$901.67	$339.43	$29.79	$1,241.11
4H	994		5	1	2		1	$705,000.00	1.6765%	$927.81	$349.27	$30.66	$1,277.08
5A	1318		5	1	2		1	$739,000.00	2.2230%	$1,230.23	$463.12	$40.65	$1,693.35
5B	948		4	1	2			$785,000.00	1.5989%	$884.87	$333.11	$29.24	$1,217.98
5C	1079		5	1	2		1	$639,000.00	1.8199%	$1,007.15	$379.14	$33.28	$1,386.29
5D	1205		5	1	2		1	$835,000.00	2.0324%	$1,124.76	$423.41	$37.17	$1,548.17
5E	1072		5	1	2		1	$645,000.00	1.8081%	$1,000.62	$376.68	$33.06	$1,377.29
5F	952		5	1	2		1	$625,000.00	1.6057%	$888.61	$334.51	$29.36	$1,223.12
5G	966		5	1	2		1	$615,000.00	1.6293%	$901.67	$339.43	$29.79	$1,241.11
5H	994		5	1	2		1	$715,000.00	1.6765%	$927.81	$349.27	$30.66	$1,277.08
6A	2102		6	2	2		1	$1,415,000.00	3.5453%	$1,962.03	$738.60	$64.83	$2,700.63
6B	2284		5	2	2			$1,395,000.00	3.8522%	$2,131.91	$802.55	$70.44	$2,934.46
6C	2025		6	2	2		1	$1,305,000.00	3.4154%	$1,890.16	$711.54	$62.46	$2,601.70
6D	2047		5	2	2			$1,305,000.00	3.4525%	$1,910.69	$719.27	$63.13	$2,629.96
7A T	2102	1535	6	2	2		1	$1,765,000.00	4.1925%	$2,320.22	$873.44	$76.67	$3,193.66
7B	2284		5	2	2			$1,595,000.00	3.8522%	$2,131.91	$802.55	$70.44	$2,934.46
7C	2025		6	2	2		1	$1,505,000.00	3.4154%	$1,890.16	$711.54	$62.46	$2,601.70
7D T	2047	1528	5	2	2			$1,715,000.00	4.0968%	$2,267.25	$853.50	$74.92	$3,120.75
Totals	**58413**	**3509**	**231**	**53**	**91**	**7**	**32**	**$38,652,000.00**	**100.0000%**	**$54,652.33**	**$20,833**	**$1,828.67**	**$75,485.67**

The following symbols were used in this Schedule:
"D" denotes Duplex
"R" denotes Resident Manager's Unit
"T" denotes private Terrace

The accompanying notes should be read in conjunction with this Schedule.

NOTES TO SCHEDULE A

NOTE 1: Reference is made to the Floor Plans which are included in Exhibit B of the Second Amendment to the Plan and in Exhibit B to the Declaration. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. The actual layout of a Unit may have been altered. However, any material change will be set forth in an amendment to the Plan, and no material adverse change will be made in the size, configuration, or layout of a Unit for which a Purchase Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Purchase Agreements and receive a refund of their Deposit, together with all interest earned thereon as their sole and exclusive remedy. Each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. The square footage indicated on Schedule A was based on plans drawn by EM Design Group, Sponsor's Architect.

The square foot area of the Residential Units set forth in the Floor Plans were obtained by using the method customarily used in New York City to measure apartments. The Units were measured from the exterior side of the exterior walls (perimeter steel columns and perimeter mechanical pipes are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the exterior side of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements. As is customary in New York City, these square foot areas exceed the useable floor area of each Unit. The square footage of any terraces to which any Units have access is not included in the area calculation for such Unit.

NOTE 2: The number of rooms, bedrooms and bathrooms in each Unit is computed in accordance with the method of residential room count recommended by the Real Estate Board of New York, Inc.

NOTE 3: Sponsor has reserved the right to change the Purchase Prices (as well as other terms of sale of Units not subject to executed Purchase Agreements), so Purchasers may pay different prices for similar Units. See "Changes in Prices and Units" below for further discussion. In addition to paying the Purchase Price of their Units, Purchasers will be responsible for paying certain closing adjustments and closing costs. See "Unit Closing Costs and Adjustments" below for further discussion.

NOTE 4: The percentage interest of each Unit has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and have been allocated based upon factors such as floor space, location in the Building and additional factors of relative value to other Units in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the Unit. The aggregate Common Interests of all of the Units equal one hundred percent.

NOTE 5: The projections for annual and monthly Common Charges has been based upon the projections contained in "Schedule B - Projected Budget for First Year of Condominium Operation" below on the assumption that the first year of condominium operation will be from July 1, 2007 through June 30, 2008. The actual first year of operation may be earlier or later.

In addition to the payment of Common Charges, each Unit Owner will incur additional expenses for: (a) mortgage payments under any loan or loans obtained to finance the purchase of the Unit; (b) the cost of electricity and gas supplied to the Unit, which will be separately submetered and payable as and when billed; (c) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit, including, without limitation, the equipment and appliances contained in the same, and any appurtenant Limited Common Elements; (d) the cost of any insurance that the Unit Owner may desire to carry covering the furniture, belongings, equipment and other personal property in the Unit, as well as his or her liability to others for personal injury or property damage as a result of occurrences in the Unit; (e) telephone and cable television charges; and (f) real estate taxes (see Note 6 below).

All Purchasers of Units, except for the Sponsor, shall pay to the Condominium at Closing a sum equal to two (2) months' Common Charges for the Unit subject of such Closing, as a contribution to the Condominium's Working Capital Fund.

NOTE 6: In these columns, projected real estate taxes for the first year of Condominium Operation are based on the assumption that J-51 tax benefits will **not** be in effect, so that the first year of projected taxes has been estimated at the projected full amount from July 1, 2007 through June 30, 2008.

Any real estate taxes paid by Sponsor are one of the items to be adjusted between Sponsor and each Purchaser at the closing of each Unit. Until the Units are separately assessed, real estate taxes will be included in Common Charges and paid by the Condominium Board as a General Common Expense. 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 a Unit Owner will not be responsible for the payment of, nor

will the Unit be subject to, any lien arising from the non-payment of such taxes on other Units.

The projection of the real estate taxes that will be payable for each of the Units during the first year of condominium ownership, exclusive of tax exemptions that the Property may receive, is based upon information contained in a letter from Sponsor's real estate tax counsel, Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, located at 6 East 45th Street, New York, New York 10017, ("Tax Counsel") to Sponsor dated May 1, 2006. A copy of this letter is attached to the Second Amendment to this Plan as Exhibit I. In this letter, Sponsor's Tax Counsel provides estimates that, for the first year of condominium operation, (i) the Building shall have an aggregate assessed valuation of $2,000,000, (ii) the Building will be taxed at the Class II tax rate (which is estimated to be 12.5%) and (iii) the aggregate annual real estate taxes for the Building for such first year will be $250,000.

No warranty, guaranty or assurance is given that: (i) any projected or estimated amount set forth in Schedule A (including, without limitation, the estimates of the Property's assessed valuations during the first year of Condominium operation, the estimates of the portions of such assessed valuations that will be allocable to the Units, the projection of the average real estate tax rate that will be in effect during such first year will approximate the actual amount; (ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or (iii) any of the projections or estimates made above and in Schedule A are accurate.

In the opinion of Seiden & Schein, P.C., counsel to Sponsor, the tax laws existing on the date of this Plan in general permit a Unit Owner who uses the Unit as a primary or secondary residence and who itemizes his deductions to deduct from income for the purposes of Federal, New York State and New York City income taxes, any real estate taxes actually paid by such Unit Owner with respect to his Unit. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Unit Owner (which might result from changes in the assessed valuation of the Unit, in the tax rate and/or in the manner of assessing real property). See "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Counsel's Income Tax Opinion" for further discussion.

NOTE 7: In these columns, projected real estate taxes are based on the assumption that J-51 tax benefits will be in effect for the first post-construction tax year, which is expected to be the 2008/2009 tax year. **The Sponsor does**

not anticipate that J-51 tax benefits will be available during the first year of Condominium Operation and makes no representation with respect thereto.

The projection of the real estate taxes that are expected to be payable for each of the Units **with J-51 tax benefits** during the first post-construction tax year (2008/2009), is based upon information contained in a letter from Tax Counsel dated May 1, 2006 set forth as Exhibit I to the Second Amendment to this Plan. In this letter, Sponsor's Tax Counsel provides estimates that, for the first post-construction year of condominium operation, (i) the Building shall have an aggregate assessed valuation of $3,850,000, (ii) approximately $3,193,250 of the assessed valuation will be exempt from taxation under J-51, resulting in a taxable value of $656,750, (iii) the Building will be taxed at the Class II tax rate (which is estimated to be 12.5%), (iv) the Building will receive J-51 abatement benefits of $60,150, and (v) the aggregate annual real estate taxes for the Building for such first year will be $21,944.

The Sponsor will submit an application to the New York City Department of Housing Preservation and Development ("HPD") for a Preliminary Certificate of Eligibility for real estate tax exemption benefits under Section J-51 of the Real Estate Property Law. Sponsor believes, based upon information contained in the letter from Tax Counsel dated May 1, 2006 set forth as Exhibit I to the Second Amendment to this Plan, that the Units will be eligible to receive these benefits based on certain assumptions and conditions as set forth therein.

No representation or warranty is made as to whether a Preliminary or Final Certificate of Eligibility will be issued by HPD for J-51 tax benefits or as to the amount of any tax exemption that will actually be received. In addition, no representation or warranty is made that the actual assessed valuation or the assessed valuation for the Property if J-51 tax benefits are granted or what tax rate will be in effect during the first year of Condominium operation.

EXHIBIT F

REVISED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE "B"
257 West 117th Street Condominium
Projected Budget for the First Full Year of Condominium Operation
July 1, 2007 – June 30, 2008

PROJECTED INCOME:

Common Charges (1).....	$ 655,828
TOTAL PROJECTED INCOME.....	$ 655,828

PROJECTED EXPENSES:

Salary, Wages, Payroll Taxes & Benefits (2).....	$ 303,138
Heat and Hot Water (3).....	$ 121,440
Cooking Gas (4).....	$ 10,560
Electricity (5).....	$ 37,620
Water & Sewer (6).....	$ 24,500
Repairs & Maintenance (7).....	$ 12,000
Services & Supplies (8).....	$ 48,350
Insurance (9).....	$ 34,600
Management Fee (10).....	$ 30,000
Legal & Auditing Fees (11).....	$ 7,000
Resident Superintendent's Unit Cost (12).....	$ 7,620
Administration (13).....	$ 7,000
Contingency (14).....	$ 12,000
TOTAL PROJECTED EXPENSES (15).....	$ 655,828

The accompanying notes are an integral part of this Schedule B and should be read in conjunction herewith

Notes to Schedule B

(1) COMMON CHARGES - (Budget - $655,828)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing July 1, 2007. The actual first year of operation may be earlier or later.

In the event the projected commencement date of the first year of Condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the plan.

If the Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections.

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $303,138)

The budgeted amount includes base wages, worker's compensation and disability insurance, health benefit costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected building staff of one live in Superintendent, 4.2 concierges, and 1 part time porter, 16 hours per week. The full staff may not be employed until certain Building occupancy levels are achieved. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that the staff will be non-union.

Position	Weekly Base Wage Rate
(1) Resident Superintendent	$50,000 per year
4.2 Concierges, &.4 Porters (total 4.6 employees)	$700 per week per employee

The projections allow for 21 sick days, holidays and vacation pay and miscellaneous payroll expenses.

Total Base Wages	$ 229,985
FICA @ 7.65% of Base Wages	$ 17,594
Worker's Compensation @ 5.5% of total wages	$ 12,649
FUI and FUTA-NYS Unemployment @ $425 per employee	$ 2,550
NYS Disability @ $60 per employee	$ 360
health @ $8,000 per employee for 5 employees	$ 40,000
Total Benefit	$ 73,153
TOTAL WAGES TAXES & BENEFITS	**$ 303,138**

(3) HEAT & HOT WATER - (Budget - $121,440)

The budgeted amount is based upon a letter from Glickman Engineering P.C., 545 Eighth Avenue, New York, NY 10018, Sponsor's consulting engineers, dated January 9, 2006. It is anticipated that the annual consumption of gas for heat and hot water for the residential units will be approximately 92,000 therm at $1.20 per therm for a total cost of $110,400. A 10% inflation factor has been added.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of gas for heat and hot water during the first year of Condominium operation, because such cost will vary with the level of consumption and the price of gas. Consumption will be affected by the severity of the weather and by any conservation measures adopted by the Condominium Board or individual unit owners.

(4) COOKING GAS (Budget - $10,560)

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated January 9, 2006 from Glickman Engineering P.C., it is estimated that the gas cost for apartment cooking based on 8000 therms of gas/year at $1.20 per therm, will be $9,600. A 10% inflation factor has been added.

(5) ELECTRICITY - (Budget - $37,620)

The electricity consumption for the first year of Condominium operation for the Common Areas was estimated by Glickman Engineering P.C., in a letter dated January 9, 2006, at 180,000 kilowatt hours of electricity, at a rate of $.19 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $34,200. This estimate includes costs for the common area air conditioning units, distribution pumps, miscellaneous floor loads, elevators and lighting. Electricity costs can vary depending upon consumption and demand factors. A 10% inflation factor has been included.

Each unit will be individually metered or submetered for consumption of electricity within their own units.

(6) WATER & SEWER – (Budget - $24,500)

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from Glickman Engineering dated January 9, 2006, water and sewer charges are based upon a combined charge of $4.28 per 100 Cu. Ft. and an estimated usage of 5204 C.C.F. The annual water and sewer charges during the first year of condominium operation is estimated at $22,273. A 10% inflation factor has been added.

(7) REPAIRS & MAINTENANCE – (Budget - $12,000)

Since the Building will be newly constructed it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common Elements will be borne by all Unit Owners.

The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto.

(8) SERVICE & SUPPLIES - (Budget - $48,350)

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the Common Elements, as well as the anticipated cost of service contracts during the first year of Condominium operation.

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the Condominium will enter into maintenance agreements for the following services:

Heating and Cooling System	$ 4,000
Elevator Maintenance	$ 5,850
Sprinkler System/ Fire Protective Alarm System	$ 7,000
Exterminator	$ 3,500
Uniform Cleaning & Maintenance	$ 6,000
Water Treatment	$ 4,000
Miscellaneous Supplies	$15,000
Electric Sub meter	$ 3,000

(9) INSURANCE – (Budget - $34,600)

Based upon the proposal dated January 9, 2006, from The Rampart Group, having an office address at 1983 Marcus Avenue, Lake Success, New York, NY. The following insurance coverage will be obtained for the Building for the first year of Condominium operation:

A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, with the following General Coverage and Limits:

Property Policy

$ 13,500,000	Building All Risk, "Special" Form, Agreed Amount, No Co-insurance, Building Replacement Cost, $5,000 Deductible, Terrorism Included
T/B/D	Personal Property Limit
T/B/D	Business Income – Limit

Included Boiler & Machinery

General Liability Policy

$1,000,000 Each Occurrence

$2,000,000 General Aggregate

$1,000,000 Non-Owned Automobile/Hired Car

$1,000,000 Fire Legal Liability

$ 5,000 Medical Payments

$1,000,000 Employee Benefits Liability - $1,000 Deductible

$1,000,000 Directors & Officers Liability Occ/Ann aggregate

Umbrella Liability

$50,000,000 Per Occurrence

$50,000,000 Aggregate

The annual premium for the above mentioned insurance policy is estimated to be $34,600.

The fire, casualty and general liability insurance carried by the Condominium will provide that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Condominium Board and Permitted Mortgagees; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Each individual Unit Owner should consider the desirability of obtaining additional insurance at his own cost for the following coverage, which is not included in the above coverage:

- fire or casualty losses to the contents of his Unit and any replacements, additions, upgraded fixtures and improvements therein; and

- liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

(10) MANAGEMENT FEE - (Budget - $30,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with Penmark Realty Corp., having an office address at 820 Second Avenue, New York, NY 10017, a real estate management firm affiliated with the Sponsor. The agreement will be for an initial term of 2 years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $30,000 payable in equal monthly installment of $2,500. The Managing Agent's fee for the first year of Condominium operation is at the prevailing rate for similar services in comparable buildings.

See the section of the plan entitled "Agreements Affecting Building Operations" for further details.

(11) LEGAL & AUDIT FEES – (Budget - $7,000)

The Condominium will engage a law firm to act as the attorney for the Condominium. The estimated cost for these services for the Condominium's first year is $1,000. It is anticipated that the Condominium will enter into an agreement with Hyman & Associates CPA, located at 580 Sylvian Avenue, Englewood Cliffs, NJ to provide audit tax returns preparation and financial statement preparation services for the Condominium. It is estimated that the first year cost for these services will be $6,000.

(12) RESIDENT MANAGER'S UNIT COSTS – (BUDGET-$7,620)

Residential Unit 1B shall be designated as the Resident Superintendent's Unit and will be conveyed by the Sponsor to the Condominium for no charge for occupancy by the Resident Superintendent of the Building.

The Condominium will be responsible for the real estate taxes on the unit. Assuming that the property will be certified as eligible for a partial tax exemption pursuant to J-51 of the New York Real Property Tax Law, the estimated real estate taxes for the first year of operation of the Condominium for Unit 1B will be approximately $3,120. The Condominium will also be responsible for the cost of the electricity and basic telephone service for the Resident Superintendent's Unit as well as basic repairs. It is estimated that the cost of these items will be approximately $4,500 in the first year of Condominium operation. The estimated costs for the Resident Superintendent's Unit for the Condominium's first year of operation is $7,620.

Since the Resident Superintendent's time will be devoted mostly to the service of the Residential Units and the Residential Common Elements, with only a minor portion of the Resident Superintendent's time (estimated at four (4) hours a week in note 2 above) devoted to General Common Elements, the costs for the Resident Superintendent's Unit have been allocated in the same ratio as the wage and related payroll expenses of the Resident Superintendent in note 2 above.

(13) ADMINISTRATION – (Budget - $ 7,000)

The budgeted amount includes anticipated expenses for telephone, beepers, postage, printing, miscellaneous office supplies, payroll processing costs, permits and fees and local telephone usage in the Superintendent's office.

(14) CONTINGENCY – (Budget - $ 12,000)

This item is included in the budget to provide funds for unforeseen increases in Residential Common Expenses and General Common Expenses before or after the First Closing or to cover expenses not included in this budget.

(15) TOTAL PROJECTED EXPENSES – (Budget - $655,828)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from July 1, 2007 through June 30, 2008.

IN THE OPINION OF PENMARK REALTY CORP., HAVING AN OFFICE AT 820 SSECOND AVENUE, NEW YORK, NEW YORK 10017. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, 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.

EXHIBIT G

CERTIFICATION OF ADEQUACY OF BUDGET

Sapa. Realty, Inc.
Main Office:
Suite 1802
505 Eighth Avenue
New York, New York 10018-6556
(212) 629-8288 FAX: (212) 268-9929

PART 20: CERTIFICATION BY EXPERT
AS TO ADEQUACY OF CONDOMINIUM BUDGET

New York State Department of Law
Investment Protection Bureau
120 Broadway - 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
257 West 117th Street Condominium
257 West 117th Street
New York, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B containing projections of income and expenses for the first year of condominium operation. The undersigned is the president and founder of Saparn Realty, Inc., a N.Y.S. Licensed Real Estate Broker, an Advanced Registered Apartment Manager and a Commissioner of Deeds. I have been engaged in the Real Estate Property Management business since 1969, actively managing Cooperative, Condominium, Rental and Commercial Properties in the five boroughs of New York. Saparn Realty currently has Forty (40) Condominium and Cooperative properties in its management portfolio. The majority of these properties have been managed by our organization for at least five years. I am the former Co-Chairperson of the Residential Management Council of the Real Estate Board of New York (REBNY) and I am the President of the Association of Cooperative and Condominium Managers (ACCM).

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedule 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 certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules 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:

(i) sets forth in detail the projected income and expenses 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 first year of condominium operation;

(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:

(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 statement is not intended as a guarantee or warranty of the income or 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.

SAPARN REALTY, INC.

By: Anita Sapirman

Name: Anita Sapirman
Title: President

Sworn to before me this 1st
day of August 2006

Karen Schanzer
Notary Public

KAREN SCHANZER
Notary Public, State of New York
No. 4972422
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires 10-1-06

EXHIBIT H

NEW SCHEDULE C – COMPLIANCE WITH SECTION 339-i OF REAL PROPERTY LAW

Sapar. Realty, Inc.
Main Office:
Suite 1802
505 Eighth Avenue
New York, New York 10018-6556
(212) 629-8288 FAX: (212) 268-9929

Part 20: LETTER TO ATTORNEY GENERAL
Re: REAL PROPERTY LAW SECTION 339-i.1 COMPLIANCE

Dated: August 4, 2006

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Attention: Investment Protection Bureau

Re: Condominium Offering Plan
Fitzgerald Condominium
257 West 117th Street
New York, New York ("Property")

Dear Sir/Madam:

257-117 Realty LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the property retained Saparn Realty, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The Principal of the Firm has been engaged in the real estate and brokerage business for over thirty seven (37) years and has been actively associated with the sale and management of condominium and cooperative buildings.

The Firm has been advised by the Sponsor that the Common Interest of each Unit has been determined in accordance with Real Property Law Section 339-i.1 based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

In the Firm's opinion, within the framework of Real Property Law Section 339i.1, this method of determining Common Interest is reasonable and equitable.

The Firm certifies that it is not owned or controlled by the Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter. The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

All capitalized terms not defined in this letter shall have the meaning ascribed to them in the Offering Plan.

Very truly yours,
SAPARN REALTY, INC.

By: Anita Saparman
Name: Anita Saparman, Adv. RAM, nyarm
Title: President

EXHIBIT I

TAX COUNSEL'S OPINION AS TO REAL ESTATE TAXES AND J-51 BENEFITS

TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP
COUNSELORS AT LAW
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June 22, 2006

247/117 Realty LLC
c/o York Resources
510 East 80th Street
New York, New York 10021

RE: 257 West 117th Street
Block 1923, Lot 10
Borough of Manhattan
City of New York

Dear Sir or Madame:

This letter is an update to my previous letter of May 1, 2006. The Department of Housing Preservation and Development has issued a proposed change in the J51 regulations which may have an impact on your project. The proposed regulation deals with the requirement as to the use of "Energy Star" appliances. The regulations which we expect to be adopted after a July 7, 2006 public hearing will require that any household appliance or any boiler or furnace that provides heat or hot water to a unit is certified by the United States Environmental Protection Agency or Department of Energy as having a designation that the product meets the Energy Efficiency Standards set forth by those agencies for the Energy Star program.

There are only limited exceptions to this proposed rule and it applies even if J51 benefits are not claimed or received for these items. It appears that if an applicant for J51 benefits fails to follow these regulations, J51 benefits will not be granted. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP

By: Paul J. Korngold

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May 1, 2006

257/117 Realty LLC
c/o York Resources
510 East 80th Street
New York, New York 10021

RE: 257 West 117th Street
Block 1923, Lot 10
Borough of Manhattan
City of New York

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate tax assessments and taxes upon the completion of construction and creation of a condominium. THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY FOR OUR OPINIONS PRESENTED HEREIN. THESE OPINIONS ARE PRESENTED ONLY FOR YOUR ASSISTANCE IN PREPARATION OF YOUR OFFERING PLAN.

You have requested our opinion concerning the real property tax assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period July 1, 2007 through June 30, 2008, which is identical to the 2007/2008 tax year. You have also asked us to provide our estimate for the real estate taxes for the first full tax year after completion of construction. You have advised us that the project will consist of the gut renovation of an existing seven story nonresidential elevator building which upon completion will contain containing forty-seven residential units consisting of one studio, thirty-eight one bedroom and eight two bedroom apartments.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. You have advised us of your acquisition details and your estimated construction costs. You have also supplied us with a description of the project as well as proposed floor plans. You have further advised us that construction will commence in the Spring of 2006 pursuant to a new Alt-1 application and new initial permit filed with and from the New York City Department of Buildings and that you anticipate construction will be completed with the issuance of a new permanent certificate of occupancy no later than May of 2007.

We have also considered the recent tax assessment history of the property, the cost of the new project, the potential income for the new structure (if operated as a rental), comparable properties in the Borough of Manhattan which have been newly constructed or undergone renovation as well as market conditions in the general area.

Real estate tax assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The tentative assessment tax roll containing the tentative 2006/2007 assessment was published on January 17, 2006. The tentative assessment roll showed the following values:

Tax Class	Actual Assessed Value	Transition Assessed Value
4	$456,750	$455,760

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.

2. The estimate of the cost of the construction will be a factor.

3. The potential capitalized net income of the property if operated as a rental.

4. Tax Assessments of comparable properties.

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The condominium units will be designated as a tax class 2 property and will pay on the class 2 tax rate. The current 2005/06 class 2 tax rate (2006/2007 will not be set until later this year) has

been set at $12.396 for each $100 of assessed valuation.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. There will be a substantial increase in value for 2007/2008 as a result of the alteration which will be placed on the assessment roll immediately and not subject to the five year phase in. Due to the fact that most of the increase in assessed valuation is due to the new construction, we are not projecting a transition assessed value, although in future years after construction has been completed, increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessed value.

On June 1, 2004, Governor Pataki signed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2008 at the rate of 25% for buildings with average assessments of $15,000 or less per unit, and 17.5% where assessments are higher. The law does not apply to buildings which receive J-51 tax exemptions. As set forth later in this letter, it is anticipated that this building will receive a J-51 tax exemption benefits and therefore unit owners may not take advantage of this tax benefit. It is unknown at this time if this law will be renewed as to be in effect when the J-51 tax benefits have expired. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit.

Owners of condominium apartments in the City of New York may be eligible for New York State Tax Relief (STAR). STAR is the New York State School Tax Relief Program, which provides a tax reduction benefit for all New Yorkers who own their home and use it as their primary residence. The Department of Finance administers STAR for property owners in the five boroughs of New York City. There are two levels of benefits: Basic STAR for most homeowners and Enhanced STAR for qualified senior citizens. However, STAR benefits are not available to buildings which have J-51 tax exemption benefits. Once again, as set forth later in this letter, it is anticipated that this building will receive J-51 tax exemption benefits and therefore unit owners may not take advantage of this tax benefit. It is unknown at this time if this law will be in effect when the J-51 tax benefits have expired. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit.

We caution you that there may not be an official apportionment of the assessment for the 2007/2008 tax year and you should include in your offering plan a provision to unofficially

apportion the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective.

For the initial budget year commencing July 1, 2007, the property will still be undergoing renovation as of the taxable status date of January 5, 2007 and we therefore project an assessed value for the partially constructed building of $2,000,000. We caution you that we have found that the assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction. For the 2008/2009 tax year, the first full tax year after completion of construction, we believe the total actual assessed value of the condominium units will be $3,850,000. In the past we have been advised that in determining the assessed values for the individual residential units, the Department of Finance may possibly use (1) the residential common interest percentages or (2) utilize the ratio of the Schedule A sales prices of any individual unit to the total sales prices of all residential units to determine the percentage of the total assessed value to be attributed to each residential unit or (3) utilizes the ratio of square footage contained in each unit to the total square footage. We have now been advised in determining the assessed values for the individual residential units, the Department of Finance, commencing with the 2006/2007 assessment roll will follow the residential common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined. We offer no opinion as to which is the correct methodology to make this allocation.

Therefore assuming the class 2 tax rate increases to $12.50 per hundred dollars of assessed value, we make the following projections of the real estate taxes prior to any tax exemptions or abatements for the budget year July 1, 2007 to June 30, 2008 and for the first post construction year of July 1, 2008 through June 30, 2009.

2007/2008

Actual Assessed Value	Tax Rate	Tax
$2,000,000	12.5%	$250,000

2008/2009

Actual Assessed Value	Tax Rate	Tax
$3,850,000	12.5%	$481,250

You have also requested our opinion as to whether or not the renovated multiple dwelling qualifies for the benefits of the J-51 Tax Abatement/Tax Exemption program. The J-51 Tax Abatement/Tax Exemption program was enacted pursuant to Section 11-243 (formerly J-51-2.5) of the Administrative Code of the City of New York and Section 489 of the Real Property Tax

Law of the State of New York. The law as originally enacted was intended to encourage the upgrading of substandard residential buildings by allowing owners to recover, by way of real estate tax abatement and exemption, a large part of the monies expended for major capital improvements such as modernization of heating systems, plumbing risers, electrical wiring and new windows. The abatement is given to the taxpayer in the form of a credit to be used to reduce its real estate tax payments. The abatement is determined based upon scheduled allowances and limits as set forth in the regulations. The exemption is designed to prevent an increase in real estate taxation due to improvements to the property and thus covers increases in assessed valuation resulting from such improvements.

Initially the benefits were limited to rent-controlled housing. The law was later extended to include rent stabilized buildings, cooperatives, condominiums and also conversion of non-residential properties to Class A multiple dwellings for residential use.

To obtain J-51 tax benefits, there is a three year time limitation for completion of construction from the date the rehabilitation is commenced to the date the rehabilitation is completed. New York City Administrative Code Section 11-243(b) provides that all work must be completed by December 31, 2007. Completion, for your purposes means issuance of a permanent certificate of occupancy. An application for J-51 benefits must be made within four years from the date the work has commenced. I have been advised that the work will be completed pursuant to a new building permit to be issued shortly and an application submitted within these time periods.

The J-51 rules and regulations effective February 27, 1998 to the extent they have not been affected by statutory changes, prescribe the eligibility requirements for J-51 benefits. Regulations Section 5-03 is entitled "Eligible Projects and Eligibility Requirements". Section 5-03(a)(3) confers eligibility as follows:

> " (3) Conversion of any non-residential building or structure situated in the borough of Manhattan into a Class A multiple dwelling, provided the building was a non-residential building immediately prior to the commencement of construction of the conversion, and provided further that if construction commenced on or after January 1, 1982, such conversion is permitted as-of-right by the Zoning Resolution."

Regulation Section 5-03(e)(i) requires the building must be structurally sound and comply with all applicable laws. You have advised me that the building will be in compliance with law upon issuance of the certificate of occupancy and there will be no violations pending from the Department of Buildings and that there will not be an increase in cubic content. Section 5-03(e)(2) requires that the total number of bedrooms must equal or exceed 75% of units created. You have advised me, and I have relied upon your representation, that the completed building will contain fifty-two bedrooms within the forty-seven units. Therefore, you will comply with this section of the regulations.

Regulation Section 5-03(2) limits benefits for buildings which have not complied with the non-harassment provisions of the law. I have been advised that this provision is not applicable in that none of the relevant parties have been convicted of harassment. Regulation Section 5-04(b)(3) applies where a portion of the building will be used for commercial or non-residential purposes. You have advised me that none of the space contained within the building will be used for commercial or non-residential purposes and therefore this section is not applicable.

Utilizing the information supplied to us, it is our opinion that upon completion of the alteration, issuance of a residential certificate of occupancy by the Department of Buildings evidencing a Class A multiple dwelling and approval by the various New York City departments having jurisdiction thereof, the building will qualify for J-51 tax abatement and J-51 tax exemption.

The J-51 tax exemption covers the increase in assessed valuation over the prior assessed valuation on the property any increase in assessed valuation resulting from the certified reasonable cost of the alteration, improvement or conversion and eliminates for a period of years any taxation on that increase in assessed valuation. It does not cover increases in land value. We believe this project will quality for the 14 year J-51 tax exemption, which is a 100% exemption for ten years and a declining exemption of 80%-60%-40%-20% for years eleven through fourteen.

J-51 tax abatement benefits are based upon the actual amount of eligible work that is performed at the structure. Regulation section 5-08 sets forth an itemized cost breakdown schedule of eligible work and the maximum dollar amount granted for such items of work. Only items listed in the regulations are eligible for abatement benefits. The applicant is eligible for the lesser of the amount actually spent or the dollar amount listed in section 5-08.

There is a further limitation on the maximum dollar amount of abatement benefits. Regulation Section 5-06(d) of the rules provides that the total certified reasonable cost for most projects may not exceed an amount per apartment equal to $12,600 for a studio apartment and an additional $2,400 for each additional bedroom. You have advised us that in the existing space, you will create one studio, thirty-eight one-bedroom apartments and eight two-bedroom apartments.

Based on the information supplied to us, it would appear that the total certified reasonable cost of this project would be $721,800, which would result in a maximum annual tax abatement of $60,150 which would continue until 90% of the total ($649,620) were depleted. The abatement is applied against the taxes which are imposed after credit is given for the J-51 tax exemption. The maximum life of the J-51 abatement is 20 years and any remaining abatement which is not depleted within 20 years is forfeited. The annual abatement would be apportioned among the residential units in the building based on each individual unit's percentage of the total assessed valuation of all eligible residential condominium units.

An application for J-51 tax benefits may only be submitted after work is complete. There are only certain time periods where the submission of a J-51 application is allowed. You have advised me that you expect to complete construction by May 2007. Assuming a J-51 certificate of eligibility is issued by April 30, 2008, the J-51 tax benefits will go into effect on July 1, 2008. It is possible that J-51 abatement benefits may commence on January 1, 2008, but due to long delays at the Department of Housing Preservation and Development (HPD) we have not projected benefits commencing at that time.

Our opinion is based upon the J-51 Tax Abatement and Tax Exemption law as presently in effect, as well as the current rules and regulations of HPD, to the extent they have not been changed by law or policy.

Utilizing the assumptions and estimates contained above, we estimate the taxes on this property, after taking into account the J-51 tax benefits, will be determined as follows for the initial budget year and the first full tax year after completion of construction:

2007/2008

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax	Abatement	Net Tax
$2,000,000	--0--	$2,000,000	12.5%	$250,000	-0-	$250,000

2008/2009 (First Post Construction Tax Year)

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax	Abatement	Net Tax
$3,850,000	$3,193,250	$656,750	12.5%	$82,094	$60,150	$21,944

J-51 benefits are not automatic. An application must be made to the Department of Housing Preservation and Development. This application must contain supporting documentation such as copies of all city permits and approvals, and an accountant's certification or copies of contracts and canceled checks. All information contained in a J-51 application must be true and complete. The application is subject to an audit after the certificate of eligibility has been issued. These benefits may be revoked if an application contains false information. The rules and regulations of the Department of Housing Preservation and Development require that the books and records which support the application must be made available for an audit. J-51 benefits will not be granted if there are any violations or any unpaid taxes. Even if a fully eligible J-51 application is submitted by March 15, 2008, there is no guarantee that the application will be processed by HPD in time for the tax benefits to be in effect on July 1, 2008. Since the exemption only covers the increase in assessed value any increase in assessed valuation resulting from the certified reasonable cost of the alteration, improvement or

conversion, it is not inconceivable that a portion of the increase may be attributable to other reasons (such as increased land values) and the exemption will be significantly smaller. In our projection we have factored in a small increase in land valuation.

Our firm has an extensive practice in real estate tax review matters and in J-51 tax abatement applications, and we currently represent the owners of approximately 3,000 buildings in the City of New York, and file applications for correction of the tax assessments and tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer is the chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a director of the New York State Builders Association, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

BASED UPON OUR PREVIOUS EXPERIENCE WITH SUCH PROCEEDINGS, WE HAVE ISSUED THE WITHIN LETTER WHICH THE SPECIFIC UNDERSTANDING THAT WE MAKE NO WARRANTIES THAT SUCH ABATEMENT OR EXEMPTION WILL BE FORTHCOMING. THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY TO YOU OR TO ANY PURCHASER OF THE CONDOMINIUM UNITS OR TO ANY LENDER FOR OUR OPINIONS PRESENTED HEREIN. NEITHER WE NOR ANY PERSON CAN GUARANTEE WHAT THE REAL ESTATE TAXES WILL BE AT ANY FUTURE DATE. CHANGES IN LAW OR POLICIES OF GOVERNMENT AGENCIES MAY RADICALLY CHANGE THE OPINIONS EXPRESSED HEREIN AND INTERESTED PARTIES SHOULD BE AWARE THAT THE ESTIMATE OF THE 2007/2008 AND 2008/2009 TAX ASSESSMENT COVERS A PERIOD INTO THE FUTURE. WE ASSUME NO RESPONSIBILITY OR LIABILITY FOR ANY VARIATIONS IN THE TAXES OR J-51 BENEFITS FROM THE PROJECTIONS MADE HEREIN.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Housing Preservation and Development or the New York City Department of Finance or any city or government agency. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP.

By: Paul J. Korngold

EXHIBIT J

LETTER FROM COMMONWEALTH LAND TITLE INSURANCE COMPANY

LandAmerica Commonwealth

Commonwealth Land Title Insurance Company
1399 Franklin Avenue, Suite 300
Garden City, NY 11530
phone: 516 741-4104 fax: 516 741-4296

November 2, 2006

257/117 Realty LLC
510 East 80th Street
New York, NY 10021

Attn: Robert G. Friedman

Re: The Fitzgerald Condominium
Premises: 257 West 117th Street
New York, NY

Dear Mr. Friedman:

You have advised us that Bridge Capital Corp., the prior sponsor (the "Original Sponsor") of the above-referenced condominium (the "Condominium"), entered into purchase agreements with [redacted] ("[redacted]") for Units 6B, 7A and 7D at the Condominium, (which Units you have advised us are now designed as Units 6A, 7B and 7C) (collectively, the "[redacted] Units"). You have advised us that the purchase agreements for the Sorenson Units were subsequently terminated by the Original Sponsor and the Premises was conveyed by the Original Sponsor to 257/117 Realty LLC (the "New Sponsor"). You have further advised us that the following lawsuits are now pending in the Supreme Court of the State of New York, County of New York:

1. [redacted], Plaintiff, vs. 257/117 Realty LLC, Bridge Capital Corp. and Stanley Wolfson, Index No. 600533/06. The foregoing lawsuit involves an action to set aside the conveyance of title from Original Sponsor to New Sponsor.

2. [redacted] v. Bridge Capital Corp., Index No. 601289/05. The forgoing lawsuit involved claims of breach of contract, fraud, unjust enrichment, estoppel, specific performance, constructive trust and unilateral mistake based upon the Original Sponsor's termination of said purchase agreements.

-continued-

3. Bridge Capital Corp. and Stanley Wolfson (the principal of Original Sponsor), as Plaintiff, vs. [redacted] et al as defendants, Index No. 105020/06. The foregoing lawsuit is an action for defamation. The defendant [redacted] has asserted a counterclaim against the defendants, and has asserted a third-party claim against 257/117 Realty LLC.

(The actions set forth in items 1, 2 and 3 (including the counterclaim and third-party claim in item 3 above) above are hereinafter referred to collectively as the "[redacted] Litigation").

You have further advised us that a notice of pendency (the "Notice of Pendency") was filed by Sorenson with respect to the entire Premises in connection with item 2 set forth hereinabove.

In the event that [redacted] prevails on his claim in item 1 to set aside the deed from Original Sponsor to New Sponsor, fee title to the Premises (including any Unsold Units) may revert back to Original Sponsor. In such a case, it would be necessary for Original Sponsor to execute the Declaration in order to ensure that a valid condominium has been formed. Based upon the foregoing, Commonwealth Land Title Insurance Company ("Commonwealth") will agree to insure title to purchasers and their mortgagees of all Units at the Condominium, other than the [redacted] Units, free and clear of the Notice of Pendency and the [redacted] Litigation; provided that the declaration of condominium (the "Declaration") establishing the Condominium shall be duly executed and acknowledged by both Original Sponsor and the New Sponsor, and that the deeds conveying the units to the purchasers be executed by both the Original sponsor and the New Sponsor. In the event that [redacted] claim to set aside the deed to New Sponsor shall be dismissed or otherwise finally resolved in favor of the Defendant named therein prior to the filing of the Declaration, it shall not be necessary for the Original Sponsor to execute the Declaration or the deeds conveying the units to the purchasers.

Commonwealth will not insure title to the [redacted] Units free of item 2 unless and until such time as said action is finally resolved.

Very truly yours,

Lawrence B. Lipschitz
Vice President and Counsel

EXHIBIT K

REDLINED CONDOMINIUM DECLARATION AND BY-LAWS

DECLARATION OF ~~257 WEST 117TH STREET~~ THE FITZGERALD CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

Bridge Capital Corp., a Delaware corporation, and 257/117 REALTY LLC having an office at ~~1274 Fifth Avenue,~~ 5 East 86th Street, New York, New York 1002~~829~~ (hereinafter referred to as the "Sponsor"), does hereby declare as follows:

1. Submission of Property. Sponsor hereby submits the Land together with the Building (each as hereinafter defined), owned by the Sponsor in fee simple absolute (the Land and Building, hereinafter collectively referred to as the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

2. Name of Condominium. This Condominium shall be known as the "~~257 West 117th Street~~ **Fitzgerald Condominium**."

3. The Land. The land consists of all that certain tract, plot, piece and parcel of land as more particularly described in Exhibit A annexed hereto and made a part hereof (the "Land"). The Land has an area of approximately 10,000 square feet.

4. The Building. The building erected on the Land (the "Building") was built in 1892 and is classified as being of fireproof construction and is constructed of cast in place reinforced concrete foundations, foundation walls, frames and slabs, with poured reinforced concrete exterior walls and roofs consisting of insulated roof membrane assemblies. It consists of a lower level (cellar) and seven additional floors.

5. The Units.

5.1. The Property shall consist of ~~is hereby divided into (a) one (1) commercial condominium unit (the "Commercial Unit"), consisting of portions of the lower level of the Building and the entire first, second and third floors of the Building, and (b) sixteen (16)~~ forty-seven (47) residential condominium units (~~the "Residential Units"~~ each a "Unit" and collectively the "Units") located on the ~~fourth~~ lower level through seventh floors, inclusive, of the Building. ~~The Commercial Unit and the Residential Units are sometimes hereinafter referred to collectively as the "Units" and individually as a "Unit", and t~~The owners of the Units are hereinafter referred to collectively as the "Unit Owners" and individually as a "Unit Owner".

5.2. Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit number or name; (ii) its tax lot number; (iii) its approximate square foot area; (iv) the number of rooms; (v) the portions of the Common Elements (as hereinafter defined) or Limited Common Elements to which the Unit has immediate access; and (vi) the percentage interest in the Common

Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by Ernst & Associates and filed in the Office of the Register of the City of New York for New York County (the "City Register's Office") simultaneously with the recording of this Declaration.

5.3. (a) Each ~~Residential~~ Unit consists of the area measured horizontally from the outer edge of the exterior walls (perimeter columns and perimeter mechanical pipes are not deducted) to the centerline of the wall separating that ~~Residential~~ Unit from another Unit, corridors, stairs, elevators and other mechanical equipment or any Common Elements (as hereinafter defined), or the outer edge of the opposite exterior walls. Each ~~Residential~~ Unit consists of the area measured vertically from the top of the floor of the ~~Residential~~ Unit to the underside of the ceiling of such ~~Residential~~ Unit.

(b) Each ~~Residential~~ Unit includes: (i) the front entrance and any other doors located within or opening from such Unit, except stair doors; (ii) any interior walls, partitions, floors and floor coverings and gypsum board ceilings affixed, attached or appurtenant to such Unit, except where designated as a Common Element; (iii) all windows (including, without limitation, their panes, sashes, hardware and frames) located within, or opening from such Unit; (v) any and all equipment, fixtures and appliances affixed, attached, appurtenant to or exclusively serving such Unit regardless of the location of such equipment, fixtures and appliances; and (vi) all other facilities affixed, attached, appurtenant to such Unit and benefiting only that Unit.

(c) Notwithstanding the foregoing, any Common Element located within a ~~Residential~~ Unit shall not be part of such Unit.

~~5.4. (a) The approximate physical dimensions of the Commercial Unit shall consist of the area extending horizontally from the interior face of exterior masonry walls to the Commercial Unit side face of masonry walls or gypsum wallboard partitions enclosing any Common Element, including, but not limited to, stairs, elevators, mechanical shafts, or structural members. Vertically, the Commercial Unit shall consist of the space between the top of the concrete slab below (located under the finished flooring and subfloor materials) to the underside of the concrete slab of the floor or roof above.~~

~~(b) The Commercial Unit includes: (i) the front entrance and any other doors located within or opening from such Unit, except stair doors; (ii) any interior walls, partitions, floors and floor coverings and gypsum board ceilings affixed, attached or appurtenant to the Commercial Unit, except where designated as a Common Element; (iii) all windows (including, without limitation, their panes, sashes, hardware and frames) located within, or opening from the Commercial Unit; (v) any and all equipment, fixtures and appliances affixed, attached, appurtenant to or exclusively serving the Commercial Unit regardless of the location of such equipment, fixtures and appliances; and (vi) all other facilities affixed, attached, appurtenant to the Commercial Unit and benefiting only the Commercial Unit.~~

~~(c) Notwithstanding the foregoing, any Common Element located within the Commercial Unit shall not be part of the Commercial Unit.~~

5.~~4~~5. Notwithstanding anything contained in this Article 5 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, and to install pipes and wiring within the walls enclosing the Unit provided that no such installation shall impair the structural integrity of the Unit or of the Building or any Common Element in terms of structure or compliance with applicable codes, laws, or regulatory requirements.

6. Common Elements.

6.1. The common elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units ~~(except for the Commercial Limited Common Elements, as hereinafter defined, which are included in the Commercial Unit)~~. The Common Elements include but are not limited to, those rooms, areas, corridors, spaces and other portions of the Building (other than the Units) and all facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The "Limited Common Elements" of the Condominium consist of those Common Elements which serve or benefit exclusively a Unit or group of Units, but not all Units or Unit Owners. ~~The Limited Common Elements which serve or benefit exclusively some or all of the Residential Units or the Residential Unit Owners are "Residential Limited Common Elements", while those serving or benefiting only the Commercial Unit or the Commercial Unit Owner are "Commercial Limited Common Elements".~~ All Common Elements which are not a Limited Common Element are "General Common Elements".

6.2. The General Common Elements include the following:

a) The Land, together with all consents, rights and privileges appurtenant thereto;

b) All structural elements, foundations, foundation walls, main roof, footings, columns, girders, beams, supports, interior load bearing walls, floor slabs and ceilings;

c) All mechanical equipment and associated piping and controls, but only to the extent that the foregoing are ~~neither a Residential~~not a Limited Common Element ~~nor a Commercial Limited Common Element~~;

d) The Building's elevator, including the elevator shaft, elevator equipment, the rooftop elevator machine room, the elevator pit, entrances and appurtenant facilities, and the enclosing walls of each of the foregoing and all framing and finishes thereof;

e) The main Building lobby, the lobby vestibule, the entrance to the main Building lobby, the doors at the main entrance to the Building, the stairwell exiting into the main Building lobby, the canopy, if any, the common hallways and corridors of the Building, and the enclosing walls of each of the foregoing and all framing and finishes thereof;

~~d)~~f) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards, excluding, however, all such items which are ~~either~~ a ~~Residential~~ Limited Common Element ~~or a Commercial Limited Common Element~~, and all such items which are located within a Unit and serve only that Unit;

~~e)~~g) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters), excluding, however, all such items which are ~~either~~ a ~~Residential~~ Limited Common Element ~~or a Commercial Limited Common Element,~~ and all such items which are located within a Unit and serve only that Unit;

~~f)~~h) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves), excluding, however, all such items which are ~~either~~ a Residential Limited Common Element ~~or a Commercial Limited Common Element,~~ and all such items which are located within a Unit and serve only that Unit;

~~g)~~i) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms serving or benefiting all of the Units;

~~h)~~j) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the Units;

~~i)~~k) All other parts of the Property either existing for the common use of all of the Units or all of the Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property, as a whole; and

~~j)~~l) The roof, roof egress stairs, but excluding the rooftop elevator machine room with its enclosing walls, including all frames and finishes.

6.3. The ~~Residential~~ Limited Common Elements serve all or some of the ~~Residential~~ Units, collectively and indivisibly, and consist of the following:

~~a) The Building's elevator, including the elevator shaft, elevator equipment, the rooftop elevator machine room, the elevator pit, entrances and appurtenant facilities, and the enclosing walls of each of the foregoing and all framing and finishes thereof;~~

~~b) The main Building lobby, the lobby vestibule, the entrance to the main Building lobby, the doors at the main entrance to the Building, the stairwell exiting into the main Building lobby, the canopy, if any, the hallways and corridors in the fourth through seventh floors of the Building, and the enclosing walls of each of the foregoing and all framing and finishes thereof, excluding, however, all such items which are located within a Unit and serve only that Unit;~~

~~c)~~a) All mechanical equipment and associated piping and controls which exclusively serve or benefit a Unit or group of Units, but not all Units or Unit Owners~~all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit~~;

~~d)~~b) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards which exclusively serve or benefit a Unit or group of Units, but not all Units or Unit Owners ~~all or some of the Residential Units but not the Commercial Unit~~;

~~e)~~c) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters) which exclusively serve or benefit a Unit or group of Units, but not all Units or Unit Owners ~~all or some of the Residential Units, but not~~

~~the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit~~;

~~f)~~d) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves) which exclusively serve or benefit a Unit or group of Units, but not all Units or Unit Owners~~all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit~~;

~~g)~~e) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms (and all of their enclosing walls, including all framing and finishes) exclusively serving or benefiting a Unit or group of Units, but not all Units or Unit Owners ~~all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit~~;

~~h)~~f) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which exclusively serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of a Unit or group of Units, but not all Units or Unit Owners;~~all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit;~~ and

~~i)~~g) All lighting equipment exclusively serving the ~~Residential~~ Limited Common Elements, including lobbies, vestibules, stairs, corridors, mechanical spaces.

~~6.4. The Commercial Limited Common Elements serve the Commercial Unit exclusively and consist of all facilities which are, or in the future will be, located in or on the Property to serve or benefit the Commercial Unit exclusively, and consist of the following:~~

~~a) All mechanical equipment and associated piping and controls which serve or benefit the Commercial Unit exclusively;~~

~~b) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards which serve or benefit the Commercial Unit exclusively;~~

~~c)All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters) which serve or benefit the Commercial Unit exclusively;~~

~~d)All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves) which serve or benefit the Commercial Unit exclusively;~~

~~e)All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms (and all of their enclosing walls, including all framing and finishes) which serve the Commercial Unit exclusively; and~~

~~f)All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Commercial Unit exclusively.~~

The Condominium Board will operate, manage and control the General Common Elements and the ~~Residential~~ Limited Common Elements. ~~The Commercial Unit Owner will operate, manage and control the Commercial Limited Common Elements.~~

7. Use of Units.

7.1. The Sponsor or its designee shall have the right, at any time and from time to time, without permission from the Condominium Board or from any Unit Owner or mortgagee, and without payment of a fee, to use any one or more of the Units owned by the Sponsor or its designee (the "Unsold Units") as model units and offices for selling, renting, management, operation and promotion of the Unsold Units owned by it for any other lawful purpose, subject only to compliance with laws, which right includes changing the use of a Unit (i.e., from residential to commercial, and vice-versa) as long as the zoning for the Property and the then existing certificate of occupancy permit the proposed use or Sponsor or its designee obtains a zoning variance or other zoning relief and/or a new or amended certificate of occupancy to authorize such proposed use. The term "designee" means, with respect to the Sponsor, any affiliate of the Sponsor.

7.2. Any ~~Residential~~ Unit may be used only for residential purposes and, subject to compliance with the Bylaws, for a lawful home occupation. ~~Residential~~ Units may be 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), and may only be occupied by said individual, or an officer, director, stockholder or employee of such corporation, or a member of said limited liability company, or a partner or

employee of such partnership, or said fiduciary (including directors, officers, stockholders or 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, or members of the immediate family or nonpaying guests of any of the foregoing. Units may only be leased in accordance with the Bylaws and the Rules and Regulations. Not more than one family may occupy a ~~Residential~~ Unit at one time.

7.3. Within thirty (30) days after a person, other than a natural person, becomes the owner of a ~~Residential~~ Unit, such non-individual owner shall notify the Managing Agent, in writing, of the name of the individual designated by such owner to occupy its ~~Residential~~ Unit. The non-individual owner may change such designee from time to time by similar written notice to the Managing Agent.

7.4. The limitations contained in Sections 7.1 and 7.2 hereof do not apply to Unsold Units ~~or to the Commercial Unit or the owner thereof~~. Such Units may be leased to any persons (whether individuals, corporations, partnerships, fiduciaries, sovereign governments, consulates or other entities, and ~~in the case of Unsold Units,~~ occupied by any person authorized by such lessee and approved by the owner of such Unsold Units, who is not required to comply with the designation notice requirement set forth in Section 7.2 above.

~~7.5. The Commercial Unit may be used for any purpose permitted by law, provided such use is not an adult entertainment use or is not illegal, noxious or immoral. The owner of the Commercial Unit shall have the right to change the use thereof as long as the zoning for the Property and the then existing certificate of occupancy permits the proposed use or a zoning variance, a new or amended certificate of occupancy and/or other zoning approval is obtained at the Commercial Unit Owner's sole cost and expense to permit the proposed use.~~

7.5~~6~~ No Unit shall be used for illegal, noxious, immoral, obscene or pornographic purposes, or for any sort of commercial sex establishment, or for any nude or semi-nude live performances, or for the sale of any sex magazines or videos, or for any use that is primarily concerned with lewd or prurient sexual activity.

8. Changes in Unsold Units.

~~8.1.~~ Except to the extent prohibited by law, Sponsor or its designee shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Condominium Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Units; (b) change the layout of, or number of rooms in, any Unsold Unit from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to

the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (d) if appropriate, reapportion among the Unsold Units affected by any such change in size or number pursuant to the immediately preceding clause, their percentage interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (e) change the permitted use of some or all of the Unsold Units; provided, however, that any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with any laws, ordinances and regulations of any governmental authorities having jurisdiction and Sponsor (or such designee) shall hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

~~8.2. Except to the extent prohibited by law, the Commercial Unit Owner (including Sponsor or its designee) shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Condominium Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit; (b) change the layout of, or number of rooms in, the Commercial Unit from time to time; (c) change the size and/or number of the Commercial Unit by subdividing the Commercial Unit into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from a subdivision or combination or otherwise) into one or more Commercial Units, altering any boundary walls of the Commercial Unit (including without limitation, incorporating within the Commercial Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations) provided, however, that (A) the percentage interest in the Common Elements of any other Units shall not be changed by reason thereof unless the owners of such Units shall consent thereto, (B) the Common Interest of all newly established Commercial Units shall equal the Common Interest of the Commercial Unit being so divided, (C) any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with any laws, ordinances and regulations of any governmental authorities having jurisdiction, and (D) the Commercial Unit Owner shall hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.~~

9. Designation of Agent to Receive Service. The Secretary of State, as agent of the Condominium Board, and any successor to the jurisdiction thereof, is hereby designated to receive service of process in any action which may be brought against the Condominium.

10. Determination of Percentage Interests in Common Elements.

10.1 The percentage interest of the respective Units in the Common Elements has been determined based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the

availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

10.2 Each Unit Owner of a ~~Residential~~ Unit shall, upon demand of Sponsor or its designee or the Condominium Board, execute and deliver a consent to the allocation of tax abatement benefits pursuant to Section 11-243 of Administrative Code of the City of New York (formerly J51-2.5), in accordance with each ~~Residential~~ Unit's percentage interest in the ~~Residential Limited~~ Common Elements.

11. Encroachments. If, after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, or (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration to the Common Elements in accordance with the terms of this Declaration and the Bylaws made by or with the consent (where required) of the Condominium Board, or made by Sponsor, its designee or the Commercial Unit Owner, or (iii) any alteration, repair or restoration of either the Building (or any portion thereof), any Unit or Common Element which is made in accordance with the terms of this Declaration and the Bylaws, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

12. Easements.

12.1. Subject to the terms of the Bylaws and the Rules and Regulations and the terms of this Declaration, each Unit Owner shall have an easement in common with all other Unit Owners to use any of the Common Elements and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Elements and utility distribution system serves, or is necessary to the service of, such Unit Owner's Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore or replace the Common Elements contained therein or elsewhere in the Property, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted herein shall be exercised in such a manner as will not unreasonably interfere with the use of any of the Units for their permitted purposes or the business of any tenants or occupants of the Commercial Unit. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building, the safety of occupants of the Building, or other persons, or to avoid the suspension of any necessary service in the Building).

12.2. Subject to the terms of the Bylaws and the Rules and Regulations, the Unit Owners (including Sponsor or its designee, as long as it owns ~~an~~ Unit), all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board, and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing, shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of~~-~~, all of the Common Elements, and the Common Elements shall be subject to such easement.~~; provided, however, that such easement for ingress and egress through the Common Elements shall, in the case of the Commercial Unit Owner and its officers, partners, employees, agents, guests, invitees and licensees, shall be limited, with respect to the Residential Limited Common Elements described in Section 6.3(a) hereof, to emergency purposes only, and, with respect to the Residential Limited Common Elements described in Section 6.3(b) hereof, to officers, partners, employees, agents, guests, invitees and licensees of the Commercial Unit Owner or any tenant or occupant of the Commercial Unit who is handicapped or disabled.~~ Notwithstanding the foregoing, no person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so. Maintenance of the roof shall remain the obligation of the Condominium and each of the Unit Owners shall be deemed to hold a proportional interest in the roof as a Common Element, without having a right of access or use.

12.3. Notwithstanding anything to the contrary contained in Section 12.2 hereof, Sponsor and Sponsor's successors, assigns, invitees, licensees, contractors, employees, agents and tenants hall have an easement in, over, under through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of the Unsold Units. In addition, Sponsor shall have the right, to the extent not prohibited by law, to use one or more portions of the Common Elements, as designated by Sponsor, in its sole discretion, for sales, rental, or display purposes, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the Building (including on the exterior walls thereof) and the Property.

~~12.4. The Commercial Unit Owner (including the Sponsor or its designee) shall have an easement, to the extent permitted by law, to erect, maintain, repair and replace, from time to time, one or more signs and/or canopies, of such size and content as the Commercial Unit Owner shall determine, on, about, or adjacent to the Property (including on the exterior walls of the Building) for the purpose of advertising the name of the tenant or occupant or the business conducted in the Commercial Unit and/or any portion thereof, provided all necessary approvals for signage have been obtained.~~

12.~~4~~5. Sponsor or its designee (for so long as either owns any Unit) reserves for itself ~~and to the Commercial Unit Owner~~, and grants to the Condominium Board on behalf of all Unit Owners, the right to grant such additional electric, gas, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion

of the Property as Sponsor, or its designee, ~~the Commercial Unit Owner~~ or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof ~~including (as to the Commercial Unit Owner) the Commercial Unit or for the general health or welfare of the owners, tenants and occupants of the appropriate Units~~, provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units or their permitted purposes.

12.6. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

12.7 Sponsor~~,~~ and its designee ~~and the Commercial Unit Owner~~ have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by law.

12.8 In addition to the specific easements set forth in this Article 12 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

13. Power of Attorney to Sponsor and the Condominium Board. Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution,

(a) Sponsor or its designee. to amend the Condominium Documents pursuant to the terms of this Declaration, and

(b) the members, from time to time. of the Condominium Board, acting jointly,

(i) to acquire, in the name of the Condominium Board or its designee, on behalf of all Unit Owners, any Unit, together with its Appurtenant Interest: (A) whose owner desires to surrender the same pursuant to Section 6.2.2 of the Bylaws; (B) that becomes the subject of a foreclosure or other similar sale; or (C) for the use and occupancy of a superintendent or otherwise, on such terms, including, without limitation, price (with respect to subdivisions (B) or (C) above) as said attorneys-in-fact shall deem proper;

(ii) following due authorization by the Unit Owners, to acquire or lease in the name of the Condominium Board or its designee, on behalf of all Unit Owners, any Unit, together with its Appurtenant

Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, on such terms and conditions, including, without limitation, price or rental, as said attorneys-in-fact shall deem proper;

(iii) to convey, sell, lease, mortgage, or otherwise deal with (but not to vote the interest appurtenant to) any Unit so acquired or to sublease any Unit so leased by them, without the necessity of any further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorney-in-fact the power to do all things in and to said Unit which the undersigned could do if the undersigned were personally present; and

(iv) to execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the City Register's Office: (A) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the Landmarks Preservation Commission, 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 (B) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

14. Acquisitions of Units by the Condominium Board. If (a) any Unit Owner surrenders his or her Unit, together with the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units therefore acquired by the Condominium Board or the proceeds of the sale or lease thereof and such Unit Owner's interest, if any, in a Limited Common Element, to the Condominium Board pursuant to the terms of the Bylaws or of Section 339-x of the Condominium Act (collectively, the "Appurtenant Interests") or, (b) the Condominium Board, pursuant to the terms of the Bylaws or otherwise, either (i) acquires a Unit together with its Appurtenant Interests, or (ii) purchases a Unit together with its Appurtenant Interests at a foreclosure or other similar sale, then, and in either event, title to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit owned or leased or by the Condominium Board or its designee shall be held by the Condominium Board or its designee on behalf of all Unit Owners, in proportion to their respective Common Interests.

15. Covenants Running with the Land.

15.1. All provisions of this Declaration, the Bylaws and the Rules and Regulations, including, without limitation, the provisions of this Article 15 shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every pan thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon, and inure to the benefit of, the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, or the succeeding to title, or the entering into either a lease for or occupancy of, any Unit shall constitute an agreement that the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time, 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, conveyance or lease thereof.

15.2. If any provision of this Declaration or the Bylaws is invalid under, or would cause this Declaration and the Bylaws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the Bylaws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law, to the extent permitted under such applicable law, with the same force and effect as if, immediately after the recording of this Declaration and the Bylaws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the Bylaws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the Bylaws, then such provision shall be deemed included as part of this Declaration or the Bylaws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

15.3. Subject to the provisions of Section 15.2, if this Declaration and the Bylaws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the Bylaws shall nevertheless be valid and binding upon, and inure to the benefit of, the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such

applicable law with the same force and effect as if, immediately after the recording of this Declaration and the Bylaws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

16. Amendments to this Declaration.

16.1. Subject to the provisions contained herein or in the Bylaws with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee or any Unsold Units, ~~or the Commercial Unit Owner, (a)~~ any provision of this Declaration may be added to, amended, modified or deleted by the vote of at leaste sixty-six and two-thirds (66+2/3%) percent in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the Bylaws, ~~(b) any provisions of this Declaration affecting only the Unit Owners other than the Commercial Unit Owner may be added to, amended, modified or deleted by vote of at least sixty-six and two-thirds (66+2/3%) percent in number and in Common Interest of all Unit Owners other than the Commercial Unit Owner taken in accordance with the provisions of the Bylaws,~~ provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners affected., ~~and (c) any provision of this Declaration affecting only the Commercial Unit or the Commercial Unit Owner may be added to, amended, modified or deleted by the Commercial Unit Owner.~~ No such amendment, modification, addition or deletion with respect to this Declaration shall be effective until recorded in the City Register's Office. Subject to the rights of the Sponsor or its designee under Articles 7, 8, 11, 12 and 15 of this Declaration, ~~and the rights of the Commercial Unit Owner under Articles 7, 8, and 11 of this Declaration,~~ and subject further to obtaining the consent of Sponsor or its designee, ~~or the Commercial Unit Owner as provided in Section 16.4 hereof,~~ Articles 7, 8, 11, 12, 13 and 15 of this Declaration may not be amended, modified, added to, or deleted unless eighty (80%) percent, both in number and in aggregate Common Interests, of all Unit Owners affected thereby approve such amendment, modification, addition or deletion.

16.2. If the number of rooms in an Unsold ~~Residential~~ Unit is changed, or the size and/or number of Unsold ~~Residential~~ Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with this Declaration, the Sponsor or its designee shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold ~~Residential~~ Unit or in the size and/or number of Unsold ~~Residential~~ Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Condominium Board or the Unit Owners.

~~16.3. If (a) the number of rooms in or size of the Commercial Unit and the percentage interest in the Common Elements appurtenant to the Commercial Unit is reapportioned among any newly created commercial condominium Units resulting from any subdivision of the Commercial Unit (or any combining of newly created Commercial Units) or (b) a Commercial Limited Common element is designated as part of a newly created Commercial Unit, then the Commercial Unit Owner shall have the right to execute or (upon its request) to require any other Unit Owner or the Condominium Board to execute and record in the City Register's Office, and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as the Commercial Unit Owner deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in the Commercial Unit, the size of the Commercial Unit or the subdivision of the Commercial Unit into separate commercial condominium units (or the subsequent combination of such newly created commercial condominium units) and the reapportionment of the percentage interest in the Common Elements among such newly created commercial condominium units, or (ii) such designation of a Commercial Limited Common Element as a newly created commercial condominium unit or such designation of part of the Commercial Unit as a newly created Commercial Limited Common Element, all without the approval of the Condominium Board or the Unit Owners.~~

~~16.4. Amendments, modifications, additions or deletions of or to this Declaration, the Bylaws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Unit or the subdivision of the Commercial Unit into separate commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Unit, and it is contemplated that in connection therewith the Commercial Unit Owner will cause this Declaration, the Bylaws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the other Units or other Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the other Units or the other Unit Owners, the Commercial Unit Owner shall be the attorney-in-fact for the other Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument affecting such amendment, modification, addition or deletion.~~

16.3~~5~~. The provisions of Sections 16.1 and 16.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee.~~, and the provisions of Sections 16.1, 16.2 and 16.4 may not be modified, amended added to or deleted, in whole or in part, without the consent of the Commercial Unit Owner.~~

17. Termination of Condominium. The Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the Bylaws, or (b) such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least eighty (80%~~-~~) percent in number and in Common Interest of all Unit Owners. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least

eighty (80%) percent in number and in Common Interest of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, 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 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 from out of its share of such net proceeds all liens on its Unit, in the order of priority of such liens.

18. Waiver. No provision contained in this Declaration 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 which may occur.

19. Consent of Sponsor. Wherever the consent, approval, satisfaction or permission of Sponsor or its designee is required under this Declaration or the Bylaws, such consent approval, satisfaction or permission shall not be required when Sponsor or such designee no longer owns any Units.

20. 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 this Declaration nor the intent of any provision hereof.

21. Certain References.

21.1. A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

21.2. The terms "herein", "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

21.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

22. Incorporation By Reference. The terms, covenants, conditions, descriptions and other information contained in (i) the description of the Land annexed hereto as Exhibit A, (ii) the description of the Units annexed hereto as Exhibit B, (iii) the Bylaws of 257 West 117th Street Condominium (the "Bylaws") annexed hereto as Exhibit C, and (iv) the Floor Plans are, by this reference, each incorporated in and made a part of this Declaration as if the same were set forth at length in the text hereof.

23. Severability. Subject to the provisions of Sections ~~14~~15.2 and ~~14~~15.3 hereof, if any provision of this Declaration (including the Exhibits annexed hereto) is invalid or unenforceable as against any person or entity or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or entities or circumstances shall not be affected thereby. Each provision of this Declaration, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by law. Any conflict between any provision of this Declaration (including the Exhibits annexed hereto) and the Condominium Act, or questions regarding the interpretation of this Declaration (or any of the Exhibits annexed hereto), shall be governed by the Condominium Act.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the____ day of _____, 200_.

BRIDGE CAPITAL CORP.

By:_____
Stanley Wolfson, President

257/117 REALTY LLC

By:_____
Robert G. Friedman, Manager

By:_____
Bernard Freidman, Manager

ACKNOWLEDGMENTS

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

On the ___ day of _____ in the year 200___, before me, the undersigned, a notary public in and for said state, personally appeared Stanley Wolfson, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

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

On the ___ day of _____ in the year 200___, before me, the undersigned, a notary public in and for said state, personally appeared Robert G. Friedman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

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

On the ___ day of _____ in the year 200___, before me, the undersigned, a notary public in and for said state, personally appeared Bernard Friedman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

Exhibit A

Description of the Land

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 117th Street, distant 225 feet easterly from the corner formed by the intersection of the easterly side of 8th Avenue and the northerly side of West 117th Street;

RUNNING THENCE northerly, parallel with 8th Avenue, 100 feet 11 inches to the center line of the block;

THENCE easterly, along the center line of the block, 100 feet;

THENCE southerly, parallel with 8th Avenue, 100 feet 11 inches to the northerly side of West 117th Street; AND

THENCE westerly, along the northerly side of West 117th Street, 100 feet to the point or place of BEGINNING.

Exhibit B

Description of the Units

Exhibit C

The Bylaws

DECLARATION OF CONDOMINIUM

Establishing a Plan for Condominium Ownership
of the Premises known as
257 West 117th Street,
New York, New York 10026

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: 257 West 117th Street Condominium

Sponsor/Declarant: ~~Bridge Capital Corp.~~257/117 Realty LLC
~~1274 Fifth Avenue~~5 East 86th Street
New York, New York 100289

Date of Declaration: _____, 200_

The land affected by the within instrument lies in
Section __, Block 1923, Lot 10 on the Tax Map of the
Borough of Manhattan City, County and State of New York

Record and Return to:

SEIDEN & SCHEIN, P.C.
570 Lexington Avenue
New York, New York 10022
Attention: Alvin Schein, Esq.

CONDOMINIUM BYLAWS

BYLAWS OF THE ~~257 WEST 117TH STREET~~ FITZGERALD CONDOMINIUM

ARTICLE 1. GENERAL

Section 1.1. Purpose. The purpose of these Bylaws is to set forth the rules and procedures concerning the conduct of the affairs of ~~257 West 117th Street~~The Fitzgerald Condominium (the "Condominium"). The Condominium covers the property (the "Condominium Property") consisting of approximately 10,000 sq. feet of land (the "Land") which forms a part of Block 1923 on the Tax Map of the Borough of Manhattan, County of New York and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County office of the Register of the City of New York (the "Register's Office"), together with these Bylaws. All terms used herein which are not separately defined herein, have the meanings given to those terms as are contained in the Declaration.

Section 1.2. Applicability of Bylaws. These Bylaws are applicable to the Condominium Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Condominium Property, are and shall be subject to the Declaration, these Bylaws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the occupancy of, a Unit shall constitute an agreement that the provisions of these Bylaws, the Rules and Regulations and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

Section 1.3. Principal Office of Condominium. The principal office of the Condominium shall be located either within the Condominium Property or at such other place in the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2. BOARD OF MANAGERS

Section 2.1. Number, Election and Qualification.

2.1.1. As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the holding of the first annual meeting of Unit Owners as

provided in Section 3. 1, the Board shall consist of five persons to be elected as provided in subsection 2.1.2 and Section 2.4 below.

2.1.2. Each member of the Board, except for the first Board as provided in Section 2.3, and except as otherwise provided herein, shall be elected at the annual meeting of the Unit Owners and shall serve until the next annual meeting thereof and until his successor has been elected and qualified.

2.1.3. Except for Board members elected or designated by Sponsor or its designee, all members of the Board shall be either: Unit Owners; officers, directors, shareholders, partners, members, trustees, principals, employees or beneficiaries of corporations, partnerships, limited liability companies, trusts, fiduciaries or any other entities which are Unit Owners; family members (as defined in Section 8.7) of any of the foregoing; or individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner. Other than Board members elected or designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

2.1.4. In no event shall any Unit Owner be eligible for election to the Board if such Unit Owner is then in default, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board elected by the Unit Owners may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

Section 2.2. Powers and Duties.

2.2.1. The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these Bylaws may not be delegated to the Board by the Unit Owners). Notwithstanding anything to the contrary contained in these Bylaws, the Board may not until the earlier of (i) five (5) years from the date of the first closing of title to a ~~Residential~~ Unit pursuant to a Purchase Agreement (the "First Closing"), or (ii) the date on which the Unsold Units constitute less than twenty-five (25%) percent of the Common Interests, the Condominium Board may not, without Sponsor's or its designees prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit, the foregoing not to include necessary repairs and maintenance work if the cost of such action, when added to all other budgeted operating expenses, shall result in an increase in Common Charges for any year of operation by more than five (5%) in the aggregate of the previous year's Common Charges, (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B contained in that certain Condominium Offering Plan for the ~~257 West 117th Street~~ Fitzgerald Condominium filed in the Office of the Attorney General of the State of New York (as same may be amended, the "Offering Plan"), if the cost of such action, when added to all other budgeted operating expenses, shall result in an increase in Common Charges for any year of operation by

more than five (5%) in the aggregate of the previous year's Common Charges, (iii) hire any employee in addition to or fewer than the employees provided for in Schedule B of the Offering Plan, (iv) enter into any contract for work or services not covered in existence on the date of the First Closing, or otherwise provide services in excess of those contemplated by Schedule B of the Offering Plan or elsewhere in the Offering Plan, (v) borrow money on behalf of the Condominium, or (vi) amend the Declaration. However, the Board may take any of the actions enumerated in sections (i) through (vi) of this paragraph if (a) the cost of such actions, when added to all other budgeted operating expenses, will not result in increasing the Common Charges for any year of operation by more than five (5%) in the aggregate above the prior year's Common Charges or (b) such action is required to comply with applicable laws or regulations, to remedy any notice of violation, or, to remedy any work order by an insurer.

2.2.2. Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, the Board shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition to, improvement, alteration and replacement of the Common Elements, in such a manner that standards of quality, service and appearance appropriate to a luxury condominium, as may be appropriate, are maintained.

(b) The amount of Common Charges.

(c) Collection of Common Charges from the Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services offered.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease, Units surrendered, by their owners to the Board or Units with respect to which the lien for real estate taxes is being sold by the City of New York.

(g) Purchasing Units at foreclosure or other similar sale, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners.

(h) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the

Board or its designee, corporate or otherwise, on behalf of all Unit Owners.

(i) Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these Bylaws.

(j) Enforcing obligations of Unit Owners.

(k) Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owners).

(l) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these Bylaws) and designating the signatories required therefor.

(m) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Section 6.4 hereof.

(n) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations of, the General Common Elements or Limited Common Elements, respectively, provided, however, that (i) except as provided in Section 8.7, the consent of the holders of at least 66+2/3% in Common Interest of all Unit Owners shall be required for any borrowings for such purposes with respect to the General Common Elements or Limited Common Elements, respectively, if such borrowings are in excess of the aggregate amount of $100,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years), (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the consent of the owner of such Unit, (iii) the vote of at least two-thirds of the members of the Board shall be required for the borrowing of any sum in excess of $500,000 (regardless of the balance of any loans outstanding from previous fiscal years). If any sum borrowed by the Board pursuant to the authority contained

in this subparagraph 2.2.2(n) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of all Unit Owners according to whether the borrowing was made on behalf of the Condominium or the Units, respectively, in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

(o) Organizing corporations and/or limited liability companies to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units by the Board on behalf of all Unit Owners.

(p) Execution, acknowledgment and delivery of: (i) any declaration or other instrument affecting the Condominium Property or the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement or declaration, or any amendment thereto, affecting (x) the Condominium Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these Bylaws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these Bylaws) the Board determines that taking such action is appropriate.

(q) 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, or in connection with any real estate tax exemption or abatement, with respect to all Units.

(r) Preparation, execution and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these Bylaws

whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these Bylaws.

Section 2.3. Term of Office of Members of the Board.

2.3.1. Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 3.1 hereof, the Board shall consist of three persons designated by Sponsor from time to time. The terms of each such member of the Board shall expire annually and, subject to the other provisions of this Section, Sponsor shall have the right to designate the replacement for each such member, even though such replacement may be the same person. Within sixty (60) days after the First Closing, Sponsor shall call a Unit Owners meeting at which time a new Board shall be elected consisting of five (5) members, subject to Sponsor's designation rights set forth below. The term of office of the three members of the Board so designated by Sponsor prior to the first annual meeting of the Unit Owners held pursuant to Section 3.1 hereof shall expire when the five persons to be elected at such meeting are so elected and qualified.

2.3.2 The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Units, for so long as there remain at least two Unsold Units.

2.3.3. The term of office of each of the members comprising the Board elected at the first annual meeting of the Unit Owners pursuant to Section 3.1 shall be fixed at such meeting as follows: (a) two of such members shall serve for a term of approximately two years; and (b) two of such members shall serve for a term of approximately one year. Such members' terms shall end on the first regularly scheduled annual meeting of Unit Owners (in the case of the members elected to serve a term of approximately one year) or the first anniversary thereof (in the case of the members elected to serve a term of approximately two years). The members receiving the highest number of votes shall serve for the longest terms of office, but except as set forth in subsection 2.4.4 hereof, any members elected or designated by Sponsor or its designee pursuant to the terms of subsection 2.4.3 hereof, as the owner of Unsold Units, shall serve for the shortest terms of office. At each annual meeting of the Unit Owners subsequent to the first meeting, the Unit Owners shall elect, pursuant to the terms of Section 2.4 hereof, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at two years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, such member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a Board member may serve.

Section 2.4. Election of Board Members; Rights of Sponsor.

2.4.1. Subject to the terms of subsections 2.4.3, 2.4.4 and 2.4.5 hereof, all members of the Board to be elected by the Unit Owners shall be determined by plurality

of the votes cast by the Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee shall own two or more Units) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present.

2.4.2. When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Unit(s) owned by such Unit Owner, the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and, if applicable, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these Bylaws shall be deemed to permit cumulative voting.

2.4.3. Notwithstanding anything contained in these Bylaws to the contrary:

2.4.3.1 Sponsor shall have the right to designate three (3) members of the Board during the period (the "Initial Control Period") which ends on that date which is the first to occur of (i) five (5) years from the date of the First Closing, or (ii) conveyance of title to ~~Residential~~ Units representing fifty (50%) percent of the Common Interests, in the aggregate, of the ~~Residential~~ Units.

2.4.3.2 So long as the Sponsor continues to own at least thirty-five (35%) percent of the Units (based on Common Interest), Sponsor shall be entitled to designate two (2) members of the Board.

2.4.3.3 So long as the Sponsor continues to own at least ten (10%) percent of the Units (based on Common Interest), Sponsor shall be entitled to designate one (1) member of the Board.

2.4.3.4 ~~The Commercial Unit Owner shall be entitled to designate one (1) member of the Board, unless the Commercial Unit is owned by the Sponsor and the Sponsor is then entitled to designate two (2) or more of the members of the Condominium Board.~~INTENTIONALLY OMITTED.

2.4.3.5 Sponsor shall have the right to vote all of the Common Interests attributable to the Units owned by Sponsor in Sponsor's sole discretion. Whenever Sponsor has the right to designate members of the Board, such members may be officers, employees, relatives or affiliates of Sponsor.

2.4.3.6 Any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated or elected as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee).

2.4.3.7 There shall be no restriction on the right of the Unsold Unit Owners (including Sponsor) to vote for members of the Board who are not related to or affiliated with Sponsor, its designee or other Unsold Unit Owners. However, after that date which is the later to occur of (i) the date of conveyance of title by Sponsor to ~~Residential~~ Units representing 75% in Common Interests, or (ii) the second annual anniversary of the First Closing, neither Sponsor nor its

designee will appoint a majority of members to the Board at the annual meeting of Unit Owners, even if their ownership of Units would allow them to do so.

2.4.4. In the event that after notice of an annual meeting of Unit Owners is given to all Unit Owners in the manner prescribed by Section 3.4 of these Bylaws, the Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining members of the Board shall fill any resulting vacancies at a special meeting of the Board held for that purpose promptly thereafter even though the members present at such meeting may themselves constitute less than a quorum. The Board shall request the Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the Board. Any person so elected by the Board shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the two year term.

Section 2.5. Resignation and Removal.

2.5.1. Any Board member may resign at any time by written notice delivered personally or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium, and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2. Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any Board member elected thereto by the Unit Owners or by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined).

Section 2.6. Vacancies. Subject to the provisions of Sections 2.3 and 2.4, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board 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, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated or elected as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee).

Section 2.7. Organizational Meeting of Board. The first meeting of the Board shall be held within ten days after the first annual meeting of Unit Owners, at such time and place in the Borough of Manhattan as shall be fixed by a majority of the members

thereof, and no notice shall be necessary to the newly elected Board members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

Section 2.8. Regular Meetings of Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, telecopy or telegram, at least five business days prior to the day named for such meeting.

Section 2.9. Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving five business days' prior notice to each member of the Board, by personal delivery, mail, telecopy or telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of three (3) or more members of the Board.

Section 2.10. Waiver of Notice. Any Board member may at anytime waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by such member of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 2.11. Determinations by Board; Quorums.

2.11.1. Except as otherwise set forth in subsection 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2. If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned 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.

2.11.3. Members of the Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

Section 2.12. Compensation. No member of the Board shall receive any compensation.

Section 2.13. Liability of Board and Unit Owners.

2.13.1. To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent, only as agent for all Unit Owners, that the Board members or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and may also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and, to the extent permitted by applicable law, such Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract may also provide that it covers the assets, if any, of the Board. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim, except for those claims and liabilities arising out of such Board member's own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.13.2. Neither the Board nor any member thereof shall be liable for (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or any member thereof, or (ii) any injury, loss or damage to any individual or property occurring in or upon either a Unit or any Common Element, except when caused by the acts of bad faith or willful misconduct of the Board or any such member.

Section 2.14. Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of one or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the Board during the intervals between the meetings of the Board insofar as may be permitted by law.

Section 2.15. Principal Office of Board. The principal office of the Board shall be located within the Condominium Property or at such other place in the Borough of

Manhattan reasonably convenient thereto, as may be designated from time to time by the Board.

Section 2.16. Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

Section 2.17. Incorporation and Organization of Board. To the extent and in the manner provided in the Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates or organizes, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and bylaws of any such resulting corporation or the articles of organization of such limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these Bylaws, and the provisions of the Declaration and these Bylaws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and bylaws or articles of organization.

Section 2.18. Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these Bylaws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these Bylaws.

Section 2.19. Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members, or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested (whether such interest be pecuniary or otherwise), shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board involved in such contract or transaction or a majority of the members thereof or noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners

shall in good faith authorize, approve or ratify such contract or transaction; or (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3. UNIT OWNERS

Section 3.1. Annual Meetings. Within sixty (60) days after the First Closing, the first annual meeting of Unit Owners shall be held. At such meeting, the incumbent Board shall resign and a new Board shall be elected (as provided herein) consisting of five members. Thereafter, annual meetings of Unit Owners shall be held within four weeks after the anniversary of such first meeting in each succeeding year on a date to be set by the Board. At such meetings, the Unit Owners shall elect successors to the members of the Board whose terms of office expire on the day of such meeting and there shall also be transacted such other business as may properly come before such meeting.

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 and convenient place in the Borough of Manhattan as may be designated from time to time by the Board.

Section 3.3. Special Meetings. The President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by not less than 25% in Common Interest of Unit Owners. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

Section 3.4. Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat at their address at the Condominium or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least ten business days prior to the giving of notice of the applicable meeting. Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telecopy, at least ten business days prior to the date fixed for the meeting, with a duplicate copy given at least five business days prior to the date fixed for the meeting. In addition, copies of such notice shall be posted in the lobbies, elevators or other public places in the Building at least five business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these Bylaws, the notice of such meeting shall be given to all Unit Owners as provided above at least 30 days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

Section 3.5. Lack of Quorum. If any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote decide to adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting, or to hold an informal meeting for the purpose of expressing to the Board their preferences on the business to have been transacted at the meeting.

Section 3.6. Order of Business. The order of business at all regular meetings of 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) Reports of Members of the Board;

(f) Reports of Committees;

(g) Election of Members of Board when so required;

(h) Unfinished Business; and

(i) New Business.

Section 3.7. Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 3.8. Voting.

3.8.1. Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit or Units as set forth herein at all meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to the Secretary of the Condominium by the Unit Owner so designating, provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months (except for a designation of a Permitted Mortgagee to act as the proxy of its mortgagor).

3.8.2. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.3. If two or more persons or entities own a Unit, they shall designate one person or entity amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary, and the vote of such designee shall be binding upon such Unit co-Owners. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for determining whether a quorum is present for such voting.

3.8.4. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.5. Subject to the terms of 2.1.2, and except asset forth in 3.9, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units per member to be elected.

Section 3.9. Majority of Unit Owners. Except as may otherwise be provided by law, as used in these Bylaws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present.

Section 3.10. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners owning Units to which more than 50% of the aggregate Common Interests appurtenant shall constitute a quorum at all meetings of Unit Owners.

Section 3.11. Majority Vote. Except where otherwise provided by law, the Declaration or these Bylaws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4. OFFICERS

Section 4.1. Designation. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein nor be Board members until the first organization meeting of the Board after the first annual meeting of Unit

Owners. Thereafter, the President and Vice President of the Condominium must be members of the Board.

Section 4.2. Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organization meeting thereof and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the initial Board and shall hold office at the pleasure of such Board and until their successors are elected.

Section 4.3. Removal of Officers. Except as otherwise required by these Bylaws with respect to the designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a special meeting of the Board called for such purpose, at which a quorum is present, any officer may be removed, either with or without cause, and his or her successor may be elected.

Section 4.4. President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the Board. The President shall have all of the general powers and duties which are 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 Unit Owners from time to time as the President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium.

Section 4.5. Vice President. The Vice President of the Condominium shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

Section 4.6. Secretary. The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Board. The Secretary shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.7. Treasurer. The Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent or manager appointed by the Board) in such depositories as may from time to time be designated by the Board and

shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. If, for any reason whatsoever, one member refuses to countersign such an expenditure which has been authorized, the Board shall designate and authorize another Board member to countersign the expenditure.

Section 4.9. Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

Section 4.10. Liability of Officers.

4.10.1. To the extent permitted by applicable law, no officer shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each officer against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

4.10.2. None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer, or (ii) any injury, loss or damage to any individual or property, occurring in or upon any Common Element; except when caused by the acts of bad faith or willful misconduct of any such officer.

ARTICLE 5. NOTICES

Section 5.1. Notices. All notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to the principal office of the Board or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and to all Permitted Mortgagees, and a duplicate shall be sent in like manner to the Managing Agent. Except as otherwise provided herein, all notices to any Unit Owner shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to the address at the Condominium Property of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board. All notices to

Permitted Mortgagees shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to their respective addresses, as designated by them from time to time in writing to the Board. All notices shall be deemed to have been given when delivered in person or three days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper or the first business day after deposit with an overnight courier service, as the case may be, except that notices of change of address shall be deemed to have been given when received.

Section 5.2. Waiver of Service of Notice. Whenever any notice is required to be given by law or by the Declaration or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6. OPERATION OF THE CONDOMINIUM

Section 6.1. Determination of Common Expenses and Fixing of Common Charges.

6.1.1. From time to time, but at least once per year, the Board will prepare a budget for setting forth its projection of Common Expenses and will allocate the Common Expenses Unit Owners will be assessed Common Charges to meet the Units allocated share of Common Expenses. The Common Charges payable by each Unit Owner will be in proportion to the percentage of Common Interests appurtenant to said Unit compared to the total of all Common Interests. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof.

6.1.2. The Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners, and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof, however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. However, a prior period's deficit may be included in Common Charges for a subsequent period or paid from a Special Assessment levied against all Unit Owners.

6.1.3. The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the

Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

6.1.4. In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses. All special assessments shall be levied against all Unit Owners in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges.

6.1.5. The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of the Unit Owners, and shall constitute income of the Unit Owner. Notwithstanding any provision contained in these Bylaws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6. Notwithstanding anything contained to the contrary above in this Section 6.1, the Board shall not reduce the Common Charges payable during any year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below that necessary to provide the superintendent, and concierge and coverage specified in the Offering Plan, or eliminating or reducing any service or reducing the insurance coverage below that described in the Offering Plan, except with the concurrence of a majority of the members of the Board elected by Unit Owners other than Sponsor or its designee.

Section 6.2 Payment of Common Charges.

6.2.1. All Unit Owners shall be obligated to pay Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times (but not less than monthly) as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2. No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against its Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with these Bylaws) of such Unit, together with its appurtenant Common Interest. Any Unit Owner may, subject to the terms and conditions of these Bylaws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges

(provided that no amounts are owing under any such lien); and (b) no violation of any provision of the Declaration, these Bylaws or the Rules and Regulations then exists with respect to such Unit. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition of such Unit, except that (i) a mortgagee acquiring title to a Unit at a foreclosure sale, or (ii) to the extent permitted by applicable law, a purchaser of a Unit at a foreclosure sale of a mortgage shall not be liable for, and such Unit shall not be subject to a lien for, the payment of Common Charges assessed against such Unit subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by such mortgagee or purchaser. Prior to any permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement from the Board, dated as of the date of the closing of title pursuant to any such sale, transfer or other conveyance, setting forth the amount of unpaid Common Charges accrued against the Unit. However, in the event of a foreclosure of a Unit by the Board of its lien on any Unit for unpaid Common Charges, if the proceeds of the foreclosure sale actually received by the Board shall be insufficient for the payment of such unpaid Common Charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

6.2.3. The Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges due to it from such Unit Owner.

Section 6.3. Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1. The Board shall take prompt action to collect any Common Charges which remain unpaid for more than 30 days after the due date for payment thereof, including, without limitation, the institution of such actions and the recovery of interest and expenses as provided in this Article 6.

6.3.2. Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner, in proportion to their respective Common Interests. Such liens shall be subordinate only to liens for real estate taxes and prior recorded Permitted Mortgages on such Unit.

6.3.3. In the event any Unit Owner fails to make payment of Common Charges, the Unit Owner shall be obligated to pay (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with expenses, including, without limitation, attorneys' fees paid or incurred by

the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether, in the case of Common Charges, as provided in Section 339z of the Condominium Act, in the manner provided in Section 339aa thereof, or, in any event, in any other manner permitted by law. In addition, if the Board shall bring an action to foreclose such lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

6.3.4. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting an behalf of all Unit Owners, shall have the power to purchase the Unit at the foreclosure sale thereof, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant to such Unit). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.3.5. If a non-occupying Unit Owner rents his Unit to a rental tenant and then fails to make payments due for Common Charges, Assessments or late charges within 60 days of the expiration of the grace period after they are due, the Board shall provide written notice to the tenant and non-occupying Unit Owner providing that, until such payments are made current, all rental payments are to be made payable to the Condominium. Where a majority of the Board has been elected by Unit Owners in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium.

Section 6.4. Insurance.

6.4.1. The Board shall be required to obtain and maintain, to the extent obtainable and to the extent determined by the Board to be appropriate, the following insurance:

(a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, appliances or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit owners, as their respective interests may appear, in an amount equal to the full replacement value of the

Building (exclusive of foundation and footings) without deduction for depreciation;

(b) rent insurance in an amount equal to Common Charges for one year;

(c) workers' compensation insurance and New York State disability benefits insurance;

(d) boiler and machinery insurance;

(e) plate glass insurance, to the extent, if any, determined by the Board;

(f) water damage insurance, to the extent, if any, determined by the Board;

(g) elevator liability and collision insurance;

(h) fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of the Condominium;

(i) directors' and officers' errors and omissions insurance; and

(j) such other insurance as the Board may determine from time to time.

Each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each Permitted Mortgagee, as its interests may appear, subject, however, to the loss payment provisions hereinafter set forth. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests.

6.4.2. All such policies shall policies that adjustment of loss she be made by the Board. Insurance proceeds with respect to any loss shall be payable to the Board or to the Unit Owners entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000.00, shall be payable to a New York City bank or trust company designated by the Board as Insurance Trustee pursuant to the provisions of Section 12.6.

6.4.3. The amount of fire insurance and all risk extended coverage to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the first annual meeting of Unit Owners shall be at least $7,500,000.

6.4.4. All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) coinsurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability of the insurer as a result of any insurance carried by Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners who have requested the same from the Board in writing. Renewals shall be obtained at least ten days prior to the expiration of the then current policies.

6.4.5. The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Condominium Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within its own Unit or within the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least $1,000,000 with respect to any occurrence, with umbrella coverage of at least $10,000.000, and at no time and in no event shall such comprehensive general liability insurance afford protection to the limit of less than such amounts. The Board shall also be required to obtain and maintain fidelity insurance covering the Board, the Managing Agent, each Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereon. The insurance required in accordance with this subsection 6.4.5 shall also cover cross-liability claims of one insured against another.

6.4.6. Any insurance maintained by the Board may provide for such deductible amounts as the Board determines.

6.4.7. The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences in or about a Unit. Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense, and the Board shall not be prohibited from carrying additional insurance, provided that any such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 6.5. Repair or Reconstruction after Fire or Other Casualty.

6.5.1. In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, subject to the provisions of Section 6.5.2 hereof, the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), and the Board or the Insurance Trustee (as defined in Section 12.6 below), as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

6.5.2. If (i) 75% or more of the Building is destroyed or substantially damaged, and (ii) the holders of an aggregate of at least 75% of Common Interests of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, then and upon the occurrence of both of said events, the Building will not be repaired and the Condominium Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, 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 out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit in the order of the priority of such liens. As used in this Section 6.5, the phrase "promptly resolve" means not more than 60 days from the date of such damage or destruction.

6.5.3. Any dispute between the Unit Owners, or between any Unit Owner and the Board, arising under this Section 6.5 shall be determined by Arbitration.

Section 6.6. Maintenance and Repairs.

6.6.1. Except as otherwise provided in the Declaration or these Bylaws:

6.6.1.1. all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air conditioning units and appliances which are:

6.6.1.1.1. in or to any Unit (excluding Common Elements included therein except as otherwise provided in these Bylaws) and the interior side of entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense; provided that, in each instance that any such work is to be done within a Unit (other than Unsold Units), the Unit Owner thereof will utilize only such contractors, workers and suppliers as are on the approved list of the

Managing Agent, which list may change from time to time in the Managing Agent's or the Board's sole discretion;

6.6.1.1.2. in or to the General Common Elements shall be made by the Board and the cost and expense thereof shall be charged as a Common Expense to the Unit Owners; and

6.6.1.1.3. in or to the Limited Common Elements shall be made by the Board and the cost and expense thereof shall be shared by all Unit Owners in proportion to their respective Common Interests; and

6.6.1.2 a Unit Owner shall not be responsible for the cost of painting, decorating, maintenance, repairs or replacements on or to any Unit other than to its own Unit (and any Limited Common Elements included in any such Unit) and the Common Elements.

6.6.2. Notwithstanding the provisions of subsection 6.6.1:

6.6.2.1. In the event that any painting, decorating, maintenance, repairs or replacements to the Condominium Property or any part thereof is necessitated by the negligence, misuse, neglect or abuse of (i) any Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (ii) the Board, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in either case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.6.2.2. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. All exterior glass surfaces shall be washed and cleaned by the respective Unit Owners, as required by the Board from time to time, at the Unit Owners' cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Board, at the expense of all Unit Owners, as a Common Expense (unless such breakage is caused by a Unit Owner, in which event such replacement of glass windows shall be done by the Board, at the expense of such Unit Owner).

6.6.3. Each Unit and all portions of the Common Elements shall be kept in first class condition (and, with respect to any roof or other part of the Condominium Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may be, shall promptly make or perform or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the

Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building required to be maintained by it; and (b) each Unit Owner, with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit.

6.6.4. In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6, or of any Common Element for which such Unit Owner is responsible under the Declaration or these By Laws, the Board 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 by the Board, 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 or to any such Common Element for which such Unit Owner is responsible as aforesaid, 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 and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 6.7. Alterations of Units.

6.7.1. Except as otherwise provided in the Declaration, no Unit Owner (other than Sponsor or its designee as the owner of Unsold Units) shall make any alteration, addition, improvement or repair in or to its Unit if the same would affect the structure or systems of the Building without the prior written approval of the Board, which approval will not be unreasonably withheld. Prior to, and as a condition of, the granting of its consent to the making of any such alteration, addition, improvement or repair in or to a Unit, the Board, at its option, may 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 (as defined below) may be made.

6.7.2. All repairs which would affect the structure or systems of the Building and all alterations, additions and improvements (all of the, foregoing, collectively, "Alterations") to any Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board. All Alterations shall be performed:

(i) at the Unit Owner's sole cost and expense;

(ii) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(iii) during only such days and hours as may be specified by the Board in its reasonable judgment;

(iv) only after obtaining such insurance, naming the Board and the Managing Agent, as the Board or the Managing Agent may require;

(v) employing such architects, engineers, contractors, subcontractors, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Board or the Managing Agent; and

(vi) in compliance with the Declaration, these Bylaws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings, and the boards of fire underwriters having jurisdiction thereof (all such laws, ordinances, orders, rules, regulations and requirements being sometime hereinafter collectively referred to as "Legal Requirements").

The Unit Owner performing or causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of (x) any necessary amendment of the Declaration and the floor plans of the Condominium, if appropriate, to reflect any such Alterations, (y) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (and copies thereof shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any alterations, additions, improvements or repairs), and obtaining any amendment to the Certificate of Occupancy for such Unit, if necessary, and (z) any architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit Owner making or causing, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost, or expense either:– (a) in connection with the preparation, execution, or submission of the applications referred to above; (b) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or caused, permitted or suffered to be made by any Unit Owner; (c) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (d) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these Bylaws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relates to Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to, and shall, hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense (including, but not limited to,

attorneys' fees and disbursements), damage or injury, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, such Alteration.

6.7.3. Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any Unit so approved by the Board shall, if required by law or such department or authority, be executed by the Board, provided that the Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, supplier, architect or engineer on account of such Alteration or to any person having any claim for injury to person or damage to property arising therefrom.

6.7.4. Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), Sponsor and its designee shall have the right, pursuant (and subject) to the terms of the Declaration, and without the approval of the Board, to: (i) make any alterations, additions, improvements and repairs in or to any Unsold Units, whether structural or nonstructural, interior or exterior, ordinary or extraordinary; and (ii) subdivide, combine and change the boundary walls of Unsold Units. Additionally, an initial purchaser of an Unsold Unit shall have the right, without the approval of the Board, to make any Alterations in or to its Unit, provided that Sponsor or its designee has consented to the same in writing at or prior to the closing of title to such Unsold Unit, and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.5. In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no Unit Owner shall make any Alterations in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's reasonable requirements with respect to the same. Such requirements may include, but need not be limited to, the requirements that:

(i) such Alteration not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued;

(ii) the Unit Owner posts a bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the Alteration and the filing of any required notices or certificates with respect to such Alteration and the completion of the same with all governmental authorities having jurisdiction;

(iii) such Alteration not be commenced until the Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities

having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such Alteration be diligently prosecuted to completion in compliance with a plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such Alteration as it progresses;

(vi) promptly after the completion of such Alteration, all necessary inspections and approvals of the same shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such Alteration, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of a Legal Requirement or due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such Alteration or the failure to make all appropriate governmental filings in connection with the same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Legal Requirements and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Board), such work shall be performed solely by union members.

If any Unit Owner commences any Alteration in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the same, Sponsor shall be entitled to cause such Alteration by the Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until the

Unit Owner complies with the same. During the period until such Unit Owner is permitted hereunder to resume its work on such Alteration, Sponsor shall have the right to perform any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within fifteen (15) days of Sponsor's written demand therefor.

Section 6.8. Alterations to Common Elements. Except as otherwise provided in the Declaration or these Bylaws, all alterations, additions, improvements or repairs in or to any General Common Element shall be made by the Board and the cost thereof shall be charged to all Unit Owners as a Common Expense; and alterations, additions, improvements or repairs in or to any Limited Common Elements will be made by the Board, and the cost thereof will be shared by all Unit Owners in proportion to their respective Common Interests. Whenever, in the judgment of the Board, the cost of any such alterations, additions, improvements and repairs would exceed $100,000 in the aggregate in any calendar year, then the same shall not be made unless first approved by a Majority in Interest of the Unit Owners required to bear the cost and expense thereof in accordance with their Common Interests, unless the same is necessary to comply with applicable laws or regulations, or to remedy any violation imposed against the Condominium Property, or to comply with a proper work order of an insurer of the Condominium Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Condominium Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for its prorata share of the cost of such alterations, additions, improvements and repairs, according to its percentage of Common Interests, as part of the Common Charges. Any additions, alterations, improvements and repairs costing $100,000 or less, in the aggregate, in any calendar year may be made by the Board without the approval of the Unit Owners.

Section 6.9. Use of Units. A Unit may be used only as a residence and, subject to compliance with these Bylaws, for a lawful home occupation. A Unit may only be occupied by (i) any individual who is a Unit Owner or permitted lessee, (ii) any officer, director, stockholder or employee of any corporation which is a Unit Owner or permitted lessee, (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee, or (iv) the fiduciary or beneficiary of any fiduciary of which is a Unit Owner or permitted lessee and member and/or nonpaying guests of any of the forgoing.

Section 6.10. Use of Common Elements.

6.10.1. Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.10.2. The Unit Owner(s) of any one or more Unit(s), which Unit(s) is (are) the only Unit(s) serviced or benefited by any Common Element adjacent or

appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Unit(s) located on opposite sides of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements, shall have, to the extent permitted by applicable law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), the exclusive right to use that portion of the Common Elements as if it were a part of such Unit(s) (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof, provided, however, that such Unit Owner(s), at its (their) sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner(s) exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner(s) cease to exercise such exclusive right of use. The holders of Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.10.3. Notwithstanding the foregoing; elevator landings which serve fewer than four Units may be decorated and/or furnished by the adjoining Unit Owners as they desire, at their expense, provided that each such Unit Owner consent in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same.

Section 6.11. General Provisions as to Use.

6.11.1. No nuisance shall be allowed in the Condominium Property nor shall any use or practice be allowed in the Condominium Property which interferes with the peaceful possession or proper use of the Condominium Property by its occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any portion thereof. All laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Condominium Property, shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation to maintain or repair such portion of the Condominium Property.

6.11.2. The Board, in its discretion, may grant permission for the use of a Unit for any other purpose (including use as a home office), provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such Unit, and the Unit Owner thereof complies with all applicable governmental regulations. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval

of the Board before using such Unit for any purpose other than those expressly set forth above.

6.11.3. No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased.

6.11.4. Sponsor or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such Unit, and the user of such Unit complies with all applicable governmental regulations; (b) use any one or more Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations; and (c) lease and show Unsold Units to any party(ies).

Section 6.12. Right of Access.

6.12.1. Each Unit Owner shall grant a right of access to its Unit and to its garden and/or rooftop terrace (as applicable) to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, any reasonable purpose, including, but not limited to: (i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Condominium Property; (ii) curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and threatening another Unit or all or any part of the Common Elements; (iii) performing maintenance, installations, alterations, repairs or replacements to the mechanical or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building; (iv) reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or (v) correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit. Such right of access is conditioned upon the following: (a) requests for entry to any Unit shall be made not less than one day in advance, and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with or with the use of the other Units for their permitted purposes. In case of an "emergency" (i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the Condominium Property or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary service in the Building or with respect to all or any portion of the Condominium Property), such right of entry shall be immediate, without advance notice, and may be exercised whether or not the Unit Owner is present.

6.12.2. Each Unit Owner shall grant a right of access to its Unit and to its garden and/or rooftop terrace (as applicable), and the Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of fulfilling Sponsor's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised by Sponsor, with respect to any Unit,

in such a manner as will not unreasonably interfere with the use of the Unit for its permitted purposes.

Section 6.13. Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Units and Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that (a) a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition, and (b) no modification, amendment or addition affecting the Unsold Units may be made unless agreed to, in writing, by Sponsor or its designee and by all the owners of such Units who are affected by such modification, amendment or addition. Copies of any newly adopted, or any modifications, amendments or additions to, the Rules and Regulations shall be furnished by the Board or Unit Owner responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof.

Section 6.14. Real Estate Taxes, Water Charges and Sewer Rents.

6.14.1. Water for the Building shall be supplied by The City of New York. Unless and until water charges and sewer rents are billed directly to Unit Owners by the proper authority, the Board shall promptly pay such charges and rents as a Common Expense, and the Unit Owners shall be required to reimburse the Board, as a Common Charge, for their proportionate share of such charges and rents.

6.14.2. Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Condominium Property to the Department of Finance of The City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units as follows: The Board shall allocate such share among the individual Units in each in the ratio of the percentage of Common Elements held by each Unit Owner. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the nonpayment of real estate taxes assessed against any other Units.

6.14.3. In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit (or to such purchaser's title company) a letter agreeing to promptly pay all such taxes, charges and rents affecting such Unit to the date of the closing of title to such Unit.

6.14.4. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the

Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Section 6.15. Electricity. Electricity for each Unit shall be supplied through separate electric meters. Each Unit Owner shall be required to pay bills for electricity consumed or used in its Unit to the utility company.

Section 6.16. Remedies for Violations of Bylaws or Rules and Regulations by Unit Owners.

6.16.1. The violation of any of the Rules and Regulations or the breach of any Bylaw, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these Bylaws or the Declaration, (i) to enter any Unit or Common Elements 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 resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the Board gives the Unit Owner notice (which may be by telephone or telegram) that such violation exists, that repairs or replacements are necessary and that the Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for nonpayment of such fines and penalties as for nonpayment of Common Charges.

6.16.2. The violation or breach of any of the provisions of these Bylaws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these Bylaws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

ARTICLE 7. MORTGAGES

Section 7.1. Notice to Board. A Unit Owner who mortgages its Unit or the holder of such mortgage, shall notify, the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit. A Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction or mortgage with the Board.

Section 7.2. Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a mortgagee of a Unit, the Board shall promptly report to such mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under any of the provisions of the Declaration or these Bylaws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any mortgagee thereof, if so requested. However, the Board shall have no liability for any failure, through oversight or negligence, in notifying a mortgagee of such default by its mortgagor, provided that the Board shall advise such mortgagee of the default promptly after discovering such failure.

Section 7.3. Performance by Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these Bylaws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

Section 7.4. Examination of Books. Each Unit Owner shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than three times in any calendar year.

Section 7.5. Consent of Mortgagees. Except as otherwise expressly provided in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any, mortgagee against its mortgagor.

ARTICLE 8. SELLING, LEASING AND MORTGAGING OF UNITS

Section 8.1. Sales and Leases of ~~Residential~~ Units. Each Unit Owner may sell its ~~Residential~~ Unit or lease its ~~Residential~~ Unit, provided that the Unit Owner complies with all of the conditions set forth in this Section 8.1.

8.1.1. (a) Any contract to sell a ~~Residential~~ Unit together with its appurtenant Common Interest, or any lease of a ~~Residential~~ Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision:

> *This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of The ~~257 West 117th Street~~Fitzgerald Condominium and the right of first refusal retained by the Sponsor of the Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of the Bylaws of ~~257 West 117th Street~~ the Fitzgerald Condominium.*

A Unit Owner who has entered into a Sale Agreement or Lease with respect to a ~~Residential~~ Unit is herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror".

(b) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable overnight courier; such notice shall be accompanied by a fully executed duplicate original of the Sale Agreement or Lease, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its ~~Residential~~ Unit, together with its appurtenant Common Interest, or to lease its ~~Residential~~ Unit, as the case may be, to the Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board, on behalf of all Unit Owners, that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than 20 days after receipt of such notice, together with such further information as may have been requested by the Board, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by reputable overnight courier, to such Offeree Unit Owner before the expiration of said 20-day period, to purchase such ~~Residential~~ Unit, together with its appurtenant Common Interest, or to lease such ~~Residential~~ Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease and as stated in the Offeree Unit Owners response(s) to requests by the Board for further information, as provided for above. The above right of first refusal with respect to a sale, transfer or conveyance of a ~~Residential~~ Unit by an Offeree Unit Owner is subject to provisions of Section 8.12 hereof.

8.1.2. In the event the Board shall timely elect to purchase such ~~Residential~~ Unit, together with its appurtenant Common Interest, or to lease such ~~Residential~~ Unit, as the case may be, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within 60 days after the giving of notice by the Board of its election to accept such offer; provided, however, that in the event that the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than 60 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the

~~Residential~~ Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the ~~Residential~~ Unit and assume or take title to the ~~Residential~~ Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such ~~Residential~~ Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including, water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such ~~Residential~~ Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in the Lease.

8.1.3. In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, or waives such election in writing, as aforesaid, the Offeree Unit Owner shall have an additional 90 days after the earlier of the expiration of such 20-day period or waiver in writing by the Board, to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such 90 day period, so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4. Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these Bylaws, the Rules and Regulations, in each case, as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5. Any Lease to an Outside Offeror shall be consistent with these Bylaws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such Lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to these Bylaws and the Rules and Regulations.

8.1.6. Except as hereinbefore set forth the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of

lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7. If a Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock other than through any recognized national securities exchange or "over-the-counter" market, or if a Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or disposition of any interest in such partnership, company or other entity shall also subject the ~~Residential~~ Unit owned by such entity to the requirement that the ~~Residential~~ Unit first be offered to the Board, as described in Section 8.1.

8.1.8. Any purported sale or lease of a ~~Residential~~ Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case maybe, in the name of said Unit Owner as the purported seller or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

Section 8.2. Consent of Unit Owners to Purchase or Lease of Units by Board. The Board shall not exercise any option herein above set forth to purchase or lease any ~~Residential~~ Unit without the prior approval of a Majority of Unit Owners with respect to a sale and the affirmative vote of a majority of the members of the Board for a lease. However, the Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

Section 8.3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its appurtenant Common Interest, it being the intention 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 interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

Section 8.4. Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section

8.1 hereof, subject to the provisions of subsection 8.13. The Board may establish reasonable fees for the consideration as to the waiver of any right of first refusal, which fees shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent.

Section 8.5. Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of 8.1 have been satisfied by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

Section 8.6. Financing of Purchase of Units by Board. The purchase of any Unit, together with its appurtenant Common Interest, by the Board or its designee, corporate or otherwise, on behalf of all liens against their Units, other than Permitted Mortgages.

Section 8.7. Exceptions. The provisions of Section 8.1 shall not apply to ~~(A) any lease, sale or conveyance of the Commercial Unit, in whole or in part, together with its appurtenant Common Interest, or (B)~~ the lease, sale or conveyance of any ~~Residential~~ Unit, together with its appurtenant Common Interest, by: (a) the Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (as defined below) of the Unit Owner thereof or the owner of any interest in a Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor or its designee with respect to Unsold Units; (c) the Board; (d) any proper officer conducting the sale of a ~~Residential~~ Unit in connection with the foreclosure of a mortgage or other lien covering such ~~Residential~~ Unit or delivering a deed in lieu of such foreclosure; or (e) a Mortgagee, its nominee, or a purchaser who has acquired title to any ~~Residential~~ Unit at any foreclosure sale of its Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its ~~Residential~~ Unit shall be subject to, all of the provisions of this Article 8. The term "affiliate" shall be deemed to be any individual or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, (with respect to a Unit Owner which is not an individual or any entity with respect to which such Unit Owner or owner of an interest in a Unit Owner, as the case may be, (individual or otherwise) owns 50% or more of the legal and beneficial interest.

Section 8.8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her ~~Residential~~ Unit by gift, or may devise his or her ~~Residential~~ Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of Section 8.1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her ~~Residential~~ Unit will be subject to, the provisions of this Article.

Section 8.9. Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-Common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Condominium Property as herein provided.

Section 8.10. Payment of Assessments. Unit Owners shall not be permitted to sell, convey, mortgage, pledge, hypothecate or lease their Units unless and until they shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Units and until such Unit Owners shall have satisfied all unpaid Assessments.

Section 8.12. Sponsor's Superior Right of First Refusal. For a period of three (3) years after the First Closing, Sponsor shall have a right of first refusal with respect to the resale of any of the ~~Residential~~ Units. This right of first refusal shall be superior to the right of first refusal conferred upon the Board pursuant to the provisions of this Article 8.

ARTICLE 9. CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements so taken. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $2,500,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.6 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata in accordance with their Common Interests, and (b) borne and shared by all Unit Owners with respect to any taking of the Limited Common Elements pro rata, in accordance with their Common Interests; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five (75%) percent or more of the Limited Common Elements and/or Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless seventy-five (75%) percent or more of all Unit Owners (including Sponsor or its designee, if Sponsor or such designee shall then own any Units), both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Condominium 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 the resulting sale, and the net proceeds of any such award with respect to the taking shall be divided among the 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 out of its share of such funds, such amounts as may be necessary to reduce all unpaid liens on his Unit in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" means not more than 60 days from the date of such taking.

ARTICLE 10. RECORDS AND AUDITS

Section 10.1. Records. The Board or the Managing Agent for the Condominium shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

Section 10.2. Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners, and, if so requested, to any Permitted Mortgagee. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

Section 10.3. Availability of Documents. Copies of the Declaration, these Bylaws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours, upon reasonable prior notice.

ARTICLE 11. ARBITRATION

Section 11.1. General Procedure. Any arbitration provided for in these Bylaws or the Declaration shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect, and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these Bylaws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall not be binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten days after his or her

appointment. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the City of New York and which has at least five members.

Section 11.2. Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

Section 11.3. Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes".

ARTICLE 12. MISCELLANEOUS

Section 12.1. Consents. Wherever the consent, approval or satisfaction of Sponsor or its designee is required under these Bylaws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Units.

Section 12.2. Waiver. No provision contained in these Bylaws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

Section 12.3. Captions. The index hereof and 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 Bylaws nor the intent of any provision hereof.

Section 12.4. Certain References.

12.4.1. A reference in these Bylaws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.4.2. The terms "herein", "hereof" or "hereunder" or similar terms used in these Bylaws refer to these entire Bylaws and not to the particular provision in which the terms are used.

12.4.3. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these Bylaws.

Section 12.5. Severability. Subject to the provisions of the Declaration, if any provision of these Bylaws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these Bylaws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these Bylaws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these Bylaws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

Section 12.6. Insurance Trustee. The Insurance Trustee shall be a bank or trust company having an office located in The City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

Section 12.7. Successors and Assigns of Sponsor. The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of all of the then Unsold Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

Section 12.8. Covenant of Further Assurances.

12.8.1. Any party which is subject to the terms of these Bylaws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these Bylaws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.8.2. If any Unit Owner or any other party which is subject to the terms of these Bylaws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action which such Unit Owner or other party is required to execute, acknowledge and deliver or to take pursuant to these

Bylaws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

Section 12.9. Definitions. Except where otherwise herein defined, all capitalized terms contained herein have the same meanings ascribed to them as are contained in the Offering Plan.

ARTICLE 13. AMENDMENTS TO BYLAWS

Section 13.1. Amendments by Unit Owners. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Units, any provision of these Bylaws or the Rules and Regulations affecting (a) only the Units or the Common Element or the Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners provided, however, that the use of Units or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Unit Owners. Each duly adopted amendment, modification, addition or deletion to these Bylaws shall be effectuated by an instrument recorded in the City Register's Office.

Section 13.2. Amendments Affecting Sponsor or its Designee. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of these Bylaws, the Declaration or the Rules and Regulations shall be effective in any way against (a) Sponsor or its designee, for so long as Sponsor is the owner of one or more Units, or any Unsold Unit, unless Sponsor has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

FIRST AMENDMENT TO THE CONDOMINIUM OFFERING PLAN FOR THE 257 WEST 117TH STREET CONDOMINIUM LOCATED AT 257 WEST 117TH STREET, NEW YORK, NEW YORK

The Condominium Offering Plan for The 257 West 117th Street Condominium, located at 257 West 117th Street, New York, New York (the "Building"), which was accepted for filing on March 5, 2004 (the "Plan"), is hereby modified and supplemented by this First Amendment (the "Amendment"), as follows:

I. AMENDMENT TO COVER OF PLAN

The cover of the Plan is amended to reflect that the Total Purchase Price for all 16 Residential Units has been changed from $16,053,438.00 to $19,919,964.00.

II. PRICE INCREASE

Attached hereto as Exhibit 1 is a new Schedule A of the Plan, which has been revised to reflect an increase in the offering price for each Residential Unit.

III. RECALCULATION OF SQUARE FOOTAGE OF UNITS

Attached hereto as Exhibit 1 is a new Schedule A of the Plan, which has been revised to reflect a recalculation of the square foot area of each Unit. No Units are currently under contract to be sold. See Section IV below for an explanation.

IV. REVISION OF DECLARATION OF CONDOMINIUM

A. In order to correct an error in the description of the method used measure the physical dimensions of a Residential Unit, Section 5.3(a) of the Declaration of Condominium that appears in Part II of the Plan is hereby deleted in its entirety and the following paragraph is substituted in its place:

> "5.3 (a) Each Residential Unit consists of the area measured horizontally from the outer edge of the exterior walls (perimeter columns and perimeter mechanical pipes are not deducted) to the centerline of the wall separating that Residential Unit from another Unit, corridors, stairs, elevators and other mechanical equipment or any Common Elements (as hereinafter defined), or the outer edge of the opposite exterior walls. Each Residential Unit consists of the area measured vertically from the top of the floor of the Residential Unit to the underside of the ceiling of such Residential Unit."

B. Attached hereto as Exhibit 2 is a revised Exhibit B to the Declaration of Condominium, which sets forth the revised square footages of the Units.

IV. SELLING AGENT

The Offering Plan is amended to provide that Corcoran Group Marketing, LLC, having offices at 2112 Broadway, New York, New York 10023 (telephone 212-875-2942), is the Selling Agent for the Residential Units.

Corcoran Group Marketing, LLC has been in the real estate brokerage business for more than 20 years.

Corcoran Group Marketing, LLC does not have any financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except for its commissions earned as Selling Agent for the Residential Units.

V. DEFINITIONS

Except where otherwise defined in this Amendment, all capitalized terms contained herein have the same meanings ascribed to them as are contained in the Plan.

VI. NO OTHER MATERIAL CHANGES

There have not been any material changes in the Plan, except as set forth in this Amendment.

Dated: March 22, 2004

Bridge Capital Corp., Sponsor

EXHIBIT 1

New Schedule A

SCHEDULE A

257 West 117th Street Condominium
Offering Prices and Related Financial Information
May 15, 2004 through May 14, 2005

Unit	Sq. Ft. Area (Note1)	No. of Rooms/ Bedrooms/ Bathrooms (Note 2)	Offering Price (Note 3)	%age Common Interest (Note 4)	Estimated Monthly Common Charges (Note 5)	Estimated Monthly Real Estate Taxes with J-51 (Note 7)	Estimated Monthly Real Estate Taxes without J-51 (Note 6)	Estimated Total Monthly Carrying Costs with J-51 (Note 7)	Estimated Total Monthly Carrying Costs without J-51 (Note 6)
Commercial Unit	37,500	N/A	N/A	28.571	$1,928.55	$1,230.01	$6,373	$3,158.56	$8,301.55
4A	2,398	6/3/2	$1,155,622.00	4.155	1,084.75	$71.54	$521	$1,156.29	$1,605.75
4B	2,198	6/3/2	$1,131,426.00	3.876	1,011.91	$66.74	$486	$1,078.65	$1,497.91
4C	2,108	6/3/2	$1,082,508.00	3.892	1,016.10	$67.02	$492	$1,083.12	$1,508.10
4D	2,220	6/3/2	$1,066,728.00	3.835	1,001.21	$66.04	$481	$1,067.25	$1,482.21
5A	2,398	6/3/2	$1,247,896.00	4.487	1,171.43	$77.27	$563	$1,248.70	$1,734.43
5B	2,198	6/3/2	$1,221,768.00	4.393	1,146.99	$75.64	$551	$1,222.53	$1,697.89
5C	2,108	6/3/2	$1,168,944.00	4.203	1,097.28	$72.38	$527	$1,169.66	$1,624.28
5D	2,220	6/3/2	$1,151,904.00	4.141	1,081.10	$71.30	$519	$1,152.40	$1,600.10
6A	2,398	6/3/2	$1,348,958.00	4.845	1,264.90	$83.43	$608	$1,348.33	$1,872.90
6B	2,198	6/3/2	$1,256,184.00	4.521	1,180.36	$77.85	$567	$1,258.15	$1,747.30
6C	2,108	6/3/2	$1,261,554.00	4.533	1,183.44	$78.06	$569	$1,261.50	$1,752.44
6D	2,220	6/3/2	$1,243,164.00	4.467	1,166.21	$76.92	$560	$1,243.13	$1,726.21
7A	2,398	6/3/2	$1,454,414.00	5.234	1,366.45	$90.13	$657	$1,456.58	$2,023.45
7B	2,198	6/3/2	$1,423,962.00	5.120	1,336.69	$88.17	$642	$1,424.86	$1,978.69
7C	2,108	6/3/2	$1,362,396.00	4.899	1,279.00	$84.36	$615	$1,363.36	$1,894.00
7D	2,220	6/3/2	$1,342,536.00	4.828	1,260.45	$83.14	$606	$1,343.59	$1,866.45
Totals	**73,196**		**$19,919,964.00**	**100.000**	**$20,576.67**	**$2,460.00**	**$15,337**	**$23,036.66**	**$35,914.26**

Exhibit 2

Revised Exhibit B to Declaration of Condominium

Exhibit B

Description of the Units

Unit	Tax Lot Number	Sq. Ft. Area	%age Common Interest
Commercial Unit		37,500	28.571
4A		2,398	4.155
4B		2,198	3.876
4C		2,108	3.892
4D		2,220	3.835
5A		2,398	4.487
5B		2,198	4.393
5C		2,108	4.203
5D		2,220	4.141
6A		2,398	4.845
6B		2,198	4.521
6C		2,108	4.533
6D		2,220	4.467
7A		2,398	5.234
7B		2,198	5.120
7C		2,108	4.899
7D		2,220	4.828
Totals		**73,196**	**100.000**

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PART I

SPECIAL RISKS

The following is a brief summary of certain special risk considerations in connection with this Offering Plan. The material below does not purport to provide a complete description of the Plan and must be read in conjunction with the entire Plan for a complete understanding of these risks and the material aspects of the Plan. For the definitions of capitalized terms, please refer to the definitions contained in the Plan.

1. **The Building was built in 1892 as a commercial structure.** The Sponsor intends to modify the Building's use so that when construction is completed there will be one (1) Commercial Unit comprised of portions of the lower level, first, second and third floors of the Building and sixteen (16) Residential Units which will be located on the fourth through seventh floors of the Building.

As of the date of this Plan, the following work has been performed: (a) renovations to the plumbing, electrical and mechanical infrastructures of the Building; (b) each of the Units has demising walls; (c) ninety percent (90%) of the façade restoration; (d) replacement of all windows in the Building; and (e) seventy percent (70%) of the installation of the HVAC system. In addition, the bathroom fixtures, the kitchens in the Residential Units, and all floors in the Units are ready to be installed.

See the Section in Part I of this Plan entitled "Introduction" for further details.

2. Upon completion of all construction, Sponsor will obtain a revised certificate of occupancy for the Building for the uses contemplated by the Plan. The First Closing shall not take place until Sponsor obtains either a temporary or permanent certificate of occupancy reflecting the proposed uses.

See the Section in Part I of this Plan entitled "Rights and Obligations of the Sponsor" for further details.

3. Unit Owners may sell or lease their Units without restriction, provided that the selling or leasing Unit Owner first gives the Board of Managers (and, for a period of three (3) years from the date of the First Closing, the Sponsor) the "right of first refusal" with respect to the Unit in question. Sales or leases of Units by the Sponsor, its designees, the Commercial Unit Owner and/or the holders of Unsold Units will not require giving such right of first refusal to the Board of Managers.

See the Sections in Part I of this Plan entitled "Rights and Obligations of Unit Owners" and "Rights and Obligations of Sponsor" for further details.

4. The Purchase Agreement for each Unit provides that TIME IS OF THE ESSENCE with respect to a Purchaser's performance of its obligations under the Purchase Agreement. Thus, upon occurrence of an event of default by the Purchaser under a Purchase Agreement, Sponsor, in its sole discretion, may elect to cancel the Purchase Agreement by sending Purchaser thirty (30) days prior written notice of its intention to do so. If Sponsor elects to cancel and sends the required notice, the Purchaser shall have thirty (30) days from the giving of the cancellation notice within which to cure the specified default. TIME IS OF THE ESSENCE to cure such default within the thirty (30) day notice period. If the default is not timely cured, the Purchase Agreement may be canceled by Sponsor, and Sponsor shall then have the right to retain as liquidated damages, the Deposit plus the cost incurred by Sponsor for any special work in the Unit ordered by Purchaser, together with any interest earned thereon. Sponsor may, in its sole discretion, permit the Purchaser to cure a default under the Purchase Agreement after the thirty (30) day period. In such case, Purchaser shall be required to pay to Sponsor a penalty for a "late closing" (i.e., a closing on a date subsequent to the date set forth in the Purchase Agreement as the closing date).

See the Section in Part I of this Plan entitled "Procedure to Purchase" for further details.

5. Purchasers will be required to pay the Real Estate Transfer Tax of the State of New York and the Real Property Transfer Tax ("RPT") of the City of New York, which customarily are the primary obligations of a seller. The State Transfer Tax is currently $2.00 per $500, or fraction thereof, of the Purchase Price. Purchasers will also be required to pay the so called "mansion tax" in the amount of 1% of the Purchase Price of the Unit, if the Purchase Price of the Unit is $1,000,000 or more. The RPT is currently 1% of the Purchase Price of the Unit (if the Purchase Price is $500,000 or less) or 1.425% of the Purchase Price of the Unit (if the Purchase Price is greater than $500,000). In addition, Purchasers will be required to pay $1,500.00 to Sponsor's attorney at closing for the preparation of the closing documents and attendance at the closing and $500.00 for reviewing a title report if Purchaser buys title insurance from a company other than the title company selected by Sponsor as provided in this Plan. Purchasers will also be required to make a contribution to the Working Capital Fund in the amount of $4,000. All closings will be held at the office of Sponsor's attorney.

See the Section in Part I of this Plan entitled "Unit Closing Costs and Adjustments" for further details.

6. Based upon the current renovation schedule, Sponsor has targeted the First Closing to take place on May 15, 2004. However, the actual date of the First Closing is not assured or warranted by the Sponsor and may be earlier or substantially later depending upon the progress of renovations and compliance with other prerequisites for closing. Sponsor reserves the right to exercise full discretion with respect to all decisions as to the time it deems is required to complete the renovations of the Building and Units pursuant to this Plan. However, if such date is delayed twelve (12) months or more, Purchasers will be offered the right to rescind their Purchase Agreements. Purchasers will not be excused from paying the full purchase price, as stated in their respective Purchase Agreements and will have no claim against Sponsor for damages and losses (except claims for those damages and losses caused by the willful

misconduct or gross negligence of Sponsor) in the event the First Closing occurs substantially later than the targeted First Closing date or the time to complete and close their respective individual Units is extended or delayed or is postponed by the Sponsor.

See the Section in Part I of this Plan entitled "Procedure to Purchase" for further details.

7. The projection of the real estate taxes that will be payable for each of the Units during the first year of condominium ownership as set forth in Schedule A in Part I of the Plan is based upon information contained in a letter from Sponsor's real estate tax expert (M.C. O'Brien, Inc., located at 3832 Kings Highway, Brooklyn, New York 11234) to Sponsor dated August 15, 2003. A copy of this letter is contained in Part II of this Plan.

Prospective Purchasers are advised that no warranty, guaranty or assurance is given that: (i) any projected or estimated amount set forth in Schedule A (including, without limitation, the estimates of the Property's assessed valuations during the first year of Condominium operation, the estimates of the portions of such assessed valuations that will be allocable to the Units, the projection of the average real estate tax rate that will be in effect during such first year will approximate the actual amount; (ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or (iii) any of the projections or estimates made in Schedule A are accurate.

See the Section in Part I of this Plan entitled "Real Estate Taxes" for further details.

8. The Sponsor will submit an application to the New York City Department of Housing Preservation and Development ("HPD") for a Preliminary Certificate of Eligibility for real estate tax exemption benefits under Section J-51 of the Real Estate Property Law. Sponsor believes, based upon information contained in a letter from Sponsor's real estate tax expert (M.C. O'Brien, Inc., located at 3832 Kings Highway, Brooklyn, New York 11234) to Sponsor dated August 15, 2003, that the Residential Units will be eligible to receive these benefits based on certain assumptions and conditions. A copy of this letter is contained in Part II of this Plan.

No representation or warranty is made as to whether a Preliminary or Final Certificate of Eligibility will be issued by HPD for J-51 tax benefits or as to the amount of any tax exemption that will actually be received. In addition, no representation or warranty is made that the actual assessed valuation or the assessed valuation for the Property if J-51 tax benefits are granted or what tax rate will be in effect during the first year of Condominium operation.

See the Section in Part I of this Plan entitled "Real Estate Taxes" for further details.

9. No Reserve Fund is being established for the Condominium. Sponsor has elected not to provide a Reserve Fund to be used for capital expenditures, as Sponsor does not anticipate

that replacement of capital items is likely to be needed within the first five years of condominium operation. The Condominium Board, in its discretion, and subject to certain restrictions contained in the Bylaws, may decide in the future to create a Reserve Fund by special assessment or by increases in Common Charges.

See the Section in Part I of this Plan entitled "Reserve Fund" for further details.

10. At the First Closing, Sponsor will advance the sum of $64,000 to the Condominium Board, on behalf of all of the Residential Unit Owners, to serve as the initial Working Capital Fund of the Condominium. Each Purchaser will be required to pay to Sponsor, at the closing of title to his or her Unit(s), the sum of $4,000 for each Unit purchased in order to reimburse Sponsor for a portion of the $64,000 initial Working Capital Fund advanced by Sponsor. No representation is made that the Working Capital Fund will be adequate to cover current or future expenses, including repairs and replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges.

See the Section in Part I of this Plan entitled "Working Capital Fund" for further details.

11. All funds received by the Sponsor for custom work, upgrades or extras will initially placed in the Escrow Account. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent so long as the Sponsor uses the funds to pay for the costs of such custom work, upgrades or extras. As a result, in the event that a Purchaser is entitled to a rescission of a Purchase Agreement, such Purchaser will not receive a refund of any funds used for custom work, upgrades or extras.

See the Section in Part I of this Plan entitled "Procedure to Purchase" for further details.

12. Sponsor represents that it has available to it sufficient financial resources: (a) to perform all undertakings and obligations set forth in the Plan, and (b) to pay for all "carrying costs" (namely, Common Charges, Special Assessments (if any) of the Condominium Board and real estate taxes) of Unsold Units. No bond or other security has been posted to secure the Sponsor's obligations under the Plan. The ability of the Sponsor to perform its obligations hereunder will depend upon the Sponsor's financial condition at the time it is called upon to perform. If Sponsor is unable to perform, the Plan will be amended, sales will cease and rescission will be offered to all of the Purchasers under contract with the Sponsor. Except as provided above, no representation can be made that the Sponsor will be financially able to perform any or all of its obligations, however, as of the date hereof, Sponsor has the financial resources to meet its obligations with respect to Unsold Units. The Sponsor's liability is limited to its net proceeds from the sale of Units, provided that such limitation shall not apply to any violation of Article 23-A of the General Business Law.

See the Section in Part I of this Plan entitled "Rights and Obligations of Sponsor" for further details.

13. All Units and all or a portion of certain Common Areas may not be completed prior to the First Closing. As a consequence, Purchasers who close before construction is completed may experience noise and debris from the ongoing construction, and may occasion lack of services. Notwithstanding this, so long as a temporary or partial certificate of occupancy has been issued affecting a Unit, a Purchaser of that Unit may not delay or adjourn the closing.

See the Section in Part I of this Plan entitled "Procedure to Purchase" for further discussion.

14. No change will be made in the size or number of Units and/or their respective percentages of Common Interest, and that no material change will be made in the size or quality of Common Elements, except by amendment to this Plan and, when applicable, to the Declaration. Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement for that Unit has been executed and delivered to the Sponsor and the Purchaser is not in default. Sponsor's obligation to build and complete the Condominium in accordance with the building plans and specifications identified in this Plan is subject to Sponsor's right to substitute equipment or materials and make modifications of layout or design, provided however, that Sponsor may not: (i) substitute equipment or materials of lesser quality or design; or (ii) change the size, location of buildings or Units or 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 to such change.

See the Section in Part I of this Plan entitled "Rights and Obligations of the Sponsor" for further details.

15. The Purchase Agreement for a Residential Unit will not be contingent upon obtaining mortgage financing. Accordingly, a Purchaser of a Residential Unit will not be entitled to cancel or rescind the Purchase Agreement or recover the Deposit thereunder based upon an inability to obtain mortgage financing.

Sponsor is not obligated and does not intend to provide or arrange for mortgage financing for any Purchaser. Accordingly, Purchasers will be required to make their own arrangements for mortgage financing. Sponsor cannot, and does not, represent, assure, warrant or guarantee that any Purchaser will be able to obtain mortgage financing, or, if a Purchaser obtains a commitment for mortgage financing, that the closing of title for such Purchaser's Unit will be held before any such loan commitment or any lock-in rate will expire.

Purchasers should note that banks and other lenders may impose restrictions on condominium loans, and, in particular, may include a requirement that a certain minimum percentage of units in a building be sold before the lender considers making such a loan. Thus, it may be difficult for a purchaser to obtain a loan in a building where the percentage of units purchased is less than the lender's required minimum. Moreover, even after conversion of the property, lenders may impose such limitations on financing with respect to prospective sales. such limitations may have an effect on an Purchaser's ability to resell.

16. If, through no fault of Sponsor, a Purchaser fails for any reason to close on the date originally scheduled for the closing of title to its Residential Unit (the "Original Closing Date") then (A) the closing adjustments shall be made as of midnight preceding the Original Closing Date, (B) Purchaser shall pay to Sponsor interest at the rate of sixteen (16%) percent per annum on the total Purchase Price for each day the closing adjourned beyond the Original Closing Date; and (C) Purchaser shall reimburse Sponsor for any shortfall between the Common Charges (including any special assessments) applicable to the Unit and the rent payable by any tenant of the Unit to Sponsor (as the holder of Unsold Units) for the period from the Original Closing Date until the date of actual Closing. (NOTE: If the Unit is vacant, the Purchaser will be required to reimburse Sponsor for all Common Charges and any special assessments payable during such interim period).

See the Section in Part I of this Plan entitled "Unit Closing Costs and Adjustments" for further details.

17. Pursuant to the Declaration of Condominium contained in Part II of the Plan, the Sponsor, its designee and/or the Commercial Unit Owner(s) may make alterations, additions and improvements to their respective Commercial Units without the consent of the Condominium Board, provided, however, that no such alteration, addition or improvement may affect any portion of the Building utilized by other Unit Owners or alter the outside of the Building. Such alterations, additional and improvements must be performed in compliance with all laws, ordinances and regulations of all governmental authorities having jurisdiction. The Sponsor, its designees and/or the Commercial Unit Owner(s) hall indemnify and hold harmless the Condominium Board and other Unit Owners in connection with any such alterations.

See the Section in Part I of this Plan entitled "Changes in Prices and Units" for further details.

18. The Commercial Unit is located in portions of the basement, first, second and third floors of the Building and may be used for any lawful commercial purpose under the New York City Zoning Resolution, except for adult entertainment or for illegal, noxious or immoral purposes. The Condominium Board and the Residential Unit Owners have no control over the use or any change in the uses of the Commercial Unit or any part thereof. Other than as provided herein, no representation is made with respect to the uses to which the Commercial Unit or any part thereof at any time.

Presently, the Commercial Unit is leased to the John A. Reisenbach Charter School (the "School") which operates a charter school therein. The School has approximately 500 students and staff. The lease between Sponsor and the School expires in August, 2022. Sponsor does not foresee any liability that the Condominium may incur as a result of the School's tenancy in the Commercial Unit.

See the Section in Part I of this Plan entitled "The Commercial Unit" for further details.

19. The Condominium Bylaws provide that Sponsor will have voting control of the Condominium Board until the earlier of (i) five (5) years from the date of the First Closing, or (ii) conveyance of title to Units representing fifty (50%) percent of the Common Interests for the Residential Units. The Sponsor, during this interim control period, thus will have control of maintenance, facilities and services to be provided and will determine the Common Charges to be paid by all Unit Owners, including the Sponsor, and the enforcement of Sponsor's obligations. Prospective Purchasers should note that, as a result of Sponsor's period of control of the Board of Managers (which may be for as long as five (5) years in duration), a majority of members of the Board of Managers during such period may not be Unit Owners. Further, Unit Owners who are owner-occupants and Unit Owners who are non-residents (including Sponsor) may have inherent conflicts on how the Condominium should be managed because of their differing reasons for purchasing (i.e., purchase of a Unit as a home as opposed to an investment).

Additionally, the Condominium Bylaws do not include a provision to the effect that, after Sponsor's voting control period described above, a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. As a result, purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan.

The Commercial Unit Owner (which will be the Sponsor unless Sponsor elects to sell the Commercial Unit) shall be entitled to designate one (1) member of the Condominium Board.

See the Section in Part I of this Plan entitled "Control By Sponsor" for further details.

20. If a Purchaser makes a Deposit in excess of $100,000, such Deposit will not be federally insured in excess of $100,000; and while the Deposit is in the non-interest bearing portion of the Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000.

See the Section in Part I of this Plan entitled "Escrow and Trust Fund Requirements" for further details.

21. Sponsor represents that it will endeavor in good faith to sell rather than rent at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for their personal occupancy. If Sponsor makes a bulk sale of some or all of its Residential Units, the transferee will be bound by and will assume Sponsor's foregoing obligation to endeavor in good faith to sell rather than rent such Units.

Sponsor does not represent that it will endeavor to sell, rather than rent, the remaining forty-nine percent (49%) of the Residential Units. The Residential Units reserved by Sponsor may remain unsold indefinitely, and Sponsor may dispose of such Residential Units as it chooses, including selling to investors, renting to tenants, permitting occupancy by relatives or others, allowing them to remain vacant, or selling to Purchasers who represent that they are purchasing for personal occupancy.

Sponsor represents that it will decline to rent Residential Units (other than to Purchasers pursuant to Interim Leases) until it has sold at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for personal occupancy. Notwithstanding the foregoing representation by Sponsor, Sponsor hereby reserves the right to rent rather than sell such Residential Units if a decline in the real estate market causes the unsold Residential Units to decline twenty percent (20%) or more from the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan. Thereafter, Sponsor will resume sales of such Residential Units when their market value increases to at least eighty percent (80%) of the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan.

22. The Commercial Unit Owner shall have the right to execute or (upon its request) to require any other Unit Owner or the Condominium Board to execute and record in the City Register's Office, and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as the Commercial Unit Owner deems appropriate to effectuate the same) reflecting (i) any change in the number of rooms in the Commercial Unit, (ii) any change in the size of the Commercial Unit, (iii) the subdivision of the Commercial Unit into separate commercial condominium units (or the subsequent combination of such newly created commercial condominium units) and the reapportionment of the percentage interest in the Common Elements among such newly created commercial condominium units, or (iv) the designation of a commercial Limited Common Element as a newly created commercial condominium unit or such designation of part of the Commercial Unit as a newly created Commercial Limited Common Element, all without the approval of the Condominium Board or the Unit Owners.

See the Section in Part I of this Plan entitled "The Commercial Unit" for further details.

23. Except to the extent prohibited by law, the Commercial Unit Owner (including Sponsor or its designee) shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Condominium Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit; (b) change the layout of, or number of rooms in, the Commercial Unit from time to time; (c) change the size and/or number of the Commercial Unit by subdividing such Commercial Unit into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from a subdivision or combination or otherwise) into one or more Commercial Units, altering any boundary walls of the Commercial Unit (including without limitation, incorporating within the Commercial Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations).

See the Section in Part I of this Plan entitled "The Commercial Unit" for further details.

24. All of the Residential Units each have windows located on either the Easterly or the Westerly property line (each, a "lot line") of the Property. These "lot-line" windows are not being used to satisfy light and air requirements within these Residential Units. Prospective Purchasers are advised that there is the possibility that an adjacent building might be built along either or both of these lot lines, preventing the use of the Residential Unit(s)' lot-line windows.

In the event a building is constructed on the adjacent lot within a distance of less than sixty (60) feet in a direct line (whether horizontally, vertically or diagonally) of any of the lot line windows, the Building Code requires that the lot line window openings be closed. If the Building Code requires that some or all of the lot line window openings be closed, the cost to close such window openings will be borne by the Residential Units of the Condominium, as a Common Expense. Currently, the approximate cost of sealing window openings is $1,000.00 per window. No estimate can be made as to the cost of sealing window openings in the future.

See the Section in Part I of this Plan entitled "Description of Property and Improvements" for further details.

INTRODUCTION

General

The purpose of this Condominium Offering Plan (the "Plan") is to set forth all of the material terms of this offer to convert to condominium ownership the seven story building located at 257 West 117th Street, New York, New York 10026 (the "Building") to be known as the 257 West 117th Street Condominium (the "Condominium"). The Plan may be amended from time to time provided that the amendment is duly filed with the New York State Department of Law (the "Department of Law") and is served on the persons or entities identified in Section 20.1(d) of Part 20 of the Regulations Governing Newly Constructed, Vacant or Non-Residential Condominiums, including, without limitation, purchasers, all Unit Owners and all offerees. The Condominium shall be subject to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

The Sponsor of the Plan is Bridge Capital Corp., a Delaware corporation (the "Sponsor"), having an office at 1274 Fifth Avenue, New York, New York 10029. The Sponsor acquired title to the property on May 5, 1995.

Pursuant to this Plan, the Sponsor is offering for sale sixteen (16) residential apartments (the "Residential Units"). Schedule A to the Plan contains the prices at which the Residential Units are being offered. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. The estimated Common Charges and real estate taxes for each Residential Unit for the first year of Condominium operation are also set forth in Schedule A. The Condominium also will have one commercial unit (the "Commercial Unit"). The Sponsor has elected not to offer the Commercial Unit for sale, and, accordingly, the Sponsor will own the Commercial Unit after the Plan has been declared effective.

A Declaration of Condominium (the "Declaration") subjecting the property to the Condominium Act and the Bylaws of the Condominium (the "Bylaws") will be recorded prior to the date of the First Closing. The Declaration and Bylaws will be substantially similar to those set forth in this Plan and will not be changed so as to adversely affect any Purchaser without such Purchaser's consent. Each Unit Owner will be obligated to comply with the Declaration, the Bylaws, the rules and regulations promulgated thereunder (the "Rules and Regulations") and other requirements of the Condominium's Board of Managers (the "Condominium Board" or the "Board").

The Plan is presented in two parts. Part I of the Plan sets forth a general description of the offering, and the respective rights and obligations of Sponsor, Unit Owners and the Condominium Board. Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan.

The Plan, together with all documents filed with the Department of Law, constitute the entire offer of the Sponsor. Sponsor shall not make, and has not authorized any other party to make, any oral representations or statements concerning this Plan, and no such representations or statements shall be considered part of this Plan. No information, data or representations other than those contained herein or in the documents annexed hereto Part II of this Plan may be relied upon. Copies of the Plan and all documents referred to herein will be available for inspection by prospective purchasers without charge, and for copying, at a reasonable charge, at the Condominium's Sales Office located at the Building and at the office of Sponsor who is acting as the selling agent (the "Selling Agent").

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. SPONSOR STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AGREEMENT.

Basic Aspects of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Residential Unit Owner owns fee title to his Unit and is entitled to the exclusive possession of it. Each Unit is separately taxed for real estate tax purposes, and no Unit Owner incurs liability for another Unit Owner's failure to pay such taxes. A Unit Owner may mortgage his Unit, or not, as he deems fit, and in such amount as he chooses. All Unit Owners will own an undivided interest in all parts of the Property other than the Units themselves, including, without limitation, the Land and the roofs, foundations and supports of the Building, and all areas, equipment or facilities for the common use of two or more Units or two or more Unit Owners with the exception of any limited common elements described in the Declaration, all as more particularly described in the Declaration. For a further discussion, see, "Description of the Common Elements" below.

Use and occupancy of the Units is governed by the Declaration, Bylaws and Rules and Regulations, the provisions of this Plan and applicable laws. A Residential Unit may be used only as a residence and, subject to compliance with the Declaration, Bylaws, Rules and Regulations and applicable laws, for a lawful home occupation.

Units owned by the Sponsor or Sponsor's designee (the "Unsold Units") may be used for any lawful purpose, including, without limitation, as models for a sales office or an office for the leasing or renting of any or all of the Units. The Commercial Unit may be used for any lawful business purpose permitted by the certificate of occupancy. Any subsequent transferee of a Unit is required to use his Unit in accordance with all applicable laws, the Declaration, the Bylaws and the Rules and Regulations.

Sponsor represents that it will endeavor in good faith to sell rather than rent at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for their personal occupancy. If Sponsor makes a bulk sale of some or all of its Residential Units, the transferee will be bound by and will assume Sponsor's foregoing obligation to endeavor in good faith to sell rather than rent such Units.

Sponsor does not represent that it will endeavor to sell, rather than rent, the remaining forty-nine percent (49%) of the Residential Units. The Residential Units reserved by Sponsor may remain unsold indefinitely, and Sponsor may dispose of such Residential Units as it chooses, including selling to investors, renting to tenants, permitting occupancy by relatives or others, allowing them to remain vacant, or selling to Purchasers who represent that they are purchasing for personal occupancy.

Sponsor represents that it will decline to rent Residential Units (other than to Purchasers pursuant to Interim Leases) until it has sold at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for personal occupancy. Notwithstanding the foregoing representation by Sponsor, Sponsor hereby reserves the right to rent rather than sell such Residential Units if a decline in the real estate market causes the unsold Residential Units to decline twenty percent (20%) or more from the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan. Thereafter, Sponsor will resume sales of such Residential Units when their market value increases to at least eighty percent (80%) of the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan.

The Condominium Board does not have the right to approve or disapprove purchasers, and there is no limit on the number of Unit Owners who may purchase for investment rather than for personal occupancy – thus, there may always be a substantial percentage of Unit Owners who are non-residents.

Units can be sold or leased by a Unit Owner subject to a right of the Sponsor and the Condominium Board to acquire or to lease the Unit on the same terms as were offered by the Unit Owner. This right of first refusal in favor of the Condominium Board is not applicable to a sale or lease of the Unsold Units. No Unit can be sold without a simultaneous sale of the undivided percentage interest attributable to such Unit in the Common Elements.

A Unit Owner must pay Common Charges to cover the costs of operation and maintenance of Condominium in accordance with Sections 339(i) and 339(m) of the Condominium Act. The estimated Common Charges for each Unit for the projected first year of Condominium operation are set forth in Schedule A of this Plan. A projected budget setting forth the basis for estimating Common Charges for the first year of Condominium operation is set forth in Schedule B of this Plan. After Closing, each Unit Owner is responsible for the cost of interior repairs to and decoration of his Unit. Fire and liability insurance covering the Common Elements (including the exterior of the Building and its structural components) are included with other items as part of the Common Charges, as set forth in Schedule B of this Plan. HOWEVER, FIRE AND LIABILITY INSURANCE FOR THE UNIT OWNER'S PERSONAL EFFECTS AND THE INTERIOR OF THE UNIT SHOULD BE CARRIED BY THE INDIVIDUAL UNIT OWNER.

Unit Owners may decorate the interior of their Units in any way that they desire, subject to compliance with the Bylaws and Rules and Regulations. Unit Owners will be responsible for maintaining, repairing and painting their Units at their own expense. Unit Owners must obtain the consent of the Condominium Board before altering their Units.

Operation of the Condominium will be vested in the Condominium Board, which will be elected by the Unit Owners. As more particularly set forth in the Bylaws, the Board will determine the amounts of Common Expenses, and the allocation of Common Expenses and will assess Unit Owners for Common Charges accordingly. The members of the Condominium Board, subject to the terms of the Declaration and the By Laws, will be elected by the Unit Owners. For information concerning Sponsor's initial control of the Condominium Board, see "Control by Sponsor" below.

Each Unit Owner, upon obtaining title to his Unit, will be automatically entitled to vote at meetings of Unit Owners based upon the proportion of Common Elements attributable to the Unit.

Each Unit Owner may mortgage his or her Unit with such lender and in such amount as he or she chooses, provided only that the Unit Owner notifies the Board of the name and address of the lender, files a copy of the note and mortgage with the Board and satisfies all unpaid liens against his or her Unit prior to making such mortgage. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

After the City of New York assesses as a separate tax lot each Unit and bills each Unit Owner, the Unit Owner will be responsible for paying the real estate taxes and assessments imposed against such Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the nonpayment of, taxes and assessments imposed on other Units.

The Residential Units may be offered only to individuals over the age of 18 years, corporations, partnerships, limited liability companies, other business entities and to other entities that may legally own real property in the State of New York. Sponsor reserves the right to offer the Units in such order of priority as it may determine.

DEFINITIONS

All capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meanings ascribed thereto in the Declaration or in the Bylaws, as the case may be. Unless the context otherwise requires, words used in the singular include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location and Acreage

The Condominium is located at 257 West 117th Street, New York, New York 10026. The Building, which was built in 1892 as a commercial structure, will be converted into a mixed-use commercial and residential building by the Sponsor. The Building is situated on West 117th Street between St. Nicholas Avenue and Frederick Douglass Boulevard in the Borough of Manhattan in New York City. The Land occupies approximately 10,000 square feet and the Building consists of approximately 80,000 square feet (including the basement).

Improvements - General Description

The Building consists of eight stories (including the basement). The present use is for commercial purposes. When the Sponsor completes construction, there will be one (1) Commercial Unit located in the portions of the basement and first through third floors of the Building and sixteen (16) Residential Units located on the fourth though seventh floors of the Building.

The existing Building will be substantially rebuilt. Newly modernized electrical, mechanical, heating, ventilating and plumbing systems will be installed.

The location in the Building, size, layout and approximate square footage of the Units are shown in the Plans and Specifications for the construction of the Building which (to the extent required by law) have been or will be filed with the Department of Buildings and which may, from time to time, hereafter be amended in accordance with the provisions of the Plan (the "Floor Plans"). Construction of the Building, including the Units, will be completed substantially in accordance with the Floor Plans, the New York City Zoning Resolution, the New York City Building Code and all other applicable governmental requirements. Sponsor, however, reserves the right to amend or modify, in any way, the Floor Plans to, including, without limitation: (i) combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of any Unsold Units; and (ii) changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, fixtures and other construction details set forth in the Floor Plans or otherwise in the Plan, items of substantially equal or better quality, provided, that (A) any material change shall be set forth in an amendment to the Plan, (B) any necessary approval of any governmental authority having jurisdiction is first obtained, and (C) no such amendments, modifications or substitutions may be made if the same would materially adversely affect any Purchaser under a Purchase Agreement which has been countersigned by Sponsor and returned to the Purchaser, unless the same is dictated by construction conditions at the Property, in which event, Sponsor will, in the amendment disclosing such change and delivered to each Purchaser, offer the affected Purchaser(s) the right

for at least fifteen (15) days, to rescind their Purchase Agreements and receive a refund of the Purchaser's Deposit, together with any interest earned thereon.

The sixteen (16) Residential Units being offered will range in size from 2,028 square feet to 2,197 square feet. See Schedule A below, which sets forth the prices at which the Residential Units are being offered. Detailed descriptions of, and the fixtures, finishes and appliances included in, the Residential Units are set forth in Part II of the Plan.

All of the Residential Units each have windows located on either the Easterly or the Westerly property line (each, a "lot line") of the Property. These "lot-line" windows are not being used to satisfy light and air requirements within these Residential Units. Prospective Purchasers are advised that there is the possibility that an adjacent building might be built along either or both of these lot lines, preventing the use of the Residential Unit(s)' lot-line windows.

In the event a building is constructed on the adjacent lot within a distance of less than sixty (60) feet in a direct line (whether horizontally, vertically or diagonally) of any of the lot line windows, the Building Code requires that the lot line window openings be closed. If the Building Code requires that some or all of the lot line window openings be closed, the cost to close such window openings will be borne by the Residential Units of the Condominium, as a Common Expense. Currently, the approximate cost of sealing window openings is $1,000.00 per window. No estimate can be made as to the cost of sealing window openings in the future.

The Commercial Unit, which consists of the basement and the first through third floors of the Building, contains approximately 37,500 square feet. Certain portions of the basement and the first through third floors of the Building will constitute General Common Elements or Residential Limited Common Elements and are not included in the Commercial Unit.

Description of the Common Elements

The common elements of the Condominium (the "Common Elements") consist of the General Common Elements (as defined below), the Residential Limited Common Elements (as defined below) and the Commercial Limited Common Elements (as defined below). All Common Elements which are neither a Residential Limited Common Element nor a Commercial Limited Common Element are a General Common Element.

The General Common Elements include the following:

a) The Land, together with all consents, rights and privileges appurtenant thereto;

b) All structural elements, foundations, foundation walls, main roof, footings, columns, girders, beams, supports, interior load bearing walls, floor slabs and ceilings;

c) All mechanical equipment and associated piping and controls, but only to the extent that the foregoing are neither a Residential Limited Common Element nor a Commercial Limited Common Element;

d) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards, excluding, however, all such items which are either a Residential Limited Common Element or a Commercial Limited Common Element and all such items located within a Unit and serving only that Unit;

e) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters), excluding, however, all such items which are either a Residential Limited Common Element or a Commercial Limited Common Element and all such items located within a Unit and serving only that Unit;

f) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves), excluding, however, all such items which are either a Residential Limited Common Element or a Commercial Limited Common Element and all such items located within a Unit and serving only that Unit;

g) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms serving or benefiting all of the Units;

h) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the Units;

i) All other parts of the Property either existing for the common use of all of the Units or all of the Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property, as a whole; and

j) The roof, roof egress stairs, but excluding the rooftop elevator machine room with its enclosing walls, including all frames and finishes.

The Residential Limited Common Elements serve all or some of the Residential Units, collectively and indivisibly, and consist of the following:

a) The Building's elevator including the elevator shaft, elevator equipment, the rooftop elevator machine room, the elevator pit, entrances and

appurtenant facilities, and the enclosing walls of each of the foregoing and all framing and finishes thereof;

b) The main Building lobby, the lobby vestibule, the entrance to the main Building lobby, the doors at the main entrance to the Building, the stairwell exiting into the main Building lobby, the canopy, if any, the hallways and corridors in the fourth through seventh floors of the Building, and the enclosing walls of each of the foregoing and all framing and finishes thereof, excluding, however, all such items which are located within a Unit and serving only that Unit;

c) All mechanical equipment and associated piping and controls which serve or benefit all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serving only that Unit;

d) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards which serve or benefit all or some of the Residential Units but not the Commercial Unit;

e) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters) which serve or benefit all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serving only that Unit;

f) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves) which serve or benefit all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serving only that Unit;

g) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms (and all of their enclosing walls, including all framing and finishes) serving or benefiting all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serving only that Unit;

h) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all or some of the Residential Units, but not the Commercial

Unit, excluding, however, all such items which are located within a Unit and serving only that Unit; and

i) All lighting equipment serving the Residential Limited Common Elements, including lobbies, vestibules, stairs, corridors, mechanical spaces.

The Commercial Limited Common Elements serve the Commercial Unit exclusively and consist of all facilities which are, or in the future will be, located in or on the Property to serve or benefit the Commercial Unit exclusively, and consist of the following:

a) All mechanical equipment and associated piping and controls which serve or benefit the Commercial Unit exclusively;

b) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards which serve or benefit the Commercial Unit exclusively;

c) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters) which serve or benefit the Commercial Unit exclusively;

d) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves) which serve or benefit the Commercial Unit exclusively;

e) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms (and all of their enclosing walls, including all framing and finishes) which serve the Commercial Unit exclusively; and

f) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Commercial Unit exclusively.

The Condominium Board will operate, manage and control the General Common Elements and the Residential Limited Common Elements. The owner of the Commercial Unit (the "Commercial Unit Owner") will operate, manage and control the Commercial Limited Common Elements.

Anticipated Completion of Construction

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain materials, governmental restrictions, or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about May 15, 2004. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond to close title to their his Unit is delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the first year of Condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if (i) the amended budget exceeds the projected budget set forth herein by 25% or more or (ii) the first closing of title to a Residential Unit pursuant to a Purchase Agreement (the "First Closing") does not occur within twelve (12) months after May 15, 2004 (the date set forth in Schedule B as the commencement date for the first year of Condominium operation), then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchaser electing rescission pursuant to such offer will have his Deposit and any interest accrued thereon returned.

The Commercial Unit is currently leased to the John A. Reisenbach Charter School (the "School") which operates a charter school therein. The School has approximately 500 students and staff. The lease between Sponsor and the School (the "School Lease") expires in August, 2022. Pursuant to the terms of the School Lease, the School was required to perform certain improvement work to the Commercial Unit, which is now 100% completed.

LOCATION AND AREA INFORMATION

Transportation and Parking

New York City is served by three major airports: LaGuardia Airport, John F. Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and 33rd Street, and from Grand Central Station, located at Lexington Avenue and 42nd Street in Manhattan.

Transportation to and from the Building, and throughout New York City, is provided by the New York Transit Authority subway system and various buses. The A, B, C, 2 and 3 subway trains all provide convenient access throughout the boroughs.

The Building does not have a garage. Parking is available on the street and in a number of commercial parking garages which are located nearby.

Parks, Recreational and Cultural Facilities

New York City is one of the leading cultural centers of the world, with many of the finest universities, museums, libraries, theaters and cultural institutions, attracting millions of national and international tourists. New York City is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry. Less than seven blocks to the south of the property is the famed Central Park.

Also located nearby is Morningside Park.

Medical Facilities.

A number of excellent medical centers including Mt. Sinai Hospital, North General Hospital, St. Luke's-Roosevelt Hospital and New York-Presbyterian Hospital are readily accessible.

Religious Institutions

There are houses of worship of most major denominations in the vicinity of the Property.

Educational Facilities

The Building is located in Public School District Three.

Private Schools in the area include the Frederick Douglass Academy. The John A. Reisenbach Charter School is located in the Commercial Unit of the Building.

At the university level, Columbia University, Bamard College and the City College of New York are located in the vicinity of the Building.

Public Services

All public services, including schools, police and fire protection , sanitation, library and street maintenance are provided by the City of New York. The nearest police station is at 123rd Street and St. Nicholas Avenue. The nearest fire station is on 125th Street.

Water and Sewer

Water and sewer service are supplied by the City of New York.

Refuse Removal

For the Residential Units, each occupant will be responsible for bagging and segregating refuse and depositing it in the refuse room reserved therefor on each floor. Refuse will be picked from the refuse rooms on a daily basis by the Building superintendent (the "Superintendent"). It will be the responsibility of the Superintendent to then and place refuse on the street for removal, which will be provided by the New York City Sanitation Department. The Commercial Unit Owner will be responsible for all refuse of the Commercial Unit.

Snow Removal

Snow removal from the Common Elements of the Condominium (namely the front of the Building) will be the responsibility of the Condominium.

Zoning

The Property is zoned R7A, which zoning classification has replaced existing R7-2 zoning along Manhattan Avenue, St. Nicholas Avenue between West 116th and West 120th streets and for most mid-blocks. The 4.0 floor area ratio ("FAR") allowed under R7A is the same as is currently allowed on Manhattan Avenue under the Quality Housing option (i.e., 4.0 FAR). The mid-blocks which are zoned R7A are characterized by four- and five-story residential buildings interspersed with vacant or underdeveloped sites that are appropriate locations for future residential construction. R7A regulations encourage residential buildings consistent with the scale of neighboring buildings. Along the mid-blocks, existing zoning allows residential uses at 3.4 FAR and community facility uses at 6.5 FAR. The R7A district limits both residential and community facility uses to 4.0 FAR

The properties to the east and west of the Building are also zoned R7A. The property to the east of the Building is currently undeveloped. The property to the west of the building is being developed as a seven story, middle income apartment building with retail space on Frederick Douglass Boulevard.

SCHEDULE A

257 West 117th Street Condominium
Offering Prices and Related Financial Information
May 15, 2004 through May 14, 2005

Unit	Sq. Ft. Area (Note1)	No. of Rooms/ Bedrooms/ Bathrooms (Note 2)	Offering Price (Note 3)	%age Common Interest (Note 4)	Estimated Monthly Common Charges (Note 5)	Estimated Monthly Real Estate Taxes with J-51 (Note 7)	Estimated Monthly Real Estate Taxes without J-51 (Note 6)	Estimated Total Monthly Carrying Costs with J-51 (Note 7)	Estimated Total Monthly Carrying Costs without J-51 (Note 6)
Commercial Unit	37,500	N/A	N/A	28.571	$1,928.55	$1,230.01	$6,373	$3,158.56	$8,301.55
4A	2,197	6/3/2	$933,725	4.155	1,084.75	$71.54	$521	$1,156.29	$1,605.75
4B	2,151	6/3/2	$871,155	3.876	1,011.91	$66.74	$486	$1,078.65	$1,497.91
4C	2,058	6/3/2	$874,650	3.892	1,016.10	$67.02	$492	$1,083.12	$1,508.10
4D	2,028	6/3/2	$861,900	3.835	1,001.21	$66.04	$481	$1,067.25	$1,482.21
5A	2,197	6/3/2	$1,008,423	4.487	1,171.43	$77.27	$563	$1,248.70	$1,734.43
5B	2,151	6/3/2	$987,309	4.393	1,146.99	$75.64	$551	$1,222.53	$1,697.89
5C	2,058	6/3/2	$944,622	4.203	1,097.28	$72.38	$527	$1,169.66	$1,624.28
5D	2,028	6/3/2	$930,852	4.141	1,081.10	$71.30	$519	$1,152.40	$1,600.10
6A	2,197	6/3/2	$1,089,097	4.845	1,264.90	$83.43	$608	$1,348.33	$1,872.90
6B	2,151	6/3/2	$1,016,115	4.521	1,180.36	$77.85	$567	$1,258.15	$1,747.30
6C	2,058	6/3/2	$1,018,710	4.533	1,183.44	$78.06	$569	$1,261.50	$1,752.44
6D	2,028	6/3/2	$1,003,860	4.467	1,166.21	$76.92	$560	$1,243.13	$1,726.21
7A	2,197	6/3/2	$1,176,225	5.234	1,366.45	$90.13	$657	$1,456.58	$2,023.45
7B	2,151	6/3/2	$1,150,785	5.120	1,336.69	$88.17	$642	$1,424.86	$1,978.69
7C	2,058	6/3/2	$1,101,030	4.899	1,279.00	$84.36	$615	$1,363.36	$1,894.00
7D	2,028	6/3/2	$1,084,980	4.828	1,260.45	$83.14	$606	$1,343.59	$1,866.45
Totals	**70,560**		**$16,053,438**	**100.000**	**$20,576.67**	**$2,460.00**	**$15,337**	**$23,036.66**	**$35,914.26**

NOTES TO SCHEDULE A

NOTE 1: Reference is made to the Floor Plans which are included in Part II of the Plan and in Exhibit B to the Declaration. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. The actual layout of a Unit may have been altered. However, any material change will be set forth in an amendment to the Plan, and no material adverse change will be made in the size, configuration, or layout of a Unit for which a Purchase Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Purchase Agreements and receive a refund of their Deposit, together with all interest earned thereon. Each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. The square footage indicated on Schedule A was based on plans drawn by Ernst and Associates, Sponsor's Architect.

The square foot area of the Residential Units set forth in the Floor Plans were obtained by using the method customarily used in New York City to measure apartments. The Units were measured from the exterior side of the exterior walls (perimeter steel columns and perimeter mechanical pipes are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the exterior side of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements. As is customary in New York City, these square foot areas exceed the useable, floor area of each Unit.

NOTE 2: The number of rooms, bedrooms and bathrooms in each Residential Unit is computed in accordance with the method of residential room count recommended by the Real Estate Board of New York, Inc.

NOTE 3: Sponsor has reserved the right to change the Purchase Prices (as well as other terms of sale of Units not subject to executed Purchase Agreements), so Purchasers may pay different prices for similar Units. See "Changes in Prices and Units" below for further discussion. In addition to paying the Purchase Price of their Units, Purchasers will be responsible for paying certain closing adjustments and closing costs. See "Unit Closing Costs and Adjustments" below for further discussion.

NOTE 4: The percentage interest of each Unit has been determined, pursuant to Section 339-i(1)(i v) of the Condominium Act and have been allocated based upon factors such as floor space, location in the Building and additional factors of relative value to other Units in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the Unit. The aggregate Common Interests of all of the Units equal one hundred percent.

NOTE 5: The projections for annual and monthly Common Charges has been based upon the projections contained in "Schedule B - Projected Budget for First Year of Condominium Operation" below on the assumption that the first year of condominium operation will be from May 15, 2004 through May 14, 2005. The actual first year of operation may be earlier or later.

In addition to the payment of Common Charges, each Residential Unit Owner will incur additional expenses for: (a) mortgage payments under any loan or loans obtained to finance the purchase of the Unit; (b) the cost of electricity and gas supplied to the Unit, which will be separately submetered and payable as and when billed; (c) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit, including, without limitation, the equipment and appliances contained in the same, and any appurtenant Limited Common Elements; (d) the cost of any insurance that the Unit Owner may desire to carry covering the furniture, belongings, equipment and other personal property in the Unit, as well as his or her liability to others for personal injury or property damage as a result of occurrences in the Unit; (e) telephone and cable television charges; and (f) real estate taxes (see Note 6 below).

All Purchasers of Residential Units, except for the Sponsor, shall pay to the Sponsor at Closing the sum of $4,000 in reimbursement of a portion of the $64,000 advanced by Sponsor to the Condominium at the First Closing for the Condominium's Working Capital Fund.

NOTE 6: In these columns, projected real estate taxes are based on the assumption that J-51 tax benefits will not be in effect during the first year of Condominium Operation, so that the first year of projected taxes has been estimated at the projected full amount from May 15, 2004 through May 14, 2005.

Any real estate taxes paid by Sponsor are one of the items to be adjusted between Sponsor and each Purchaser at the closing of each Unit. Until the Units are separately assessed, real estate taxes will be included in Common Charges and paid by the Condominium Board as a General Common Expense. 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 a Unit Owner will not be responsible for the payment of ,

nor will the Unit be subject to, any lien arising from the non-payment of such taxes on other Units.

The projection of the real estate taxes that will be payable for each of the Units during the first year of condominium ownership, exclusive of tax exemptions that the Property may receive, is based upon information contained in a letter from Sponsor's real estate tax expert (M.C. O'Brien, Inc., located at 3832 Kings Highway, Brooklyn, New York 11234) to Sponsor dated August 15, 2003. A copy of this letter is contained in Part II of this Plan. In this letter, Sponsor's real estate tax expert provides estimates that, for the first year of condominium operation, (i) the Residential Units shall have an aggregate assessed valuation of $1,375,417, (ii) the Commercial Unit shall have an assessed valuation of $1,321,875, (iii) the Residential Units will be taxed at the Class II tax rate (which is estimated to be 0.12642), (iv) the Commercial Unit will be taxed at the Class IV tax rate (which is estimated to be 0.11700). and (v) the aggregate annual real estate taxes for the Building for such first year will be $328,539.00, allocated (A) $173,880 to the Residential Units, and (B) $154,659 to the Commercial Unit.

No warranty, guaranty or assurance is given that: (i) any projected or estimated amount set forth in Schedule A (including, without limitation, the estimates of the Property's assessed valuations during the first year of Condominium operation, the estimates of the portions of such assessed valuations that will be allocable to the Units, the projection of the average real estate tax rate that will be in effect during such first year will approximate the actual amount; (ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or (iii) any of the projections or estimates made above and in Schedule A are accurate.

In the opinion of Seiden & Schein, P.C., counsel to Sponsor, the tax laws existing on the date of this Plan in general permit a Unit Owner who uses the Unit as a primary or secondary residence and who itemizes his deductions to deduct from income for the purposes of Federal, New York State and New York City income taxes, any real estate taxes actually paid by such Unit Owner with respect to his Unit. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Unit Owner (which might result from changes in the assessed valuation of the Unit, in the tax rate and/or in the manner of assessing real property). See "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Counsel's Income Tax Opinion" for further discussion.

NOTE 7: In these columns, projected real estate taxes are based on the assumption that J-51 tax benefits will be in effect during the first year of Condominium Operation, so that the first year of projected taxes has been estimated at the projected full amount less J-51 benefits from May 15, 2004 through May 14, 2005.

The Sponsor will submit an application to the New York City Department of Housing Preservation and Development ("HPD") for a Preliminary Certificate of Eligibility for real estate tax exemption benefits under Section J-51 of the Real Estate Property Law. Sponsor believes, based upon information contained in a letter from Sponsor's real estate tax expert (M.C. O'Brien, Inc., located at 3832 Kings Highway, Brooklyn, New York 11234) to Sponsor dated August 15, 2003, that the Residential Units will be eligible to receive these benefits based on certain assumptions and conditions. A copy of this letter is contained in Part II of this Plan.

No representation or warranty is made as to whether a Preliminary or Final Certificate of Eligibility will be issued by HPD for J-51 tax benefits or as to the amount of any tax exemption that will actually be received. In addition, no representation or warranty is made that the actual assessed valuation or the assessed valuation for the Property if J-51 tax benefits are granted or what tax rate will be in effect during the first year of Condominium operation.

SCHEDULE B

257 West 117th Street Condominium
Projected Budget for First Year of Condominium Operation
May 15, 2004 through May 14, 2005

PROJECTED INCOME

Residential Common Charges (Note 1)	$223,777.43
Payment from Commercial Unit Owner (Note 2)	$23,142.57
TOTAL PROJECTED INCOME:	**$246,920.00**

PROJECTED EXPENSES

Labor, Payroll and Related Expenses (Note 3)	$100,000.00
Heating and Hot Water (Note 4)	$22,932.00
Electricity (Note 5)	$13,230.00
Water Charges and Sewer Rent (Note 6)	$11,760.00
Repairs and Maintenance (Note 7)	$7,498.00
Service Contracts (Note 8)	$7,500.00
Insurance (Note 9)	$50,000.00
Management Fee (Note 10)	$18,000.00
Legal and Audit Fees (Note 11)	$15,000.00
Administrative Contingency (Note 12)	$1,000.00
TOTAL PROJECTED EXPENSES:	**$246,920.00**

NOTES TO SCHEDULE B

NOTE 1: Residential Common Charges: $223,777.43

The foregoing amount represents the estimated total Common Charges to be levied against the Residential Units and collected from the Residential Unit Owners during the first year of Condominium operation. Common Charges will be utilized by the Condominium Board to defray the operational expenses of the Condominium (the "Common Expenses"). Common Charges will be assessed against Residential Unit Owners for both General Common Expenses and Residential Common Expenses.

General Common Expenses are expenses with respect to the repair, maintenance, replacement, restoration, operation of, and alterations, additions or improvements to, the General Common Elements as well as certain other expenses related to the General Common Elements or the operation of the Condominium as a whole. Included in this category are payments for fire and other casualty insurance on the Building and the General Common Elements, public liability and property damage insurance, legal and accounting expenses and a reserve for future contingencies. Residential Unit Owners will be assessed Common Charges with respect to General Common Expenses based upon the proportion that their Common Interest bears to all Common Interests, including the Common Interest of the Commercial Unit Owner. For a further discussion of which categories of expenses constitute General Common Expenses, see the accompanying Notes to Schedule B.

Residential Common Expenses are expenses with respect to the repair, maintenance, replacement, restoration, operation of , and alterations, additions or improvements to, the Residential Limited Common Elements as well certain other expenses related to the Residential Limited Common Elements or the Residential Units. Residential Unit Owners will be assessed Common Charges with respect to Residential Common Expenses based upon the proportion that their Common Interest bears to the Common Interests of all Residential Unit Owners only. The Commercial Unit Owner will not be assessed any Common Charges for Residential Common Expenses. For a further discussion of which categories of expenses constitute Residential Common Expenses, see the accompanying Notes to Schedule B.

Residential Unit Owners will not be assessed for any costs or expenses related to the Commercial Limited Common Elements or the operation of the Commercial Limited Common Elements or the operation of the Commercial Unit ("Commercial Unit Expenses").

If the actual or anticipated date of commencement of condominium operation is to be delayed more than six (6) months from the projected budget year, the Plan will be amended to include a revised budget disclosing then-current projections. If such amended projections exceed the original projections by twenty-five percent (25%) or more, the Sponsor must offer all Purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise such right, whether or not Sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit or downpayment to Purchasers who rescind within a reasonable period of time. Sponsor may not declare the Plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Plan.

NOTE 2: **Payment by Commercial Unit Owner: $23,142.57**

The Commercial Unit Owner will be assessed Common Charges in an amount equal to its proportionate share (i.e., 28.571%) of General Common Expenses. The Commercial Unit will not be assessed any Common Charges with respect to Residential Common Expenses. For a further discussion of which categories of expenses constitute General Common Expenses or Residential Common Expenses, see the accompanying Notes to Schedule B.

The Commercial Unit Owner will be solely responsible for Commercial Unit Expenses. These expenses are not included in the Projected Budget contained in Schedule B.

NOTE 3: **Labor, Payroll and Related Expenses: $100,000**

Residential Unit Owners: $100,000.00

Commercial Unit Owner: -0-

The Sponsor anticipates that the Condominium will have three non-Union employees, the Superintendent (who will work on a part-time basis) and two concierges (the "Concierges") who will monitor the lobby and entrance to the Building from 7:00 a.m. to 11:00 p.m., seven days per week. In accordance with the provisions of §83 of the Multiple Dwelling Law, the Superintendent must reside within a dwelling located within a distance of two hundred feet from the Building. The Sponsor estimates that the total cost attributable to these employees during the first year of Condominium operation will be $100,000.00, calculated as follows:

Superintendent	$30,000.00
Concierges	$70,000.00
Total	$100,000.00

In calculating the foregoing, the Sponsor has included base salary, payroll taxes and benefits including FICA (projected at 8% of total wages), Federal and New York State unemployment insurance (projected at $350.00 per person per year), workers' compensation (projected at 6.5% of total wages), disability insurance (projected at $50.00 per person per year), and a total of 14 days per year of vacation, sick days and personal days.

No warranty is made as to the actual labor, payroll and related expenses which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for labor, payroll and related expenses as well as the assumptions described herein, are believed to be reasonable.

Because the Commercial Unit has its own separate street entrance, it will not have any use or benefit from the Concierge. The Commercial Unit also will not have any benefit from the Superintendent's services. Accordingly, all expenses in this category are Residential Common Expenses and will be borne by the Residential Unit Owners in the proportion that each Residential Unit Owner's percentage Common Interest bears to the total Common Interests of all the Residential Unit Owners. No portion of this category of expense will be borne by the Commercial Unit Owner.

NOTE 4: **Heating and Hot Water: $22,932.00**

Residential Unit Owners: $22,932.00

Commercial Unit Owner: -0-

Heat and hot water for the Residential Units of the Building will be produced using gas supplied by Consolidated Edison. The gas for producing the heat and hot water for the Commercial Unit will be separately metered and the Commercial Unit Owner will be solely responsible therefor. Accordingly, all expenses in this category are Residential Common Expenses and will be borne by the Residential Unit Owners in the proportion that each Residential Unit Owner's percentage Common Interest bears to the total Common Interests of all the Residential Unit Owners.

Because the Building is in the process of being reconstructed as a mixed use residential and commercial building, it has no operational history upon which to base a projection of future gas usage for the Residential Units. The budgeted estimate includes the cost of gas service supplied by Consolidated Edison for domestic heating and hot water purposes in the Residential Units. The cost of gas is based on the estimate and projection of consumption, which reflects an estimated annual consumption of 2,600 decatherms of gas per year. The current rate for gas is $8.40 per decatherm, and this estimate of the cost of gas for the first year of Condominium operation reflects a projected increase of approximately 5% over rates currently in effect.

It is believed that the budget should be sufficient to cover the cost of gas during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of gas for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of gas which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for gas as well as the assumptions described herein are believed to be reasonable.

Note 5: **Electricity: $13,230.00**

Residential Unit Owners: $13,230.00

Commercial Unit Owner: -0-

Electricity for the Residential Common Elements will be provided by Con Edison. Electricity for the Commercial Unit will be separately metered and the Commercial Unit Owner will be solely responsible therefor. Accordingly, all expenses in this category are Residential Common Expenses and will be borne by the Residential Unit Owners in the proportion that each Residential Unit Owner's percentage Common Interest bears to the total Common Interests of all the Residential Unit Owners. No portion of this category of expense will be borne by the Commercial Unit Owner.

The types of expenses in this category include, but are not limited to, electricity for operating the elevator and the electricity costs related to lighting of the lobby, stairwells and the hallways on the fourth through seventh floors of the Building, the floors on which the Residential Units will be located.

Residential Unit Owners should note that they will also be responsible for paying for electricity costs for lighting and operating appliances within their respective Units, and each Residential Unit will be separately metered.

The amount set forth for electricity consumed during the first year of Condominium Operation for the Residential Limited Common Elements is based upon a projected annual consumption of approximately 105,000 kilowatt hours of electricity. The current rate for electricity is $0.12 per kilowatt hour of electricity, and this estimate of the cost of electricity during the first year of Condominium operation reflects an increase of 5% over the current rate.

It is believed that the budget should be sufficient to cover the cost of electricity during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of electricity for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of electricity which will be applicable and in effect during the first year of Condominium

operation. However, the projected expenses for electricity as well as the assumptions described herein are believed to be reasonable.

NOTE 6: **Water Charges and Sewer Rent: $11,760.00**

Residential Unit Owners: $11,760.00

Commercial Unit Owner: -0-

Water and Sewer services are provided by the City of New York. The Commercial Unit will be separately metered for these services, and the Commercial Unit Owner will be separately responsible for payment of all water charges and sewer rents attributable to the Commercial Unit. Accordingly, all expenses in this category are Residential Common Expenses and will be borne by the Residential Unit Owners in the proportion that each Residential Unit Owner's percentage Common Interest bears to the total Common Interests of all the Residential Unit Owners. No portion of this category of expense will be borne by the Commercial Unit Owner.

Because the Building is in the process of being reconstructed as a mixed use commercial and residential building, it has no operational history upon which to base such a projection of water and sewer charges for the first year of Condominium operation. The amount set forth for water and sewer charges to be incurred during the first year of Condominium operation for the Residential Limited Common Elements and the Residential Units is based upon a projected annual consumption of approximately 300,000 cubic feet of water. The current New York City water and sewer rates are $3.73 per one hundred cubic feet ("CCF") provided, consisting of $1.44 per CCF for water and $2.29 per CCF for sewer. This estimate of the costs for water charges and sewer rents during the first year of Condominium operation reflects an increase of 5% over the current rates.

It is believed that the budget should be sufficient to cover the cost of water charges and sewer rents during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of water charges and sewer rents for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of water charges and sewer rents which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for water charges and sewer rents as well as the assumptions described herein are believed to be reasonable.

NOTE 7: **Repairs and Maintenance: $7,498.00**

Residential Unit Owners: $7,212.29

Commercial Unit Owner: $ 285.71

The costs of ordinary repairs and maintenance related to the General Common Elements are General Common Expenses and will be borne by all Unit Owners, including the Commercial Unit Owner, in the proportion

that their percentage Common Interest bears to the total of all Common Interests. Accordingly, the Commercial Unit Owner will be assessed Common Charges equal to its proportionate share (i.e., 28.571%) of the costs of ordinary repairs and maintenance related only to the General Common Elements during the first year of Condominium operation.

Ordinary repairs and maintenance related to the Residential Limited Common Elements (i.e., costs including periodic painting, supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish and compactor bags used in connection with the operation of the Residential Limited Common Elements) will be the responsibility of the Condominium Board. The Condominium Board will not be responsible for the costs of repairs and maintenance of the Commercial Unit or the Commercial Limited Common Elements. The Commercial Unit Owner will be separately responsible for all costs of ordinary repairs and maintenance to the Commercial Unit and the Commercial Limited Common Elements. Accordingly, all expenses for ordinary repairs and maintenance related to the Limited Common Elements are Residential Common Expenses and will be borne by the Residential Unit Owners in the proportion that each Residential Unit Owner's percentage Common Interest bears to the total Common Interests of all the Residential Unit Owners. No portion of the costs of ordinary repairs and maintenance of the Residential Limited Common Elements will be borne by the Commercial Unit Owner.

In estimating the costs of ordinary repairs and maintenance to the General Common Elements and the Residential Limited Common Elements during the first year of Condominium operation, no amounts have been budgeted for repairs t the roof, heating and ventilating systems or the Building exterior and a relatively small amount has been estimated for other repairs because virtually all of the building systems are new. Nonetheless, the Sponsor has budget $1,000.00 in this expense category for the General Common Elements and $6,498.00 for the Residential Limited Common Elements.

It is believed that the budget should be sufficient to cover the cost of ordinary repairs and maintenance during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of ordinary repairs and maintenance for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of ordinary repairs and maintenance which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for ordinary repairs and maintenance as well as the assumptions described herein are believed to be reasonable.

NOTE 8: **Service Contracts: $7,500.00**

Residential Unit Owners: $7,500.00

Commercial Unit Owner: -0-

This category includes the costs of various services used in or for the Residential Limited Common Elements, including elevator service, sprinkler service and extermination. The Commercial Unit Owner is not entitled to the use of the elevator (except for access to the Commercial Unit by individuals with disabilities) and is separately responsible for the sprinkler system in the Commercial Unit and for extermination of the Commercial Unit. Accordingly, all expenses in this category are Residential Common Expenses and will be borne by the Residential Unit Owners in the proportion that each Residential Unit Owner's percentage Common Interest bears to the total Common Interests of all the Residential Unit Owners. No portion of this category of expense will be borne by the Commercial Unit Owner.

No maintenance or service contracts have been entered into as of the date of the Plan, however, the Sponsor estimates that the costs of an elevator maintenance contract will be approximately $4,200 per year, the costs of a sprinkler service contract will be approximately $1,000 per year and the costs of extermination will be approximately $1,000 per year. No other service contracts are anticipated during the first year of Condominium operation.

It is believed that the budget should be sufficient to cover the cost of service contracts during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of service contracts for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of service contracts which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for service contracts as well as the assumptions described herein are believed to be reasonable.

NOTE 9: **Insurance: $50,000.00**

Residential Unit Owners: $35,714.50

Commercial Unit Owner: $14,285.50

The Sponsor has obtained an estimate for insurance including, real property, general liability, directors and officers liability, fidelity, boiler and machinery, and umbrella insurance. The estimate includes the following insurance:

Nature of Risk	Coverage
Property ("All Risk" Replacement Cost Coverage)	$8,500,000.00
Public Primary Liability:	
Each Occurrence	$1,000,000.00
General Aggregate	$1,000,000.00
Fire Damage Legal	$50,000.00
Directors & Officers Liability	$1,000,000.00
Employee Dishonesty (Fidelity)	$25,000.00
Umbrella (Excess Liability)	$9,000,000.00
Boiler & Machinery	$7,500,000.00

Based upon the estimate obtained by the Sponsor, the total premium for these various coverages is projected at $50,000 for the first year of Condominium operation. This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units, nor does it include coverage of the furniture or personal property of Unit Owners. Purchasers should consult their own attorneys or insurance agents to determine the advisability of obtaining insurance at their own cost to cover for their own risks such as liability coverage for occurrences within their Units, or, where applicable, the Limited Common Elements, as well as fire and other casualty losses to Unit contents, replacements, additions, fixtures and improvements.

The Sponsor represents that it will purchase fire and casualty insurance, effective as at the First Closing, in the amounts set forth above on behalf of the Condominium at the Condominium's expense.

The property, fire, casualty and general liability insurance carried by the Condominium must and will be on terms that provide that there will be no cancellation without notice to the Condominium Board, a waiver of subrogation, a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro rata reduction if Unit Owners obtain additional coverage. Each Unit Owner will be an additional insured under the policy to the extent of their interest.

The costs of insurance will be deemed a General Common Expense notwithstanding that the Commercial Unit Owner may not benefit from all insurance obtained. Therefore, the costs of insurance will be borne by all Unit Owners, including the Commercial Unit Owner, in the proportion that their percentage Common Interest bears to the total of all Common Interests. Accordingly, the Commercial Unit Owner will be assessed Common Charges equal to its proportionate share (i.e., 28.571%) of the costs of insurance during the first year of Condominium operation.

The projection for insurance costs is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the actual premiums will be for the first year of Condominium operation. Purchasers should be aware of the possibility of rate increases. It is believed that the budget should be sufficient to cover the cost of insurance during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of insurance for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of insurance which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for insurance as well as the assumptions described herein are believed to be reasonable.

NOTE 10: **Management Fee: $18,000.00**

Residential Unit Owners: $14,000.00

Commercial Unit Owner: $4,000.00

Merlot Management Inc., having offices at 2190 Broadway, New York, New York 10024 (telephone 212-362-9298) will be Managing Agent for the Condominium. The general duties to be performed by the Managing Agent will include billing and collection of Common Charges, preparation of monthly operating statements and the annual operating budget for the Condominium, as well as the services of a part-time property manager. It is believed that the cost of this item is consistent with the prevailing cost of these services

Management Fees are deemed to be a General Common Expense even though the Commercial Unit Owner is not expected to use many of the Managing Agent's services. Therefore the costs attributable to Management Fees will be borne by all Unit Owners, including the Commercial Unit Owner, in the proportion that their percentage Common Interest bears to the total of all Common Interests. Accordingly, the Commercial Unit Owner will be assessed Common Charges equal to its proportionate share (i.e., 28.571%) of the costs of Management Fees during the first year of Condominium operation.

It is believed that the budget should be sufficient to cover the cost of Management Fees during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of Management Fees for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of Management Fees which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for Management Fees as well as the assumptions described herein are believed to be reasonable.

NOTE 11: Legal and Audit Fees: $15,000.00

Residential Unit Owners: $10,714.35

Commercial Unit Owner: $ 4,285.65

Based upon the estimate of Joel Popkin & Company, P.C., certified public accountants, the Sponsor has budgeted $12,500.00 for fees to be incurred in connection with the preparation of audited financial statements for the first year of Condominium operation and federal, state and city income tax returns. The balance of the budgeted amount ($2,500.00) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Condominium Board meetings, preparation of minutes and negotiation of minor agreements.

Legal and Audit Fees are a General Common Expense. Therefore, the costs attributable to Legal and Audit Fees will be borne by all Unit Owners, including the Commercial Unit Owner, in the proportion that their percentage Common Interest bears to the total of all Common Interests. Accordingly, the Commercial Unit Owner will be assessed Common Charges equal to its proportionate share (i.e., 28.571%) of the costs of Legal and Audit Fees during the first year of Condominium operation.

It is believed that the budget should be sufficient to cover the cost of Legal and Audit Fees during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual cost of Legal and Audit Fees for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of Legal and Audit Fees which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for Legal and Audit Fees as well as the assumptions described herein are believed to be reasonable.

NOTE 12: Administrative Contingency: $1,000.00

Residential Unit Owners: $714.29

Commercial Unit Owner: $285.71

This category includes anticipated costs for telephone, postage, municipal permits and miscellaneous office expenses. This category also covers possible increases in expenses not now foreseen and unanticipated expenses.

This budget item is not intended to be a reserve fund for capital improvements. If additional funds are required over and above the amount budgeted for this category, it may be necessary to increase Common Charges or separately assess Unit Owners.

As set forth in the Income Tax Opinion of Seiden & Schein, P.C., a copy of which is contained in Part II of the Plan, the Condominium will not

qualify as a "Homeowner's Association" under Section 528 of the Internal Revenue Code, and, therefore, the Condominium Board may not be able to elect that the Condominium be exempt from federal income tax on Common Charges collected from the Unit Owners. Notwithstanding the foregoing, it is expected that the taxes payable by the Condominium will be *de minimis* and, therefore, will be able to be satisfied out of the items set aside in the budget in this category.

Expenses in this category are a General Common Expense. Therefore, the costs attributable to this category will be borne by all Unit Owners, including the Commercial Unit Owner, in the proportion that their percentage Common Interest bears to the total of all Common Interests. Accordingly, the Commercial Unit Owner will be assessed Common Charges equal to its proportionate share (i.e., 28.571%) of the costs of this category during the first year of Condominium operation.

It is believed that the budget should be sufficient to cover the cost of this category during the first year of Condominium operation although it is impossible to predict whether the budgeted figure will reflect the actual costs of this category for the first year of Condominium operation. No warranty or guaranty is made as to the actual cost of this category which will be applicable and in effect during the first year of Condominium operation. However, the projected expenses for this category as well as the assumptions described herein are believed to be reasonable.

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According to the Certification of Merlot Management, Inc., a copy of which is included in Part II of the Plan, the projected income for the Condominium is adequate to meet the projected expenses for the first year of Condominium operation, assuming that such first year of Condominium operation is the year commencing May 15, 2004 and ending May 14, 2005. The 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 or any subsequent year of operation of the Property by the Condominium Board will be as set forth in the budget.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

Included in Part II hereof is an opinion of Coldwell Banker Mid Plaza Real Estate ("Coldwell Banker"), licensed real estate brokers, with respect to compliance with respect to compliance with Section 339(i) of the Condominium Act in connection with the method used for determining the percentage of Common Interest for the Units. Coldwell Banker has extensive experience with offering plans and with selling cooperative or condominium units and does not have any beneficial interest in the Sponsor or in the profitability of the project.

Also included in Part II hereof is an opinion of Seiden & Schein, P.C., Sponsor's counsel, with respect to compliance with Section 339(i) of the Condominium Act in connection with the allocation of the percentage interest of each Unit.

THE COMMERCIAL UNIT

The Commercial Unit consists of portions of the basement and first through third floors of the Building. The Commercial Unit includes all equipment, apparatus and facilities located in such area or elsewhere in the Building which service, enclose or benefit only the Commercial Unit. All or any part of a Commercial Unit may be leased by the Commercial Unit Owner.

No representation is made with respect to: (a) the particular uses to which the Commercial Unit or any part thereof may be put at any time or (b) who will operate, or occupy as tenant, the Commercial Unit or any part thereof at any time. The Commercial Unit and the Unsold Residential Units may be used for any lawful purpose under the applicable building codes and zoning ordinances, including (without limitation) for use as a sales office, or an office for the leasing, rental or management of one or more such Units, or (with respect to Residential Units only), as a model Unit, without any charge or fee by the Condominium Board, at such rents, and upon such terms and conditions, as Sponsor or the Unit Owner and any tenant(s) may agree. However, the Commercial Unit and Unsold Units may not be used for any noxious or immoral purpose.

Determination of the Commercial Unit's share of Common Expenses was based upon an adjusted analysis of what services would be provided by the Condominium to the Commercial Unit. The Common Charges payable by the Commercial Unit Owner are expected to be sufficient to cover the expenses fairly attributable to the Commercial Unit.

The Commercial Unit Owner is currently Sponsor, who is not offering the Commercial Unit for sale.

If (a) the number of rooms in or size of the Commercial Unit and the percentage interest in the Common Elements appurtenant to the Commercial Unit is reapportioned among any newly created commercial condominium Units resulting from any subdivision of the Commercial Unit (or any combining of newly created Commercial Units) or (b) a Commercial Limited Common element is designated as part of a newly created Commercial Unit, then the Commercial Unit Owner shall have the right to execute or (upon its request) to require any other Unit Owner or the Condominium Board to execute and record in the City Register's Office, and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as the Commercial Unit Owner deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in the Commercial Unit, (ii) such change in the size of the Commercial Unit, (iii) such subdivision of the Commercial Unit into separate commercial condominium units (or the subsequent combination of such newly created commercial condominium units) and the reapportionment of the percentage interest in the Common Elements among such newly created commercial condominium units, or (iv) such designation of a commercial Limited Common Element as a newly created commercial condominium unit or such designation of part of the Commercial Unit as a newly created Commercial Limited Common Element, all without the approval of the Condominium Board or the Unit Owners.

In addition, except to the extent prohibited by law, the Commercial Unit Owner (including Sponsor or its designee) shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Condominium Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit; (b) change the layout of, or number of rooms in, the Commercial Unit from time to time; (c) change the size and/or number of the Commercial Unit by subdividing such Commercial Unit into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from a subdivision or combination or otherwise) into one or more Commercial Units, altering any boundary walls of the Commercial Unit (including without limitation, incorporating within the Commercial Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); provided, however, that the percentage interest in the Common Elements of any other Units shall not be changed by reason thereof unless the owners of such Units shall consent thereto, the Common Interest of all newly established Commercial Units shall equal the Common Interest of the Commercial Unit being so divided, any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with any laws, ordinances and regulations of any governmental authorities having jurisdiction and the Commercial Unit Owner shall hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

The Commercial Unit is currently leased to the John A. Reisenbach Charter School (the "School") which operates a charter school therein. The School has approximately 500 students and staff. The lease between Sponsor and the School (the

"School Lease") expires in August, 2022. Pursuant to the terms of the School Lease, the School was required to perform certain improvement work to the Commercial Unit, which is now 100% completed.

CHANGES IN PRICES AND UNITS

The Purchase Prices at which the Residential Units are being offered initially are shown in Schedule A. The Sponsor may enter into a Purchase Agreement with a Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment. The Plan will be amended to disclose: (a) any increase (but not any decrease) in the Purchase Price of an individual Unit; (b) any changes in either Purchase Prices (whether increases or decreases) or other financial terms of sale that are across the board changes affecting one or more lines or types of Units; or (c) any changes in either Purchase Prices or other financial terms of sale that are to be advertised. Other than the changes described in (a) through (c) in the preceding sentence, Purchase Prices and other terms of sale of one or more Units which are not subject to executed Purchase Agreements may be changed without either notice or amendment of the Plan.

If Sponsor changes the Purchase Price of a Unit, the Purchaser affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of any other Units, nor will the Common Interest of any Unit be altered by a price change for such Unit.

No change in the size, number of Units or percentages of Common Interest, and no material change in the size or quality of Common Elements shall be made except by amendment to this Plan. No material change in Unit size, layout or percentage of Common Interest shall be made unless an affected Purchaser consents. No material change shall be made in the size of common elements, and no material adverse change shall be made in the quality of Common Elements, unless all Purchasers consent.

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by law, and subject to the restrictions contained in the immediately preceding paragraph) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board or any Unit Owner or any mortgagee, to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Units; (b) change the layout of, or number of rooms in, any Unsold Unit from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the

extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (d) if appropriate, reapportion among the Unsold Units affected by any such change in size or number pursuant to the preceding clause (c), their percentage interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (e) change the permitted use of some or all of the Unsold Units; provided, however, that any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with any laws, ordinances and regulations of any governmental authorities having jurisdiction and Sponsor (or such designee) shall hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

No change in the size, number of Units or percentages of Common Interest, and no material change in the size or quality of Common Elements shall be made except by amendment to this Plan. No material change in Unit size, layout or percentage of Common Interest shall be made unless an affected Purchaser consents. No material change shall be made in the size of Common Elements, and no material adverse change shall be made in the quality of Common Elements, unless all Purchasers consent. If the number of rooms in an Unsold Residential Unit is changed, or the size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with this Declaration, the Sponsor or its designee shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Condominium Board or the Unit Owners.

So long as the layout dimensions, allocations of Common Interest and square footage of a Unit conform substantially to the Floor Plans, a Purchaser who is a party to a binding Purchase Agreement shall not be excused from purchasing his Unit and shall not have any claim therefor against Sponsor by virtue of any insubstantial change or discrepancy in the Floor Plans. Substantial changes may no be made without the consent of such Purchaser.

LEASES AND INTERIM LEASES

Sponsor represents that it will endeavor in good faith to sell rather than rent at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for their personal occupancy. If Sponsor makes a bulk sale of some or all of its Residential Units, the transferee will be bound by and will assume Sponsor's foregoing obligation to endeavor in good faith to sell rather than rent such Units.

Sponsor does not represent that it will endeavor to sell, rather than rent, the remaining forty-nine percent (49%) of the Residential Units. The Residential Units reserved by Sponsor may remain unsold indefinitely, and Sponsor may dispose of such Residential Units as it chooses, including selling to investors, renting to tenants, permitting occupancy by relatives or others, allowing them to remain vacant, or selling to Purchasers who represent that they are purchasing for personal occupancy.

Sponsor represents that it will decline to rent Residential Units (other than to Purchasers pursuant to Interim Leases) until it has sold at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for personal occupancy. Notwithstanding the foregoing representation by Sponsor, Sponsor hereby reserves the right to rent rather than sell such Residential Units if a decline in the real estate market causes the unsold Residential Units to decline twenty percent (20%) or more from the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan. Thereafter, Sponsor will resume sales of such Residential Units when their market value increases to at least eighty percent (80%) of the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan.

Sponsor reserves the right, prior to the date of closing title to a Unit, to rent or lease such Unit to Purchasers and others for periods of one year or more. Accordingly, a Purchaser of a Unit may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. However, once a Purchase Agreement for a Unit is fully executed, and for so long as the Purchase Agreement is in effect, such Unit may only be leased to its Purchaser. No Purchaser shall have the right to occupy any Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim lease or other written rental agreement.

Interim leases will not be subject to the Rent Stabilization Law, the Rent Stabilization Code or any other rental protection laws.

If Sponsor agrees to lease a vacant Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an interim lease to a Purchaser, such interim lease will provide that an uncured default by the Purchaser under the Purchase Agreement (i.e., a

default not cured within thirty (30) days after the sending of written notice thereof) will constitute a default under the interim lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such interim lease. The Purchase Agreement contains a similar provision entitling Sponsor to terminate the Purchase Agreement and retain the Deposit as liquidated damages in the event the Purchaser fails to cure a default under such Purchaser's lease within the applicable grace period (if any) and either (x) Sponsor has obtained an order of eviction against the Purchaser from a court of competent jurisdiction or (y) the Purchaser has vacated the Unit.

No portion of the rental paid under any interim lease will be credited towards the Purchase Price of a Unit unless the interim lease and the Purchase Agreement for the leased Unit expressly so provide. In the event of a material adverse amendment to the Plan in which a Purchaser is allowed to rescind a Purchase Agreement, if a Purchaser who is a tenant under an interim lease duly elects to rescind, the interim lease made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within thirty (30) days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said thirty (30) day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to the rent under the interim lease. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for the costs of carrying the Unit (such as Common Charges, real estate taxes and the allocable portion (based on such Unit's Common Interest) of debt service on any loan covering the Unsold Units. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees.

In the event the Plan is abandoned, a Purchaser who has entered into an interim lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

It should be noted that until the Purchaser acquires title to the Unit, Purchasers will not be able to claim the income tax deductions described in the Plan.. Such deductions may become available only when and if (a) the Plan is declared effective and there is a sale to Purchasers hereunder, and (b) the conditions set forth in the Attorney's Income Tax Opinion below have been met, and then only for the period subsequent to the Unit Closing Date.

PROCEDURE TO PURCHASE

The Sponsor hereby offers for sale the Residential Units for occupancy, subject to applicable governmental regulations. The sales prices at which the Residential Units are being offered are shown in detail in Schedule A.

Anyone desiring to purchase a Residential Unit will be required to execute five originals of a Purchase Agreement, in the form annexed in Part II of the Plan, for each Residential Unit desired. The Purchase Agreement sets forth in detail the terms of sale with respect to the Units and should be read carefully by each prospective Purchaser. In the event of any conflict between the Plan and the Purchase Agreement, the provisions of the Plan shall control. The Purchase Agreement does not, and may not be modified to, contain any provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law.

No signed Purchase Agreement will be accepted from a prospective Purchaser for three (3) business days following the Purchaser's receipt of a copy of the Plan, including all amendments thereto. For the convenience of some Purchasers, Sponsor will have the right, at its sole option, to accept a Purchase Agreement prior to the expiration of such period of three (3) business days; in such event, and only in such instance, the Purchaser will have the right to rescind such Purchase Agreement by written notice given to Sponsor within seven (7) days following such Purchaser's submission of the Purchase Agreement, whereupon the Deposit received by Sponsor will be promptly refunded to Purchaser, without interest thereon.

A prospective Purchaser shall deliver to the Selling Agent, together with the four signed copies of the completed Purchase Agreement, a deposit (the "Deposit") in an amount equal to ten (10%) percent of the Purchase Price. The Deposit will be placed in an escrow account, as more fully described and discussed in "Escrow and Trust Fund Requirements" below.

Purchase Agreements will not be binding on Sponsor until approved and executed by Sponsor. Sponsor will have twenty (20) days after delivery by the Purchaser of an executed Purchase Agreement, together with the amounts and other items described above, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law. If a Purchase Agreement is not accepted by Sponsor within such twenty (20) day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and all sums deposited by the Purchaser in connection therewith shall be promptly returned to the Purchaser, together with any interest earned thereon. Sponsor reserves the right to reject any prospective Purchaser without cause or explanation, provided that, such rejection is not based on race, creed, color, age, sex, disability, marital status, national origin, ancestry, or any other ground proscribed by law, and to refuse to 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.

Additional Deposits

Additional deposits may be required to pay for the cost of such custom work, upgrades or extras that the Purchaser and Sponsor may agree upon. Such additional deposits shall be held in the escrow account but may be released to Sponsor prior to the closing of title to the Unit for the purpose of paying for such custom work, upgrades or extras. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any such funds used to pay for such custom work, upgrades or extras.

"TIME OF THE ESSENCE" Provisions

TIME IS OF THE ESSENCE WITH RESPECT TO A PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE. AND THE CURING OF A DEFAULT WITHIN THIRTY (30) DAYS AFTER SPONSOR GIVES NOTICE TO PURCHASER OF SUCH DEFAULT. THEREFORE, A PURCHASER WHO DEFAULTS UNDER HIS PURCHASE AGREEMENT AND WHO DOES NOT CURE SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD MAY NOT BE PERMITTED ANY ADDITIONAL TIME TO CURE SUCH DEFAULT.

Notice of Closing

After the Plan has been declared effective, Sponsor will fix dates for the closing of title to all Units for which Purchase Agreements have been executed, by serving a notice on each Purchaser stating the date of the First Closing and setting the date for closing of title to Purchaser's Unit. The date for closing of title to Purchaser's Unit shall be not less than thirty (30) days from the date of service of the foregoing notice. A Purchaser is permitted to waive this thirty (30) day period by agreeing, in writing, to an earlier date for the closing of title to the Purchaser's Unit.

First Closing of Title to a Unit

Based upon its current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery of or inability to obtain materials, governmental restrictions, or other events beyond its reasonable control, the construction of the Building will be sufficiently completed to permit the First Closing to take place on or about May 15, 2004. Prospective Purchasers should note, however, that Units will be completed at differing times over a period that may likely extend beyond such date. A Purchaser will not be excused from paying his full Purchase Price (without credit or setoff), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs

earlier or later than the targeted date, or the time to complete or to close title to his respective Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds the projected budget included in this Plan by twenty-five (25%) percent or more, Sponsor will offer each Purchaser the right to rescind his Purchase Agreement within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchaser electing rescission pursuant to such offer will have his Deposit, together with any interest earned thereon, returned, provided, however, that after the Plan has been declared effective and an amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under his or her Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind.

In the event that the date of the First Closing of does not occur within twelve (12) months after May 15, 2004, Sponsor will offer each Purchaser the right to rescind his Purchase Agreement within not less than fifteen (15) days after delivery by Sponsor of a notice to each Purchaser to that effect, and any Purchaser electing rescission pursuant to such offer will have his Deposit, together with any interest thereon, returned.

Default by Purchaser

In the event that a Purchaser fails to close title on the date originally set for closing of title to his Unit (or any adjournment thereof) or otherwise fails to perform any other obligations under his Purchase Agreement, and such default is not cured within thirty (30) days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, may, at the expiration of such thirty (30) day period, cancel such Purchase Agreement and retain as liquidated damages the Deposit made by the Purchaser, together with interest earned thereon, and any additional deposits or payments made by Purchaser in respect of the costs of custom work, upgrades or extras that the Sponsor and Purchaser may have agreed upon, and upon such cancellation, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate.

If Sponsor elects not to cancel the Purchase Agreement as a result of the failure of the Purchaser to close on the date originally set for closing of title of a defaulting Purchaser's Unit, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that (i) adjustments and apportionments will be made as of 11:59 p.m. of the day preceding the original closing date; and (ii) Purchaser shall pay Sponsor interest at the rate of sixteen (16%) percent per annum on the total Purchase Price, for each day the closing is adjourned beyond the original closing date; and (iii) Purchaser shall reimburse Sponsor for any shortfall between the Common Charges (including any special assessments) applicable to the Unit and the rent payable by any tenant, if any, of the Unit to Sponsor (as the holder of Unsold Units) for the period from the original closing date until the date of actual closing, and if the Unit is vacant, Purchaser will be required to reimburse Sponsor for all Common Charges and any special assessments payable during such interim period.

Unit Power of Attorney

At or prior to the closing, each Purchaser will also be required to execute and deliver at the closing a Unit Owner's Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth Part II of the Plan, designating: (i) the Condominium Board as the Purchaser's attorney-in-fact, coupled with an interest, for the purpose of managing, selling, mortgaging, leasing, voting and otherwise dealing with the Common Elements and any Units acquired by the Board, in accordance with the Declaration and Bylaws and executing certain documents on behalf of Unit Owners; and (ii) the Sponsor as the Purchaser's attorney-in-fact, coupled with an interest, in order to amend from time to time the Declaration, Bylaws, Rules and Regulations and Floor Plans of the Condominium under circumstances more particularly set forth in the form of Unit Owner's Power of Attorney annexed in Part II of the Plan. The delivery of the Unit Power of Attorney is a condition to closing of title to the Unit, and the refusal to execute and deliver the Unit Owner's Power of Attorney shall be deemed a material default on the part of the Purchaser.

Risk of Loss

The risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser pursuant to an interim lease or other written agreement with the Sponsor), at which time such risk shall be assumed by Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title to the Unit, but after the signing of a Purchase Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election (which election shall be in Sponsor's sole and absolute discretion) to repair or restore the Unit, then the Purchase Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to the Sponsor. However, if Sponsor notifies the Purchaser in writing that it does not elect (which election shall be in Sponsor's sole and absolute discretion) to repair or restore the Unit, or if the Unit Owners do not resolve to make such repair or restoration pursuant to the Bylaws (see "Rights and Obligations of the Unit Owners and the Board of Managers" below), the Purchase Agreement shall be deemed terminated, the entire Deposit, together with interest earned thereon, shall be returned to the Purchaser, and the parties shall be released and discharged from all rights, obligations and liability under the Purchase Agreement and this Plan, except that if the Purchaser is then in default under the Purchase Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

No Financing Contingency

The following is a SPECIAL RISK of this offering: A Purchaser's obligation to purchase his Unit pursuant to a Purchase Agreement is not contingent upon obtaining financing.

Compliance with Section 71-a of the Lien Law of the State of New York

This Plan and the Purchase Agreement comply with Section 71-a(3) of the Lien Law of the State of New York, which provides in part for the following:

(a) Deposits under Purchase Agreements shall be placed in an interest bearing account if so requested by Purchaser. Such Deposit, with any accumulated interest, shall remain the property of the Purchaser, except as otherwise provided by law.

(b) Deposits will be retained in escrow as set forth above until: (i) Sponsor performs under the terms of the Purchase Agreement or (ii) Purchaser rescinds, if permitted, or defaults in release or discharge of Sponsor's liability to refund such Deposit or (iv) transfer of title to the Unit to the Purchaser, or (v) release by mutual consent of Sponsor and Purchaser.

(c) All Purchase Agreements shall contain the following:

> "YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

Notwithstanding the above, Sponsor may only post a bond or indemnity contract in lieu of depositing the Deposit in escrow provided it first obtains an exemption from the Department of Law under special circumstances. In the event Sponsor seeks and obtains such exemption, it will subsequently amend the Offering Plan prior to posting any bonds or indemnity contracts.

ASSIGNMENT OF PURCHASE AGREEMENT

Purchase Agreements, or any interest of a Purchaser under a Purchase Agreement, may not be assigned by Purchaser without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of a Purchase Agreement (i.e., without the consent of the Sponsor) shall be an event of default by the Purchaser, entitling Sponsor to the remedies set forth in the Purchase Agreement, and shall be voidable at the option of Sponsor, in its sole discretion.

If the Sponsor consents to an assignment of the Purchase Agreement, Purchaser will be required to pay counsel fees to Sponsor's attorney in connection therewith. See "Unit Closing Costs and Adjustments" below.

ESCROW AND TRUST FUND REQUIREMENTS

A prospective Purchaser shall deliver to the Selling Agent, together with the four signed copies of the completed Purchase Agreement, the Deposit in an amount equal to ten (10%) percent of the Purchase Price. All payments in respect of the Deposit shall be made by check drawn on a member bank of the New York Clearing House Association made payable to "Seiden & Schein, P.C., as Escrow Agent". All such checks shall be subject to collection and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect, and to retain any Deposit and other amounts previously deposited.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto, and all funds paid by Purchasers shall be handled in accordance with these statutes and regulations.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow and trust funds shall prevail over any conflicting or inconsistent provision in this Plan or in a purchase agreement. 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.

In accordance with Section 71-a(3) of the Lien Law the Sponsor has appointed the law firm of Seiden & Schein, P.C. as Escrow Agent to hold all monies, including all

deposits, Down Payments, deposits or advances, received by Sponsor, directly or through its agents, employees or agents (if any) either prior to or subsequent to the closing of title to a Unit ("Consummation of Plan"), in trust in a segregated special escrow account titled, "Seiden & Schein, P.C., Attorney Account" (the "Escrow Account"). The name of Purchaser shall be added to the title of a sub-account of the Escrow Account, which shall be at Citibank, N.A. at its office located at 153 East 53rd Street, New York, New York. Such funds shall be deposited within five (5) business days after the Purchase Agreement is executed by all necessary parties and except as otherwise stated in the Plan, shall be held there until actually employed in connection with the consummation of this Plan. Seiden & Schein, P.C. is located at 570 Lexington Avenue, New York, New York 10022 (212-935-1400). The signatories on this special escrow account authorized to withdraw funds are the principal attorneys of the firm who are Jay G. Seiden, Esq., and Alvin Schein, Esq., both of whom are located at 570 Lexington Avenue, New York, New York 10022.

The Escrow Account consists of a master checking account portion which is non-interest bearing and sub-escrow accounts which will be individual interest bearing sub-escrow accounts in the name of each Purchaser. All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account. Each Purchaser is required to provide to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Purchase Agreement with either a taxpayer identification number, a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a completed Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II of the Plan. If a Purchaser provides a taxpayer identification number or a completed and signed Form W-9 or Form W-8 at the time the Deposit is tendered, the Deposit will, after collection, thereafter be promptly transferred to an interest bearing sub-escrow account in the name of the Purchaser. If a Purchaser does not provide a taxpayer identification number or does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to Purchaser sent within ten (10) business days after the Deposit Tender Date. If a Purchaser does not receive notice that the Deposit has been placed in the Escrow Account within fifteen (15) business days after the Deposit Tender Date, the Purchaser may cancel the purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within ninety (90) days after the Deposit Tender Date. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter to each Purchaser referred to above in connection with an subsequent deposits tendered by purchaser after the initial Deposit and deposited into the Escrow Account prior to the closing.

Citibank, N.A. is covered by federal bank deposit insurance to a maximum of $100,000.00 per individual deposit. No fees of any kind from the account principal may be deducted. Sponsor shall bear any administrative cost for maintenance of the account.

Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan, and consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h.

Except with respect to additional deposits with respect to the costs of custom work, upgrades or extras discussed in "Procedure to Purchase" above, the Escrow Agent will hold funds in escrow until otherwise directed in (i) a writing signed by both Sponsor and the Purchaser, (ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations, or (iii) a judgment or order of a court of competent jurisdiction.

At the closing of title to a Unit, Purchaser and Sponsor shall execute a joint instruction letter which will authorize the Escrow Agent to release the Deposit. If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified the Escrow Agent in accordance with such provisions.

Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to General Business Law Section 352-h. Funds from the Escrow Account remain the property of the Purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of the Sponsor or the Escrow Agent upon any bankruptcy, incapacity or death.

The Sponsor will not object to the release of the escrowed funds to (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan or (ii) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

Purchasers and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Deposit and any interest thereon. The Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is annexed in II of the Plan. The party applying for a determination must send all other parties a copy of the application. Pending the determination of the Attorney General to grant or deny the application, Sponsor, the Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

If the application permitting release of the escrowed funds is granted, the Deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

The Attorney General shall act upon the application within 30 days after its submission to the Office of the Attorney General, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons. If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the Deposit and any interest earned thereon until: (a) both the Sponsor and the Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and the Purchaser; or (b) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent; or (c) the Escrow Agent deposits the disputed amount into court. In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court of competent jurisdiction or by written agreement of the Sponsor and the Purchaser.

A copy of the Escrow Agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations is set forth in Part II of the Plan.

The Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

The Escrow Agent is acting merely as a stakeholder. Upon payment of the Deposit pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit. Escrow Agent shall accept a Deposit made by check, subject to collection.

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the Escrow Agreement or the performance or non-performance of Escrow Agent's duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the Escrow Agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow agent for services rendered in connection with Escrow Agent's duties under the Escrow Agreement. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

The Escrow Agent will maintain all records concerning the escrow account for seven (7) years after the release of funds.

Before funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the new account, the Escrow Agent and the escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Office of the Attorney General approves in writing the use of such alternate form of security, pursuant to the provisions of paragraph (4) of Section 20.3(o) of the Attorney General Regulations.

EFFECTIVE DATE OF THE PLAN

The Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and the effectiveness amendment is accepted for filing by the Department of Law. No closing to a Unit will be held until the Plan is declared effective and the effectiveness amendment is so accepted.

The Plan may be declared effective, at Sponsor's option, when Purchase Agreements have been executed and are in effect with respect to not less than fifteen (15%) percent of all Residential Units in the Building. In calculating the percentage, no Unit Purchaser will be counted more than once, and only one Purchase Agreement will be counted for any one Unit. If a Purchaser enters into Purchase Agreements for more than one Unit, each of the Purchase Agreements will be included in calculating the fifteen (15%) percent figure.

The Sponsor must declare the Plan effective when and if Purchase Agreements have been executed and accepted for the sale to Purchasers of at least eighty (80%) percent of the Residential Units offered under the Plan.

The Plan will be declared effective either by: (i) an amendment to the Plan filed with the Department of Law, or (ii) mailing or delivering personally to each Purchaser a written notice to such effect, in which event Sponsor will submit an amendment to the Plan to the Department of Law confirming that the Plan was declared effective on a specified date within five (5) business days after such mailing or delivery. The First Closing will not occur until the Plan is declared effective and no closing date will be set until such amendment is accepted for filing by the Department of Law.

The Plan will not be declared effective based on Purchase Agreements: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii) signed by a Purchaser not afforded the three (3) day time period to review the Plan prior to executing a Purchase Agreement; or (iii) entered into with any Purchaser who is the Sponsor, the Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than the Sponsor or a principal of the

Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such Purchaser is bona fide.

The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective. Once the Plan has been declared effective, it may not be abandoned or withdrawn, except in the event of (i) the existence of one or more defects in title affecting any one or more Units and/or the Common Elements which cured without litigation or cannot be cured for less than an amount equal to one-half (½%) percent of the amount of this offering in the aggregate and which are not waived by the Purchaser(s) thereof, (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be repaired or restored for less than an amount equal to one-half (½%) percent of the amount of this offering in the aggregate, provided that the Sponsor is entitled to collect the proceeds of any applicable fire or casualty insurance policy in an amount at least equal to the actual cost of repairs; or (iii) a taking of all or a material portion of the Property by condemnation or eminent domain. Any stated dollar amount relied upon as a basis for abandonment after effectiveness must exclude any attorneys' fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

In the event of a withdrawal or abandonment of the Plan, Sponsor will give notice thereof by regular mail to all Purchasers and existing tenants and within five (5) business days thereafter submit to the Department of Law an amendment to the Plan disclosing the same together with a duly completed form RS-3 (Abandonment of Offering). All Deposits, together with any interest earned thereon, will be returned to Purchasers within twenty (20) days following such withdrawal or abandonment, except that after the Plan has been declared effective and the First Closing has occurred, Sponsor may retain the Deposit, together with interest earned thereon, of any Purchaser who is then in default under his or her Purchase Agreement beyond the applicable grace period or whose Purchase Agreement has been cancelled due to such Purchaser's default, provided, however, that any requisite notice has been given to the Purchaser and any dispute with respect to the disposition of the Deposit has been determined in favor of Sponsor pursuant to the dispute resolution procedures provided by the regulations promulgated by the Department of Law. Upon the return or retention of the Deposit, together with interest earned thereon, a Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or the Purchase Agreement.

CLOSING OF TITLE TO UNITS; TERMS OF SALE

The closing of title to each Unit shall be held at the offices of Sponsor's attorneys, Seiden & Schein, P.C., 570 Lexington Avenue, 14th Floor, New York, New York 10022, or at such other place as the Sponsor may designate. At the closing, fee title to the Unit will be conveyed to Purchaser along with the Purchaser's undivided interest in the Common Elements. The First Closing is expected to take place or about May 15, 2004. The First Closing will only take place after or simultaneously with the happening of the following conditions:

(a) The Declaration, Bylaws, Floor Plans, the engineer's and tax authority's certifications required by Section 339-p of the Condominium Act and such other documents as may be required by law have been filed or recorded, as the case may be;

(b) The Unit and its appurtenant undivided interest in the Common Elements shall not be subject to the lien of any mortgage at the time of closing except any mortgage requested by the Purchaser at the time of closing representing a purchase money mortgage or mortgages taken by the Purchaser;

(c) The filing of an amendment to the Plan disclosing that the Plan has been declared effective pursuant to the terms of the Plan and the acceptance of such amendment for filing by the Department of Law;

(d) A temporary or permanent Certificate of Occupancy for the Unit is in effect (unless Sponsor is unable to obtain such temporary or permanent Certificate of Occupancy for the Unit as a result of special work being done in the Unit at the request of the Purchaser);

(e) The delivery of fee title to each Unit by Sponsor by bargain and sale deed with covenant against grantor's acts, in the form annexed in Part II of the Plan and in the proper form for recording upon delivery to Sponsor of the balance of the Purchase Price and such other payments and documents required pursuant to the Plan and the Purchase Agreement; and

(f) If Purchaser has requested title insurance, the issuance to the Purchaser (at Purchaser's expense) by the Chicago Title Insurance Company (the "Title Company") or such other title company that is licensed to do business in New York State and approved by the Sponsor, of a policy of title insurance in the amount of the

Purchase Price for the Unit which shall insure that (i) such Purchaser has good and marketable fee title in the Unit, free and clear of all liens and encumbrances, except Permitted Encumbrances and subject to the provisions of the Declaration and Bylaws as recorded, and any mortgage executed by the Purchaser, and (ii) that the Condominium was validly formed pursuant to the Condominium Act.

Title to the Unit will be conveyed to the Purchaser subject to the following (the "Permitted Encumbrances"):

1. Any state of facts of the Property as shown on a survey to be made prior to the closing of title, provided such facts would not render title unmarketable;

2. Any sewer, steam, water, gas, electric, drainage, telephone, cable television or other utility easements or consents granted or to be granted hereafter, including the right to maintain and operate lines, wires, cables, pipes, conduits, poles and distribution boxes in, over, under, and upon the Condominium;

3. All of the terms, covenants and conditions of the Declaration, the Bylaws and the Floor Plans as they are subsequently filed or recorded and the Plan and any amendments thereto;

4. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structure and use;

5. Beam and beam rights and party walls and party wall agreements;

6. Any variations between tax lot lines and lines of record title;

7. The lien of any unpaid real estate tax, and the lien of any water charges or sewer rents generally (which shall be apportioned at closing);

8. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to the Unit; and

9. All easements set forth in the Declaration and Bylaws, as they are subsequently recorded, and in the Plan and Purchase Agreement, including, but not limited to:

   (a) Easements in favor of the owners of other Units to use the pipes, wires, conduits, cable television and public utility

lines located in the Common Elements or in the Unit itself servicing such other Units and/or the Common Elements or the Limited Common Elements.

(b) Easements in favor of the Condominium Board, its agents, contractors or employees to have a right of access to the Unit and to the Common Elements to inspect, maintain or repair or to make repairs to the Unit to prevent damage to the Common Elements or any other Units, to make repairs to the common Elements, to any wires, pipes, conduits or cable television system servicing any of the Units or to make repairs to any other Unit;

(c) Easements in favor of those Units having portions of the Common elements limited to their use; and

(d) Easements for the continuance of encroachments on the Unit and on the Common Elements by other Units or portions of the Common Elements or Limited Common Elements, now existing by reason of the construction of the Units, or hereafter by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Condominium Board of the Units or such other Units or such Common Elements, after damage 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 the Condominium Board, so that any such encroachments may remain as long as the Units stand.

A Purchaser is required to accept title to a Unit provided that the Title Company agrees to insure fee title in the Purchaser subject only to Permitted Encumbrances. Without limiting the foregoing, Purchasers are advised that if a Unit is subject to any assessment or liens which may be discharged by the payment of money and which the Sponsor is obligated to remove or pay under the Plan, the same shall not be considered an objection to tile, provided that at the time of closing, the Title Company will issue or bind itself to issue a title insurance policy that will insure the Purchaser against collection of said items from the Unit.

In the event of the existence of any lien or encumbrance on a Unit other than the Permitted Encumbrances, the sole remedy of Purchasers under the Plan shall be to rescind their respective Purchase Agreements within fifteen (15) days after the date of an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of his Unit shall not be entitled to any credit against, or abatement of, the Purchase Price set forth in his Purchase Agreement and shall have no claim or right of action against Sponsor by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects.

The existence of mortgages, liens and encumbrances, other than the Permitted Encumbrances, shall not be objections to title, provided that properly executed instruments, in form for recording, necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at closing and proper adjustments made for the cost of recording or filing such instruments. Sponsor shall bear the responsibility and cost of recording or filing such instruments.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those, if any, that may be expressly stated in the Plan, in the Purchase Agreement, in Part 20 of Title 13 NYCRR (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and in General Business Law Section 352-e to survive delivery of the deed.

Included in the sale of each Unit are all the kitchen appliances and other fixtures and articles of personal property attached to or used in connection with the Unit. Each Purchaser will accept the Unit and all fixtures, machinery, equipment, appliances, installations and personal property contained therein, in their condition on the date of closing in an "AS IS" condition as described in the Plan, at the time of title to such Unit. Each Purchaser shall be given the opportunity, upon written request to Sponsor, to inspect his Unit within a reasonable period prior to the closing of title, such inspection to be during normal business hours and to be undertaken in the company of the Selling Agent. EACH PURCHASER SHOULD INSPECT THE UNIT PRIOR TO CLOSING OF TITLE TO THE UNIT.

The Declaration, Bylaws and Floor Plans for the Condominium and such other documents, as required by law, will be recorded or filed prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act or other applicable state and local law. The place of recording is Office of the Register of the City of New York for New York County.

If there are any unsatisfied mortgages or construction loans existing prior to the First Closing, and such mortgages will not be satisfied at or prior to the First Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units, (ii) subordinate the lien of its mortgage to the Declaration, or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

Simultaneously with the delivery of the deed, the Purchaser shall pay the balance of the Purchase Price and the closing apportionments and costs described in "Unit Closing Costs and Adjustments" below. Payments shall be by cashier's check or unendorsed certified check drawn on or issued by a bank or trust company which is a member of the New York Clearing House Association, payable to the direct order of Sponsor or to such other party or parties as Sponsor notifies the Purchaser prior to the closing.

A Purchaser's obligation for payment of Common Charges and expenses applicable to his Unit shall begin to accrue on the date of the closing of title to his Unit. Thereupon, the Purchaser shall become obligated for the payment of real estate taxes and assessments (including water charges and sewer rents, and all other expenses with respect to his Unit, whether or not he has taken possession of his Unit.

UNIT CLOSING COSTS AND ADJUSTMENTS

Closing Costs

The estimated closing costs and expenses to be borne by each Purchaser are as follows:

1. If the Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor, which premium will vary depending upon the amount of insurance purchased. A reduced rate for fee and mortgagee title insurance may be available, if the Purchaser obtains a mortgage loan, and fee and mortgagee title insurance are ordered simultaneously. Each Purchaser may obtain title insurance from the Title Company or such other title company that is licensed to do business in New York State and approved by the Sponsor. Sponsor makes no warranty regarding the terms of any such insurance.

2. The fees charged by the City Register's Office for recording the Unit Deed, the Unit Owner's Power of Attorney, any applicable mortgage release on the Unit and any obtained by the Purchaser. The current amount of such fees is $95.00 to record the Unit Deed and $20.00 for each additional document plus document plus $5.00 per page.

3. If the Purchaser obtains a mortgage loan, the Purchaser will be responsible for the following costs:

   (a) A mortgage recording tax in the amount provided by law at the time of closing of title. Currently the tax payable by a borrower for mortgages under $500,000 is 2% of the face amount of the mortgage and for mortgages of $500,000 or more, 2.125% of the amount of the mortgage. In either case, the Purchaser is entitled to a $25.00 credit and the mortgagee (i.e., the lender) is obligated to pay an amount equal to 1/4% of the face amount of the mortgage;

   (b) Payment to Sponsor of the amount of any credit available pursuant to Section 339-ee(2) of the Condominium Act upon the recording of a mortgage on a Unit because of the previous payment of

mortgage recording tax on any blanket mortgage covering the Property;

(c) The fees and expenses of lender's counsel, the amount of which is determined by the lender;

(d) The lender's closing costs and expenses, including, without limitation, appraisal, application fees, commitment fees, points and credit reports, as determined by the lender; and

(e) The premium for mortgagee title insurance.

4 The fee of $50 for filing the New York City Real Property Transfer Tax Return (the "City Tax Return").

5 (a) The amount of the New York City Real Property Transfer Tax (the "RPT Tax") currently in the amount equal to 1% of the purchase price where the purchase price is $500,000 or less and 1.425% of the purchase price where the purchase price exceeds $500,000.

(b) The amount of the New York State Real Estate Transfer Tax (the "State Transfer Tax") currently equal to $2.00 per $500, or fraction thereof, of the gross consideration (less, where the gross consideration is less than $500,000, the amount of any pre-existing and continuing mortgages).

WHILE THE RPT TAX AND THE STATE TRANSFER TAX ARE CUSTOMARILY PAID FOR BY THE SELLER IN SINGLE FAMILY HOME TRANSACTIONS, THE BURDEN OF PAYING SUCH TAXES MAY BE MODIFIED BY CONTRACT. Thus, as is common with many other condominium developments in New York State, the Plan and the Purchase Agreement provide that the Purchaser of a Unit will be required to pay these transfer taxes at the closing. It should be noted that the New York City Department of Finance and the New York State Department of Taxation and Finance have taken the position that where the Purchaser pays such taxes, the amount of such taxes shall be added to the consideration subject to the taxes.

6. Each Purchaser, except for the Sponsor, shall pay at Closing to the Sponsor the sum of $4,000 for each Unit purchased by the Purchaser, in reimbursement of a portion of the $64,000 to be advanced by the Sponsor to the Condominium Board at the First Closing as its initial Working Capital Fund. When Sponsor has been fully reimbursed for the $64,000 advance , any such payments thereafter received will be payable to the Condominium Board, to serve to augment the Condominium's Working Capital Fund.

7. Under the State Tax Law, Section 1402-a, a "Mansion Tax" of one percent (1%) of consideration (or part thereof attributable to the real property being conveyed) is payable by the grantee (Purchaser) on each conveyance of residential real property, including Condominium Units, where the consideration for the entire conveyance is $1,000,000.00 or more. Residential real property includes a 1-3 family house, an individual condominium unit and a cooperative unit that is or may be used, in whole or in part, as a personal residence.

8. Each Purchaser shall be required to pay the following counsel fees to Seiden & Schein, P.C., attorney for the Sponsor: (a) $1,500.00 for the preparation of closing documents, calculation of adjustments, attendance at closing at Sponsor's attorney's office or such other place as Sponsor may designate; (b) $500.00 (payable in advance) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of a Purchase Agreement or for the addition, deletion or substitution of names on the Purchase Agreement for preparation or review of any proposed assignment agreement or document providing for the addition, deletion or substitution of names; (c) an additional $300.00 if a closing is held outside the Sponsor's attorney's office (but such location must remain within New York City); (d) $350.00 for each default letter if a default letter or default letters are required to be sent by the Sponsor's attorney; and (e) $500.00 if a title insurance company other than the Title Company is used by Purchaser. In addition, if any scheduled closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's counsel an additional fee of $350.00 for each adjournment to help defray the cost of preparing and coordinating the closing and recalculating the closing apportionments. All legal costs, fees and expenses of Seiden & Schein, P.C., other than those specifically set forth above, will be the sole responsibility of the Sponsor.

9. If Purchaser has dealt with any broker other than the Selling Agent or any other broker engaged in writing by the Sponsor in connection with his Purchase, then Purchaser will be required to pay any commission due to such broker.

Closing Adjustments

At the closing of each Unit, the following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of 11:59 p.m. of the day preceding the Closing:

a) Real estate taxes (including all prepaid real estate taxes) and assessments, if any (including water charges and sewer rents, if any), on the basis of the period year for which assessed and any escrows for real estate taxes;

b) Common Charges, if any, for the month in which title closes; and

c) Accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed against each Unit as of the closing date, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided in the Bylaws. When the Unit has been separately assessed, Sponsor and the Purchaser shall readjust any overpayment or underpayment of real estate taxes as more fully described in the Plan based upon the actual initial apportionment of the Property's assessed valuation to the ratio that the initial separate assessed value of the Unit bears to the actual initial aggregate assessed values of all Units.

If Purchaser fails for any reason (other than Sponsor's postponement) to close title to the Unit on the date originally scheduled for the Closing (the "Original Closing Date"), and title thereafter closes, then: (i) adjustments and apportionments will be made as if 11:59 p.m. of the day preceding the original closing date; and (ii) Purchaser shall pay Sponsor interest at the rate of sixteen (16%) percent per annum on the total Purchase Price, for each day the Closing is adjourned beyond the original closing date; and (iii) Purchaser shall reimburse Sponsor for any shortfall between the Common Charges (including any special assessments) applicable to the Unit and the rent payable by any tenant, if any, of the Unit to Sponsor (as the holder of Unsold Units) for the period from the Original Closing Date until the date of actual Closing, and if the Unit is vacant, Purchaser will be required to reimburse Sponsor for all Common Charges and any special assessments payable during such interim period. If, through no fault of Purchaser, Sponsor postpones the original scheduled closing date, the foregoing shall apply to the rescheduled closing date if Purchaser fails for any reason to close title to his Unit on the rescheduled closing date.

Immediately prior to the First Closing, Sponsor shall apportion the following items with the Condominium Board as of 11:59 p.m. of the day immediately preceding such closing: (i) employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to all employees of the Building; (ii) fees for assignable permits and licenses, if any; (iii) cost of fuel; (iv) charges for electricity, gas and other utilities for the Common Elements; (v) payments under assignable service and maintenance contracts and concession agreements, if any; (vi) water and sewer charges; (vii) senior citizens exemptions, if any; (viii) premiums for transferable insurance policies; (ix) vault charges, if any; (x) costs of supplies on hand, at Sponsor's cost, plus sales tax; and (xi) all other items customarily adjusted for when selling residential real estate in New York County.

Example of Closing Costs

A numerical example for the costs set forth in this section of the Offering Plan for a typical Residential Unit with a purchase price of $1,000,000.00 and a mortgage of $600,000.00 are set forth below. Tax, insurance and recording rates are subject to change:

(a) title insurance for fee and mortgage, including the simultaneous mortgage discount: $3,669.00;

(b) recording costs for deed and power of attorney: approximately $245.00;

(c) mortgage recording tax (including any payment to Sponsor pertaining to mortgage tax credit and reflecting deduction of the lender's share of the mortgage tax): $11,225.00;

(d) recording cost of mortgage: approximately $145.00

(e) New York City Real Property Transfer Tax: $14,510.00 plus $50 filing fee;

(f) New York State Transfer Taxes (deed stamps): $4,076.00;

(g) New York State "Mansion Tax": $10,000.00;

(h) Reimbursement of Sponsor's contribution to the Working Capital Fund: $4,000.00;

(i) legal fee of Sponsor's attorney (if Closing is held at the office of Sponsor's attorney): $1,500.00; and

(j) real estate tax escrow (and/or reimbursement of real estate taxes paid by Sponsor).

Other fees which cannot be estimated because they pertain to events outside of Sponsor's control and/or statutory requirement include Purchaser's attorney's fee, lender's attorney's fee, possible commitment fee or loan origination fee, appraisal fee, application fee, credit check fee and monthly Common Charges prospectively from the Closing

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor has certain rights under the Plan and applicable law, and all Purchasers upon execution of their respective Purchase Agreements shall be deemed to have accepted, approved and agreed to abide and be bound by the following:

1. Sponsor has no obligation to defend any suits or proceedings arising out of, nor to indemnify the Condominium Board or any Unit Owners with respect to, any act or occurrence occurring prior to the recording of the Declaration, except claims arising out of the acts or omissions of the Sponsor.

2. All representations of Sponsor under the Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Plan which are to be performed subsequent to the closing date will survive delivery of deeds to the Units.

3. Sponsor agrees to pay all Common Charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor has the financial resources to meet its obligations with respect to the Unsold Units and will fund its financial obligations to the Condominium through the sale of Units. **The following is a SPECIAL RISK of this offering:** No bond or other security has been furnished to secure Sponsor's obligations hereunder.

4. Sponsor shall procure fire and casualty insurance on the terms set forth in Schedule B of the Plan and the accompanying notes to Schedule B. The amount of fire and casualty insurance on the Building from the first transfer of title to a Unit and until the first meeting of Unit Owners will be in the amounts shown in the notes to Schedule B.

5. In the event of the dissolution or liquidation of Sponsor or the transfer of ten (10) or more Units or twenty (20%) percent or more of the total number of Residential Units in the Condominium, whichever is less, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan, applicable laws or regulations.

6. The Sponsor shall build and complete the Condominium in accordance with the building plans and specifications identified in the Plan. The Sponsor may substitute equipment or materials or make modifications of layout or design, provided, however that Sponsor may not:

   (i) substitute equipment or materials of lesser quality or design; or

(ii) change the size, location of Units or 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 to such change.

7. Prior to the First Closing, Sponsor must obtain a permanent Certificate of Occupancy for the Building, or, alternatively, obtain a temporary or partial Certificate of Occupancy for the Unit or the Building. Sponsor must obtain the permanent Certificate of Occupancy before the partial or temporary Certificate of Occupancy expires, unless extended. The Sponsor must obtain a permanent certificate of occupancy for the Building within twenty-four (24) months after the First Closing.

8. All alterations and improvements to the common areas and public portions of the Building will be completed before the First Closing.

9. If the First Closing takes place prior to the issuance of a permanent Certificate of Occupancy:

(i) Sponsor is required to maintain all deposits and funds in the special escrow account required by General Business Law Section 352-e(2-b) unless the Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by the Sponsor's engineer, architect or other qualified expert may be released from the special escrow account. Alternatively, the Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law to cover the costs reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy.

(ii) Notwithstanding subparagraph (i) above, if the Plan is subject to the provisions of General Business Law Section 352-ee, Sponsor is required to maintain all deposits and funds in the special escrow account required by General Business Law Section 352-e(2-b) unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete all alterations and improvements to the public portions and common areas of the Building, in which case the sum exceeding the amount so certified by the Sponsor's engineer or architect may be released from the special escrow account. Alternatively, the Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit,

post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law to cover the costs reasonably necessary to complete all alterations and improvements to the public portions and commercial areas of the Building.

10. At or prior to the closing of a Unit, Sponsor shall assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit, and at or prior to the First Closing, Sponsor shall assign any manufacturer's warranties with respect to equipment and appliances installed in the Common Elements to the Condominium Board.

11. Sponsor shall pay for the authorized and proper work involved in the construction and establishment and sale of the Condominium so 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.

12. Following the issuance of a permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Condominium Board a complete set of architectural drawings and a complete set of mechanical, electrical, plumbing and sprinkler "as built" drawings for the entire Building.

13. No bond or other security has been furnished to secure the performance of Sponsor's obligations under the Plan including Sponsor's obligations to complete construction of the Condominium. Sponsor's ability to perform its obligations under the Plan will depend on its financial condition from time to time. No warranty is made that Sponsor will be financially able to perform all or any of such obligations. **The foregoing is a SPECIAL RISK of this offering**.

14. Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan, performing certain alterations and repairs in or about the Unsold Units and exercising its other rights or performing its other obligations under the Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

15. Sponsor represents that it will endeavor in good faith to sell rather than rent at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for their personal occupancy. If Sponsor makes a bulk sale of some or all of its Residential Units, the transferee will be bound by and will assume Sponsor's foregoing obligation to endeavor in good faith to sell rather than rent such Units.

Sponsor does not represent that it will endeavor to sell, rather than rent, the remaining forty-nine percent (49%) of the Residential Units. The Residential Units reserved by Sponsor may remain unsold indefinitely, and Sponsor may dispose of such Residential Units as it chooses, including selling to investors, renting to tenants, permitting occupancy by relatives or others, allowing them to remain vacant, or selling to Purchasers who represent that they are purchasing for personal occupancy.

Sponsor represents that it will decline to rent Residential Units (other than to Purchasers pursuant to Interim Leases) until it has sold at least fifty-one percent (51%) of the Residential Units to Purchasers who represent that they are purchasing for personal occupancy. Notwithstanding the foregoing representation by Sponsor, Sponsor hereby reserves the right to rent rather than sell such Residential Units if a decline in the real estate market causes the unsold Residential Units to decline twenty percent (20%) or more from the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan. Thereafter, Sponsor will resume sales of such Residential Units when their market value increases to at least eighty percent (80%) of the Offering Prices set forth in the Purchase Agreements counted towards the declaration of effectiveness for this Plan.

16. Sponsor reserves the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales offices and model units, or for any lawful use and to show all Units for sale or rental.

17. Sponsor shall have the right, pursuant, and subject, to the terms of the Declaration, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to any Unsold Units, whether structural or nonstructural, interior or exterior, ordinary or extraordinary. See "Changes in Prices and Units' for a more detailed discussion.

18. For a period of three (3) years after the First Closing, Sponsor shall have a right of first refusal with respect to the resale of any of the Units. This right of first refusal shall be superior to any right of first refusal of the Condominium Board. See "Rights and Obligations of Unit Owners" below for a more detailed discussion.

19. Sponsor shall have the right, until the third anniversary of the First Closing, to use portions of the Building, without charge, for exhibitions or other promotional functions with respect to Sponsor's sales program.

20. As set forth in the Section of this Plan titled "Effective Date," in the event casualty which cannot be repaired for an aggregate cost, together with possible expenses for other items stated in such section of the Plan, of less than an amount equaling one half of one percent of the Total Purchase Price set forth on the front cover of the Plan (as estimated by an insurance

adjuster retained by Sponsor), occurs prior to the First Closing and the Sponsor elects not to make repairs, then the Sponsor may, at its option, abandon or withdraw this Offering Plan. In such case all Purchase Agreements will be deemed automatically canceled and Purchasers in good standing will be refunded their Deposits with any interest earned thereon. Upon such refund being made, the Condominium and the Sponsor will be relieved and discharged of all liability under this Plan and under the Purchase Agreements.

In the event the Sponsor elects to repair and restore the damage to the Building from a casualty occurring before the First Closing, or if the casualty occurs after the First Closing, but before the closing of the damaged Unit, and Sponsor elects to repair and restore the Unit, then the following shall be applicable:

The term "Affected Unit" means a Unit that has been directly damaged in the casualty (other than minor damage not rendering the Unit uninhabitable) or is without such essential services as gas, electricity and heat, or no longer has a reasonably adequate means of ingress and egress to the street.

The Purchase Agreements for all Units, other than Affected Units, shall remain in full force and effect and the Purchasers thereunder shall pay the full Purchase Price at the closing. Such Purchasers shall not be entitled to adjourn the closing nor be allowed any abatement in the purchase price, nor credit against same, nor retain (in escrow or otherwise) any portion of such purchase price pending restoration and repair of the damage to the Building and the Affected Units.

Except as provided in the next paragraph, a Purchaser of an Affected Unit shall not be required to pay the balance due under the Purchase Agreement unless and until (i) the damage to its Affected Unit has been substantially repaired as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity or heat) and a reasonable means of ingress and egress to the street have been restored.

Notwithstanding the foregoing, if the Purchaser is given possession of the Affected Unit under an Interim Lease or otherwise prior to the casualty, such Purchaser shall assume the risk of loss to the Unit and the obligation to repair the damage, unless the cause of such loss originated outside its Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then his failure to repair

the damage shall not excuse him from paying the balance due under his Purchase Agreement and accepting title to the Unit.

The Sponsor and/or the Condominium will in no event be liable to Purchasers under this Plan, and the Sponsor will not be liable to the Condominium, in the event of any delay in repairing the damage caused by any casualty.

21. Construction financing for the Property is firmly committed at the time of submission of this Plan to the Office of the Attorney General.

22. The Housing Merchant Implied Warranty Law (GBL Article 36-B) does not apply to this Offering Plan, as the Building contains seven (7) stories and a basement, and the definition of "new home" or "home" under that statute means "any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime".

CONTROL BY SPONSOR

The Sponsor, as owner of the Unsold Units, will have voting control of the Condominium Board until the earlier of (i) five (5) years from the date of the First Closing or (ii) conveyance of title to Units representing fifty (50%) percent of the Common Interests. The Sponsor, during this interim control period, thus will have control of maintenance, facilities and services to be provided and will determine the Common Charges to be paid by all Unit Owners, including the Sponsor, and the enforcement of Sponsor's obligations. However, during such interim control period, the Sponsor will not decrease the services set forth in Schedule B and the notes accompanying Schedule B of this Plan without the consent of a majority of all Unit Owners (other than Sponsor voting as a Unit Owner) present at a duly called meeting of the Unit Owners. See also "Rights and Obligations of Unit Owners" below.

The first Condominium Board will consist of the following three (3) persons:

Name	Relationship to Sponsor or Sponsor's Principals
Stanley Wolfson	Principal of Sponsor
Sean Stanton	Attorney for Principal of Sponsor
Carolyn Gilbert	Employee of Sponsor's Attorneys

The Sponsor retains the right to substitute other persons in the place of the first Condominium Board as set forth below. Within sixty (60) days of the First Closing, the Sponsor shall call a Unit Owners meeting at which time a new Condominium board shall

be elected to consist of five (5) members, subject to Sponsor's designation rights set forth below. Within thirty (30) days after the earlier of: (i) five (5) years after the First Closing, or (ii) conveyance of title to fifty (50%) percent of the Units (based on Common Interests), the Sponsor will call an annual meeting of the Unit Owners, at which time a new Condominium Board will be elected. Sponsor will have the right to designate not more than three (3) members of the Condominium board until the earlier of (i) five (5) years after the First Closing, or (ii) conveyance of title to fifty (50%) percent of the Units (based on Common Interests). So long as the Sponsor continues to own at least thirty-five (35%) percent of the Units (based on Common Interest), Sponsor shall be entitled to designate two (2) members of the Condominium Board. So long as the Sponsor continues to own at least ten (10%) percent of the Units (based on Common Interest), Sponsor shall be entitled to designate one (1) member of the Condominium Board. The Commercial Unit Owner shall be entitled to elect one (1) member of the Condominium Board, unless the Commercial Unit is owned by the Sponsor and the Sponsor is then entitled to designate two (2) or more of the members of the Condominium Board. Notwithstanding the foregoing, Sponsor shall have the right to vote all of the Common Interests attributable to the Units owned by Sponsor in Sponsor's sole discretion. Whenever Sponsor has the right to designate members of the Condominium Board, such members may be officers, employees, relatives or affiliates of Sponsor.

Prospective Purchasers should note that, as a result of Sponsor's period of control of the Board of Managers (which may be for as long as five (5) years in duration), a majority of members of the Board of Managers during such period may not be Unit Owners. Further, Unit Owners who are owner-occupants and Unit Owners who are non-residents (including Sponsor) may have inherent conflicts on how the Condominium should be managed because of their differing reasons for purchasing (i.e., purchase of a Unit as a home as opposed to an investment).

Additionally, the Condominium Bylaws do not include a provision to the effect that, after Sponsor's voting control period described above, a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. As a result, purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan.

The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Units, for so long as there remain at least two Unsold Units.

In addition, the Condominium Board may not until the earlier of (i) five (5) years from the date of the First Closing or (ii) the date on which the Unsold Units constitute less than twenty-five (25%) percent of the Common Interests, the Condominium Board may not, without Sponsor's or its designees prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit, the foregoing not to include necessary repairs and maintenance work if the cost of such action, when added to all other budgeted operating expenses, shall result in an increase in Common Charges for any year of operation by more than five (5%) in the aggregate of the previous year's Common Charges, (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the

reserve for contingencies provided in Schedule B, if the cost of such action, when added to all other budgeted operating expenses, shall result in an increase in Common Charges for any year of operation by more than five (5%) in the aggregate of the previous year's Common Charges, (iii) hire any employee in addition to or fewer than the employees provided for in Schedule B of the Plan, (iv) enter into any contract for work or services not covered in existence on the date of the First Closing, or otherwise provide services in excess of those contemplated by Schedule B or elsewhere in the Plan, (v) borrow money on behalf of the Condominium, or (vi) amend the Declaration. However, the Board may take any of the actions enumerated in sections (i) through (vi) of this paragraph if (a) the cost of such actions, when added to all other budgeted operating expenses, will not result in increasing the Common Charges for any year of operation by more than five (5%) in the aggregate above the prior year's Common Charges or (b) such action is required to comply with applicable laws or regulations, to remedy any notice of violation, or, to remedy any work order by an insurer.

The Condominium Bylaws provide that Sponsor will have voting control of the Condominium Board until the earlier of (i) five (5) years from the date of the First Closing, or (ii) conveyance of title to Units representing fifty (50%) percent of the Common Interests for the Residential Units. The Sponsor, during this interim control period, thus will have control of maintenance, facilities and services to be provided and will determine the Common Charges to be paid by all Unit Owners, including the Sponsor, and the enforcement of Sponsor's obligations. Prospective Purchasers should note that, as a result of Sponsor's period of control of the Board of Managers (which may be for as long as five (5) years in duration), a majority of members of the Board of Managers during such period may not be Unit Owners who are owner-occupants. Further, Unit Owners who are owner-occupants and Unit Owners who are non-residents (including Sponsor) may have inherent conflicts on how the Condominium should be managed because of their differing reasons for purchasing (i.e., purchase of a Unit as a home as opposed to an investment).

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD AND DESCRIPTION OF CONDOMINIUM DOCUMENTS

Condominium Board

Primary responsibility for operating the Condominium rests with the Condominium Board who are elected by the Unit Owners. The Condominium Board shall initially consist of three members designated by Sponsor until the first annual meeting of Unit Owners, at which time the incumbent Board will resign and five members will be elected by the Unit Owners, subject to the right of the Sponsor to designate members of the Condominium Board. See "Control By Sponsor" above. The first annual meeting of Unit Owners shall be held on a date not earlier than sixty (60)

days after the date of the First Closing. Thereafter each annual meeting of Unit Owners shall be held within approximately thirty (30) days after the anniversary of the first meeting of Unit Owners.

The President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium by not less than twenty-five (25%) in Common Interest of Unit Owners. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

Each Unit Owner, upon obtaining title, will in accordance with Section 339-e of the Condominium Act, automatically have the right to vote at all meetings of the Unit Owners, based upon the Common Interest appurtenant to each of the Unit or Units owned by such Unit Owner, and at all such meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .001% of interest in the Common Elements attributable to his or her Unit or Units.

At each annual meeting of Unit Owners, the Unit Owners shall elect members of the Condominium Board. Each member of the Condominium Board shall serve for a one year term and shall be elected annually. At all meetings of Unit Owners, the presence in person or by proxy of more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the Bylaws or Declaration, a majority of votes cast at any such meeting at which a quorum is present shall be binding on all Unit Owners.

Notwithstanding the foregoing: Sponsor will have the right to designate not more than three (3) members of the Condominium Board until the earlier of (i) five (5) years after the First Closing, or (ii) conveyance of title to fifty (50%) percent of the Residential Units (based on Common Interests); so long as the Sponsor continues to own at least thirty-five (35%) percent of the Residential Units (based on Common Interest); Sponsor shall be entitled to designate two (2) members of the Condominium Board; so long as the Sponsor continues to own at least ten (10%) percent of the Residential Units (based on Common Interest), Sponsor shall be entitled to designate one (1) members of the Condominium Board. In addition, the Commercial Unit Owner shall be entitled to elect one (1) member of the Condominium Board, unless the Commercial Unit is owned by the Sponsor and the Sponsor is then entitled to designate two (2) or more of the members of the Condominium Board. See "Control By Sponsor" above.

Other than Board members designated or elected by reason of the votes cast by Sponsor or its designee, all members of the Condominium Board must be individuals who are: (i) Unit Owners; (ii) adult family members of Unit Owners; (iii) partners or employees of a partnership owning, or holding a mortgage encumbering, a Unit; (iv) officers, directors, stockholders or employees of a corporation owning, or holding a mortgage encumbering, a Unit; (iv) members or employees of a limited liability company owning, or holding a mortgage encumbering, a Unit; or (v) fiduciaries who are owners or mortgagees of Units (or directors, officers, stockholders or employees of corporate

fiduciaries, partners or employees of partnership fiduciaries, or members or employees of limited liability companies)(individuals described in items (ii) through (v) above are sometimes hereinafter referred to as "Unit Owner Affiliates").

No member of the Board shall continue to serve on the Condominium Board if, during such member's term of office, said member shall cease to be a Unit Owner or a Unit Owner Affiliate.

Any Unit Owner, or Unit Owner Affiliate of a Unit Owner, who is in arrears in the payment of Common Charges beyond any applicable grace period (a) shall not be eligible to be elected as a Condominium Board member and (b) may be removed as a Condominium Board member by a majority vote of the other Condominium Board members.

Members of the Condominium Board may be removed for cause: (i) by an affirmative vote by a majority of the Unit Owners at a special meeting of the Unit Owners called for that purpose, or (ii) by a majority vote of the Condominium Board at a meeting at which a quorum is present.

The Bylaws of the Condominium do not include a provision that, after the initial Sponsor voting control period described above, a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. As a result, purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan.

Powers and Duties of Condominium Board

The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the Bylaws, all determinations required to be made by the Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Officers

The principal officers of the Condominium will be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board and shall serve for terms of one (1) year. None of the officers of the Condominium need be Unit Owners or Unit Owner Affiliates until the first annual meeting of Unit Owners. Thereafter, both the President and Vice President must be members of the Condominium Board. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed, either with or without cause, and his or her successor may be elected, at any regular meeting of the Condominium Board or at any special meeting of the Condominium Board called for such purpose.

Liability of Condominium Board and Officers

Every contract made by the Board, any officer of the Condominium, or the Managing Agent shall state that (a) it is being executed by such party only as agent for all Unit Owners, and such Board members, officer or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) to the extent permitted by law or as otherwise determined by the Condominium Board in its sole and absolute discretion, such Unit Owners interest in his or her Unit and its appurtenant Common Interest.

To the extent permitted by applicable law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such Board member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Condominium Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

To the extent permitted by applicable law, no officer shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each officer against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

The Bylaws also provide that the Condominium Board shall obtain and maintain fidelity insurance covering all officers, Condominium Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of the Condominium and directors' and officers' errors and omissions insurance.

Restoration or Reconstruction after Fire or Other Casualty

In the event of damage or destruction to all or a part of the Building as a result of fire or other casualty, the Condominium Board will arrange for the prompt repair or restoration of the Building (including each Unit, but excluding appliances, fixtures, furniture, furnishings and other personal property not constituting a part of such Unit). If the insurance proceeds are insufficient to cover the cost of such repairs or restoration, Unit Owners may be assessed for such deficiency.

If the Units and/or the Common Elements are damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared by all Unit Owners in proportion to their respective Common Interests.

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Board exceed $2,500,000, the proceeds shall be payable to a New York City bank or trust company designated by the Board as insurance trustee (the "Insurance Trustee") pursuant to the provisions of the Bylaws. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the New York Real Property Law.

Notwithstanding any of the foregoing, if seventy-five (75%) percent or more of the Building is destroyed or substantially damaged and if seventy-five (75%) percent or more in Common Interest of all Unit Owners do not duly resolve within sixty (60) days from the day of such damage or destruction to proceed with the repair or restoration thereof, the Condominium Property may not be repaired and shall be subject to an action for partition instituted by any Unit Owner, as if the Building were owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, 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 out of his share of such funds, such amounts as may be necessary to discharge all unpaid hens on his Unit in the order of the priority of such liens.

Rights of Access

As is set forth in the Bylaws, each Unit Owner grants, and by acceptance of a deed for his Unit shall be deemed to have granted, a right of reasonable access to his Unit and the appurtenant Common Elements, to the Condominium Board and the Managing Agent and/or any other person authorized by the Condominium Board or the Managing Agent, for the purposes of performing installations, alterations, exterior wall and will have a right of access to any Unit and to the rooftop terraces for the purposes of: (i) making inspections of, or removing violations noted or issued by any governmental authority against the Common Elements, or any other part of the Property; (ii) curing defaults under the Declaration, Bylaws or Rules and Regulations by the such Unit Owner or correcting any conditions indicating in a Unit Owner's Unit and threatening another Unit or all or a portion of the Common Elements; (iii) performing maintenance, installations, alterations, repairs or replacements to the mechanical or electrical systems, or other portions of the Common Elements, located within such Unit or elsewhere in the Building; (iv) reading , maintaining or replacing utility meters relating to the Common Elements, to the Unit Owner's Unit, or to any other Unit; (v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit; or (v) for any other purpose provided in the Plan or Declaration or as may be required by law or governmental regulations; provided that requests for entry (except in emergency situations are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Provided reasonable care is exercised to safeguard the Unit Owner's property, such entry shall not render the Condominium Board, the Managing Agent or their respective agents liable for damage incurred in connection with the exercise of such right of entry.

Units Acquired by the Condominium Board

All Units acquired or leased by the Condominium Board or its designee shall be held by the Condominium Board, or its designee, on behalf of all Unit Owners. The rent or purchase price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Unit Owners. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit in proportion to its respective Common Interest, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements.

Amendments to Condominium Documents

Generally, subject to certain exceptions, any provision of the Declaration or Bylaws may be amended, added to or deleted by affirmative vote of at least sixty-six and two-thirds (66 2/3%) percent in number and in Common Interest of the Unit Owners.

However, for so long as Sponsor is the owner of one or more Units, the Declaration, Bylaws and Rules and Regulations may not be amended, modified, added to, or deleted so as to adversely affect Sponsor without the prior written consent of Sponsor. In addition, the provisions of the Declaration and Bylaws relating to:

(a) the use of Units or each Unit's Common Interest may not be amended, modified, added to, or deleted without the prior written consent of every Unit Owner affected by such amendment; and

(b) the rights, benefits and exemptions of the owners of the Unsold Units may not be amended, added to, or deleted without the prior written consent of such owners (including Sponsor if it still owns any Unsold Units).

Termination of Condominium

The Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the Bylaws or (b) such time as withdrawal of the Property from

the provisions of the Condominium Act is authorized by a vote of at least eighty (80%) percent in number and in common interest of all Unit Owners. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in common interest of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, 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 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 from out of its share of such net proceeds all liens on its Unit, in the order of priority of such liens.

RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS

Sale or Lease of Units by Unit Owners

Units can be sold or leased by a Unit Owner, subject to the rights of first refusal of the Sponsor and of the Condominium Board to purchase or lease the Unit as provided in the Condominium Declaration and Bylaws, and provided that the Unit Owner is not in arrears on the payment of Common Charges (except where the payment of such unpaid Common Charges is paid by the purchaser of the Unit at the closing of sale by a Unit Owner or provided for out of the proceeds of the sale), has satisfied, or will satisfy at or prior to the closing, all unpaid liens against such Unit (other than Permitted Mortgages), and otherwise complies with the provisions of the Bylaws. The rights of first refusal of the Sponsor and the Condominium Board do not apply to sales or leases of Unsold Units or the Commercial Unit. Each Unit Owner desiring to sell or lease his Unit must first give notice to the Sponsor and the Condominium Board of his intention to sell or lease such Unit, accompanied by a fully executed copy of the contract of sale or lease, as the case may be, and offering the Sponsor and the Condominium Board the opportunity to purchase or lease such Unit at the same price and on the same terms as were offered by the proposed purchaser or lessee, as more specifically provided in the Bylaws.

The right of first refusal of the Sponsor is superior to that of the Condominium Board. Therefore, upon receipt of a notice of intention to sell or lease a Unit, the Sponsor will have twenty (20) days from the date of receipt of such notification to notify the Unit Owner and the Condominium Board of its intention to exercise its right of first refusal. If Sponsor elects to exercise such right, it must close within ninety (90) days after the giving of notice by the Sponsor of the exercise of its right of first refusal. If Sponsor does not timely elect to exercise its right of first refusal, the Condominium will have twenty (20) days from the expiration of the twenty (20) day period within which Sponsor may exercise its right of first refusal to notify the Unit Owner of the

Condominium Board's intention to exercise its right of first refusal. If the Condominium Board elects to exercise such right it must close within ninety (90) days after the giving of notice by the Condominium Board of the exercise of its right of first refusal.

The Condominium Board may not exercise its right of first refusal to purchase or lease a Unit without prior approval of a majority in Common Interest of Residential Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. If the Condominium Board does not have sufficient funds on had for a purchase or lease that has been approved by a majority in Common Interest of the Residential Unit Owners, the Condominium Board may borrow such funds or levy an assessment against each Residential Unit Owner (other than Sponsor or its designee) in proportion to the respective Common Interests of such Residential Unit Owner.

A Unit Owner may sell or lease only the entire Unit and not a portion of a Unit. Any lease must be in the form recommended for Units by the Real Estate Board of New York, Inc., except as otherwise provided in the Bylaws.

An Unit Owner may sell or lease his Unit to his spouse, to any of his adult children, to his parent or parents or to his adult siblings or any one or more of them, without first offering to sell to sell or lease to the Sponsor or the Condominium Board or obtaining the consent of the Condominium Board. Any Unit Owner may convey or transfer his Unit by gift, by will, or have it pass by intestacy, without any restriction. Corporate, partnership and limited liability companies may sell, lease or convey their Units to affiliates (i.e., a person or entity who or which owns fifty (50%) percent or more of the legal and beneficial interest of such Unit Owner or an entity with respect to which such Unit Owner owns fifty (50%) percent or more of the legal and beneficial interest) without any restrictions.

The restrictions upon the sale or lease of Units shall not apply to Sponsor or its designee with respect to any Unsold Units, to the Commercial Unit or to any Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure; such Units may be sold to anyone without first being offered for sale to the Sponsor or to the Condominium Board.

Each conveyance of a Unit by the Owner thereof shall include as part of the property to be conveyed, such Unit Owner's (i) undivided interest in the Common Elements, (ii) undivided interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit) and (iii) undivided interest in any other assets of the Condominium. No part of a Unit Owner's interest in the Limited Common Elements or the General Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Limited Common Elements or the General Common Elements by all affected Unit Owners.

The Condominium Board may establish reasonable fees for the processing of offers for sale or lease of Units, which shall be payable by the selling or leasing Unit Owner to the Managing Agent.

On the closing of title to a Unit, the new Unit Owner will be required to execute a Unit Owner's Power of Attorney, substantially in the form set forth in Part II.

The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex age, disability, marital status or other grounds prohibited by law.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit in accordance with the provisions of the Bylaws, which require that the Condominium Board be notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and that the Unit Owner first satisfy all unpaid Common Charges and Special Assessments and liens against the Unit, other than Permitted Mortgages.

Common Charges and Assessments

Unit Owners will be charged for the cost of operation of the Condominium in accordance with their percentage Common Interest for General Common Expenses and, in addition, Residential Unit Owners will be charged for Residential Common Expenses in an accordance with the proportion that their Common Interest bears to the total Common Interests of all Residential Unit Owners. See Schedule B above.

General Common Expenses are expenses with respect to the repair, maintenance, replacement, restoration, operation of, and alterations, additions or improvements to, the General Common Elements as well as certain other expenses related to the General Common Elements or the operation of the Condominium as a whole. Included in this category are payments for fire and other casualty insurance on the Building and the General Common Elements, public liability and property damage insurance, legal and accounting expenses, a reserve for future contingencies, all as more specifically set forth in Schedule B above.

Residential Common Expenses are expenses with respect to the repair, maintenance, replacement, restoration, operation of, and alterations, additions or improvements to, the Residential Limited Common Elements as well as certain other expenses related to the Residential Limited Common Elements or the Residential Units.

The Commercial Unit Owner is solely responsible for all costs and expenses relating to the Commercial Limited Common Elements, and such charges will not be deemed Common Expenses. The Commercial Unit Owner will, however, be assessed Common Charges with respect to General Common Expenses in accordance with its Common Interest.

Pursuant to Article 6 of the Bylaws of the Condominium. Common Expenses also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements and the Residential Limited Common Elements, provided no such reserve established during the first five (5) years after the First Closing shall exceed 5% of the budgeted annual expenses of the Condominium for the year in question without the consent of the Sponsor and the holders of Unsold Units..

As set forth in Article 6 of the Bylaws, no Unit Owner shall be liable for the payment of any part of the Common Charges assessed against its Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with the Bylaws) of such Unit, together with its appurtenant Common Interest. Any Unit Owner may, subject to the terms and conditions of the Bylaws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and in such event (except as otherwise set forth in the Bylaws), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided that no amounts are owing under any such lien); and (b) no violation of any provision of the Declaration, these Bylaws or the Rules and Regulations then exists with respect to such Unit. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of its Unit.

The estimates of Condominium expenditures in Schedule B above were made by the Sponsor and passed upon by Merlot Management, Inc. whom Sponsor retained as a consultant. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual expenses and are merely based upon information available at this time. Actual costs may be more or less than the amounts set forth herein.

The Condominium Board will prepare and furnish its budget to the Unit Owners at least annually. Based upon such budget and any modification thereof approved by the Condominium Board, the Condominium Board will assess the Common Charges payable by the Unit Owners. From time to time, the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. Unless otherwise determined by the Condominium Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

Common Charges do not include maintenance, repairs or decoration of the interior of the Units or the portion thereof, electricity supplied to the Units, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the Units.

Lien for Non-Payment of Common Charges

A Unit Owner may not exempt himself from liability for Common Charges by waiving use of any of the Common Elements or by abandoning his Unit. The liability of each Unit Owner for the payment of Common Charges thereafter assessed shall terminate upon a sale, transfer or conveyance of such Unit in accordance with the provisions of the Declaration and Bylaws. Further, any Unit Owner may convey title to his Unit to the Condominium Board or its nominee, on behalf of all other Unit Owners, without any compensation and in accordance with the Declaration and Bylaws, and provided that such Unit is free and clear of liens and encumbrances, and, in such event, he shall be exempt from any Common Charges thereafter assessed.

On a resale of any Unit, the purchaser will be liable for the payment of any unpaid Common Charges against such Unit. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, or otherwise, if the net proceeds of the foreclosure sale are insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the original Unit Owner can be sued for the unpaid balance. The Board will also have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Under the provisions of Section 339-z of the Condominium Act and the Bylaws, the Condominium Board, on behalf of all Unit Owners, will have a lien against each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All such liens, however, to the extent required by applicable law, will be subordinate to liens for real estate taxes on the Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office and until either all sums secured thereby with interest accrued thereon shall have been fully paid, or six (6) years from the date of filing of the aforesaid verified notice (unless foreclosure of such lien is started within such six year period), whichever shall be sooner. Such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in the same manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing such lien.

The Sponsor will cause the Condominium Board to file a lien against any Unsold Units in which the Sponsor is more than thirty (30) days in arrears of Common Charges while the Sponsor is in control of the Condominium Board.

Repairs to and Maintenance of Units and Common Elements

All maintenance to the Units including electrical repairs, plumbing stoppages, window cleaning, painting and decorating , repairs and replacements to the Units, including windows (including glass breakage) and doors, and repairs to pipes, wires and conduits located in and servicing the same Units, whether structural or non-structural, ordinary or extraordinary, other than as set forth herein, shall be made by the respective Unit Owners at their sole cost and expense.

All maintenance, repairs and replacements to the General Common Elements shall be made at the direction of the Condominium Board and be proportionately charged to all Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner.

All maintenance, repairs and replacements to the Residential Limited Common Elements shall be made at the direction of the Condominium Board and be proportionately charged to all Residential Unit Owners as a Residential Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner.

All maintenance, repairs and replacements to the Commercial Limited Common Elements shall be made by the Commercial Unit Owner at the Commercial Unit Owner's sole cost and expense.

Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances in their respective Units. Except as otherwise provided herein, a Unit Owner shall not be responsible for the cost of any painting, decorations, maintenance, repairs or replacements in or to any Unit other than to its own Unit (and any Common Elements or Limited Common Elements included therein).

Unit Owners shall be prohibited from obstructing or altering the facade of the Building, thus prohibiting, among other things, the installation of through the wall air conditioning units. The right of Unit Owners to install air-conditioning window units shall be determined by the Condominium Board.

The washing and cleaning of interior and exterior glass surfaces of windows in the Units shall be the responsibility of the respective Unit Owners. The Condominium Board may from time to time enforce the responsibility of the Unit Owners to wash and clean the exterior surfaces of windows located in their respective Units.

If any repairs or replacements to the Common Elements, whether structural or nonstructural, ordinary or extraordinary, or any replacement of glass windows in any Unit because of breakage or otherwise, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Board shall be paid by such Unit Owner.

The Bylaws provide that each Unit, all Limited Common Elements and all portions of the General Common Elements shall be kept in first class condition by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event that any Unit Owner fails to keep his Unit or any appurtenant

Limited Common Element in such condition, the Condominium Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. See "Rights of Access" below.

Additions, Alterations and Improvements of Units

A Residential Unit Owner may make any interior alteration, addition or improvement in or to his Unit he desires without first obtaining the written consent of the Condominium Board so long as such alteration, addition or improvement would not affect the structural, mechanical, electrical or plumbing systems of the Building, the exterior appearance of the Building or any other Common Elements.

The Condominium Board, at its option, may require the Residential Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which any such alteration, addition or improvement may be made. Any Unit Owner making or permitting an alteration, addition or improvement in his or her Unit is required by the Bylaws to (i) obtain such insurance as the Board or the Managing Agent may require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work, (iii) reimburse the Condominium Board for its architectural, engineering and legal fees incurred in connection with such work and (iv) employ such architects, engineers, contractors, workers, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time (in the sole discretion of the Managing Agent).

The foregoing restrictions affecting Units shall not apply to Sponsor or its designee in respect of Unsold Units or to the Commercial Unit Owner in respect of the Commercial Unit. See "Changes in Units and Prices" above for a discussion of the rights of the Sponsor or its designee and the Commercial Unit Owner to make alterations, additions and improvements to Unsold Units and the Commercial Unit, respectively.

Alterations, Additions and Improvements of Common Elements

Generally, all alterations, additions or improvements in or to the General Common Elements and the Residential Limited Common Elements will be made by the Condominium Board. The costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense. The costs attributable to alterations, additions or improvements to the Residential Limited Common Elements will be charged to all Residential Unit Owners as a Residential Common Expense. The costs attributable to alterations, additions or improvements to the Commercial Limited Common Elements will be borne by the Commercial Unit Owner.

Whenever, in the judgment of the Condominium Board, the General Common Elements or Residential Limited Common Elements require additions, alterations, improvements, or repairs costing more than $50,000, in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding paragraph,

including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners or unless the same is necessary to comply with applicable laws or regulations, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, improvements or repairs according to his Common Interest, as part of the Common Charges.

Any additions, alterations, improvements or repairs to the General Common Elements or the Residential Limited Common Elements costing $25,000 or less, in the aggregate, in any calendar year may be made by the Condominium Board without the approval of the Unit Owners.

In addition, as set forth in the Bylaws and to the extent permitted by law, the Unit Owner or Owners of any one or more Units, if such Unit or Units are the only Unit or Units serviced or benefited by any Common Elements adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Unit or Units located at the end of such hallway) and not affecting access or service (including, without limitation, heating and ventilating) to any other Unit or to any other portion of the Common Elements shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the right to use such Common Elements exclusively (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such an event, however, such Unit Owners shall, at their sole expense, (i) operate, maintain and repair such Common Element for so long as such Owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease to exercise such exclusive right of use.

Any alteration, addition, improvement or repair in or to a Unit or any Common Elements must comply with all applicable legal requirements.

Insurance

The Condominium Board is required to obtain and maintain, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate or relevant, from time to time: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements for a Condominium of this type, insuring the entire Building including each Unit and the equipment installed therein and the partitions, floors and ceilings within the Units (but excluding fixtures, furniture, furnishings, floor coverings, wall coverings, carpeting, appliance and other personal property or fixtures), together with all service machinery contained therein (collectively, the "Insured Property"), and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and

footings), without deduction for depreciation; (b) rent insurance in an amount equal to Common Charges for one year; (c) workers' compensation and New York State disability benefits insurance for Condominium employees; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all Condominium Board members, officers, directors and employees of the Condominium and Managing Agent who handle funds of the foregoing; (i) directors' and officers' errors and omissions coverage; and (j) such other insurance as the Condominium Board may, from time to time determine.

The amount of fire insurance and all risk extended coverage to be maintained until the first meeting of the Condominium Board following the first annual meeting of the Unit Owners shall be in at least the sum of $8,500,000.

In addition, the Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring in, on or about the Property, in such amounts as are carried by prudent owners of comparable properties in the City of New York as the Condominium Board may, from time to time, determine, covering (1) the Condominium Board, the Managing Agent and each Condominium Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Common Elements, if any, exclusive to his Unit. In no event shall the comprehensive general liability insurance afford protection to the limit of less than $1,000,000 per occurrence, plus at least $9,000,000 umbrella liability coverage. Such insurance shall also include cross liability claims of one insured against another.

Each insurance policy shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee of a Unit that shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee, as its interest may appear, subject however, to the loss payment provisions in favor of the Condominium Board in the event of casualty or condemnation. Each Unit Owner is required to be named as an insured under the policies of insurance maintained by the Condominium Board.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners as part of Common Charges.

The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property, upgraded fixtures contained in, or improvements to the interior of, any Unit or any liability with respect to occurrences in or about each Unit. Consequently, all Unit Owners are entitled, and urged, to obtain and maintain casualty insurance for their Unit floors, ceilings, wall systems, interior portion walls, wall coverings, carpeting, furniture, appliances, other personal property, and the interior of

their respective Units and liability insurance with respect to occurrences in or about their Units. Unit Owners may carry such insurance, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Condominium Board, if any, shall not be affected or diminished by reason of any other insurance carried by a Unit Owner.

Compliance with the Declaration, Bylaws and Rules and Regulations

All Unit Owners, mortgagees, lessees and occupants of Units and their employees and any other persons who may use the facilities of the Property in any manner, are subject to, and must strictly comply with, the provisions of the Declaration, Bylaws, and Rules and Regulations. Copies of the Declaration, the Bylaws and the Rules and Regulations appear in Part II of the Plan. The Condominium Board has the right to institute legal actions to enforce compliance with the provisions of the Declaration, the Bylaws and the Rules and Regulations. The Bylaws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

Use of Units

Any Residential Unit may be used only for residential purposes and, subject to compliance with the Bylaws, for a lawful home occupation. Residential Units may be 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), and may only be occupied by said individual, or an officer, director, stockholder or employee of such corporation, or a member of said limited liability company, or a partner or employee of such partnership, or said fiduciary (including directors, officers, stockholders or 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, or members of the immediate family or nonpaying guests of any of the foregoing. Units may only be leased in accordance with the Bylaws and the Rules and Regulations. Not more than one family may occupy a Residential Unit at one time.

The Commercial Unit may be used for any purpose permitted by law. The owner of the Commercial Unit shall have the right to change the use thereof as long as the zoning for the Property and the then existing Certificate of Occupancy permit the proposed user or a zoning variance, other zoning approval, and/or a new or amended Certificate of Occupancy is obtained at the Commercial Unit Owner's sole cost and expense to permit the proposed use.

The Sponsor or its designee shall have the right, at any time and from time to time, without permission from the Condominium Board, any Unit Owner or any mortgagee, and without payment of a fee, to use any one or more of the Unsold Units owned by the Sponsor or its designee as model units and offices for selling, renting, management, operation and promotion of the Unsold Units owned by it and for any other lawful purpose, subject only to compliance with laws, which right includes changing the

use of a Unit (i.e., residential to commercial and vice-versa) as long as the zoning for the Property and the then existing certificate of occupancy permit the proposed use or Sponsor or its designee obtains a zoning variance or other zoning relief and/or a new or amended certificate of occupancy to authorize such proposed use.

No Residential Unit, Commercial Unit or Unsold Unit may be used as an adult entertainment use as defined in the New York City Zoning Resolution or for illegal, noxious or immoral purposes.

No bird, insect, reptile or animal shall be permitted, kept or harbored in the Building unless in each instance expressly permitted in writing by the Condominium Board or the Managing Agent. Such consent, if given, shall be revocable by the Condominium Board or the Managing Agent in their sole discretion, at any time. Notwithstanding the foregoing, a Unit Owner (but no other or tenant or occupant of any Unit) may keep as pets in his Unit not more than two domestic dogs, not exceeding twenty (20) pounds each (other than for visually impaired individuals), domestic cats, caged birds and fish, provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one (1) week after notice from the Managing Agent. In no event shall any bird, reptile or animal be permitted in any public elevator in the Building, or in any of the public portions of the Building, unless carried or on a leash.

Further provisions with respect to the use of Units are set forth in the By Laws and Rules and Regulations, copies of which are annexed in Part II.

REAL ESTATE TAXES

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and each Unit Owner will not be responsible for the payment of, nor will that Unit Owner's Unit be subjected to, any lien arising from the non-payment of taxes on other Units.

Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

Assessments in New York City are made on a fiscal year basis running from July 1 in any one year to the next succeeding June 30. The status of a property on January 1 of any one year is the basis for the assessment for the fiscal year beginning that July 1. The total tentative taxable assessment for the Property, which is identified as Block 1923, Lot 10 on the Tax Map for the City of New York, New York County, for the tax year commencing July 1, 2003 and ending June 30, 2004 is as follows:

2003 / 2004	Land	Building	Total
Actual	$90,000	$141,750	$231,750
Transitional	$90,000	$134,820	$224,820

The subject property is currently classified for New York City real estate tax purposes as a Class 4 (commercial) property, and its assessed valuation ("AV")is based on its present status. Pursuant to Real Property Tax Law §1805, the taxable assessment is determined to be the lesser of the actual AV or the transitional AV. Therefore, the current year taxes are based on the transitional AV of $224,820.

The Class 4 tax rate for fiscal tax year 2003/2004 is 11.580% of the transitional AV – therefore, the real estate taxes for the Property for such fiscal year are $26,034.16.

Real Estate Tax Projections

The following is abstracted from a letter from Sponsor's real estate tax expert (M.C. O'Brien, Inc., located at 3832 Kings Highway, Brooklyn, New York 11234) to Sponsor dated August 15, 2003 (a copy of this letter is contained in Part II of this Plan):

> The 2004/2005 Class 4 tax rate has not yet been announced. In order to project the Class 4 tax rate in the upcoming years, we will assume 1% increases for the following two fiscal tax years (2004/2005 and 2005/2006), which assumption is based on the aggregate history of the past decade. Notwithstanding, this projection is purely speculative.
>
> Section 11-209 of the Administrative Code of the City of New York provides as follows:
>
> > *Taxable status of a building in the course of construction: A building in the course of construction, commenced since the preceding fifth day of January and not ready for occupancy on the fifth day of January following, shall not be assessed unless it shall be ready for occupancy or a part thereof shall be occupied prior to the fifteenth day of April.*
>
> Therefore, understanding that obtaining a Temporary Certificate of Occupancy for the entire structure is projected for March 1, 2004, the Building will be fully assessed by January 1, 2005 for the tax year 2005/2006. The 2003/2004 tax payment will still be based on the Building's present status. For 2004/2005, it is expected that the AV will increase by 10% from $231,750 to $254,925, of which 20% of the increase will be taxable in the first year and 40% in the following year in accordance with the transitional system.

The 2004/2005 tax burden, for the first full year of condominium operation, is calculated as follows:

	Taxable AV	Tax Rate	Taxes
Land	$91,800	0.11700	$10,741
Building	$144,585	0.11700	$16,916
Total	$236,385	0.11700	$27,657

Upon completion of construction, the portion of the Building containing the Residential Units will be reassessed and reclassified as a Class 2 property (the Commercial Unit will remain Class 4). The Class 2 tax rate for the 2003/2004 tax year is $12.517 per $100 of AV.

Based upon AVs of the most recent construction within the Property's market area these surveys (*and subject to the reservations set forth in the letter*), as well as the Sponsor's cost estimate, potential capitalized income and physical details, it is our opinion that the actual AV of the portion of the Building containing the Residential Units will be, for the tax year 2004/2005, in the approximate amount of $1,375,417, or an AV per square foot per annum of approximately $40.77 based on a residential building area of 33,736 square feet.

The actual AV attributed to the Commercial Unit upon completion and reassessment for the tax year 2004/2005 is estimated to be in the approximate amount of $1,321,875, or an AV per square foot per annum of approximately $35.25 based on a commercial area of 37,500 square feet.

Prospective Purchasers are advised that this valuation assumes that the taxing authority is assessing a post-construction, completed, occupied building and is not intended to reflect any "progress" or interim valuation. In the event that completion of construction is delayed for any reason, it is possible that the 2004/2005 AV may be somewhat different than as estimated herein.

Therefore, full taxes during the 2004/2005 tax year are projected as follows, exclusive of tax exemptions that the Property may receive:

	Taxable AV	Tax Rate	Taxes

Residential Portion	$1,375,417	0.12642	$173,880
Commercial Unit	$1,321,875	0.11700	$154,659
Total			$328,539

Real property taxes are payable semi-annually, on July 1, and January 1 (the City operates on a fiscal year commencing July 1 in one year and ending June 30 in the successive year). The tax liability of a particular condominium unit maybe estimated for the tax years 2004/2005 and 2005/2006 as a pro rata share of the total residential tax levy.

Estimated tax liability for a typical Residential Unit, for the first two years following completion of construction, excluding any tax abatements, exemptions or benefits the Property may receive, equals:

Tax Year 2004/2005: $10,868

Tax Year 2005/2006: $10,976

The tax assessment for each Residential Unit may be allocated on a basis that differs from the allocation of Common Interests. SPONSOR MAKES NO REPRESENTATION THAT THE AV OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THERE IS NO REPRESENTATION, GUARANTEE OR WARRANTY (i) as to the AV of the Units or the tax rate during the first year of Condominium operation or thereafter; or (ii) as to the tax rate during the first year of Condominium operation,

No tax certiorari proceedings are pending with respect to the Property.

Section 6.14.4 of the By-laws provides that in the event any Unit Owner individually seeks to have the AV of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

J-51 Benefits

The Sponsor will use its best efforts to obtain, on behalf of the Residential Unit Owners, property tax benefits ("J-51 Benefits") under the J-51 Tax Exemption Program (the "J-51 Program") as such J-51 Program is authorized by Section 489 of the New York

State Real Property Tax Law and Section 11-243 of the New York City Administrative Code.

The J-51 Program grants two distinct tax benefits: a tax exemption and a tax abatement. The tax exemption benefit temporarily exempts property from the increase in AV which would otherwise occur as a result of significant renovation work. The tax abatement benefit reduces existing taxes by a percentage of the cost of the work performed. Projects may be eligible to receive both benefits for the same work. The following is a year-by-year schedule showing the percentage of the increased assessed valuation which is exempt from taxation:

Years 1 through 10:	100% of the increased AV is exempt;
Year 11:	80% of the increased AV is exempt;
Year 12:	60% of the increased AV is exempt;
Year 13:	40% of the increased AV is exempt; and
Year 14:	20% of the increased AV is exempt.

The following is abstracted from a letter from Sponsor's real estate tax expert (M.C. O'Brien, Inc., located at 3832 Kings Highway, Brooklyn, New York 11234) to Sponsor dated August 15, 2003 (a copy of this letter is contained in Part II of this Plan):

> As a renovation, the portion of the Building containing the Residential Units will most likely be eligible for J-51 Benefits.
>
> The projected 2004/2005 land assessment is $91,800, based upon a 10% increase from the 2003/2004 assessments phased in at 20% per annum, resulting in a 2004/2005 land-only tax burden of $10,741 using the projected Class 4 tax rate of $11.700 per $100 of assessed value.
>
> For the 2005/2006 tax year, the transitional AV of the land is assumed to increase 20% and the tax rate is assumed to increase 1%, resulting in a land-only tax burden of $11,061 based on a Class 4 rate.
>
> However, by the 2005/2006 tax year, the Property will also have been reclassified, with the portion containing the Residential Units subject to a Class 2 tax rate and the Commercial Unit continuing to be subject to a Class 4 tax rate. The projected 2004/2005 Class 4 tax rate is $11.700 per $100 of AV and the projected Class 2 tax rate is $12.642 per $100 of AV, and the estimated gross building area of the completed improvements is 71,236 square feet (of which 33,736 square feet is allocated to the portion of the Building containing the Residential Units, and 37,500 square feet is allocated to the portion of the Building containing the Commercial Unit). Accordingly, the projected land assessment may be apportioned with the Residential Units responsible for 47.4% of

the total land tax levy and the Commercial Unit responsible for 52.6% of the total levy.

Therefore, the 2004/2005 tax burden for portion of the Property containing the Residential Units, inclusive of J-51 Benefits, is as follows:

Total Assessment of Residential Units	Taxable A.V. of Land Allocable to Residential Units	Tax Rate	Taxes
$1,375,416	$43,513	0.12642	$5,501

Estimated tax liability for a typical Residential Unit, for the first two years following completion of construction, assuming J-51 Benefits are in effect, equals:

Tax Year 2004/2005: $344

Tax Year 2005/2006: $347

Prospective Purchasers are advised that, although this Plan states that the Residential Unit Owners may or will receive J-51 Benefits, Sponsor does not anticipate obtaining the J-51 Benefits before the First Closing. Sponsor anticipates that the J-51 Benefits will be available at some time during the first year of condominium operation. The real estate tax projections and carrying charges contained in Schedule A show real estate taxes and carrying charges that reflect both the availability and non-availability of J-51 Benefits.

Sponsor represents that it will keep all records required by the New York City Department of Housing Preservation and Development ("HPD") and will make them available to HPD whenever requested to do so. Prospective Purchasers are advised that HPD routinely conducts audits, which can result in the reduction or revocation of the J-51 Benefits if proper documentation is not provided.

Sponsor hereby agrees that:

1. After the First Closing, Sponsor will make all tax benefit documents relative to the J-51 Benefits available to the Board of Managers for inspection and copying for the life of the benefits; and

2. Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the J-51 Benefits.

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board a share of the Property's real estate taxes for the period in question

calculated in accordance with its share of the Common Elements. The share so allocated to the Units will then be prorated to each individual Unit, respectively, on the basis of the ratio that the percentage of common interest for the Unit set forth in Schedule A above bears to the total common elements of all Units, set forth in Schedule A. The Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of real estate taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. See "Rights and Obligations of the Unit Owners" above for further discussion. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the nonpayment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

J-51 Benefits will not be available to the Commercial Unit. Sponsor anticipates that the Commercial Unit will be fully taxable during the first year of Condominium Operation. The Commercial Unit Owner will be responsible for the payment of all real estate taxes payable with respect to the Commercial Unit.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

As is set forth in the Opinion of Seiden & Schein, P.C. (the "Income Tax Opinion"), a copy of which is set forth in Part II of the Plan, Sponsor has been advised by its counsel that each Unit Owner will be entitled under present law to a deduction for Federal and New York State income tax purposes for the real estate taxes paid by him covering his Unit and for the interest paid by him on any mortgage covering his Unit, subject to limitations on the deductibility of such amounts.

Prospective Purchasers should note that the Income Tax Opinion addresses the tax consequences that would result from the ownership of a Unit by an individual taxpayer for use as his or her own primary or secondary residence. It does not address the tax consequences that might result from the ownership of a Unit by a taxpayer that is not an individual or who is a foreign person. The Income Tax Opinion also does not address the tax consequences that might result from the ownership of a Unit that is held by an individual taxpayer either in connection with his or her trade or business, for investment, or for the production of income.

The Sponsor has been advised the Condominium may be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income

include interest earned on reserve and other investment funds, income from concessions and income received from persons other than Unit Owners. If the Condominium is required to pay taxes, the amount thereof will included in Common Charges payable by all Unit Owners. As is set forth in Schedule B above, provisions for such taxes have been included in the budget for the first year of Condominium operations.

SEIDEN & SCHEIN, P.C. IS COUNSEL TO SPONSOR AND NOT TO ANY PURCHASER UNDER THE PLAN. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL, ACCOUNTANT OR OTHER FINANCIAL ADVISOR AS TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF A UNIT.

RESERVE FUND

No Reserve Fund is being established for the Condominium. Sponsor has elected not to provide for a Reserve Fund to be used for capital replacements or repairs, because the Building, upon completion of the construction to be performed by Sponsor as described herein, will be substantially new construction. The Board, in its discretion, and subject to certain restrictions contained in the Bylaws, may decide in the future to create a Reserve Fund by special assessment or by increases in Common Charges.

WORKING CAPITAL FUND

At the First Closing, Sponsor will advance the sum of $64,000 to the Condominium Board, on behalf of all of the Unit Owners, to serve as the initial Working Capital Fund of the Condominium. Each Purchaser will be required to pay to Sponsor, at the closing of title to his or her Unit(s), an amount equal to $4,000 for each Unit purchased in order to reimburse Sponsor for a portion of the $64,000 initial Working Capital Fund advanced by Sponsor.

Immediately prior to the First Closing, Sponsor shall apportion the following items with the Condominium Board as of 11:59 p.m. of the day immediately preceding such closing: (i) employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to all employees of the Building; (ii) fees for assignable permits and licenses, if any; (iii) cost of fuel; (iv) charges for electricity, gas and other utilities for the Common Elements; (v) payments under assignable service and maintenance contracts and concession agreements, if any; (vi) water and sewer charges; (vii) senior citizens' exemptions, if any; (viii) premiums for transferable insurance policies; (ix) vault charges, if any; (x) costs of supplies on hand, at Sponsor's cost, plus sales tax; and (xi) all other items customarily adjusted for when selling residential real estate in New York County.

The Working Capital Fund will be increased or decreased (as the case may be), depending upon whether the closing apportionments to be made between Sponsor and the Condominium Board at the First Closing result in a net credit in favor of the Condominium Board or the Sponsor, respectively. However, if the net closing adjustments are in favor of Sponsor by more than $15,000, then payment of such net closing adjustments in excess of $15,000 shall be made by the Condominium Board in twelve (12) equal monthly installments commencing one month after the date of the First Closing, pursuant to an unsecured promissory note to be delivered at the time that such adjustments are made. Although these installments are not expressly included in the projected budget for the first year of Condominium operation included herein, payment of the principal installments of the note represent, in effect, payment of expenses that have been prepaid by Sponsor.

The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the Bylaws as will be determined by the Board, in its sole discretion. However, while Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce estimated Common Charges, and in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

No representation is made that the Working Capital Fund, together with the Common Charges, will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges or to impose special assessments on Unit Owners.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund.

MANAGEMENT AGREEMENT AND CONTRACTS

At or prior to the First Closing, the Condominium Board will enter into a non-assignable (except to an affiliate) management agreement (the "Management Agreement") with Merlot Management, Inc. (having offices at 2190 Broadway, New York, New York 10024, telephone 212-362-9298) (the "Managing Agent") with respect to the Condominium. Sponsor shall amend this Offering Plan prior to the First Closing to disclose the name and address of the Managing Agent and all pertinent details of the Contract, and shall provide a copy of the Management Agreement to the Department of Law. The Management Agreement shall contain terms which are no more expansive or restrictive to the Condominium Board than those set forth below.

1. The Management Agreement will be for a term of three (3) years and may be cancelled by either party at any time on not less than thirty (60) days written notice.

2. The duties and services to be rendered by the Managing Agent include, among others:

   (a) Upon the direction of the Board of Managers, to perform the following duties: (i) sign and serve, in the name of the Board of Managers, such notices as are deemed necessary by the Managing Agent, including notices to Unit Owners, tenants or subtenants of the Property (collectively, "Residents") (A) of default in payment of Common Charges, or (B) default in adherence to the provisions of either the declaration of condominium that established the Condominium (the "Declaration"), the house rules of the Condominium (the "House Rules"), or the by-laws of the Condominium (the "By-laws"), and similar items, (ii) institute, prosecute and/or defend actions to evict Residents and/or enforce the terms and conditions of the Declaration, the By-laws and/or the House Rules, (iii) recover rents and other sums due to the Condominium, and (iv) settle, compromise and release such actions or suits or reinstate such tenancies. The Managing Agent shall only hire landlord-tenant counsel under the direction of the Board of Managers;

   (b) To bill and collect Common Charges, special assessments, rents and additional rents (the "Rents") as and when the same shall become due and payable from the Residents;

   (c) To maintain the Property in a proper manner; to make, or cause to be made, and supervise, repairs; to make, or cause to be made, and/or supervise, alterations required for the installation of Residents; to purchase supplies and equipment required for the operation and maintenance of the Property, and to pay on behalf of the Board of Managers all bills therefor; and to promptly report to the Board of Managers any conditions in the Property requiring the attention of the Board of Managers. The Managing Agent will, except in cases of emergency, obtain the consent of the Board of Managers before making any expenditures for maintenance, repairs, supplies or equipment in excess of $1,000.00 for any one item. All expenditures for maintenance, repairs, supplies and/or equipment shall be made by the Managing Agent from the income of the Property or from funds supplied by the Board of Managers for the payment of the same (the "Property Funds"), and not from the property or assets of the Managing Agent.

(d) Subject to review by the Board of Managers, the Managing Agent shall submit applications and process any and all documentation required any governmental agency having justification over the Property;

(e) To make arrangements, subject to review by the Board of Managers, for electricity, gas, fuel, water, security, maintenance, cleaning, pest control, rubbish removal and other similar services which shall be necessary or appropriate for the operation and maintenance of the Property (the "Service Contracts");

(f) To pay from funds of the Condominium upon receipt, or to facilitate the direct mailing to the Board of Managers of, all tax and water and sewer bills affecting the Property, and all notices of assessment or reassessment;

(g) To acquire and keep in force all licenses and permits required for the operation of the Property as presently being operated, and such uses as are incidental or accessory thereto. The Managing Agent shall provide the Board of Managers with copies of all such licenses and permits within ten (10) days of receipt of same;

(h) Upon the request of the Board of Managers, the Managing Agent shall procure and maintain at the Condominium's expense such insurance coverage as the Board of Managers shall require from time to time, which insurance shall name the Board of Managers as an additional named insured;

(i) To incur and to pay on behalf of the Board of Managers, from the Property Funds, all normal and proper operating expenses of the Property incurred by the Managing Agent in the performance of the duties required to be performed by the Managing Agent under this Agreement, provided that the Managing Agent shall obtain the consent of the Board of Managers before making any expenditures in excess of $1,000.00for any one item.

The annual certified financial statement with respect to the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Condominium Board, whose fees are to be paid by the Condominium Board and charged to the Unit Owners as a Common Expense.

The Managing Agent will receive an annual fee of no more than $18,000 payable in equal monthly installments. The Managing Agent will be entitled to additional fees for certain special services performed by it. The management fee will charged to the Unit Owners as a Common Expense as discussed above in Schedule B.

All expenses incurred by the Managing Agent in the performance of its duties as Managing Agent shall be paid by the Condominium Board and charged to the Unit

Owners as a Common Expense. In addition, the Condominium Board will indemnify the Managing Agent against any liability for acts properly performed by it pursuant to the Management Agreement or instructions of the Condominium Board or for injury to persons or property not resulting from the Managing Agent's gross negligence, willful misconduct or willful failure to comply with its obligations under the Management Agreement.

All officers and employees of the Condominium and the Managing Agent who handle funds will be bonded at all times from and after the date of the First Closing during the term of the Management Agreement under a fidelity bond in favor of the Condominium in the amount of $100,000 for each loss. The cost of the bond will be included in the Common Charges payable by all Unit Owners.

IDENTITY OF PARTIES

Sponsor and Selling Agent

Sponsor is Bridge Capital Corp., a Delaware corporation, with an office at 1274 Fifth Avenue, New York, New York 10029. The New York Secretary of State has been designated to receive service of process for Sponsor, since Sponsor is a Delaware corporation.

The sole principal and President of Sponsor, Stanley Wolfson, a resident of New York having an address at [redacted] will be actively involved in this offering. Mr. Wolfson's has been involved in real estate for 20 years. His experience in real estate includes acting as a principal of the developer of 2581 Atlantic Avenue, Brooklyn, New York, a property which was renovated and rehabilitated. This is the first time Mr. Wolfson has acted as the principal of the sponsor of a condominium conversion.

There have been no prior felony convictions of Sponsor and/or the principal of Sponsor.

An involuntary petition under Chapter 7 of the Bankruptcy Code was filed in the United States Bankruptcy Court for the Southern District of New York against Bridge Capital Corp. on January 9, 1998 (Case No. 98 B 40124 AJG). By order of the Bankruptcy Court, the Chapter 7 case was converted to a Chapter 11 case, and Bridge Capital Corp. was authorized to operate its business as a debtor in possession. The case was thereafter dismissed, on consent of all creditors. The case was closed on August 1, 2000.

A voluntary petition was filed by Stanley Wolfson (the sole principal and President of Sponsor) in the United States Bankruptcy Court for the Southern District of New York on January 19, 1990 (Case No. 90-10007). A Chapter 7 Trustee was

appointed, and the Trustee made distributions to creditors. Mr. Wolfson was denied a discharge, the case was fully administered and closed on August 15, 1995. All creditors who were listed in the schedules filed by Mr. Wolfson in the bankruptcy case have been paid in full.

Except as set forth in the two immediately preceding paragraphs, there have been no prior bankruptcies, convictions, injunctions and judgments against Sponsor, the principal of Sponsor, and/or entities in which the principal of Sponsor was a principal, that may be material to this Plan or to an offering of securities generally which occurred within the fifteen (15) years prior to the submission of the Plan.

Stanley Wolfson, the principal of Sponsor, is not currently the sponsor or a principal of the sponsor of any other cooperative or condominium conversion plan, and has not been the sponsor or a principal of the sponsor of any other cooperative or condominium conversion plan within the last five (5) years. Furthermore, Stanley Wolfson, as an individual, partner or principal, does not own ten (10%) percent or more of either the unsold shares of any cooperative housing corporation or the unsold units of any other condominium.

The Sponsor will also act as the Selling Agent under this Plan.

Counsel to Sponsor

The Sponsor has retained the law firm of Seiden & Schein, P.C., 570 Lexington Avenue, New York, New York, 10022 (telephone number (212) 935-1400) to represent it in the preparation and consummation of this Plan. The principal attorney who is responsible for this matter is Alvin Schein, Esq. This firm drafted the Declaration, the Bylaws, this Plan, the form of Purchase Agreement, the form of deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto. No separate counsel has been retained to represent the Condominium. It is suggested and expected that each Purchaser will consult and be represented by his own counsel in connection with this Plan.

Seiden & Schein, P.C. has no financial relationship, past or present, in the Property or to the Sponsor, except that it is being paid a fee for its services.

Managing Agent and Budget Expert

Merlot Management, Inc., having offices at 2190 Broadway, New York, New York 10024 (telephone 212-362-9298) will be the Managing Agent for the Condominium. Merlot Management, Inc, has also reviewed the estimates of all amounts of income and expenses in Schedule B, "Projected Budget for First Year of Condominium Operation,", and has provided the certifications with respect thereto. Merlot Management, Inc. has been engaged in the management of residential buildings in New York City for six (6) years, and at present has twenty (20) buildings in its management portfolio. Merlot Management, Inc. has no financial interest in the

Property, in Sponsor, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

Construction Professionals

The architect for the Residential Units is Seth V. Howe, AIA, of Studio Howe, located at 827 Washington Street, New York, New York 10014. Mr. Howe has been conducting his business in the State of New York as a licensed architect since 1992. The general contractor is VCB Construction Corp., 245 Franklin Avenue, Brooklyn, New York. VCB Construction Corp. has been a general construction contractor for more than eleven (11) years. Neither the architect nor the general contractor has a financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except for their respective fees for services rendered in connection with the same.

REPORTS TO UNIT OWNERS

The Condominium Board will provide each Unit Owner annually: (i) a financial statement of the Condominium prepared by a certified public accountant or public accountant within one hundred twenty (120) days after the end of each year; (ii) prior notice of the Unit Owners meeting; and (iii) a copy of the proposed annual budget of the Condominium at least thirty (30) days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Board, the financial statements and the annual budget shall be certified by a certified public accountant or a qualified real estate professional.

DOCUMENTS ON FILE

Copies of the Plan, all documents referred to in the Plan and the Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection without charge, and for copying at a reasonable charge, at Sponsor's office for a period of six years after the First Closing. In addition, Sponsor shall deliver to the Condominium Board copies of all documents filed with the City Register's Office at the time of the First Closing.

GENERAL INFORMATION

Pending Litigation

As of the date of this Plan there is no litigation, administrative proceeding or other proceeding against the Condominium, the outcome of which would materially affect this offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

Prior Offerings

The Property has not been the subject of any prior cooperative or condominium offerings. No preliminary binding agreements have been entered into and no money has been collected from prospective purchasers.

Non-Discrimination

Sponsor and the Selling Agent each hereby represent that they will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

Plan as Fair Summary

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact relating to the offering. Sponsor believes that the Plan contains a fair summary of the material provisions of the various documents referred to in the Plan, including those documents contained in Part II of the Plan. Any information or representation made which is not contained in this Plan must not be relied upon.

No party other than any Purchaser shall have any right or benefit herein or herefrom, including, without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of the Sponsor's obligations hereunder and no party other than any Purchaser shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers, then anyone who has theretofore executed a Purchase Agreement shall be given not less than fifteen (15) days after a copy of the duly filed amendment is mailed or otherwise delivered t them by written notice to the Sponsor to cancel the Purchase Agreement and to obtain a refund, in full, of the Deposit, together with any interest earned thereon.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon.

The Plan may not be changed or modified orally.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property and Specifications set forth in Part II of the Plan, and represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in such Description of Property and Specifications or as contemplated to be made as described therein. As more fully described in "Description of Property and Improvements" in Part I of this Plan, and subject to the matters described therein and in Description of Property and Specifications set forth in Part II of the Plan, Sponsor anticipates that construction of the Building will be sufficiently completed to allow the First Closing to occur on or about May 15, 2004. The Certificate of Occupancy will be amended upon completion of construction to provide for the changes in use contemplated by this Plan. All notices of building code violations or other violations of law which have been received with respect to the Property will be cured prior to the First Closing, or an escrow will be established to secure the same. Sponsor represents that there is no Lead based Paint in the Premises.

PART II

FORM OF PURCHASE AGREEMENT

PURCHASE AGREEMENT

UNIT NO.___
257 WEST 117TH STREET CONDOMINIUM
257 WEST 117TH STREET
NEW YORK, NEW YORK 10026

(TO BE EXECUTED IN QUINTUPLICATE)

AGREEMENT made as of _____, ___, 200_, by and between Bridge Capital Corp., a Delaware corporation, having an office 1274 Fifth Avenue, New York, New York 10029 (the "Sponsor"), and _____, having an address at _____ (the "Purchaser").

1. Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for 257 West 117th Street Condominium (such Offering Plan, together with any amendments that are filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. Agreement to Purchase and Sell. Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell to Purchaser, the unit designated as Unit No. ___ (the "Unit") in the Declaration, together with its undivided _____% undivided interest (hereinafter called the "Common Interest") in the Common Elements, upon and subject to the terms and conditions set forth herein.

3. Purchase Price.

3.1. The purchase price (the "Purchase Price") for the Unit (exclusive of closing adjustments and costs referred to below) which Purchaser agrees to pay is payable as follows:

a) $_____ (the "Deposit"), on the signing and delivering of this Agreement to Sponsor, by Purchaser's check(s), subject to collection, receipt of which is hereby acknowledged, and

b) $_____(the "Balance"), constituting the balance of the Purchase Price, at Closing, as hereinafter provided.

3.2. All checks hereunder shall be in United States currency, be drawn on or issued by a New York bank which is a member of the New York Clearing House Association and shall be unendorsed. Check(s) for the Deposit shall be Purchaser's good check(s) made

payable to the direct order of "Seiden & Schein, P.C., as Escrow Agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be unendorsed certified check(s) of Purchaser or official bank check(s), made payable to the direct order of "Bridge Capital Corp." (or such other entity as Sponsor directs to Purchaser, in writing, at least three (3) days prior to the date of Closing). Notwithstanding the foregoing, payment up to an aggregate amount of $1,000 may be made by unendorsed uncertified check(s).

3.3. If any check of Purchaser is returned for insufficient funds or for any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in this Agreement.

4. Escrow and Trust Fund Requirements. All Deposits made pursuant to this Agreement are subject to the requirements of Section 352-e(2-b) and 352-h of the New York General Business Law, and the Attorney General's regulations promulgated thereto. All monies received from Purchaser towards the Deposit shall be delivered to Escrow Agent and shall be held in accordance with the Plan. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. If Purchaser shall default on Purchaser's obligations under this Agreement, then, provided the Escrow Agent has given Purchaser at least ten (10) business days prior written notice, and Escrow Agent has not been notified that Purchaser has made application to the Department of Law for dispute resolution, the Deposit shall be released to Sponsor as liquidated damages, and, thereafter, neither party shall have any further rights or obligations against or to each other. In the event that Sponsor cannot convey title to the Unit to Purchaser for reasons other than Purchaser's default, the Deposit shall be returned to Purchaser, within thirty (30) business days of Sponsor's notification to Purchaser that it cannot convey title.

5. Closing Date and Place. The closing of title (the "Closing") shall be held at the offices of Sponsor's attorney, Seiden & Schein, P.C., 570 Lexington Avenue, New York, New York 10022 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than fifteen (15) days prior written notice. Sponsor may, from time to time, adjourn such date and hour for Closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date (and time and place, if appropriate) for the Closing and shall give Purchaser not less than ten (10) business days prior written notice of the new scheduled date (and time and place, if appropriate).

6. Closing Documents.

6.1. At the Closing, Sponsor shall deliver to Purchaser:

a) A bargain and sale deed (the "Deed") with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances and title conditions set forth on Schedule A annexed

hereto and made a part hereof or expressly permitted in this Agreement or expressly agreed to by Purchaser in writing ("Permitted Encumbrances"). The Deed shall be prepared by Sponsor in substantially the same form as is contained in the Plan and shall be executed and acknowledged by Sponsor and Purchaser in form for recording and shall contain the Lien Law Section 13 covenant. The executed Deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present at the Closing, then to Purchaser's attorney) for recording.

b) A statement by the Condominium or its managing agent that the Common Charges and any Special Assessments then due and payable to the Condominium with respect to the Unit have been paid to the date of Closing.

c) A completed and executed Non-Foreign Affidavit under Internal Revenue Code Section 1455(b)(2).

d) A Smoke Detecting Alarm (Device) Affidavit.

e) A release of the Unit from the lien of all mortgages, if any, encumbering the Unit in proper form for recording. Purchaser acknowledges that an assignment of any portion of any such mortgages to Purchaser's lender, if any, is not available.

f) Such other instruments, agreements, affidavits or other documents as may be reasonably necessary in order to effectuate any of the provisions of this Agreement, to consummate the transactions contemplated herein, or to confirm or further assure any of the provisions of this Agreement, which shall be executed, acknowledged and/or sworn to before a notary by Sponsor, as the case may be.

6.2. At the Closing, Purchaser shall deliver to Sponsor:

a) The Balance of the Purchase Price and all closing adjustments and closing costs due.

b) Unendorsed certified or official bank checks in payment of the New York State Real Estate Transfer Tax (the "NYS Transfer Tax"), the New York City Real Property Transfer Tax (the "NYC RPT Tax") and filing fee, and, if applicable, the Special Additional Tax ("Mansion Tax").

c) A Unit Owner Power of Attorney (the "Power of Attorney") to the Condominium Board prepared by Sponsor and substantially in the form set forth in the Plan, duly executed and acknowledged by Purchaser in proper form for recording.

d) Such other instruments, agreements, affidavits or other documents as may be reasonably necessary in order to effectuate any of the provisions of this Agreement, to consummate the transactions contemplated herein, or to confirm or further assure any of the provisions of this Agreement, which shall be executed, acknowledged and/or sworn to before a notary by Purchaser, as the case may be.

6.3. At the Closing, (a) Purchaser shall duly complete, sign, acknowledge before a notary public, and deliver the Real Property Transfer Tax Return required to be filed with The City of New York ("RPT Tax Return"), (b) Purchaser shall duly complete, sign and deliver the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate (the "TP-584") required to be filed with the Department of Taxation and Finance of the State of New York, (c) Purchaser shall duly complete, sign and deliver the Real Property Transfer Report (the "Transfer Report") required to be filed with the State Board of Real Property Services of the State of New York, and (d) Purchaser shall duly complete, sign (and, if applicable, acknowledge before a notary public) and deliver such other forms as may then be required by law. The RPT Tax Return, the TP-584 and the Transfer Report shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer.

6.4. The executed Deed and Power of Attorney to the Board shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, (i) the Deed shall be returned to Purchaser and (ii) the Power of Attorney shall be returned to the Condominium Board.

6.5. Purchaser's payment of the Balance of the Purchase Price and acceptance of the Deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated in this Agreement or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23A of the General Business Law, the Plan or the Regulations issued by the Department of Law.

7. Status of Title.

7.1. At Closing, Sponsor shall convey to Purchaser good and insurable title in fee simple to the Unit, subject only to Permitted Encumbrances. Any lien, encumbrance or title condition to which title is not to be subject shall not be an objection to title if (a) it has been removed of record prior to Closing, (b) the instrument required to remove it of record is delivered at or prior to Closing to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (c) Purchaser's title insurance company is or would be willing to insure Purchaser, at the company's regular rates and without additional premium, that (i) if it is a lien, same will not be collected out of the Unit, or, if it is not

a lien, same will not be enforced against the Unit, and (ii) Purchaser's title company will omit such lien, encumbrance or title condition from a mortgagee policy issued to Purchaser's lender, if any.

7.2. Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not a Permitted Encumbrance. However, if such defect existed at least 10 days' prior to the Closing and if Purchaser, or Purchaser's attorney, failed to give Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the Closing, then, for purposes of Article 12 of this Agreement, Purchaser shall be deemed at fault for not having sent timely notice, and the adjournment of the Closing to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

7.3. The covenants in the Deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's post-Closing successors or assigns. In the event of a claimed breach of any covenant of the grantor contained in the Deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. If Purchaser does not obtain title insurance at Closing, for the purposes of this paragraph 7.3, the amount and coverage which Purchaser could have obtained from a reputable title insurance company licensed to do business in the State of New York chosen by Sponsor shall be deducted from the loss or damage collectable against Sponsor. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the Closing.

7.4. Notwithstanding the fact that the Permitted Encumbrances, including without limitation, the items on Schedule A annexed hereto, may be omitted by Sponsor from the Deed to be delivered hereunder, all such Permitted Encumbrances shall be deemed to be included in the Deed. The provisions of this Section 7.4 shall survive the Closing.

7.5. Purchaser's obligation to close title shall be conditioned upon Purchaser's title insurance company insuring that the Unit is part of a valid condominium created pursuant to applicable law.

7.6. Purchaser shall, within five (5) business days of Purchaser's receipt of a fully executed counterpart of this Agreement order a title report from a reputable title insurance company licensed to do business in the State of New York. Purchaser shall deliver a copy of the title report together with any continuations, searches and amendments thereto directly to Sponsor's attorney.

7.7. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement, Sponsor shall not be obligated to bring any action or

proceeding or otherwise incur any cost or expense of any nature whatsoever in order to render title to the Unit marketable, except as may be provided in the Plan. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to remedy the defect in title, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser elects to terminate this Agreement, Sponsor shall instruct the Escrow Agent to refund, within thirty (30) days after receipt of written notice of termination from Purchaser, the Deposit to Purchaser, together with interest earned thereon. Upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice given by Purchaser to Sponsor within ten (10) days after the giving of Sponsor's notice of election not to cure such title defect, failing which it shall be conclusively deemed that Purchaser elected the remedy set forth in clause (a) of this Section 7.7 (i.e., to acquire title to the Unit subject to such title defect).

7.8. Nothing contained in this Article 7 shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or under Article 23-A of the General Business Law.

8. Closing Adjustments.

8.1. The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of 11:59 p.m. of the day preceding the Closing:

a) Real estate taxes (including all prepaid real estate taxes) and assessments, if any (including water charges and sewer rents, if any), on the basis of the period year for which assessed and any escrows for real estate taxes;

b) Common Charges, if any, for the month in which title closes; and

c) Accrued rent and any other charges pursuant to a lease or occupancy or other agreement, if any, covering the Unit.

8.2. If the Unit has been separately assessed for real estate taxes, but the Closing occurs before the tax rate is fixed, then the adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the Deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed as of the date of the Closing for the then-current tax period, the adjustment of real estate taxes under Section 8.1(a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in the Bylaws and in the Plan.

8.3. Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest earned on the Deposit, on or promptly after the Closing.

8.4. If Purchaser fails for any reason (other than Sponsor's postponement) to close title to the Unit on the date originally scheduled for the Closing (the "Original Closing Date"), and title thereafter closes, then: (i) adjustments and apportionments will be made as if 11:59 p.m. of the day preceding the Original Closing Date; and (ii) Purchaser shall pay Sponsor interest at the rate of sixteen (16%) percent per annum on the total Purchase Price, for each day the Closing is adjourned beyond the Original Closing Date; and (iii) Purchaser shall reimburse Sponsor for any shortfall between the Common Charges (including any special assessments) applicable to the Unit and the rent payable by any tenant of the Unit to Sponsor (as the holder of Unsold Units) for the period from the Original Closing Date until the date of actual Closing, it being understood and agreed that if the Unit is vacant, Purchaser will be required to reimburse Sponsor for all Common Charges and any special assessments payable during such interim period.

8.5. Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect to Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date shall apply to the adjustments and other matters therein mentioned, except as otherwise provided in this Agreement or in the Plan.

8.6. Any errors or omissions in calculating apportionments at Closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the Closing for a period of one hundred eighty (180) days.

9. Purchaser's Closing Costs. At the Closing, Purchaser will be required to pay certain costs in connection with the purchase of the Unit, in addition to the legal fees of Purchaser's counsel, if any, and the amount of any net credit in favor of Sponsor that may result from the closing adjustments and apportionments described in the preceding Article 8. Such closing costs will include the following:

a) Premiums for Purchaser's fee title insurance and mortgagee title insurance, if purchased.

b) Fees to the City Register for recording the Deed, the Power of Attorney and any mortgage release applicable to the Unit, together with a service charge to the title insurance company for such recording.

c) If Purchaser obtains a mortgage loan, Purchaser will pay all closing costs associated with such loan, which may include, without limitation, all mortgage recording taxes, mortgage recording fees, origination, appraisal and

closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and Purchaser's lender.

d) To Sponsor, a sum equal to the amount of the partial mortgage tax credit provided by Section 339ee(2) of the New York Condominium Act, as a reimbursement for the mortgage recording taxes previously paid.

e) The fees to Sponsor's attorney as set forth in the Plan.

f) The sum of $4,000 in reimbursement of a portion of the $64,000 advanced by Sponsor to the Condominium at the First Closing as the Condominium's Working Capital Fund.

g) The NYS Transfer Tax, the NYC RPT Tax an the filing fee therefor, and (if applicable) the Mansion Tax.

11. The Plan.

11.1. Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) full business days before signing this Agreement. Purchaser acknowledges having had full opportunity to examine all documents and to investigate all statements made in this Agreement and in the Plan.

11.2. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency or conflict between the provisions of this Agreement and the Plan, the Plan shall govern.

11.3. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, Bylaws and Rules and Regulations contained therein) and, subject to any right Purchaser may have or obtain to rescind, Purchaser agrees to abide and be bound by the terms and conditions thereof as well as all amendments to the Plan duly filed by Sponsor. Any such amendments shall neither excuse Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset or credit against the Purchase Price and may be made by Sponsor without Purchaser's consent or approval.

12. Default by Purchaser.

12.1. The following shall constitute "Events of Default" hereunder:

a) Purchaser's failure to pay the Balance or any closing adjustment or apportionment or closing cost required to be paid by Purchaser on a date designated by the Sponsor as the date for the Closing, or the dishonor of any check given by Purchaser to Sponsor;

b) Purchaser's failure to duly sign, notarize and deliver at Closing the Power of Attorney;

c) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or in connection with any other outstanding Purchase Agreement with respect to a unit in the Condominium, which is not cured within ten (10) days after the mailing of written notice by Sponsor specifying the nature of such default;

d) If Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to perform some other obligation under such lease or occupancy agreement within the period after notice, if any, set forth in the lease or occupancy agreement; or

e) If Purchaser shall: (i) apply for or consent to the appointment of a receiver, trustee or liquidator, or if such receiver, trustee or liquidator shall be appointed by order of a court of competent jurisdiction and shall not have been discharged within thirty (30) days; (ii) admit in writing an inability to pay Purchaser's debts as they become due; (iii) make a general assignment for the benefit of creditors; (iv) be adjudicated a debtor, bankrupt or insolvent, or if a petition for reorganization is granted; or (v) file a voluntary petition seeking reorganization or an arrangement with creditors or take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or file an answer admitting the material allegations of a petition filed against Purchaser in any proceedings under any such law or if any such petition is consented to or is not dismissed, cancelled or terminated within thirty (30) days.

12.2. **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement, including, without limitation, the obligation to execute and deliver the Power of Attorney. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) days, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds of such sale.

13. Waiver of Lien by Purchaser; Agreement Subject to Mortgage.

13.1. No lien or encumbrance (including, without limitation, a vendee's lien) shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder. Purchaser hereby irrevocably and unconditionally waives the right to claim or assert any such lien or encumbrance or to file, record or otherwise assert any lis pendens or notice of pendency against the Property or the Unit.

13.2. In furtherance and not in limitation of the provisions of the preceding Section 13.1, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments, advances or expenses heretofore or hereafter made or incurred pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases regardless of the timing of, or cause for, the making of advances or incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser' s other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration.

14. Agreement Subject to Plan Being Effective. The respective obligations of Purchaser and Sponsor are contingent upon the Plan having been declared effective in accordance with the terms, provisions and prerequisites set forth in the Plan, as the same may be amended from time to time. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time period set forth in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

15. Rent Security Deposit. If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon within forty-five (45) days following the Closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by a

person or persons other than Purchaser, the unapplied security deposit, if any, of the tenant or occupant will be transferred at Closing to Purchaser, who will, upon receipt, sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith, and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to sue the tenant to the extent such rent security is insufficient. Sponsor shall have the right not to close title with respect to any unit (including the Unit) where the purchaser is a tenant thereof and is in arrears in the payment of rent.

16. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Construction.

17.1. The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a final Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the section of the Plan entitled "Rights and Obligations of Sponsor."

17.2. The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3. The Closing shall occur only after, or concurrently with, compliance with the prerequisites set forth in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on

Purchaser's Inspection Report (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not affecting the Unit).

17.4 Unless Purchaser consents, no material change will be made in size, layout, or percentage of Common Interest of the Unit if this Agreement has been executed and delivered by Purchaser to Sponsor and Purchaser is not in default.

17.5. Sponsor anticipates that the First Closing will take place on January 2, 2004 based upon the current construction schedule. The actual date for the First Closing or the Closing for the Unit is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Plan. Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing or the Closing for the Unit. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that, except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or setoff, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor. However, if such anticipated date of the First Closing is delayed twelve (12) months or more, Purchaser shall have the right to rescind this Agreement and receive a refund of the Deposit and all interest earned thereon.

17.6. The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property subsequent to the completion of the renovations including the Building, the Unit and all fixtures, machinery, equipment, furnishings appliances, installations and other personal property contained therein, in their respective existing conditions, ordinary wear and tear excepted, between the date Purchaser signs this Agreement and delivery of the Deed to Purchaser.

18. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, the Selling Agent shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit within the week prior to the Closing. Purchaser or his or her duly authorized agent shall attend such inspection and shall complete, date and sign Purchaser's Inspection Report (in the form set forth as Schedule B to this Agreement) and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Report shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in the Plan.

19. Risk of Loss. If between the date of this Agreement and the Closing, the Unit is damaged by fire or other casualty, the following shall apply:

19.1. The risk of loss to the Unit by fire or other casualty, until the earlier of Closing or possession of the Unit by Purchaser, is assumed by Sponsor, provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty occurs prior to the Closing or possession of the Unit by Purchaser, upon the election by Sponsor, with notice thereof to Purchaser, to repair or restore the Unit, this Agreement shall continue in full force and effect, and Purchaser shall not have the right to reject title to the Unit or receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration of the Unit. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss from fire or other casualty shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing.

19.2. In the event of damage to or destruction of the Unit by fire or other casualty occurs prior to the Closing of title to the Unit, upon either (i) the election by Sponsor, with notice thereof to Purchaser, not to repair or restore the Unit, or (ii) if the Declaration has been recorded prior thereto, the election of the Unit Owners not resolve to make such repairs or restoration pursuant to the Bylaws, this Agreement shall be deemed cancelled and of no further force or effect, and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, and neither party shall have any further rights, obligations or liability to or against the other arising out of this Agreement, and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

19.3. Under no circumstances shall Sponsor have any liability or obligation to repair or restore the Unit because of damage by fire or other casualty.

19.4. The provisions of this Article 19 shall govern and control even if inconsistent with Section 5-1311 of the General Obligations Law or any other applicable law.

20. No Representations. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, the Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building, the Common Elements or the Units or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics

thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the ability to rent the Unit and/or the rental income therefor, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically set forth. Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements, the Building or any other part of the Property other than as set forth herein or in the Plan. Except as otherwise set forth herein or in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 20 shall survive the Closing.

21. Prohibition Against Advertising. Prior to the Closing, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to the Closing shall be an Event of Default by Purchaser, entitling Sponsor to the remedies set forth in this Agreement.

22. Broker. Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent. Sponsor shall pay the commission of Selling Agent, if any, pursuant to a separate agreement. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent, if any. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than the Selling Agent on account of any acts or dealings of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the Closing.

23. Agreement May Not Be Assigned. This Agreement, or any interest of Purchaser herein, may not be assigned by Purchaser without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an Event of Default by Purchaser, entitling Sponsor to the remedies set forth in this Agreement, and shall be voidable at the option of Sponsor, in its sole discretion.

24. Binding Effect. The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or

Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within twenty (20) days after the date Purchaser has signed this Agreement and delivered the signed counterparts of this Agreement and the Deposit to Sponsor or Sponsor's attorneys, this Agreement shall be deemed to have been rejected and the Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other arising out of this Agreement. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature by Sponsor of this Agreement may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the Purchaser or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

25. Notices.

25.1. Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested, or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement; and to Sponsor c/o Seiden & Schein, P.C., 570 Lexington Avenue, New York, New York 10022, attention: Alvin Schein, Esq. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personally delivered, or when delivery by overnight courier is effected, or, in the case of mailing, three (3) days after the date of mailing, except that, in the case of notice of change in the address to which notices are to be sent, the date such notice shall be deemed given shall be the date of such notice.

25.2. Sponsor hereby designates and empowers both the Selling Agent and Sponsor's attorneys, Seiden & Schein, P.C., as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself

26. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

27. Liability of Sponsor.

27.1. Sponsor shall not have any liability to Purchaser or others with respect to any of Sponsor's obligations under this Agreement or under the Plan or otherwise in excess of the net proceeds paid to Sponsor from the sale of all units after payment of, or reserve for, any liabilities, costs or expenses of Sponsor arising out of the promulgation of the Plan, the offering of the units for sale and the consummation of the transactions contemplated in the Plan.

27.2. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. In such event, Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

28. Purchaser's Right to Rescind. In the case of a material revision adversely affecting the rights, obligations or liabilities of Purchaser or reducing the undertakings or obligations of Sponsor, then Purchaser, for a period of fifteen (15) days after the presentation to Purchaser of the amendment to the Plan containing such material revision, will be given the right to rescind this Agreement and to receive a refund of the full Deposit within forty-five (45) days after receipt by Sponsor and Escrow Agent of Purchaser's written notice of rescission. However, if Purchaser first became a tenant of the Unit after the Plan was originally presented, then such rescission and right to receive a refund will be conditioned on the cancellation of any interim lease or occupancy agreement and surrender of possession of the Unit within sixty (60) days thereafter.

29. Escrow Agent. It is understood and agreed that the Escrow Agent's sole duties hereunder are as indicated herein and in the Plan, and that the Escrow Agent in the performance of its duties hereunder shall incur no liability except for willful malfeasance and shall not be liable or responsible for anything done or omitted to be done in good faith as herein provided. Sponsor and Purchaser promise and agree to indemnify and save the Escrow Agent harmless, except for its willful malfeasance, from any claims, liabilities, judgments, attorneys' fees and other expenses of every kind and nature, which may be asserted against, or suffered or incurred by, the Escrow Agent by reason of its acceptance of, and its performance under, this Agreement.

30. Lead Paint Inspection.

30.1. The Environmental Protection Agency and the Department of Housing and Urban Development promulgated federal regulations under 24 CFR Part 35 and 40 CFR Part 745 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of the units. In accordance with the provisions of the Federal

Regulations, annexed to this Agreement as Schedule C is a "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Sponsor, Purchaser and the Selling Agent. A copy of the pamphlet entitled "Protect Your Family from Lead in Your Home" is set forth in the Plan.

30.2. In the event that Purchaser exercises Purchaser's right to conduct a risk assessment or inspection (the "Lead-Based Paint Inspection") for the presence of lead-based paint and/or lead-based paint hazards, such Lead-Based Paint Inspection shall be performed within ten (10) calendar days following the date of this Agreement on the following terms and conditions:

a) Purchaser and Purchaser's consultant (the "Inspector") will be given reasonable access to the Unit and the public areas of the Building.

b) The Lead-Based Paint Inspection shall be held at a mutually convenient time and date on a business day between 9:00 a.m. and 5:00 p.m.

c) The Lead-Based Paint Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Unit, if any, and/or the Building.

d) Purchaser shall be liable for any damages to the Unit and/or the Building, injuries and all claims and lawsuits resulting from acts of or caused by Purchaser and/or the Inspector during the Lead-Based Paint Inspection.

e) Purchaser and/or the Inspector will not probe, penetrate or disturb any painted or covered surface during the Lead-Based Paint Inspection without the Sponsor's prior written approval.

30.3. Purchaser shall, within five (5) business days after the Lead-Based Paint Inspection, deliver to Sponsor a copy of the report of the Lead-Based Paint Inspection (the "Lead-Based Paint Inspection Report"). If such Lead-Based Paint Inspection Report discloses the existence of lead-based paint and/or lead-based paint hazard in the Unit, Sponsor shall have fourteen (14) days from delivery of said Lead-Based Paint Inspection Report to abate such lead-based paint or lead-based paint hazard in the Unit. If Sponsor does not cure such condition within such fourteen (14) day period, Purchaser may cancel this Agreement upon written notice given to Sponsor within two (2) days after the expiration of said period. Time shall be of the essence with respect to the exercise of such cancellation right. If this Agreement is so canceled, the Deposit (less any deductions permitted below) shall be returned to Purchaser and this Agreement shall be of no further force and effect except as set forth in Section 22 hereof (relating to brokerage indemnities).

30.4. If any damage to the Unit is caused by the Lead-Based Paint Inspection and Purchaser cancels this Agreement, Sponsor may, at its option, deduct the cost of repairing such damage from the Deposit prior to refunding the Deposit to Purchaser, and if the cost of such repairs exceeds the Deposit, Purchaser shall pay any deficiency. If Purchaser fails to exercise Purchaser's right to cancel this Agreement under this Article 30, Sponsor may, at its option, elect to (a) have Purchaser purchase the Unit subject to any damage caused by the Lead-Based Paint Inspection, or (b) repair any damage caused by the Lead-Based Paint Inspection, in which event Purchaser shall, promptly after receipt of documentation from Sponsor reasonably evidencing the cost thereof, reimburse Sponsor for the cost of such repair.

31. Further Assurances. Each party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

32. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

33. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

34. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly within the State of New York, without regard to principles of conflicts of law.

35. Waiver of Jury Trial. Except as prohibited by law, the parties hereto shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or by the Plan. With respect to any matter for which a jury trial cannot be waived, the parties hereto agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

36. Entire Agreement. This Agreement, together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties hereto with

respect to the subject matter hereof and supersedes any and all understandings and agreements between them.

37. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof," "hereunder," or similar terms used in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

38. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

39. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

40. No Oral Changes. THIS AGREEMENT, AND ANY PROVISION HEREOF, CANNOT BE ORALLY CHANGED, TERMINATED OR WAIVED. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO.

41. Agreement Not Contingent upon Financing. This terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing secured or any other financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtains a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SPONSOR:

BRIDGE CAPITAL CORP.

By: _____
Name: Stanley Wolfson
Title: President

PURCHASER(S):

_____
Name:_____

Purchaser's Social Security or
Tax Identification
Number:_____

_____
Name:_____

Purchaser's Social Security or
Tax Identification
Number:_____

Purchaser(s) acknowledge receipt of Offering Plan [and amendments] on_____,200_ at____(A.M.)(P.M.)

Initials of Purchaser(s):

ACKNOWLEDGMENTS

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

On the ___ day of _____ in the year 200_ before me, the undersigned, a notary public an and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

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

On the ___ day of _____ in the year 200_ before me, the undersigned, a notary public an and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Any state of facts of the Property as shown on a survey to be made prior to the closing of title, provided such facts would not render title unmarketable;

2. Any sewer, steam, water, gas, electric, drainage, telephone, cable television or other utility easements or consents granted or to be granted hereafter, including the right to maintain and operate lines, wires, cables, pipes, conduits, poles and distribution boxes in, over, under, and upon the Condominium;

3. All of the terms, covenants and conditions of the Declaration, the Bylaws and the Floor Plans as they are subsequently filed or recorded and the Plan and any amendments thereto;

4. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structure and use;

5. Beam and beam rights and party walls and party wall agreements;

6. Any variations between tax lot lines and lines of record title;

7. The lien of any unpaid real estate tax, and the lien of any water charges or sewer rents generally (which shall be apportioned at closing);

8. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to the Unit; and

9. All easements set forth in the Declaration and Bylaws, as they are subsequently recorded, and in the Plan and Purchase Agreement, including, but not limited to:

(a) Easements in favor of the owners of other Units to use the pipes, wires, conduits, cable television and public utility lines located in the Common Elements or in the Unit itself servicing such other Units and/or the Common Elements or the Limited Common Elements.

(b) Easements in favor of the Condominium Board, its agents, contractors or employees to have a right of access to the Unit and to the Common Elements to inspect, maintain or repair or to make repairs to the Unit to prevent damage to the Common Elements or any other Units, to make repairs to the common Elements, to any wires, pipes, conduits or cable

television system servicing any of the Units or to make repairs to any other Unit;

(c) Easements in favor of those Units having portions of the Common elements limited to their use; and

(d) Easements for the continuance of encroachments on the Unit and on the Common Elements by other Units or portions of the Common Elements or Limited Common Elements, now existing by reason of the construction of the Units, or hereafter by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Condominium Board of the Units or such other Units or such Common Elements, after damage 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 the Condominium Board, so that any such encroachments may remain as long as the Units stand.

SCHEDULE B

Purchaser's Inspection Report[1]

[1] Need to provide form.

Schedule C

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards
FOR SALES CONTRACTS

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The sell of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Sponsor's Disclosure (initial)

_____ (a) Presence of Lead-based paint and/or lead-based paint hazards (check one below):

- ☐ Known lead-based paint and/or lead-based hazards are present in housing (explain).
- ☐ Sponsor has no knowledge of lead-based paint and/or lead based paint hazards in housing.

_____ (b) Records and reports available to the seller (check one below):

- ☐ Sponsor has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
- ☐ Sponsor has no reports or records pertaining to lead based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

_____ (c) Purchaser has received copies of all information above.

_____ (d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home.*

_____ (e) Purchaser has (check one below):

- ☐ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or
- ☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Selling Agent's Acknowledgment (initial)

_____ (f) Selling Agent, as Agent, has informed the Sponsor of the Sponsor's obligations as seller under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Bridge Capital Corp., Sponsor

By:_____
Date:

_____
Purchaser Date:

_____
Selling Agent, as Agent Date:

_____
Purchaser Date:

FORM OF POWER OF ATTORNEY

UNIT OWNER'S POWER OF ATTORNEY

The undersigned _____, residing at _____, the owner of the condominium unit (hereinafter called the "Unit") known as apartment _____ at 257 West 57th Street, New York, New York and identified in the Declaration (as such term is hereinafter defined) as Unit No.___ of The West 117th Street Condominium, and also designated as Tax Lot ___ in Block 1923 on the Tax Map for the Borough of Manhattan of the Real Property Assessment Department of the City of New York and on the Floor Plans of the Condominium (the "Floor Plans") filed with that Department on _____, 2002, does hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, acting jointly, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board, or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the Bylaws, to:

1. acquire in the name of the Condominium Board or its designee, on behalf of all Unit Owners, any Unit, together with its Appurtenant Interest: (a) whose owner desires to surrender the same pursuant to Section 6.2.2 of the ByLaws; (b) that becomes the subject of a foreclosure or other similar sale; or (c) for the use and occupancy of a superintendent or otherwise, on such terms, including, without limitation, price (with respect to subdivisions (b) or (c) above) as said attorney-in-fact shall deem proper;

2. following due authorization by the Unit Owners, acquire or lease in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, any Unit, together with its Appurtenant Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, on such terms and conditions, including, without limitation, price or rental, as said attorney-in-fact shall deem proper;

3. convey, sell, lease, mortgage, or otherwise deal with (but not to vote the interest appurtenant to) any Unit so acquired or to sublease any Unit so leased by them, without the necessity of any further authorization by the Unit Owners, on such terms as said attorney-in-fact may determine, granting to said attorney-in-fact the power to do all things in and to said Unit which the undersigned could do if the undersigned were personally present; and

4. execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the Register's Office: (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance,

regulation, zoning resolution or requirement of the Department of Buildings, the Landmarks Preservation Commission, 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 (b) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

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

The undersigned does hereby irrevocably nominate, constitute and appoint Bridge Capital Corp. (the "Sponsor") as attorney-in fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, ByLaws, Rules and Regulations and Floor Plans of the said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 9 of the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor or Sponsor's designee, if any, shall cease to own any of the Units in the Condominium.

Except where otherwise herein defined, capitalized terms contained herein have the same meanings ascribed to them as are contained in that certain Declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as and by the street number 257 West 117th Street, New York, New York, pursuant to Article 9-B of the Real Property Law of the State of New York, which Declaration was recorded in the Register of the City of New York for New York County ("Register's Office") on _____, 2004, in Reel ____, at page ____.

IN WITNESS WHEREOF, the undersigned has executed this Unit Owner's Power of Attorney as of the_____ day of _____,200_.

_____

_____

STATE OF NEW YORK)

) ss.:

COUNTY OF NEW YORK)

On the ___ day of _____ in the year 200_ 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 whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by his/her signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

STATE OF NEW YORK)

) ss.:

COUNTY OF NEW YORK)

On the ___ day of _____ in the year 200_ 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 whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by his/her signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

POWER OF ATTORNEY

_____,
as Owner

Unit No. ___ in The 257 West 117th Street Condominium

Tax Map Identification:

Tax Block 1923
Lot _____
New York County

Record and Return to:

SEIDEN & SCHEIN, P.C.
570 Lexington Avenue
New York, New York 10022

FORM OF CONDOMINIUM UNIT DEED

CONDOMINIUM UNIT DEED

257 WEST 117TH STREET CONDOMINIUM

THIS INDENTURE, made the ____ day of _____ , 200_, by and between Bridge Capital Corp., having an address at 1274 Fifth Avenue, New York, New York 10029 (the "Grantor") and _____, having an address at _____ (the "Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, receipt of which is hereby acknowledged, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") known as apartment no. ____ in the building (the "Building") known as the 257 West 117th Street Condominium (the "Condominium") and by the street number 257 West 117th Street, in the City, County and State of New York, said Unit being designated and described as Condominium Unit No. ___ in a certain declaration dated _____, 200__ (the "Declaration") made by the Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") establishing a plan for condominium ownership of the Building and the land (the "Land") upon which the Building is situate (the Land and the Building being hereinafter collectively referred to as the "Property"), which Declaration was recorded in the Office of the Register of the City of New York for New York County on the ___ day of _____, 2001 , in Reel ___at Page ___. This Unit is also designated as Lot ___, Block 1923 of Section __ on the Tax Map of New York County and on the on the Floor Plans of the Building, certified by _____ and filed with the Real Property Assessment Department of the City of New York on _____, 200_, as Condominium Plan No. __, and also filed in the City Register's Office on _____, 200_, as Map No. ___. The Property is more particularly described as follows:

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 117th Street, distant 225 feet easterly from the corner formed by the intersection of the easterly side of 8th Avenue and the northerly side of West 117th Street;

RUNNING THENCE northerly, parallel with 8th Avenue, 100 feet 11 inches to the center line of the block;

THENCE easterly, along the center line of the block, 100 feet;

THENCE southerly, parallel with 8th Avenue, 100 feet 11 inches to the northerly side of West 117th Street; AND

THENCE westerly, along the northerly side of West 117th Street, 100 feet to the point or place of BEGINNING.

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

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with the benefits, and SUBJECT to the Burdens, of the provisions contained in the Declaration and in the Bylaws of the Condominium, as the same may be amended from time to time, all of which 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 such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit and/or the Property.

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

If any provision of the Declaration or the Bylaws is invalid under, or would cause the Declaration or the Bylaws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the Bylaws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the Bylaws, or if the Declaration and the Bylaws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the Bylaws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way, except as set forth in the Declaration and the Bylaws (and any Rules and Regulation adopted under the Bylaws). This covenant is for the personal benefit of Grantee only and cannot be assigned to, or exercised by, or inure to the benefit of any one

else, including, without limitation, any insurer of Grantee's title or any successor of Grantee's interest.

The Grantor, in compliance with Section 13 of the Lien Law of the State of New York, 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 costs of the improvements at the Unit and will apply the same first to the payment of the costs of such improvement before using any part of the same for any other purpose.

By executing this Deed, the Grantee accepts and ratifies the provisions of the Declaration and the Bylaws and the Rules and Regulations 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.

This conveyance is made in the regular course of business actually conducted by the Grantor herein.

The terms "Grantor" and "Grantee" shall be read as "Grantors" and "Grantees" however 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:

BRIDGE CAPITAL CORP.

By:_____
Stanley Wolfson, President

GRANTEE(S):

_____
Name:

_____
Name:

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

On the ___ day of _____ in the year 200_ 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 whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by his/her signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

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

On the ___ day of _____ in the year 200_ 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 whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by his/her signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

CONDOMINIUM UNIT DEED

BRIDGE CAPITAL CORP.,
as Grantor

to

_____,
as Grantee

Unit _____ in The 257 West 117th Street Condominium

Tax Map Identification:

Tax Block 1923
Lot #
New York County

Record and Return to:

_____

_____

_____

DESCRIPTION OF PROPERTY
AND
BUILDING CONDITION

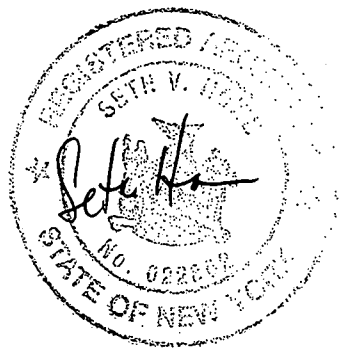
257 WEST 117th STREET
NEW YORK, NEW YORK 10026

File No. CD03-0070

Revised: 15 January 2004

Prepared by: Seth V. Howe, AIA
License No. 022802
New York State

studioHOWE
827 Washington Street
New York, NY 10014



GENERAL

The building has a common lobby area that has an elevator which serves a commercial condominium unit on the cellar through third floors, and new residential condominium units on the fourth through seventh floors. There will be four condominiums per floor, for a total of sixteen two-bedroom units. Each unit will have a total of five residential rooms. Two common egress stairways serve the basement through seventh floors. All renovation work is within the existing structure and no additions to the building are planned, therefore no soils report is required. Air development rights do not apply to this conversion. A revised certificate of occupancy will be obtained prior to closing. The street façade is to be completely resurfaced and/or repaired as required and a Local Law 10/11 report will be filed upon completion. Inspection certificates for the elevator and the boiler will be provided prior to the closing. All existing building violations will be corrected prior to closing. The building use is an existing training school and proposed J-2 Residential.

ORIGINAL CONSTRUCTION

The original building dates to the late Nineteenth Century, with later floors added sometime in the early 20th Century. The building is located on Block 1923 and occupies Lot 10 on the north side of West 117th Street between Frederick Douglas Blvd. and St. Nicholas Avenue. The lot size is 10,092 Square feet and measures 100' x 100.92'. The building occupies the entire lot with the exception of a five foot deep rear yard. The building has seven floors and a cellar. The total building height is 75 feet +/-, not including the stair and elevator bulkheads. The existing parapet is 3'-0" high. The floor to floor height is approximately 9'-10". The building is of Class 2B combustible construction, with load bearing brick exterior walls. It is composed of two sections, an earlier section of heavy timber beams and columns with wood joist floor framing, and a later section of cast iron columns and beams with wood floor joist floor framing. The foundation walls themselves were not accessible and their condition could not be determined, but it is assumed by the general good condition of the structure that the foundations are intact and adequate. No new floors or additions are to be added. The street façade was recently stuccoed, and no signs of settlement of exterior walls was detected. The cellar floors, walls and ceilings are in Good condition. The foundation walls as examined from the cellar are in good condition with no indication of deterioration. Exterior foundations and footings are not accessible but are assumed to be in good condition.

Floor framing is composed of wood beams and concrete slab bearing on cast iron columns and brick exterior walls. The overall condition of the structure appears to be very good.

CURRENT WORK RENOVATION

The current renovation work involves improvements to all areas of the fourth through seventh floors, the roof, and the limited first floor common lobby. All work being undertaken will have been approved by the NYC Department of Buildings by the time of completion. The new work will comply with NYC Local Law 58/87 (handicapped provision). All new work will include the renovation of a residential lobby, and four renovated floors of the building, which will contain four units each, for a total of twelve residential units. These will occupy the fourth through seventh (top) floors. All new interior partitions will be a minimum of gypsum board over metal studs. New one-hour fire rated gypsum board floor/ceiling assemblies will be installed on all areas of the fourth through sixth floors, and a new 3/4hour fire rated roof/ceiling assemblies will be installed on the seventh floor. The current renovation work is expected to be completed in the spring of 2004.

The contractors will carry Comprehensive General Liability insurance covering their operations for this work. The developer reserves all future development rights.

STREETS, SIDEWALKS & YARDS

West 117th Street is paved in asphalt and the sidewalks are poured concrete, which are both in satisfactory condition. There are no driveways or ramps. The lobby is at grade level. The rear yard runs the length of the building and measures five feet deep. It is currently paved and not accessible to the residential tenants. It is in good condition. There are no recreation areas included in the residential proposal.

EXTERIOR FACADES & BULKHEADS

The exterior brick was observed to be in Good condition. There are currently no leaks in the building façade. The masonry appears to be in good condition and shows no signs of deterioration or distress. Any and all defects found will be brought up to good condition during the building renovation.

The windows will be one over one aluminum framed double hung, thermally insulated windows with spiral balances that tilt in for cleaning. The windows will be New and will be fully watersealed with flashing and sealant to prevent leaks. New windows at street and rear façade are by Crystal Windows, Model # CTD-5000, aluminum double hung. Windows at lot lines to be self-closing ¾ hour fire rated by Optimum Window Manufacturing Corp., Model # SC7650. Warrenties are 3-year for finishes, 1-year for operable parts. Lintels and sills are generally in Satisfactory condition and will be

scraped and repainted. No evidence of any foundation subsoil deficiencies or moisture seepage was noted in the first floor facades.

ROOFS

A new roof has recently been installed on the main level of the building. The roofing is Firestone APP 180 modified bitumen with a 10 year guarantee and a 1 year warranty on labor and installation.

The main roof is pitched to drain to internal drains, and additional drains will be installed as part of this renovation. The roof is surrounded by brick parapets which are topped in clay tile copings. Parapets were in poor condition and have been repaired. There are two unlined chimneys at the center wall of the building that are in need of repointing and will be repaired.

All roof drainage is through cast iron roof drains connected to cast iron internal drain lines. All roof drains to be New. There are currently no active leaks in roof drainage system.

A new roof terrace will be installed on the center portion of the roof (see enclosed plans). The terrace will measure 1440 SF. The deck will be steel framed with/ 1"x2" open bar grating with rubber paver walking surface. A 42" high painted steel pipe railings will surround the roof deck on all sides.

ENTRANCE VESTIBULE, PUBLIC HALLS, AND STAIRWAYS

All of the public areas will have gypsum board and metal stud walls, and gypsum board ceilings. Fire rating will be two hour throughout. New lighting fixtures will be installed throughout. A pair of aluminum and glass doors will frame each end of the vestibule leading to the common first floor lobby. The common first floor lobby will have stone paver floors. All service doors to be flush panel steel with steel buck. Residential unit doors to be inset panel fire-rated steel doors with steel buck and self-closing hinges.

New fire stairs to be prefabricated steel plate with thin-set concrete treads. Stairs to be painted.

New mailboxes for residential units by Security Manufacturing, Inc., Horizontal, front loading, 910 Series.

The public hallways will have wall to wall carpeting on the floors and new ceiling mounted lighting fixtures. All materials and fixtures to be New.

A commercial unit (which is not being offered) occupies the cellar through third floors and is served by both a separate entrance and the common first floor lobby, as well as a separate egress stair and the common egress stair. Because it is being used as a school, the separate entrance for the commercial unit and areas for students and faculty shall be furnished in a manner customary with schools. All windows are thermally insulated aluminum double hung.

SERVICE AREAS

The cellar contains various utility service and meter rooms. All miscellaneous metalwork in basement and on roof is in good condition.

These areas are finished with concrete floors and masonry walls. Ceiling mounted fluorescent lighting is provided in all rooms. The overall condition of the service area will be Good

HEATING, AIR CONDITIONING AND VENTILATION

Each residential unit will be provided with a forced air heating/cooling system located within the unit. The units will be split system type with roof mounted condensing units. Cooling units by York Model # H2DB060-25. Interior air handlers Model # G3UA061. Cooling units are 5 tons per unit.

The furnaces will be gas fired and vented to roof and located in a fireproof closet. Furnaces by York - Model # G8C1520UHD11. Furnaces to be 120 MBH per/unit. The overall condition of the HVAC system will be New. All heating and hot water systems to be new and will be individual for each unit. Hot water heaters by Rheem, gas fired, Model # RHG PRO-100-75 75K BTU. Inspection certificates to be provided upon completion.

Thermostats to be by Honeywell – Chronotherm Programmable Electronic Model # T8601D2019.

Bathroom and kitchen ventilation will be provided by mechanical means utilizing fans and ductwork located in chases that run the height of the building.

The public lobby will have a self-contained 4 ton HVAC unit ceiling mounted at the front door. System by Skymark - Model # AC04BE12A0A w/Penn Ventilation Louvers # M68.

All public corridors to be vented through ductwork to Penn Domex roof fans.

Roof Venting Schedule:
All exhaust fans by DOMEX

Common Corridors:	RCE-1	920 CFM	Model # DX11B
Garbage Rooms:	RGE-1	400 CFM	Model # DX08B
Toilet Rooms:	RTE-1	480/640 CFM	Model # DX08B
Kitchens:	RKE-1	1400 CFM	Model # DX11B
Electric Dryers:		4" vent to roof	
Furnace:		6" flue to roof	
Hot Water Heaters:		6" flue to roof	

PLUMBING

A water line will deliver water service via a house meter. All piping is New. All domestic supply distribution piping will be copper and sanitary stack piping will be cast iron. Water pressure will be satisfactory for normal residential uses. All piping is New and there are currently no active leaks. Water connection is existing and approved use by NYC Department of Protection.

GAS

A gas main service will bring gas to a house meter with the Gas Meter Room. Gas piping will provide individual service to each residential unit for cooking, hot water, and heating purposes. All gas piping is to be steel pipe with malleable iron fittings as per code and to be New. New gas lines supplied by Consolidated Edison from 117th Street directly to the Gas Meter Room.

ELECTRICAL

New main building service will provide 3000 amps, III phase, 208 volt service which will be distributed to individual 150 amp disconnects in the Electric Meter Room and then to circuit breaker panels within each apartment. The service and distribution will be new, and provide adequate capacity for modern usage within the units. The number of circuits within each unit is 12. The light fixtures shall include a combination of surface mounted fixtures in bedrooms, recessed lights in the halls; recessed, hanging, and surface mounted in kitchens; and surface mounted and wall mounted in baths. All lighting is to be by Progress Lighting. The lobby and corridors will be provided with lighting fixtures that maintain adequate lighting levels. Electric service provided by Consolidated Edison. Incoming Service: 3000Amps, 208V/120A.C., 3PH, 4W, 60 Hz.

SMOKE ALARM AND FIRE PROTECTION SYSTEM

Smoke alarm devices will be hard wired and installed in each residential unit, as per NYC Department of Buildings requirements. Smoke detectors installed inside the apartments are to be maintained by the individual tenants in the respective apartments.

The residential units and common hallways will be fully sprinkled. All piping, including risers and distribution piping is to be new. All sprinkler heads are to be of the concealed head type.

ELEVATOR

A new elevator by will consist of an approximately 5' x 6' finished cab with a one speed sliding type automatic door, which stops at the first through seventh floors. The elevator will be traction type, 2500 pound capacity and operate at 200 feet per minute. It will have fully automatic controls. Finishes will be ceramic tile floor and composite panel walls and ceiling. Elevator is by Staley Elevators. Elevator is new and once completed an inspection certificate will be provided.

The elevator will run in a fireproof shaft and will have a machine room on the roof. Overall condition of the elevator system will be New.

RESIDENTIAL UNITS

All apartments will be finished with hardwood floors and painted gypsum board walls and ceilings, The doors will be painted wood/mdf, with stiles and raised mdf panel set in wood frames. Millwork trim will be provided at the bases and door openings. Bathrooms will be finished with new marble and ceramic tile and new fixtures (see enclosed list). Kitchens will have new ceramic tile floors, marble countertops, stainless steel cabinets, and appliances (see enclosed appliance list). The condition of all fixtures, appliances and finishes in the apartments is New. See fixture and finish schedules.

Ceiling heights of rooms within the apartments will vary. Approximate finished floor to finished ceiling height of the units will be 8'-6".

INTERCOM

There will be an intercom panel at the front vestibule door of the first floor common lobby and will communicate with the residential units. New intercom panels are to be installed in each apartment as a part of the current work. Door releases will be provided at the outside vestibule doors.

CABLE TELEVISION

Cable television lines will be distributed to individual units. Cable will be supplied by Time Warner and will have television and high speed internet service available to the units. All units will be fully wired.

REFUSE DISPOSAL

Normal NYC residential refuse collection and recycling. Refuse is placed in a refuse bin on each floor in a refuse closet. Refuse closets are ventilated per code.

PEST CONTROL

Routine pest control will be provided on an as needed basis.

ASBESTOS AND LEAD PAINT

An asbestos inspection was performed by an NYC DEP Certified Asbestos Investigator, Vladamir Elzon. No asbestos was found. A copy of the report is attached. All interior surface and finishes in the project will be constructed new and will not contain any lead paint. Any lead paint which may have existed on the premises prior to renovation will be removed or concealed within new construction.

VIOLATIONS

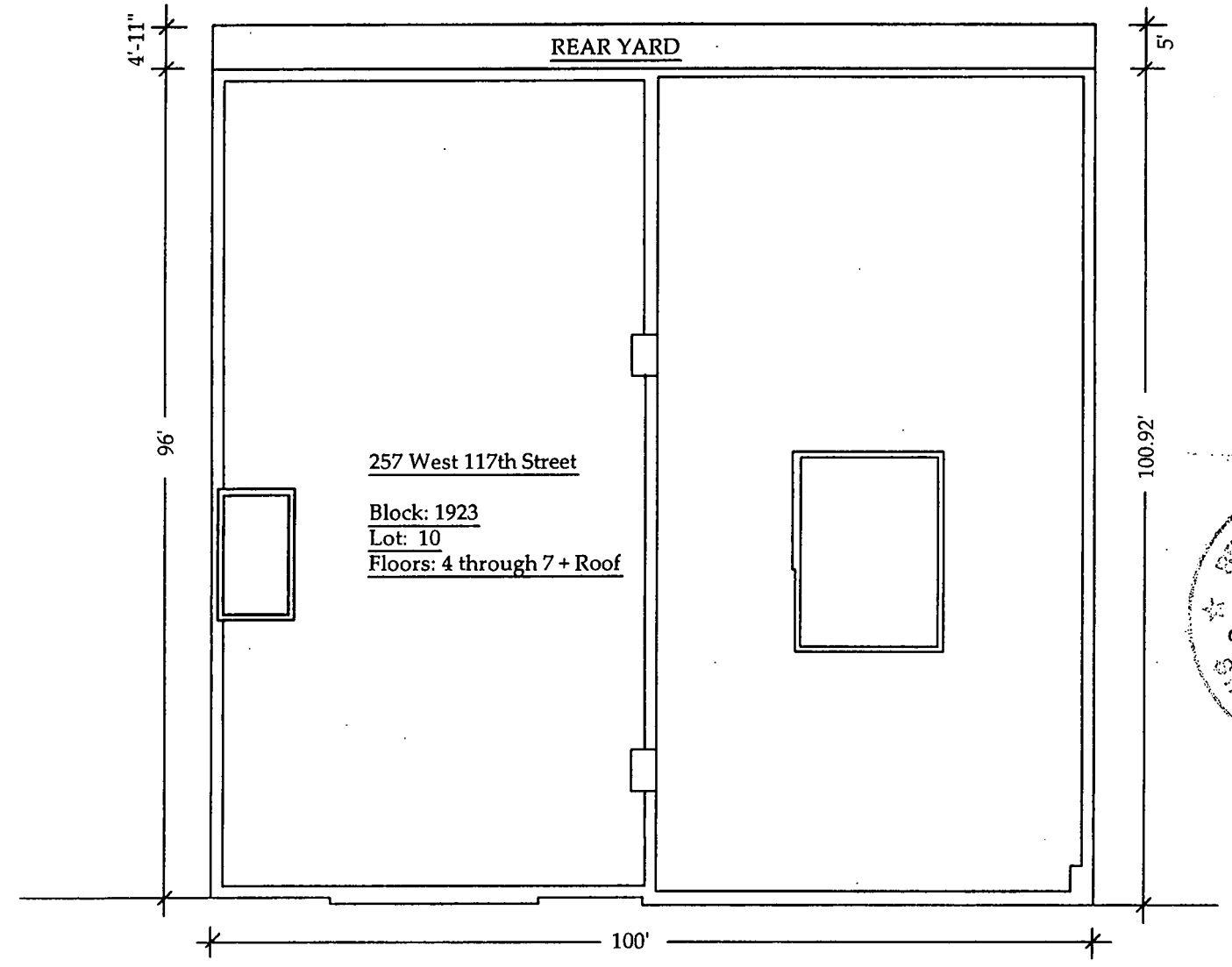
All current violations will be cleared prior to obtaining a Certificate of Occupancy. See enclosed list. A new Certificate of Occupancy will be issued at the closing of the project.

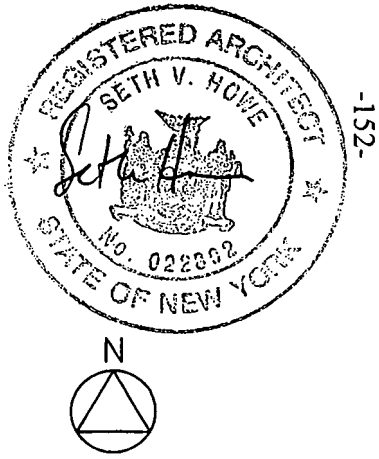
Note: All underlined text responds to comments made by examiner dated 1/12/04.

See enclosed Addenda Sketches for Basement, Second & Third Floor Plans. Basement though third floors Not In This Offering.

257 WEST 117th STREET			
BATHROOM FIXTURE LIST			
Date: 12/12/03			
Master Bathroom:			
Fixture	Make	Model	Finish
Lavatory	Kohler	Kathryn	White
Sink Faucets	Kohler	Purist	Polished Chrome
Tub	Kohler	Maestro	White
Tub Fittings	Kohler	Purist	Polished Chrome
Shower Fittings	Kohler	Purist	Polished Chrome
WC	Kohler	Wellworth	White
Second Bathroom:			
Lavatory	Kohler	Kathryn	White
Sink Faucets	Kohler	Purist	Polished Chrome
Tub	Kohler	Tea for Two	White
Tub Fittings	Kohler	Purist	Polished Chrome
Kitchen Appliances & Fixtures:			
Range	GE	Monogram 36"	Stainless Steel
Range Hood	Miele	DA326	Stainless Steel
Refrigerator	Sub-Zero	700TC	Stainless Steel
Wine Cooler	Viking	Professional UC	Stainless Steel
Sink	Elkay	Lustertone	Stainless Steel
Sink Faucet	KWC	Domo-Inox	Stainless Steel
Dishwasher	Miele	Incognito	Stainless Steel
Washer/Dryer	Bosch	Axxis	White

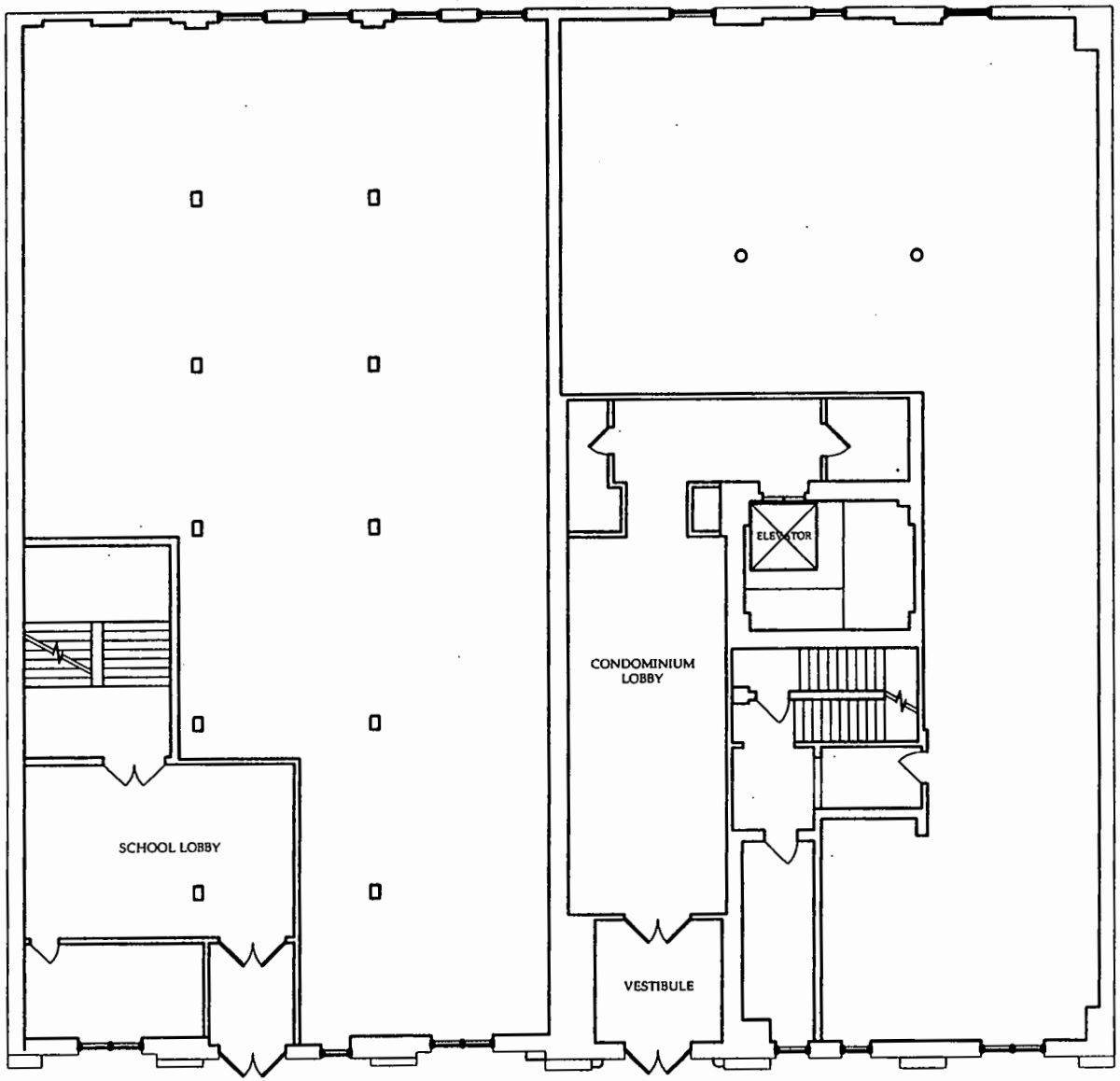
257 WEST 117th STREET			
FINISH SCHEDULE			
Date: 12/12/03			
COMMON AREAS			
	MAIN LOBBY	ELEVATOR	RESIDENTIAL
			CORRIDORS
FLOORS	Stone Pavers	Stone Pavers	Carpeting
WALLS	GWB w/Skim Coat	Wood Panels	GWB
BASEBOARDS	Stone	Stone	Painted Wood
TRIM	Wood	Wood	Painted Wood
CEILING	GWB	Metal Panels	GWB
LIGHTING	Recessed & Pendant	Recessed	Surface Mounted
ENTRY DOORS	Aluminum/Glass		Painted Steel
SERVICE DOORS	Painted Steel		Painted Steel





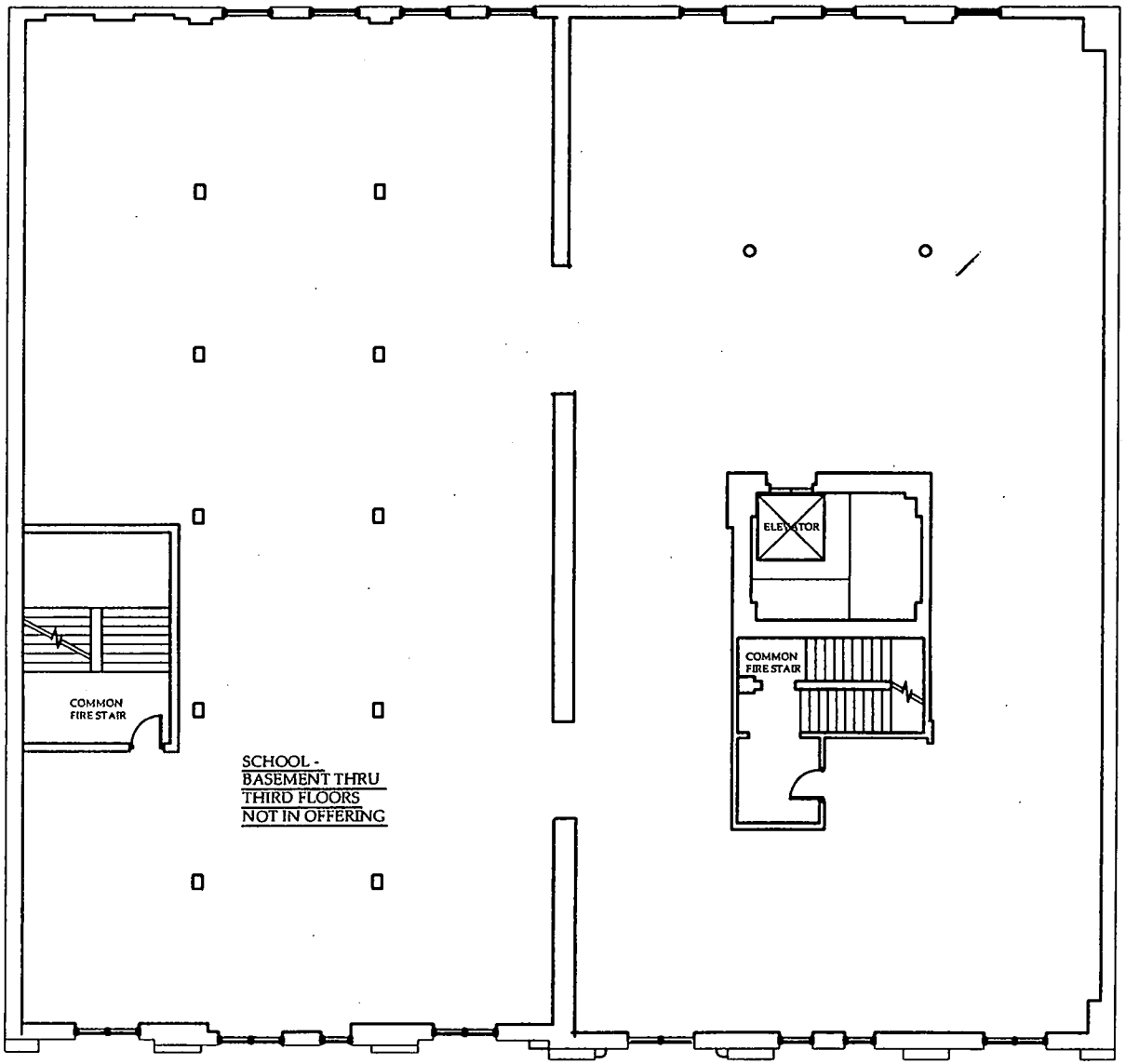
257 WEST 117th STREET
Site Plan

NTS



257 WEST 117th STREET

GROUND FLOOR PLAN



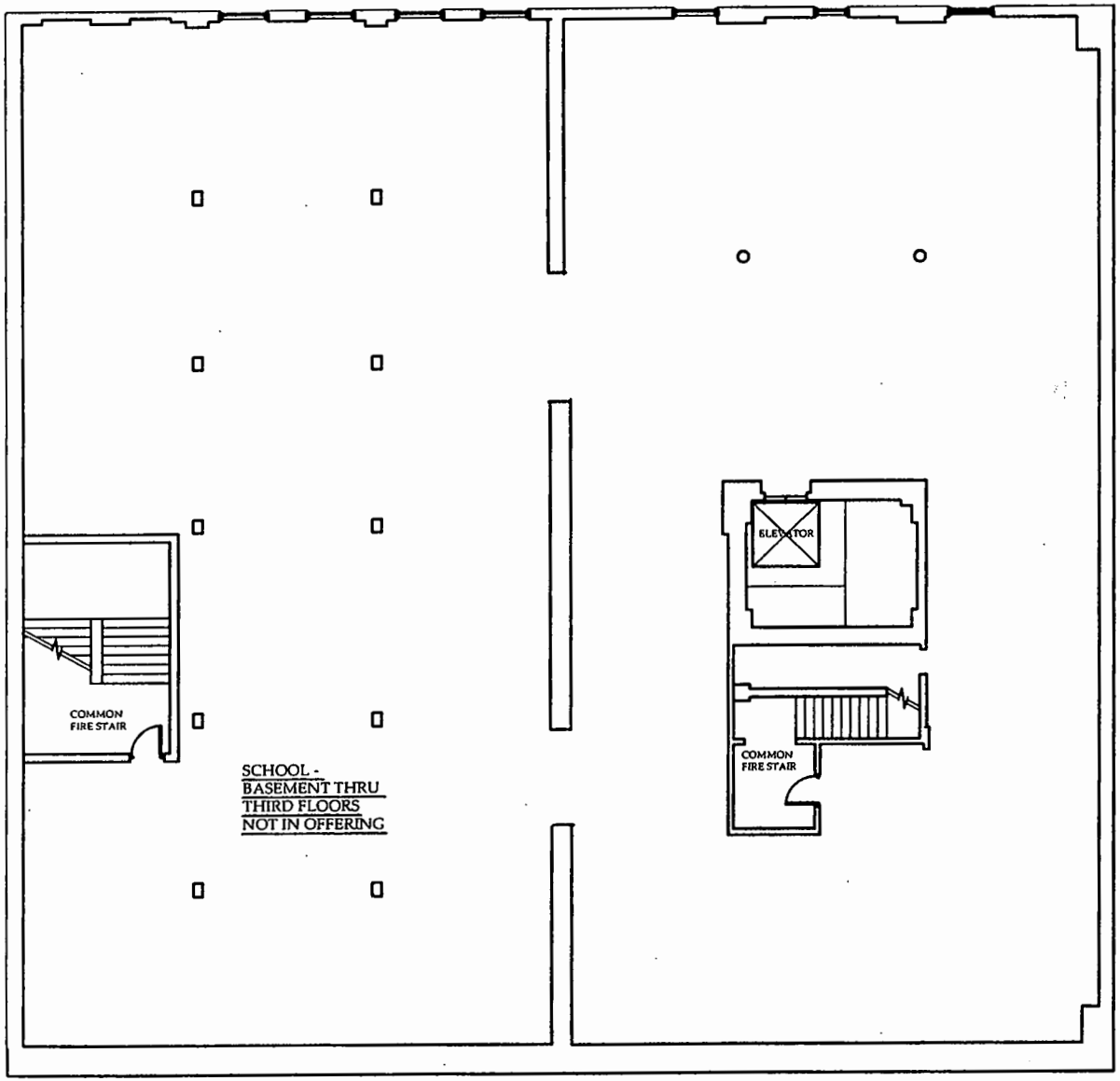
NOTE:
SCHOOL OCCUPIES BASEMENT THRU THIRD FLOORS -
NOT IN THIS OFFERING

257 WEST 117th STREET

SECOND & THIRD
FLOOR PLANS

12-12-03

ADDENDUM SK-1



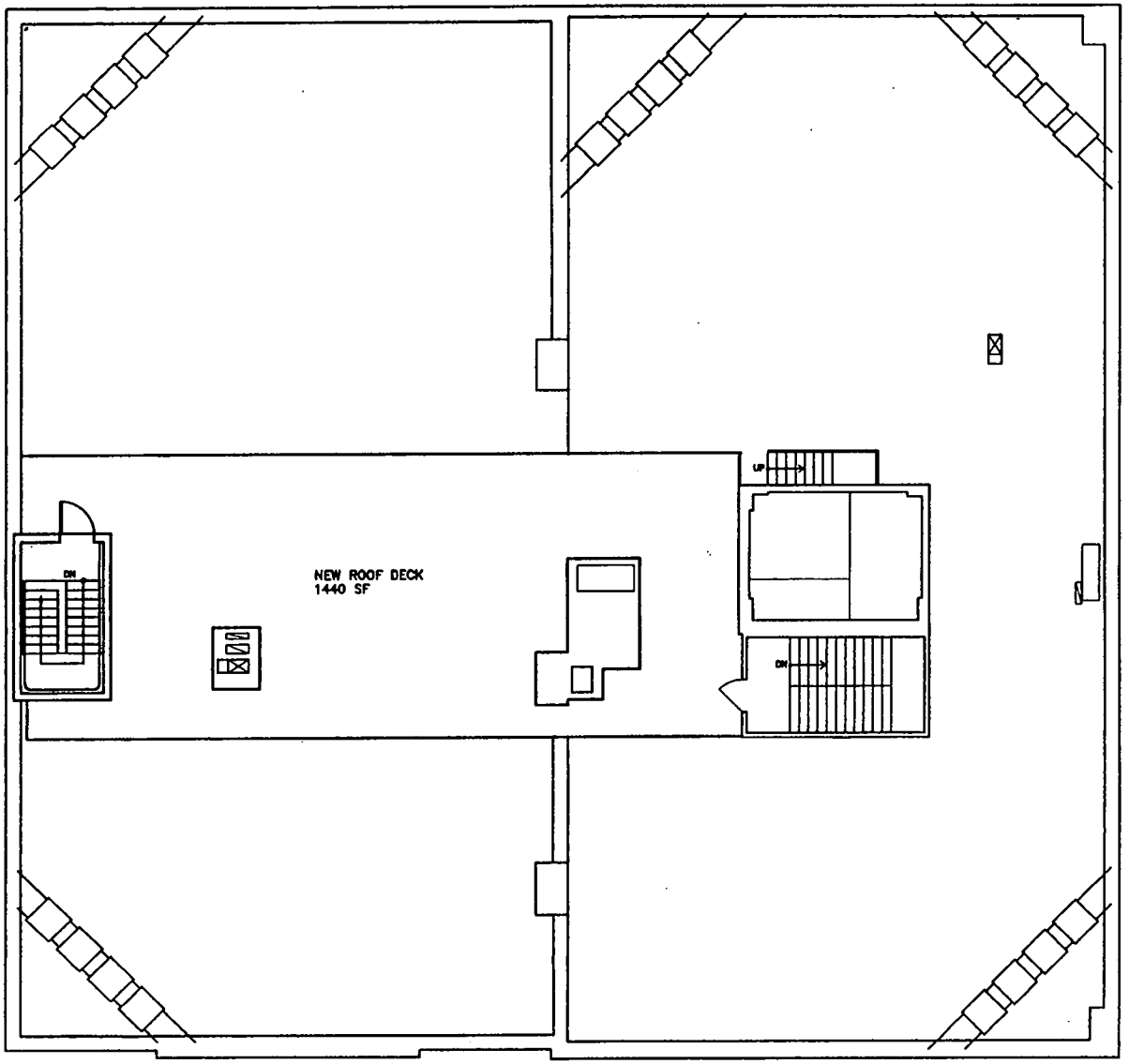
NOTE:
SCHOOL OCCUPIES BASEMENT THRU THIRD FLOORS -
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257 WEST 117th STREET

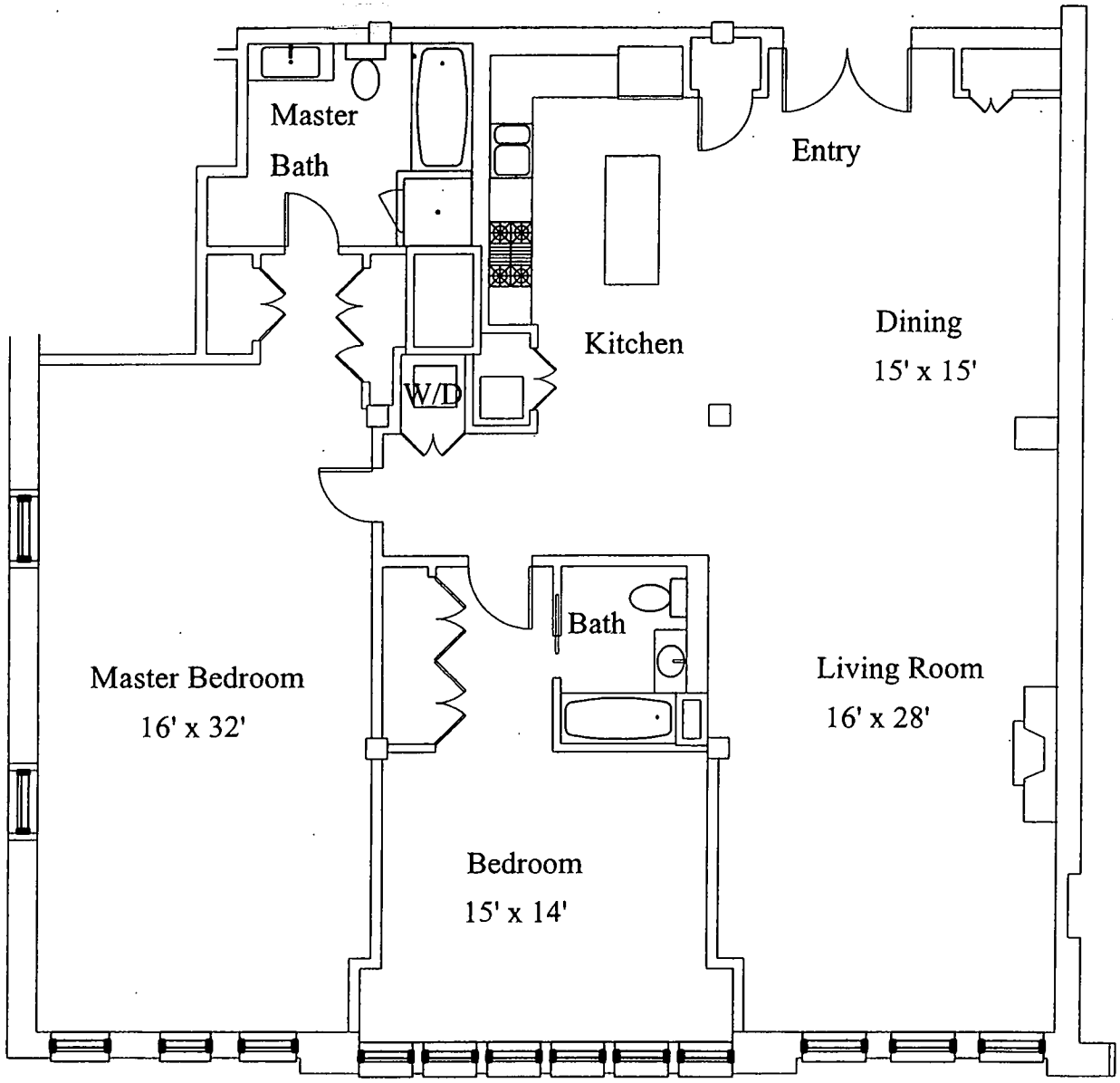
BASEMENT
FLOOR PLAN

12-12-03

ADDENDUM SK-2

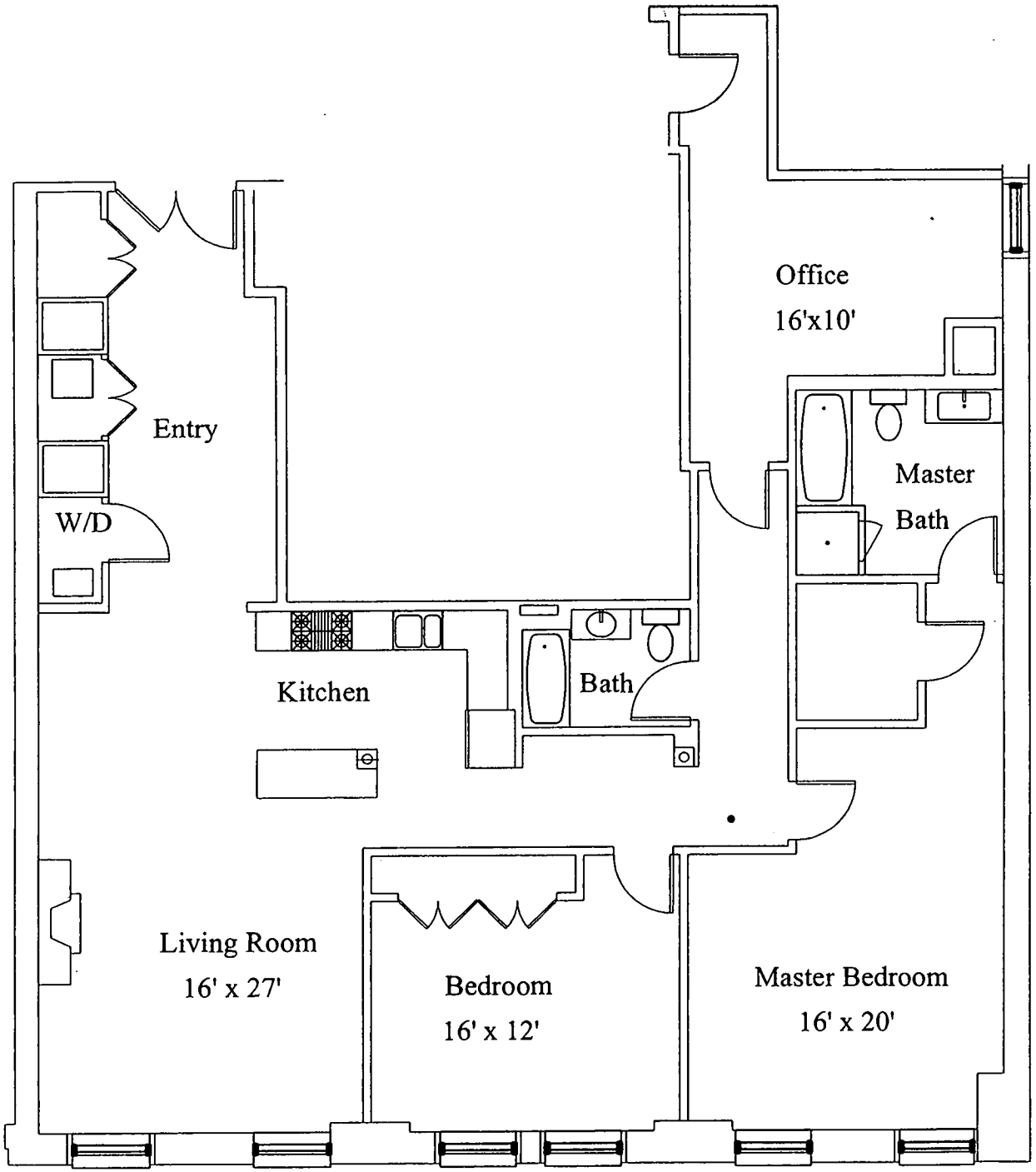


257 WEST 117th STREET
Roof Plan



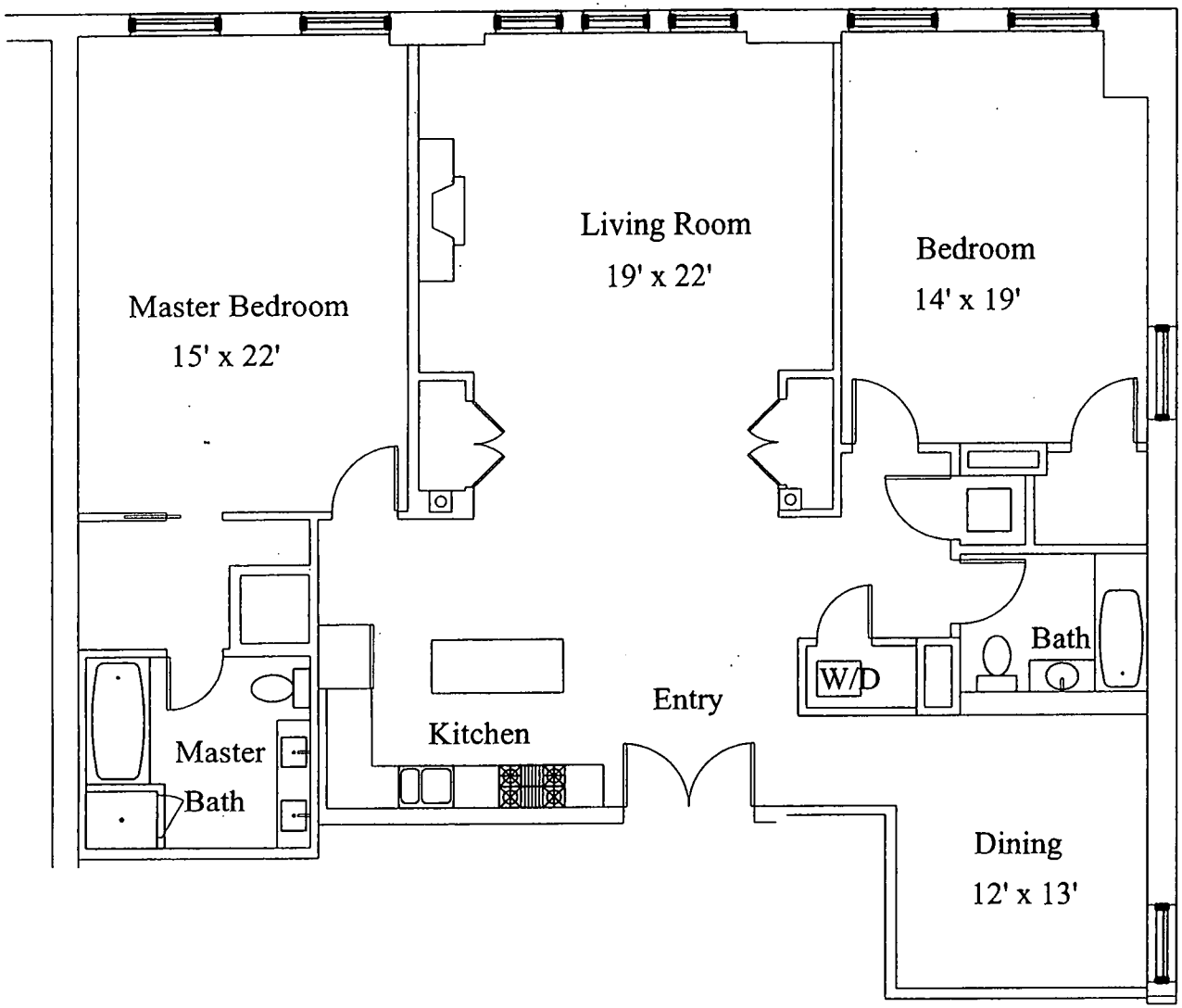
257 West 117th Street

Units 4A - 7A



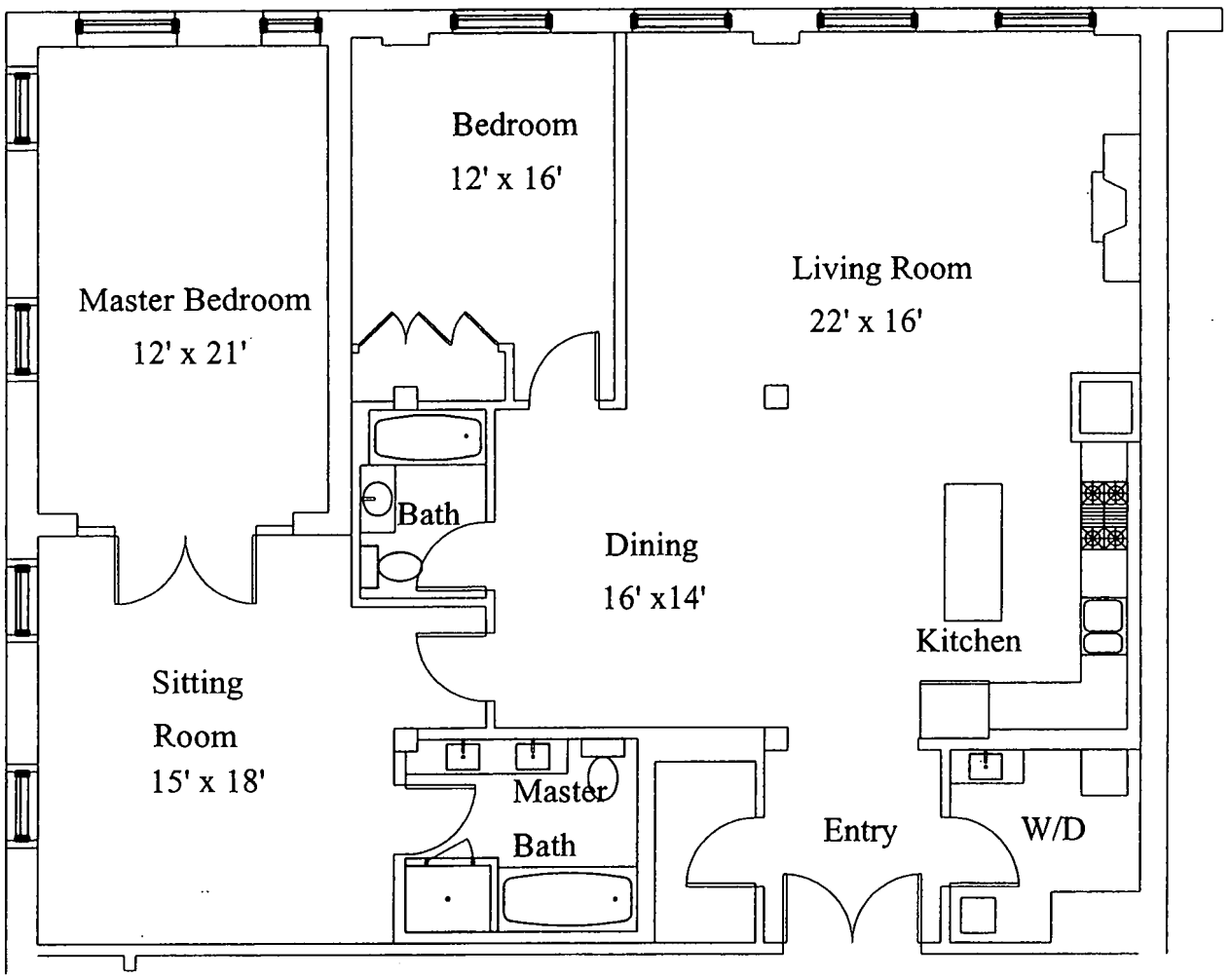
257 West 117th St.

Units 4B - 7B



257 West 117th St.

Units 4C - 7C



257 West 117th St.

Units 4D - 7D

Asbestos Report

VLADIMIR ELZON
ENVIRONMENTAL CONSULTANT
184 JAFFRAY STREET
BROOKLYN, NY 11235
(718) 934-7607

February 25th, 2003

ATTN: **Bridge Capital Corp.**
600 West 57th Street, New York, NY

RE: **257 West 117th Street- Asbestos and Lead Inspections**

To Whom It May Concern:

On February 24th 2003, I performed an asbestos and lead inspections at the above noted location in order to determine the presence of asbestos containing materials (ACM) and lead paint in the building. During the visual inspection, the building manager who also allowed me to conduct a thorough interview with him assisted me. Also for my purposes, I reviewed the previous inspections of the building that are on the record, as well as database sheets and specifications of materials used during renovations. Based on all the information, which I obtained, I can conclude that there are no asbestos- containing materials (ACM) and/or lead –based paint present in the building.

Should you have any further questions and/or concerns regarding the above information and findings, please feel free to contact me at (718) 934-7607.

Reported by:

Vladimir Elzon
State Inspector License No. AH88-05668

VLADIMIR ELZON
ENVIRNMENTAL CONSULTANT
184 JAFFRAY STREET
BROOKLYN NY 11235
(718) 934-7607

Vladimir Elzon has been an Environmental Consultant in private practice since 1987. He has conducted and assisted in performing over 5,000 asbestos inspections and assessments in the City and State of New York.

Since 1999, he has been the Vice President of Safe Environmental Consultants Inc., a company that conducts asbestos inspections, performs asbestos and lead assessments, and does analyses work.

During the period ranging from 1993-1998, Mr. Elzon was the Vice President of ARAZ Inc., a company that managed large asbestos projects and demolitions, as well as environmental assessments. From 1988-1992, Vladimir Elzon was President of AEV Construction, a company that was involved in large asbestos abatement and demolition projects.

Mr. Elzon attended ATC Associates Corporation, an asbestos training school in New York City where he studied for and obtained his New York State Asbestos Inspector's License (no. AH88-5668), a license he currently holds. Vladimir Elzon also holds a Bachelor of Science degree (1970) in Civil Engineering from the Odessa Polytechnic Institute in Odessa, Ukraine.

Vladimir Elzon resides and works in New York.

DECLARATION OF CONDOMINIUM

DECLARATION OF 257 WEST 117TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

Bridge Capital Corp., a Delaware corporation, having an office at 1274 Fifth Avenue, New York, New York 10029 (hereinafter referred to as the "Sponsor"), does hereby declare as follows:

1. Submission of Property. Sponsor hereby submits the Land together with the Building (each as hereinafter defined), owned by the Sponsor in fee simple absolute (the Land and Building, hereinafter collectively referred to as the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

2. Name of Condominium. This Condominium shall be known as the "**257 West 117th Street Condominium**."

3. The Land. The land consists of all that certain tract, plot, piece and parcel of land as more particularly described in Exhibit A annexed hereto and made a part hereof (the "Land"). The Land has an area of approximately 10,000 square feet.

4. The Building. The building erected on the Land (the "Building") was built in 1892 and is classified as being of fireproof construction and is constructed of cast in place reinforced concrete foundations, foundation walls, frames and slabs, with poured reinforced concrete exterior walls and roofs consisting of insulated roof membrane assemblies. It consists of a lower level (cellar) and seven additional floors.

5. The Units.

5.1. The Property is hereby divided into (a) one (1) commercial condominium unit (the "Commercial Unit"), consisting of portions of the lower level of the Building and the entire first, second and third floors of the Building, and (b) sixteen (16) residential condominium units (the "Residential Units") located on the fourth through seventh floors, inclusive, of the Building. The Commercial Unit and the Residential Units are sometimes hereinafter referred to collectively as the "Units" and individually as a "Unit", and the owners of the Units are hereinafter referred to collectively as the "Unit Owners" and individually as a "Unit Owner".

5.2. Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit number or name; (ii) its tax lot number; (iii) its approximate square foot area; (iv) the number of rooms; (v) the portions of the Common Elements (as hereinafter defined) or Limited Common Elements to which the Unit has immediate access; and (vi) the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the

Building (the "Floor Plans") certified by Ernst & Associates and filed in the Office of the Register of the City of New York for New York County (the "City Register's Office") simultaneously with the recording of this Declaration.

5.3. (a) The approximate physical dimensions of each Residential Unit consist of the area extending horizontally from the interior face of exterior masonry walls to the Unit-side face of masonry walls or gypsum wallboard partitions enclosing any Common Element, including, but not limited to, stairs, elevators, mechanical shafts, or structural members. Vertically, each Residential Unit consists of the space between the top of the concrete slab below (located under the finished flooring and subfloor materials) and the underside of the concrete slab of the floor or roof above.

(b) Each Residential Unit includes: (i) the front entrance and any other doors located within or opening from such Unit, except stair doors; (ii) any interior walls, partitions, floors and floor coverings and gypsum board ceilings affixed, attached or appurtenant to such Unit, except where designated as a Common Element; (iii) all windows (including, without limitation, their panes, sashes, hardware and frames) located within, or opening from such Unit; (v) any and all equipment, fixtures and appliances affixed, attached, appurtenant to or exclusively serving such Unit regardless of the location of such equipment, fixtures and appliances; and (vi) all other facilities affixed, attached, appurtenant to such Unit and benefiting only that Unit.

(c) Notwithstanding the foregoing, any Common Element located within a Residential Unit shall not be part of such Unit.

5.4. (a) The approximate physical dimensions of the Commercial Unit shall consist of the area extending horizontally from the interior face of exterior masonry walls to the Commercial Unit-side face of masonry walls or gypsum wallboard partitions enclosing any Common Element, including, but not limited to, stairs, elevators, mechanical shafts, or structural members. Vertically, the Commercial Unit shall consist of the space between the top of the concrete slab below (located under the finished flooring and subfloor materials) to the underside of the concrete slab of the floor or roof above.

(b) The Commercial Unit includes: (i) the front entrance and any other doors located within or opening from such Unit, except stair doors; (ii) any interior walls, partitions, floors and floor coverings and gypsum board ceilings affixed, attached or appurtenant to the Commercial Unit, except where designated as a Common Element; (iii) all windows (including, without limitation, their panes, sashes, hardware and frames) located within, or opening from the Commercial Unit; (v) any and all equipment, fixtures and appliances affixed, attached, appurtenant to or exclusively serving the Commercial Unit regardless of the location of such equipment, fixtures and appliances; and (vi) all other facilities affixed, attached, appurtenant to the Commercial Unit and benefiting only the Commercial Unit.

(c) Notwithstanding the foregoing, any Common Element located within the Commercial Unit shall not be part of the Commercial Unit.

5.5. Notwithstanding anything contained in this Article 5 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, and to install pipes and wiring within the walls enclosing the Unit provided that no such installation shall impair the structural integrity of the Unit or of the Building or any Common Element in terms of structure or compliance with applicable codes, laws, or regulatory requirements.

6. Common Elements.

6.1. The common elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units (except for the Commercial Limited Common Elements, as hereinafter defined, which are included in the Commercial Unit). The Common Elements include but are not limited to, those rooms, areas, corridors, spaces and other portions of the Building (other than the Units) and all facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The "Limited Common Elements" of the Condominium consist of those Common Elements which serve or benefit exclusively a Unit or group of Units, but not all Units or Unit Owners. The Limited Common Elements which serve or benefit exclusively some or all of the Residential Units or the Residential Unit Owners are "Residential Limited Common Elements", while those serving or benefiting only the Commercial Unit or the Commercial Unit Owner are "Commercial Limited Common Elements". All Common Elements which are not a Limited Common Element are "General Common Elements".

6.2. The General Common Elements include the following:

a) The Land, together with all consents, rights and privileges appurtenant thereto;

b) All structural elements, foundations, foundation walls, main roof, footings, columns, girders, beams, supports, interior load bearing walls, floor slabs and ceilings;

c) All mechanical equipment and associated piping and controls, but only to the extent that the foregoing are neither a Residential Limited Common Element nor a Commercial Limited Common Element;

d) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards, excluding, however, all such items which are either a Residential Limited Common Element or a Commercial Limited Common Element, and all such items which are located within a Unit and serve only that Unit;

e) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters), excluding, however, all such items which are either a Residential Limited Common Element or a Commercial Limited Common Element, and all such items which are located within a Unit and serve only that Unit;

f) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves), excluding, however, all such items which are either a Residential Limited Common Element or a Commercial Limited Common Element, and all such items which are located within a Unit and serve only that Unit;

g) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms serving or benefiting all of the Units;

h) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the Units;

i) All other parts of the Property either existing for the common use of all of the Units or all of the Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property, as a whole; and

j) The roof, roof egress stairs, but excluding the rooftop elevator machine room with its enclosing walls, including all frames and finishes.

6.3. The Residential Limited Common Elements serve all or some of the Residential Units, collectively and indivisibly, and consist of the following:

a) The Building's elevator, including the elevator shaft, elevator equipment, the rooftop elevator machine room, the elevator pit, entrances and appurtenant facilities, and the enclosing walls of each of the foregoing and all framing and finishes thereof;

b) The main Building lobby, the lobby vestibule, the entrance to the main Building lobby, the doors at the main entrance to the Building, the stairwell exiting into the main Building lobby, the canopy, if any, the hallways and corridors in the fourth through seventh floors of the Building, and the enclosing walls of each of the foregoing and all framing and finishes thereof, excluding, however, all such items which are located within a Unit and serve only that Unit;

c) All mechanical equipment and associated piping and controls which serve or benefit all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit;

d) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards which serve or benefit all or some of the Residential Units but not the Commercial Unit;

e) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters) which serve or benefit all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit;

f) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves) which serve or benefit all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit;

g) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms (and all of their enclosing walls, including all framing and finishes) serving or benefiting all or some of the Residential Units, but not the

Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit;

h) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all or some of the Residential Units, but not the Commercial Unit, excluding, however, all such items which are located within a Unit and serve only that Unit; and

i) All lighting equipment serving the Residential Limited Common Elements, including lobbies, vestibules, stairs, corridors, mechanical spaces.

6.4. The Commercial Limited Common Elements serve the Commercial Unit exclusively and consist of all facilities which are, or in the future will be, located in or on the Property to serve or benefit the Commercial Unit exclusively, and consist of the following:

a) All mechanical equipment and associated piping and controls which serve or benefit the Commercial Unit exclusively;

b) All electrical risers, feeders, lines and equipment, including incoming service, main switch changer and distribution panel boards, conduits, wires, meters, transformers and panel boards which serve or benefit the Commercial Unit exclusively;

c) All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters) which serve or benefit the Commercial Unit exclusively;

d) All storm and sanitary sewer equipment and pipes (including ventlines, ejectors, interceptors, filters and valves) which serve or benefit the Commercial Unit exclusively;

e) All electric service rooms, gas and water meter rooms, sprinkler rooms and other service, mechanical and utility rooms (and all of their enclosing walls, including all framing and finishes) which serve the Commercial Unit exclusively; and

f) All other facilities of the Building (including shafts, pipes, wiring, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence,

maintenance, operation or safety of the Commercial Unit exclusively.

The Condominium Board will operate, manage and control the General Common Elements and the Residential Limited Common Elements. The Commercial Unit Owner will operate, manage and control the Commercial Limited Common Elements.

7. Use of Units.

7.1. The Sponsor or its designee shall have the right, at any time and from time to time, without permission from the Condominium Board or from any Unit Owner or mortgagee, and without payment of a fee, to use any one or more of the Units owned by the Sponsor or its designee (the "Unsold Units") as model units and offices for selling, renting, management, operation and promotion of the Unsold Units owned by it for any other lawful purpose, subject only to compliance with laws, which right includes changing the use of a Unit (i.e., from residential to commercial, and vice-versa) as long as the zoning for the Property and the then existing certificate of occupancy permit the proposed use or Sponsor or its designee obtains a zoning variance or other zoning relief and/or a new or amended certificate of occupancy to authorize such proposed use. The term "designee" means, with respect to the Sponsor, any affiliate of the Sponsor.

7.2. Any Residential Unit may be used only for residential purposes and, subject to compliance with the Bylaws, for a lawful home occupation. Residential Units may be 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), and may only be occupied by said individual, or an officer, director, stockholder or employee of such corporation, or a member of said limited liability company, or a partner or employee of such partnership, or said fiduciary (including directors, officers, stockholders or 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, or members of the immediate family or nonpaying guests of any of the foregoing. Units may only be leased in accordance with the Bylaws and the Rules and Regulations. Not more than one family may occupy a Residential Unit at one time.

7.3. Within thirty (30) days after a person, other than a natural person, becomes the owner of a Residential Unit, such non-individual owner shall notify the Managing Agent, in writing, of the name of the individual designated by such owner to occupy its Residential Unit. The non-individual owner may change such designee from time to time by similar written notice to the Managing Agent.

7.4. The limitations contained in Sections 7.1 and 7.2 hereof do not apply to Unsold Units or to the Commercial Unit or the owner thereof. Such Units may be leased to any persons (whether individuals, corporations, partnerships, fiduciaries, sovereign governments, consulates or other entities, and in the case of Unsold Units, occupied by any person authorized

by such lessee and approved by the owner of such Unsold Units, who is not required to comply with the designation notice requirement set forth in Section 7.2 above.

7.5. The Commercial Unit may be used for any purpose permitted by law, provided such use is not an adult entertainment use or is not illegal, noxious or immoral. The owner of the Commercial Unit shall have the right to change the use thereof as long as the zoning for the Property and the then existing certificate of occupancy permits the proposed use or a zoning variance, a new or amended certificate of occupancy and/or other zoning approval is obtained at the Commercial Unit Owner's sole cost and expense to permit the proposed use.

7.6 No Unit shall be used for illegal, noxious, immoral, obscene or pornographic purposes, or for any sort of commercial sex establishment, or for any nude or semi-nude live performances, or for the sale of any sex magazines or videos, or for any use that is primarily concerned with lewd or prurient sexual activity.

8. Changes in Unsold Units.

8.1. Except to the extent prohibited by law, Sponsor or its designee shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Condominium Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Units; (b) change the layout of, or number of rooms in, any Unsold Unit from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (d) if appropriate, reapportion among the Unsold Units affected by any such change in size or number pursuant to the immediately preceding clause, their percentage interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (e) change the permitted use of some or all of the Unsold Units; provided, however, that any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with any laws, ordinances and regulations of any governmental authorities having jurisdiction and Sponsor (or such designee) shall hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.2. Except to the extent prohibited by law, the Commercial Unit Owner (including Sponsor or its designee) shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Condominium Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or

nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Unit; (b) change the layout of, or number of rooms in, the Commercial Unit from time to time; (c) change the size and/or number of the Commercial Unit by subdividing the Commercial Unit into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from a subdivision or combination or otherwise) into one or more Commercial Units, altering any boundary walls of the Commercial Unit (including without limitation, incorporating within the Commercial Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations) provided, however, that (A) the percentage interest in the Common Elements of any other Units shall not be changed by reason thereof unless the owners of such Units shall consent thereto, (B) the Common Interest of all newly established Commercial Units shall equal the Common Interest of the Commercial Unit being so divided, (C) any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with any laws, ordinances and regulations of any governmental authorities having jurisdiction, and (D) the Commercial Unit Owner shall hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

9. Designation of Agent to Receive Service. The Secretary of State, as agent of the Condominium Board, and any successor to the jurisdiction thereof, is hereby designated to receive service of process in any action which may be brought against the Condominium.

10. Determination of Percentage Interests in Common Elements.

10.1 The percentage interest of the respective Units in the Common Elements has been determined based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

10.2 Each Unit Owner of a Residential Unit shall, upon demand of Sponsor or its designee or the Condominium Board, execute and deliver a consent to the allocation of tax abatement benefits pursuant to Section 11-243 of Administrative Code of the City of New York (formerly J51-2.5), in accordance with each Residential Unit's percentage interest in the Residential Limited Common Elements.

11. Encroachments. If, after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, or (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration to the Common Elements in accordance with the terms of this Declaration and the Bylaws made by or with the consent

(where required) of the Condominium Board, or made by Sponsor, its designee or the Commercial Unit Owner, or (iii) any alteration, repair or restoration of either the Building (or any portion thereof), any Unit or Common Element which is made in accordance with the terms of this Declaration and the Bylaws, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

12. Easements.

12.1. Subject to the terms of the Bylaws and the Rules and Regulations and the terms of this Declaration, each Unit Owner shall have an easement in common with all other Unit Owners to use any of the Common Elements and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Elements and utility distribution system serves, or is necessary to the service of, such Unit Owner's Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore or replace the Common Elements contained therein or elsewhere in the Property, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted herein shall be exercised in such a manner as will not unreasonably interfere with the use of any of the Units for their permitted purposes or the business of any tenants or occupants of the Commercial Unit. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building, the safety of occupants of the Building, or other persons, or to avoid the suspension of any necessary service in the Building).

12.2. Subject to the terms of the Bylaws and the Rules and Regulations, the Unit Owners (including Sponsor or its designee, as long as it owns an Unit), all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board, and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing, shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of , all of the Common Elements, and the Common Elements shall be subject to such easement; provided, however, that such easement for ingress and egress through the Common Elements shall, in the case of the Commercial Unit Owner and its officers, partners, employees, agents, guests, invitees and licensees, shall be limited, with respect to the Residential Limited Common Elements described in Section 6.3(a) hereof, to emergency purposes only, and, with respect to the Residential Limited Common Elements described in Section 6.3(b) hereof, to officers, partners, employees, agents, guests, invitees and licensees of the Commercial Unit Owner or any tenant or occupant of the Commercial Unit who is handicapped or disabled. Notwithstanding the foregoing, no person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are

intended and without encroaching upon the rights of other persons to do so. Maintenance of the roof shall remain the obligation of the Condominium and each of the Unit Owners shall be deemed to hold a proportional interest in the roof as a Common Element, without having a right of access or use.

12.3. Notwithstanding anything to the contrary contained in Section 12.2 hereof, Sponsor and Sponsor's successors, assigns, invitees, licensees, contractors, employees, agents and tenants hall have an easement in, over, under through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of the Unsold Units. In addition, Sponsor shall have the right, to the extent not prohibited by law, to use one or more portions of the Common Elements, as designated by Sponsor, in its sole discretion, for sales, rental, or display purposes, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the Building (including on the exterior walls thereof) and the Property.

12.4. The Commercial Unit Owner (including the Sponsor or its designee) shall have an easement. to the extent permitted by law, to erect, maintain, repair and replace, from time to time, one or more signs and/or canopies, of such size and content as the Commercial Unit Owner shall determine, on, about, or adjacent to the Property (including on the exterior walls of the Building) for the purpose of advertising the name of the tenant or occupant or the business conducted in the Commercial Unit and/or any portion thereof, provided all necessary approvals for signage have been obtained.

12.5. Sponsor or its designee (for so long as either owns any Unit) reserves for itself and to the Commercial Unit Owner, and grants to the Condominium Board on behalf of all Unit Owners, the right to grant such additional electric, gas, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor, or its designee, the Commercial Unit Owner or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof including (as to the Commercial Unit Owner) the Commercial Unit or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units or their permitted purposes.

12.6. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

12.7 Sponsor, its designee and the Commercial Unit Owner have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by law.

12.8 In addition to the specific easements set forth in this Article 12 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

13. Power of Attorney to Sponsor and the Condominium Board. Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution,

(a) Sponsor or its designee. to amend the Condominium Documents pursuant to the terms of this Declaration, and

(b) the members, from time to time. of the Condominium Board, acting jointly,

(i) to acquire, in the name of the Condominium Board or its designee, on behalf of all Unit Owners, any Unit, together with its Appurtenant Interest: (A) whose owner desires to surrender the same pursuant to Section 6.2.2 of the Bylaws; (B) that becomes the subject of a foreclosure or other similar sale; or (C) for the use and occupancy of a superintendent or otherwise, on such terms, including, without limitation, price (with respect to subdivisions (B) or (C) above) as said attorneys-in-fact shall deem proper;

(ii) following due authorization by the Unit Owners, to acquire or lease in the name of the Condominium Board or its designee, on behalf of all Unit Owners, any Unit, together with its Appurtenant Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, on such terms and conditions, including, without limitation, price or rental, as said attorneys-in-fact shall deem proper;

(iii) to convey, sell, lease, mortgage, or otherwise deal with (but not to vote the interest appurtenant to) any Unit so acquired or to sublease any Unit so leased by them, without the necessity of any further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorney-in-fact the power to do all things in and to said Unit which the undersigned could do if the undersigned were personally present; and

(iv) to execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be

recorded in the City Register's Office: (A) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the Landmarks Preservation Commission, 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 (B) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

14. Acquisitions of Units by the Condominium Board. If (a) any Unit Owner surrenders his or her Unit, together with the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units therefore acquired by the Condominium Board or the proceeds of the sale or lease thereof and such Unit Owner's interest, if any, in a Limited Common Element, to the Condominium Board pursuant to the terms of the Bylaws or of Section 339-x of the Condominium Act (collectively, the "Appurtenant Interests") or, (b) the Condominium Board, pursuant to the terms of the Bylaws or otherwise, either (i) acquires a Unit together with its Appurtenant Interests, or (ii) purchases a Unit together with its Appurtenant Interests at a foreclosure or other similar sale, then, and in either event, title to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit owned or leased or by the Condominium Board or its designee shall be held by the Condominium Board or its designee on behalf of all Unit Owners, in proportion to their respective Common Interests.

15. Covenants Running with the Land.

15.1. All provisions of this Declaration, the Bylaws and the Rules and Regulations, including, without limitation, the provisions of this Article 15 shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every pan thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon, and inure to the benefit of, the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, or the succeeding to title, or the entering into either a lease for or occupancy of, any Unit shall constitute an agreement that the provisions of this Declaration, the Bylaws and the Rules and

Regulations, as they may be amended from time to time, 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, conveyance or lease thereof.

15.2. If any provision of this Declaration or the Bylaws is invalid under, or would cause this Declaration and the Bylaws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the Bylaws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law, to the extent permitted under such applicable law, with the same force and effect as if, immediately after the recording of this Declaration and the Bylaws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the Bylaws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the Bylaws, then such provision shall be deemed included as part of this Declaration or the Bylaws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

15.3. Subject to the provisions of Section 15.2, if this Declaration and the Bylaws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the Bylaws shall nevertheless be valid and binding upon, and inure to the benefit of, the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the Bylaws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

16. Amendments to this Declaration.

16.1. Subject to the provisions contained herein or in the Bylaws with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee or any Unsold Units, or the Commercial Unit Owner, (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at lease sixty-six and two-thirds (66+2/3%) percent in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the Bylaws, (b) any provisions of this Declaration affecting only the Unit Owners other than the Commercial Unit Owner may be added to, amended, modified or deleted by vote of at least sixty-six and two-thirds (66+2/3%) percent in number and in Common Interest of all Unit Owners other than the Commercial Unit Owner taken in accordance with the

provisions of the Bylaws, provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners affected, and (c) any provision of this Declaration affecting only the Commercial Unit or the Commercial Unit Owner may be added to, amended, modified or deleted by the Commercial Unit Owner. No such amendment, modification, addition or deletion with respect to this Declaration shall be effective until recorded in the City Register's Office. Subject to the rights of the Sponsor or its designee under Articles 7, 8, 11, 12 and 15 of this Declaration, and the rights of the Commercial Unit Owner under Articles 7, 8, and 11 of this Declaration, and subject further to obtaining the consent of Sponsor or its designee or the Commercial Unit Owner as provided in Section 16.4 hereof, Articles 7, 8, 11, 12, 13 and 15 of this Declaration may not be amended, modified, added to, or deleted unless eighty (80%) percent, both in number and in aggregate Common Interests, of all Unit Owners affected thereby approve such amendment, modification, addition or deletion.

16.2. If the number of rooms in an Unsold Residential Unit is changed, or the size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with this Declaration, the Sponsor or its designee shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Condominium Board or the Unit Owners.

16.3. If (a) the number of rooms in or size of the Commercial Unit and the percentage interest in the Common Elements appurtenant to the Commercial Unit is reapportioned among any newly created commercial condominium Units resulting from any subdivision of the Commercial Unit (or any combining of newly created Commercial Units) or (b) a Commercial Limited Common element is designated as part of a newly created Commercial Unit, then the Commercial Unit Owner shall have the right to execute or (upon its request) to require any other Unit Owner or the Condominium Board to execute and record in the City Register's Office, and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as the Commercial Unit Owner deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in the Commercial Unit, the size of the Commercial Unit or the subdivision of the Commercial Unit into separate commercial condominium units (or the subsequent combination of such newly created commercial condominium units) and the reapportionment of the percentage interest in the Common Elements among such newly created commercial condominium units, or (ii) such designation of a Commercial Limited Common Element as a newly created commercial condominium unit or

such designation of part of the Commercial Unit as a newly created Commercial Limited Common Element, all without the approval of the Condominium Board or the Unit Owners.

16.4. Amendments, modifications, additions or deletions of or to this Declaration, the Bylaws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Unit or the subdivision of the Commercial Unit into separate commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Unit, and it is contemplated that in connection therewith the Commercial Unit Owner will cause this Declaration, the Bylaws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the other Units or other Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the other Units or the other Unit Owners, the Commercial Unit Owner shall be the attorney-in-fact for the other Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument affecting such amendment, modification, addition or deletion.

16.5. The provisions of Sections 16.1 and 16.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee, and the provisions of Sections 16.1, 16.2 and 16.4 may not be modified, amended added to or deleted, in whole or in part, without the consent of the Commercial Unit Owner.

17. Termination of Condominium. The Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the Bylaws, or (b) such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, 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 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 from out of its share of such net proceeds all liens on its Unit, in the order of priority of such liens.

18. Waiver. No provision contained in this Declaration 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 which may occur.

19. Consent of Sponsor. Wherever the consent, approval, satisfaction or permission of Sponsor or its designee is required under this Declaration or the Bylaws, such consent

approval, satisfaction or permission shall not be required when Sponsor or such designee no longer owns any Units.

20. 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 this Declaration nor the intent of any provision hereof.

21. Certain References.

21.1. A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

21.2. The terms "herein", "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

21.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

22. Incorporation By Reference. The terms, covenants, conditions, descriptions and other information contained in (i) the description of the Land annexed hereto as Exhibit A, (ii) the description of the Units annexed hereto as Exhibit B, (iii) the Bylaws of 257 West 117th Street Condominium (the "Bylaws") annexed hereto as Exhibit C, and (iv) the Floor Plans are, by this reference, each incorporated in and made a part of this Declaration as if the same were set forth at length in the text hereof.

23. Severability. Subject to the provisions of Sections 14.2 and 14.3 hereof, if any provision of this Declaration (including the Exhibits annexed hereto) is invalid or unenforceable as against any person or entity or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or entities or circumstances shall not be affected thereby. Each provision of this Declaration, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by law. Any conflict between any provision of this Declaration (including the Exhibits annexed hereto) and the Condominium Act, or questions regarding the interpretation of this Declaration (or any of the Exhibits annexed hereto), shall be governed by the Condominium Act.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the____ day of _____, 200_.

BRIDGE CAPITAL CORP.

By:_____
Stanley Wolfson, President

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

On the ___ day of _____ in the year 200___, before me, the undersigned, a notary public in and for said state, personally appeared Stanley Wolfson, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the entity upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

DECLARATION OF CONDOMINIUM

Establishing a Plan for Condominium Ownership
of the Premises known as
257 West 117th Street,
New York, New York 10026

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:	257 West 117th Street Condominium
Sponsor/Declarant:	Bridge Capital Corp. 1274 Fifth Avenue New York, New York 10029
Date of Declaration:	_____, 200_

The land affected by the within instrument lies in
Section __, Block 1923, Lot 10 on the Tax Map of the
Borough of Manhattan City, County and State of New York

Record and Return to:

SEIDEN & SCHEIN, P.C.
570 Lexington Avenue
New York, New York 10022
Attention: Alvin Schein, Esq.

Exhibit A

Description of the Land

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of West 117th Street, distant 225 feet easterly from the corner formed by the intersection of the easterly side of 8th Avenue and the northerly side of West 117th Street;

RUNNING THENCE northerly, parallel with 8th Avenue, 100 feet 11 inches to the center line of the block;

THENCE easterly, along the center line of the block, 100 feet;

THENCE southerly, parallel with 8th Avenue, 100 feet 11 inches to the northerly side of West 117th Street; AND

THENCE westerly, along the northerly side of West 117th Street, 100 feet to the point or place of BEGINNING.

Exhibit B

Description of the Units

Exhibit C

The Bylaws

CONDOMINIUM BYLAWS

BYLAWS OF THE 257 WEST 117TH STREET CONDOMINIUM

ARTICLE 1. GENERAL

Section 1.1. Purpose. The purpose of these Bylaws is to set forth the rules and procedures concerning the conduct of the affairs of 257 West 117th Street Condominium (the "Condominium"). The Condominium covers the property (the "Condominium Property") consisting of approximately 10,000 sq. feet of land (the "Land") which forms a part of Block 1923 on the Tax Map of the Borough of Manhattan, County of New York and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County office of the Register of the City of New York (the "Register's Office"), together with these Bylaws. All terms used herein which are not separately defined herein, have the meanings given to those terms as are contained in the Declaration.

Section 1.2. Applicability of Bylaws. These Bylaws are applicable to the Condominium Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Condominium Property, are and shall be subject to the Declaration, these Bylaws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the occupancy of, a Unit shall constitute an agreement that the provisions of these Bylaws, the Rules and Regulations and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

Section 1.3. Principal Office of Condominium. The principal office of the Condominium shall be located either within the Condominium Property or at such other place in the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2. BOARD OF MANAGERS

Section 2.1. Number, Election and Qualification.

2.1.1. As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the holding of the first annual meeting of Unit Owners as

provided in Section 3. 1, the Board shall consist of five persons to be elected as provided in subsection 2.1.2 and Section 2.4 below.

2.1.2. Each member of the Board, except for the first Board as provided in Section 2.3, and except as otherwise provided herein, shall be elected at the annual meeting of the Unit Owners and shall serve until the next annual meeting thereof and until his successor has been elected and qualified.

2.1.3. Except for Board members elected or designated by Sponsor or its designee, all members of the Board shall be either: Unit Owners; officers, directors, shareholders, partners, members, trustees, principals, employees or beneficiaries of corporations, partnerships, limited liability companies, trusts, fiduciaries or any other entities which are Unit Owners; family members (as defined in Section 8.7) of any of the foregoing; or individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner. Other than Board members elected or designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

2.1.4. In no event shall any Unit Owner be eligible for election to the Board if such Unit Owner is then in default, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board elected by the Unit Owners may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

Section 2.2. Powers and Duties.

2.2.1. The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these Bylaws may not be delegated to the Board by the Unit Owners). Notwithstanding anything to the contrary contained in these Bylaws, the Board may not until the earlier of (i) five (5) years from the date of the first closing of title to a Residential Unit pursuant to a Purchase Agreement (the "First Closing"), or (ii) the date on which the Unsold Units constitute less than twenty-five (25%) percent of the Common Interests, the Condominium Board may not, without Sponsor's or its designees prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit, the foregoing not to include necessary repairs and maintenance work if the cost of such action, when added to all other budgeted operating expenses, shall result in an increase in Common Charges for any year of operation by more than five (5%) in the aggregate of the previous year's Common Charges, (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B contained in that certain Condominium Offering Plan for the 257 West 117th Street Condominium filed in the Office of the Attorney General of the State of New York (as same may be amended, the "Offering Plan"), if the cost of such action, when added to all other budgeted operating expenses, shall result in an increase in Common Charges for any year of operation by more than

five (5%) in the aggregate of the previous year's Common Charges, (iii) hire any employee in addition to or fewer than the employees provided for in Schedule B of the Offering Plan, (iv) enter into any contract for work or services not covered in existence on the date of the First Closing, or otherwise provide services in excess of those contemplated by Schedule B of the Offering Plan or elsewhere in the Offering Plan, (v) borrow money on behalf of the Condominium, or (vi) amend the Declaration. However, the Board may take any of the actions enumerated in sections (i) through (vi) of this paragraph if (a) the cost of such actions, when added to all other budgeted operating expenses, will not result in increasing the Common Charges for any year of operation by more than five (5%) in the aggregate above the prior year's Common Charges or (b) such action is required to comply with applicable laws or regulations, to remedy any notice of violation, or, to remedy any work order by an insurer.

2.2.2. Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, the Board shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition to, improvement, alteration and replacement of the Common Elements, in such a manner that standards of quality, service and appearance appropriate to a luxury condominium, as may be appropriate, are maintained.

(b) The amount of Common Charges.

(c) Collection of Common Charges from the Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services offered.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease, Units surrendered, by their owners to the Board or Units with respect to which the lien for real estate taxes is being sold by the City of New York.

(g) Purchasing Units at foreclosure or other similar sale, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners.

(h) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the

Board or its designee, corporate or otherwise, on behalf of all Unit Owners.

(i) Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these Bylaws.

(j) Enforcing obligations of Unit Owners.

(k) Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owners).

(l) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these Bylaws) and designating the signatories required therefor.

(m) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Section 6.4 hereof.

(n) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations of, the General Common Elements or Limited Common Elements, respectively, provided, however, that (i) except as provided in Section 8.7, the consent of the holders of at least 66+2/3% in Common Interest of all Unit Owners shall be required for any borrowings for such purposes with respect to the General Common Elements or Limited Common Elements, respectively, if such borrowings are in excess of the aggregate amount of $100,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years), (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the consent of the owner of such Unit, (iii) the vote of at least two-thirds of the members of the Board shall be required for the borrowing of any sum in excess of $500,000 (regardless of the balance of any loans outstanding from previous fiscal years). If any sum borrowed by the Board pursuant to the authority contained

in this subparagraph 2.2.2(n) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of all Unit Owners according to whether the borrowing was made on behalf of the Condominium or the Units, respectively, in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

(o) Organizing corporations and/or limited liability companies to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units by the Board on behalf of all Unit Owners.

(p) Execution, acknowledgment and delivery of: (i) any declaration or other instrument affecting the Condominium Property or the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement or declaration, or any amendment thereto, affecting (x) the Condominium Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these Bylaws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these Bylaws) the Board determines that taking such action is appropriate.

(q) 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, or in connection with any real estate tax exemption or abatement, with respect to all Units.

(r) Preparation, execution and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these Bylaws

whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these Bylaws.

Section 2.3. Term of Office of Members of the Board.

2.3.1. Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 3.1 hereof, the Board shall consist of three persons designated by Sponsor from time to time. The terms of each such member of the Board shall expire annually and, subject to the other provisions of this Section, Sponsor shall have the right to designate the replacement for each such member, even though such replacement may be the same person. Within sixty (60) days after the First Closing, Sponsor shall call a Unit Owners meeting at which time a new Board shall be elected consisting of five (5) members, subject to Sponsor's designation rights set forth below. The term of office of the three members of the Board so designated by Sponsor prior to the first annual meeting of the Unit Owners held pursuant to Section 3.1 hereof shall expire when the five persons to be elected at such meeting are so elected and qualified.

2.3.2 The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Units, for so long as there remain at least two Unsold Units.

2.3.3. The term of office of each of the members comprising the Board elected at the first annual meeting of the Unit Owners pursuant to Section 3.1 shall be fixed at such meeting as follows: (a) two of such members shall serve for a term of approximately two years; and (b) two of such members shall serve for a term of approximately one year. Such members' terms shall end on the first regularly scheduled annual meeting of Unit Owners (in the case of the members elected to serve a term of approximately one year) or the first anniversary thereof (in the case of the members elected to serve a term of approximately two years). The members receiving the highest number of votes shall serve for the longest terms of office, but except as set forth in subsection 2.4.4 hereof, any members elected or designated by Sponsor or its designee pursuant to the terms of subsection 2.4.3 hereof, as the owner of Unsold Units, shall serve for the shortest terms of office. At each annual meeting of the Unit Owners subsequent to the first meeting, the Unit Owners shall elect, pursuant to the terms of Section 2.4 hereof, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at two years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, such member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a Board member may serve.

Section 2.4. Election of Board Members; Rights of Sponsor.

2.4.1. Subject to the terms of subsections 2.4.3, 2.4.4 and 2.4.5 hereof, all members of the Board to be elected by the Unit Owners shall be determined by plurality

of the votes cast by the Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee shall own two or more Units) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present.

2.4.2. When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Unit(s) owned by such Unit Owner, the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and, if applicable, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these Bylaws shall be deemed to permit cumulative voting.

2.4.3. Notwithstanding anything contained in these Bylaws to the contrary:

2.4.3.1 Sponsor shall have the right to designate three (3) members of the Board during the period (the "Initial Control Period") which ends on that date which is the first to occur of (i) five (5) years from the date of the First Closing, or (ii) conveyance of title to Residential Units representing fifty (50%) percent of the Common Interests, in the aggregate, of the Residential Units.

2.4.3.2 So long as the Sponsor continues to own at least thirty-five (35%) percent of the Units (based on Common Interest), Sponsor shall be entitled to designate two (2) members of the Board.

2.4.3.3 So long as the Sponsor continues to own at least ten (10%) percent of the Units (based on Common Interest), Sponsor shall be entitled to designate one (1) member of the Board.

2.4.3.4 The Commercial Unit Owner shall be entitled to designate one (1) member of the Board, unless the Commercial Unit is owned by the Sponsor and the Sponsor is then entitled to designate two (2) or more of the members of the Condominium Board.

2.4.3.5 Sponsor shall have the right to vote all of the Common Interests attributable to the Units owned by Sponsor in Sponsor's sole discretion. Whenever Sponsor has the right to designate members of the Board, such members may be officers, employees, relatives or affiliates of Sponsor.

2.4.3.6 Any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated or elected as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee).

2.4.3.7 There shall be no restriction on the right of the Unsold Unit Owners (including Sponsor) to vote for members of the Board who are not related to or affiliated with Sponsor, its designee or other Unsold Unit Owners. However, after that date which is the later to occur of (i) the date of conveyance of title by Sponsor to Residential Units representing 75% in Common Interests, or (ii) the second annual anniversary of the First Closing, neither Sponsor nor its

designee will appoint a majority of members to the Board at the annual meeting of Unit Owners, even if their ownership of Units would allow them to do so.

2.4.4. In the event that after notice of an annual meeting of Unit Owners is given to all Unit Owners in the manner prescribed by Section 3.4 of these Bylaws, the Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining members of the Board shall fill any resulting vacancies at a special meeting of the Board held for that purpose promptly thereafter even though the members present at such meeting may themselves constitute less than a quorum. The Board shall request the Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the Board. Any person so elected by the Board shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the two year term.

Section 2.5. Resignation and Removal.

2.5.1. Any Board member may resign at any time by written notice delivered personally or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium, and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2. Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any Board member elected thereto by the Unit Owners or by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined).

Section 2.6. Vacancies. Subject to the provisions of Sections 2.3 and 2.4, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board 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, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated or elected as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee).

Section 2.7. Organizational Meeting of Board. The first meeting of the Board shall be held within ten days after the first annual meeting of Unit Owners, at such time and place in the Borough of Manhattan as shall be fixed by a majority of the members

thereof, and no notice shall be necessary to the newly elected Board members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

Section 2.8. Regular Meetings of Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, telecopy or telegram, at least five business days prior to the day named for such meeting.

Section 2.9. Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving five business days' prior notice to each member of the Board, by personal delivery, mail, telecopy or telegram, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of three (3) or more members of the Board.

Section 2.10. Waiver of Notice. Any Board member may at anytime waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by such member of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 2.11. Determinations by Board; Quorums.

2.11.1. Except as otherwise set forth in subsection 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2. If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned 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.

2.11.3. Members of the Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

Section 2.12. Compensation. No member of the Board shall receive any compensation.

Section 2.13. Liability of Board and Unit Owners.

2.13.1. To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent, only as agent for all Unit Owners, that the Board members or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and may also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and, to the extent permitted by applicable law, such Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract may also provide that it covers the assets, if any, of the Board. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim, except for those claims and liabilities arising out of such Board member's own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.13.2. Neither the Board nor any member thereof shall be liable for (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Board or any member thereof, or (ii) any injury, loss or damage to any individual or property occurring in or upon either a Unit or any Common Element, except when caused by the acts of bad faith or willful misconduct of the Board or any such member.

Section 2.14. Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of one or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the Board during the intervals between the meetings of the Board insofar as may be permitted by law.

Section 2.15. Principal Office of Board. The principal office of the Board shall be located within the Condominium Property or at such other place in the Borough of

Manhattan reasonably convenient thereto, as may be designated from time to time by the Board.

Section 2.16. Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

Section 2.17. Incorporation and Organization of Board. To the extent and in the manner provided in the Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates or organizes, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and bylaws of any such resulting corporation or the articles of organization of such limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these Bylaws, and the provisions of the Declaration and these Bylaws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and bylaws or articles of organization.

Section 2.18. Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these Bylaws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these Bylaws.

Section 2.19. Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members, or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested (whether such interest be pecuniary or otherwise), shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board involved in such contract or transaction or a majority of the members thereof or noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners

shall in good faith authorize, approve or ratify such contract or transaction; or (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3. UNIT OWNERS

Section 3.1. Annual Meetings. Within sixty (60) days after the First Closing, the first annual meeting of Unit Owners shall be held. At such meeting, the incumbent Board shall resign and a new Board shall be elected (as provided herein) consisting of five members. Thereafter, annual meetings of Unit Owners shall be held within four weeks after the anniversary of such first meeting in each succeeding year on a date to be set by the Board. At such meetings, the Unit Owners shall elect successors to the members of the Board whose terms of office expire on the day of such meeting and there shall also be transacted such other business as may properly come before such meeting.

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 and convenient place in the Borough of Manhattan as may be designated from time to time by the Board.

Section 3.3. Special Meetings. The President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by not less than 25% in Common Interest of Unit Owners. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

Section 3.4. Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat at their address at the Condominium or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least ten business days prior to the giving of notice of the applicable meeting. Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telecopy, at least ten business days prior to the date fixed for the meeting, with a duplicate copy given at least five business days prior to the date fixed for the meeting. In addition, copies of such notice shall be posted in the lobbies, elevators or other public places in the Building at least five business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these Bylaws, the notice of such meeting shall be given to all Unit Owners as provided above at least 30 days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

Section 3.5. Lack of Quorum. If any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote decide to adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting, or to hold an informal meeting for the purpose of expressing to the Board their preferences on the business to have been transacted at the meeting.

Section 3.6. Order of Business. The order of business at all regular meetings of 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) Reports of Members of the Board;

(f) Reports of Committees;

(g) Election of Members of Board when so required;

(h) Unfinished Business; and

(i) New Business.

Section 3.7. Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 3.8. Voting.

3.8.1. Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit or Units as set forth herein at all meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to the Secretary of the Condominium by the Unit Owner so designating, provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months (except for a designation of a Permitted Mortgagee to act as the proxy of its mortgagor).

3.8.2. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.3. If two or more persons or entities own a Unit, they shall designate one person or entity amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary, and the vote of such designee shall be binding upon such Unit co-Owners. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for determining whether a quorum is present for such voting.

3.8.4. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.5. Subject to the terms of 2.1.2, and except asset forth in 3.9, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units per member to be elected.

Section 3.9. Majority of Unit Owners. Except as may otherwise be provided by law, as used in these Bylaws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present.

Section 3.10. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Unit Owners owning Units to which more than 50% of the aggregate Common Interests appurtenant shall constitute a quorum at all meetings of Unit Owners.

Section 3.11. Majority Vote. Except where otherwise provided by law, the Declaration or these Bylaws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4. OFFICERS

Section 4.1. Designation. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein nor be Board members until the first organization meeting of the Board after the first annual meeting of Unit

Owners. Thereafter, the President and Vice President of the Condominium must be members of the Board.

Section 4.2. Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organization meeting thereof and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the initial Board and shall hold office at the pleasure of such Board and until their successors are elected.

Section 4.3. Removal of Officers. Except as otherwise required by these Bylaws with respect to the designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a special meeting of the Board called for such purpose, at which a quorum is present, any officer may be removed, either with or without cause, and his or her successor may be elected.

Section 4.4. President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the Board. The President shall have all of the general powers and duties which are 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 Unit Owners from time to time as the President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium.

Section 4.5. Vice President. The Vice President of the Condominium shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

Section 4.6. Secretary. The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Board. The Secretary shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.7. Treasurer. The Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent or manager appointed by the Board) in such depositories as may from time to time be designated by the Board and

shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 4.8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. If, for any reason whatsoever, one member refuses to countersign such an expenditure which has been authorized, the Board shall designate and authorize another Board member to countersign the expenditure.

Section 4.9. Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

Section 4.10. Liability of Officers.

4.10.1. To the extent permitted by applicable law, no officer shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each officer against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

4.10.2. None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer, or (ii) any injury, loss or damage to any individual or property, occurring in or upon any Common Element; except when caused by the acts of bad faith or willful misconduct of any such officer.

ARTICLE 5. NOTICES

Section 5.1. Notices. All notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to the principal office of the Board or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and to all Permitted Mortgagees, and a duplicate shall be sent in like manner to the Managing Agent. Except as otherwise provided herein, all notices to any Unit Owner shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to the address at the Condominium Property of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board. All notices to

Permitted Mortgagees shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to their respective addresses, as designated by them from time to time in writing to the Board. All notices shall be deemed to have been given when delivered in person or three days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper or the first business day after deposit with an overnight courier service, as the case may be, except that notices of change of address shall be deemed to have been given when received.

Section 5.2. Waiver of Service of Notice. Whenever any notice is required to be given by law or by the Declaration or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6. OPERATION OF THE CONDOMINIUM

Section 6.1. Determination of Common Expenses and Fixing of Common Charges.

6.1.1. From time to time, but at least once per year, the Board will prepare a budget for setting forth its projection of Common Expenses and will allocate the Common Expenses Unit Owners will be assessed Common Charges to meet the Units allocated share of Common Expenses. The Common Charges payable by each Unit Owner will be in proportion to the percentage of Common Interests appurtenant to said Unit compared to the total of all Common Interests. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof.

6.1.2. The Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners, and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof, however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. However, a prior period's deficit may be included in Common Charges for a subsequent period or paid from a Special Assessment levied against all Unit Owners.

6.1.3. The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the

Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

6.1.4. In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses. All special assessments shall be levied against all Unit Owners in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges.

6.1.5. The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of the Unit Owners, and shall constitute income of the Unit Owner. Notwithstanding any provision contained in these Bylaws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6. Notwithstanding anything contained to the contrary above in this Section 6.1, the Board shall not reduce the Common Charges payable during any year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below that necessary to provide the superintendent, and concierge and coverage specified in the Offering Plan, or eliminating or reducing any service or reducing the insurance coverage below that described in the Offering Plan, except with the concurrence of a majority of the members of the Board elected by Unit Owners other than Sponsor or its designee.

Section 6.2. Payment of Common Charges.

6.2.1. All Unit Owners shall be obligated to pay Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times (but not less than monthly) as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2. No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against its Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with these Bylaws) of such Unit, together with its appurtenant Common Interest. Any Unit Owner may, subject to the terms and conditions of these Bylaws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges

(provided that no amounts are owing under any such lien); and (b) no violation of any provision of the Declaration, these Bylaws or the Rules and Regulations then exists with respect to such Unit. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition of such Unit, except that (i) a mortgagee acquiring title to a Unit at a foreclosure sale, or (ii) to the extent permitted by applicable law, a purchaser of a Unit at a foreclosure sale of a mortgage shall not be liable for, and such Unit shall not be subject to a lien for, the payment of Common Charges assessed against such Unit subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by such mortgagee or purchaser. Prior to any permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement from the Board, dated as of the date of the closing of title pursuant to any such sale, transfer or other conveyance, setting forth the amount of unpaid Common Charges accrued against the Unit. However, in the event of a foreclosure of a Unit by the Board of its lien on any Unit for unpaid Common Charges, if the proceeds of the foreclosure sale actually received by the Board shall be insufficient for the payment of such unpaid Common Charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

6.2.3. The Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges due to it from such Unit Owner.

Section 6.3. Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1. The Board shall take prompt action to collect any Common Charges which remain unpaid for more than 30 days after the due date for payment thereof, including, without limitation, the institution of such actions and the recovery of interest and expenses as provided in this Article 6.

6.3.2. Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner, in proportion to their respective Common Interests. Such liens shall be subordinate only to liens for real estate taxes and prior recorded Permitted Mortgages on such Unit.

6.3.3. In the event any Unit Owner fails to make payment of Common Charges, the Unit Owner shall be obligated to pay (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with expenses, including, without limitation, attorneys' fees paid or incurred by

the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether, in the case of Common Charges, as provided in Section 339z of the Condominium Act, in the manner provided in Section 339aa thereof, or, in any event, in any other manner permitted by law. In addition, if the Board shall bring an action to foreclose such lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

6.3.4. In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting an behalf of all Unit Owners, shall have the power to purchase the Unit at the foreclosure sale thereof, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant to such Unit). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.3.5. If a non-occupying Unit Owner rents his Unit to a rental tenant and then fails to make payments due for Common Charges, Assessments or late charges within 60 days of the expiration of the grace period after they are due, the Board shall provide written notice to the tenant and non-occupying Unit Owner providing that, until such payments are made current, all rental payments are to be made payable to the Condominium. Where a majority of the Board has been elected by Unit Owners in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium.

Section 6.4. Insurance.

6.4.1. The Board shall be required to obtain and maintain, to the extent obtainable and to the extent determined by the Board to be appropriate, the following insurance:

(a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, appliances or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit owners, as their respective interests may appear, in an amount equal to the full replacement value of the

Building (exclusive of foundation and footings) without deduction for depreciation;

(b) rent insurance in an amount equal to Common Charges for one year;

(c) workers' compensation insurance and New York State disability benefits insurance;

(d) boiler and machinery insurance;

(e) plate glass insurance, to the extent, if any, determined by the Board;

(f) water damage insurance, to the extent, if any, determined by the Board;

(g) elevator liability and collision insurance;

(h) fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of the Condominium;

(i) directors' and officers' errors and omissions insurance; and

(j) such other insurance as the Board may determine from time to time.

Each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each Permitted Mortgagee, as its interests may appear, subject, however, to the loss payment provisions hereinafter set forth. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests.

6.4.2. All such policies shall policies that adjustment of loss she be made by the Board. Insurance proceeds with respect to any loss shall be payable to the Board or to the Unit Owners entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000.00, shall be payable to a New York City bank or trust company designated by the Board as Insurance Trustee pursuant to the provisions of Section 12.6.

6.4.3. The amount of fire insurance and all risk extended coverage to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the first annual meeting of Unit Owners shall be at least $7,500,000.

6.4.4. All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) coinsurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability of the insurer as a result of any insurance carried by Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners who have requested the same from the Board in writing. Renewals shall be obtained at least ten days prior to the expiration of the then current policies.

6.4.5. The Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Condominium Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within its own Unit or within the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least $1,000,000 with respect to any occurrence, with umbrella coverage of at least $10,000.000, and at no time and in no event shall such comprehensive general liability insurance afford protection to the limit of less than such amounts. The Board shall also be required to obtain and maintain fidelity insurance covering the Board, the Managing Agent, each Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereon. The insurance required in accordance with this subsection 6.4.5 shall also cover cross-liability claims of one insured against another.

6.4.6. Any insurance maintained by the Board may provide for such deductible amounts as the Board determines.

6.4.7. The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences in or about a Unit. Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense, and the Board shall not be prohibited from carrying additional insurance, provided that any such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 6.5. Repair or Reconstruction after Fire or Other Casualty.

6.5.1. In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, subject to the provisions of Section 6.5.2 hereof, the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), and the Board or the Insurance Trustee (as defined in Section 12.6 below), as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

6.5.2. If (i) 75% or more of the Building is destroyed or substantially damaged, and (ii) the holders of an aggregate of at least 75% of Common Interests of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, then and upon the occurrence of both of said events, the Building will not be repaired and the Condominium Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, 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 out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit in the order of the priority of such liens. As used in this Section 6.5, the phrase "promptly resolve" means not more than 60 days from the date of such damage or destruction.

6.5.3. Any dispute between the Unit Owners, or between any Unit Owner and the Board, arising under this Section 6.5 shall be determined by Arbitration.

Section 6.6. Maintenance and Repairs.

6.6.1. Except as otherwise provided in the Declaration or these Bylaws:

6.6.1.1. all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air conditioning units and appliances which are:

6.6.1.1.1. in or to any Unit (excluding Common Elements included therein except as otherwise provided in these Bylaws) and the interior side of entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense; provided that, in each instance that any such work is to be done within a Unit (other than Unsold Units), the Unit Owner thereof will utilize only such contractors, workers and suppliers as are on the approved list of the

Managing Agent, which list may change from time to time in the Managing Agent's or the Board's sole discretion;

6.6.1.1.2. in or to the General Common Elements shall be made by the Board and the cost and expense thereof shall be charged as a Common Expense to the Unit Owners; and

6.6.1.1.3. in or to the Limited Common Elements shall be made by the Board and the cost and expense thereof shall be shared by all Unit Owners in proportion to their respective Common Interests; and

6.6.1.2 a Unit Owner shall not be responsible for the cost of painting, decorating, maintenance, repairs or replacements on or to any Unit other than to its own Unit (and any Limited Common Elements included in any such Unit) and the Common Elements.

6.6.2. Notwithstanding the provisions of subsection 6.6.1:

6.6.2.1. In the event that any painting, decorating, maintenance, repairs or replacements to the Condominium Property or any part thereof is necessitated by the negligence, misuse, neglect or abuse of (i) any Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (ii) the Board, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in either case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.6.2.2. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. All exterior glass surfaces shall be washed and cleaned by the respective Unit Owners, as required by the Board from time to time, at the Unit Owners' cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Board, at the expense of all Unit Owners, as a Common Expense (unless such breakage is caused by a Unit Owner, in which event such replacement of glass windows shall be done by the Board, at the expense of such Unit Owner).

6.6.3. Each Unit and all portions of the Common Elements shall be kept in first class condition (and, with respect to any roof or other part of the Condominium Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may be, shall promptly make or perform or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the

Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building required to be maintained by it; and (b) each Unit Owner, with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit.

6.6.4. In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6, or of any Common Element for which such Unit Owner is responsible under the Declaration or these By Laws, the Board 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 by the Board, 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 or to any such Common Element for which such Unit Owner is responsible as aforesaid, 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 and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 6.7. Alterations of Units.

6.7.1. Except as otherwise provided in the Declaration, no Unit Owner (other than Sponsor or its designee as the owner of Unsold Units) shall make any alteration, addition, improvement or repair in or to its Unit if the same would affect the structure or systems of the Building without the prior written approval of the Board, which approval will not be unreasonably withheld. Prior to, and as a condition of, the granting of its consent to the making of any such alteration, addition, improvement or repair in or to a Unit, the Board, at its option, may 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 (as defined below) may be made.

6.7.2. All repairs which would affect the structure or systems of the Building and all alterations, additions and improvements (all of the, foregoing, collectively, "Alterations") to any Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board. All Alterations shall be performed:

(i) at the Unit Owner's sole cost and expense;

(ii) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(iii) during only such days and hours as may be specified by the Board in its reasonable judgment;

(iv) only after obtaining such insurance, naming the Board and the Managing Agent, as the Board or the Managing Agent may require;

(v) employing such architects, engineers, contractors, subcontractors, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Board or the Managing Agent; and

(vi) in compliance with the Declaration, these Bylaws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings, and the boards of fire underwriters having jurisdiction thereof (all such laws, ordinances, orders, rules, regulations and requirements being sometime hereinafter collectively referred to as "Legal Requirements").

The Unit Owner performing or causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of (x) any necessary amendment of the Declaration and the floor plans of the Condominium, if appropriate, to reflect any such Alterations, (y) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (and copies thereof shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any alterations, additions, improvements or repairs), and obtaining any amendment to the Certificate of Occupancy for such Unit, if necessary, and (z) any architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit Owner making or causing, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost, or expense either: (a) in connection with the preparation, execution, or submission of the applications referred to above; (b) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or caused, permitted or suffered to be made by any Unit Owner; (c) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (d) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these Bylaws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relates to Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to, and shall, hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense (including, but not limited to,

attorneys' fees and disbursements), damage or injury, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, such Alteration.

6.7.3. Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any Unit so approved by the Board shall, if required by law or such department or authority, be executed by the Board, provided that the Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, supplier, architect or engineer on account of such Alteration or to any person having any claim for injury to person or damage to property arising therefrom.

6.7.4. Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), Sponsor and its designee shall have the right, pursuant (and subject) to the terms of the Declaration, and without the approval of the Board, to: (i) make any alterations, additions, improvements and repairs in or to any Unsold Units, whether structural or nonstructural, interior or exterior, ordinary or extraordinary; and (ii) subdivide, combine and change the boundary walls of Unsold Units. Additionally, an initial purchaser of an Unsold Unit shall have the right, without the approval of the Board, to make any Alterations in or to its Unit, provided that Sponsor or its designee has consented to the same in writing at or prior to the closing of title to such Unsold Unit, and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.5. In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no Unit Owner shall make any Alterations in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's reasonable requirements with respect to the same. Such requirements may include, but need not be limited to, the requirements that:

(i) such Alteration not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued;

(ii) the Unit Owner posts a bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the Alteration and the filing of any required notices or certificates with respect to such Alteration and the completion of the same with all governmental authorities having jurisdiction;

(iii) such Alteration not be commenced until the Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities

having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such Alteration be diligently prosecuted to completion in compliance with a plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such Alteration as it progresses;

(vi) promptly after the completion of such Alteration, all necessary inspections and approvals of the same shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such Alteration, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of a Legal Requirement or due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such Alteration or the failure to make all appropriate governmental filings in connection with the same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Legal Requirements and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Board), such work shall be performed solely by union members.

If any Unit Owner commences any Alteration in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the same, Sponsor shall be entitled to cause such Alteration by the Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until the

Unit Owner complies with the same. During the period until such Unit Owner is permitted hereunder to resume its work on such Alteration, Sponsor shall have the right to perform any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within fifteen (15) days of Sponsor's written demand therefor.

Section 6.8. Alterations to Common Elements. Except as otherwise provided in the Declaration or these Bylaws, all alterations, additions, improvements or repairs in or to any General Common Element shall be made by the Board and the cost thereof shall be charged to all Unit Owners as a Common Expense; and alterations, additions, improvements or repairs in or to any Limited Common Elements will be made by the Board, and the cost thereof will be shared by all Unit Owners in proportion to their respective Common Interests. Whenever, in the judgment of the Board, the cost of any such alterations, additions, improvements and repairs would exceed $100,000 in the aggregate in any calendar year, then the same shall not be made unless first approved by a Majority in Interest of the Unit Owners required to bear the cost and expense thereof in accordance with their Common Interests, unless the same is necessary to comply with applicable laws or regulations, or to remedy any violation imposed against the Condominium Property, or to comply with a proper work order of an insurer of the Condominium Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Condominium Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for its prorata share of the cost of such alterations, additions, improvements and repairs, according to its percentage of Common Interests, as part of the Common Charges. Any additions, alterations, improvements and repairs costing $100,000 or less, in the aggregate, in any calendar year may be made by the Board without the approval of the Unit Owners.

Section 6.9. Use of Units. A Unit may be used only as a residence and, subject to compliance with these Bylaws, for a lawful home occupation. A Unit may only be occupied by (i) any individual who is a Unit Owner or permitted lessee, (ii) any officer, director, stockholder or employee of any corporation which is a Unit Owner or permitted lessee, (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee, or (iv) the fiduciary or beneficiary of any fiduciary of which is a Unit Owner or permitted lessee and member and/or nonpaying guests of any of the forgoing.

Section 6.10. Use Common Elements.

6.10.1. Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.10.2. The Unit Owner(s) of any one or more Unit(s), which Unit(s) is (are) the only Unit(s) serviced or benefited by any Common Element adjacent or

appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Unit(s) located on opposite sides of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements, shall have, to the extent permitted by applicable law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), the exclusive right to use that portion of the Common Elements as if it were a part of such Unit(s) (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof, provided, however, that such Unit Owner(s), at its (their) sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner(s) exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner(s) cease to exercise such exclusive right of use. The holders of Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.10.3. Notwithstanding the foregoing; elevator landings which serve fewer than four Units may be decorated and/or furnished by the adjoining Unit Owners as they desire, at their expense, provided that each such Unit Owner consent in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same.

Section 6.11. General Provisions as to Use.

6.11.1. No nuisance shall be allowed in the Condominium Property nor shall any use or practice be allowed in the Condominium Property which interferes with the peaceful possession or proper use of the Condominium Property by its occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any portion thereof. All laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Condominium Property, shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation to maintain or repair such portion of the Condominium Property.

6.11.2. The Board, in its discretion, may grant permission for the use of a Unit for any other purpose (including use as a home office), provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such Unit, and the Unit Owner thereof complies with all applicable governmental regulations. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval

of the Board before using such Unit for any purpose other than those expressly set forth above.

6.11.3. No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased.

6.11.4. Sponsor or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such Unit, and the user of such Unit complies with all applicable governmental regulations; (b) use any one or more Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations; and (c) lease and show Unsold Units to any party(ies).

Section 6.12. Right of Access.

6.12.1. Each Unit Owner shall grant a right of access to its Unit and to its garden and/or rooftop terrace (as applicable) to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, any reasonable purpose, including, but not limited to: (i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Condominium Property; (ii) curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and threatening another Unit or all or any part of the Common Elements; (iii) performing maintenance, installations, alterations, repairs or replacements to the mechanical or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building; (iv) reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or (v) correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit. Such right of access is conditioned upon the following: (a) requests for entry to any Unit shall be made not less than one day in advance, and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with or with the use of the other Units for their permitted purposes. In case of an "emergency" (i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the Condominium Property or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary service in the Building or with respect to all or any portion of the Condominium Property), such right of entry shall be immediate, without advance notice, and may be exercised whether or not the Unit Owner is present.

6.12.2. Each Unit Owner shall grant a right of access to its Unit and to its garden and/or rooftop terrace (as applicable), and the Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of fulfilling Sponsor's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised by Sponsor, with respect to any Unit,

in such a manner as will not unreasonably interfere with the use of the Unit for its permitted purposes.

Section 6.13. Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Units and Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that (a) a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition, and (b) no modification, amendment or addition affecting the Unsold Units may be made unless agreed to, in writing, by Sponsor or its designee and by all the owners of such Units who are affected by such modification, amendment or addition. Copies of any newly adopted, or any modifications, amendments or additions to, the Rules and Regulations shall be furnished by the Board or Unit Owner responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof.

Section 6.14. Real Estate Taxes, Water Charges and Sewer Rents.

6.14.1. Water for the Building shall be supplied by The City of New York. Unless and until water charges and sewer rents are billed directly to Unit Owners by the proper authority, the Board shall promptly pay such charges and rents as a Common Expense, and the Unit Owners shall be required to reimburse the Board, as a Common Charge, for their proportionate share of such charges and rents.

6.14.2. Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Condominium Property to the Department of Finance of The City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units as follows: The Board shall allocate such share among the individual Units in each in the ratio of the percentage of Common Elements held by each Unit Owner. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the nonpayment of real estate taxes assessed against any other Units.

6.14.3. In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit (or to such purchaser's title company) a letter agreeing to promptly pay all such taxes, charges and rents affecting such Unit to the date of the closing of title to such Unit.

6.14.4. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the

Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Section 6.15. Electricity. Electricity for each Unit shall be supplied through separate electric meters. Each Unit Owner shall be required to pay bills for electricity consumed or used in its Unit to the utility company.

Section 6.16. Remedies for Violations of Bylaws or Rules and Regulations by Unit Owners.

6.16.1. The violation of any of the Rules and Regulations or the breach of any Bylaw, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these Bylaws or the Declaration, (i) to enter any Unit or Common Elements 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 resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the Board gives the Unit Owner notice (which may be by telephone or telegram) that such violation exists, that repairs or replacements are necessary and that the Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for nonpayment of such fines and penalties as for nonpayment of Common Charges.

6.16.2. The violation or breach of any of the provisions of these Bylaws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these Bylaws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

ARTICLE 7. MORTGAGES

Section 7.1. Notice to Board. A Unit Owner who mortgages its Unit or the holder of such mortgage, shall notify, the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit. A Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction or mortgage with the Board.

Section 7.2. Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a mortgagee of a Unit, the Board shall promptly report to such mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under any of the provisions of the Declaration or these Bylaws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any mortgagee thereof, if so requested. However, the Board shall have no liability for any failure, through oversight or negligence, in notifying a mortgagee of such default by its mortgagor, provided that the Board shall advise such mortgagee of the default promptly after discovering such failure.

Section 7.3. Performance by Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these Bylaws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

Section 7.4. Examination of Books. Each Unit Owner shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than three times in any calendar year.

Section 7.5. Consent of Mortgagees. Except as otherwise expressly provided in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any, mortgagee against its mortgagor.

ARTICLE 8. SELLING, LEASING AND MORTGAGING OF UNITS

Section 8.1. Sales and Leases of Residential Units. Each Unit Owner may sell its Residential Unit or lease its Residential Unit, provided that the Unit Owner complies with all of the conditions set forth in this Section 8.1.

8.1.1. (a) Any contract to sell a Residential Unit together with its appurtenant Common Interest, or any lease of a Residential Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision:

> *This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of The 257 West 117th Street Condominium and the right of first refusal retained by the Sponsor of the Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of the Bylaws of 257 West 117th Street Condominium.*

A Unit Owner who has entered into a Sale Agreement or Lease with respect to a Residential Unit is herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror".

(b) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable overnight courier; such notice shall be accompanied by a fully executed duplicate original of the Sale Agreement or Lease, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its Residential Unit, together with its appurtenant Common Interest, or to lease its Residential Unit, as the case may be, to the Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board, on behalf of all Unit Owners, that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than 20 days after receipt of such notice, together with such further information as may have been requested by the Board, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by reputable overnight courier, to such Offeree Unit Owner before the expiration of said 20-day period, to purchase such Residential Unit, together with its appurtenant Common Interest, or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease and as stated in the Offeree Unit Owners response(s) to requests by the Board for further information, as provided for above. The above right of first refusal with respect to a sale, transfer or conveyance of a Residential Unit by an Offeree Unit Owner is subject to provisions of Section 8.12 hereof.

8.1.2. In the event the Board shall timely elect to purchase such Residential Unit, together with its appurtenant Common Interest, or to lease such Residential Unit, as the case may be, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within 60 days after the giving of notice by the Board of its election to accept such offer; provided, however, that in the event that the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than 60 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the

Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Residential Unit and assume or take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including, water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in the Lease.

8.1.3. In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, or waives such election in writing, as aforesaid, the Offeree Unit Owner shall have an additional 90 days after the earlier of the expiration of such 20-day period or waiver in writing by the Board, to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such 90 day period, so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4. Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these Bylaws, the Rules and Regulations, in each case, as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5. Any Lease to an Outside Offeror shall be consistent with these Bylaws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such Lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to these Bylaws and the Rules and Regulations.

8.1.6. Except as hereinbefore set forth the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of

lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7. If a Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock other than through any recognized national securities exchange or "over-the-counter" market, or if a Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or disposition of any interest in such partnership, company or other entity shall also subject the Residential Unit owned by such entity to the requirement that the Residential Unit first be offered to the Board, as described in Section 8.1.

8.1.8. Any purported sale or lease of a Residential Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case maybe, in the name of said Unit Owner as the purported seller or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

Section 8.2. Consent of Unit Owners to Purchase or Lease of Units by Board. The Board shall not exercise any option herein above set forth to purchase or lease any Residential Unit without the prior approval of a Majority of Unit Owners with respect to a sale and the affirmative vote of a majority of the members of the Board for a lease. However, the Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

Section 8.3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its appurtenant Common Interest, it being the intention 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 interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

Section 8.4. Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section

8.1 hereof, subject to the provisions of subsection 8.13. The Board may establish reasonable fees for the consideration as to the waiver of any right of first refusal, which fees shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent.

Section 8.5. Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of 8..1 have been satisfied by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

Section 8.6. Financing of Purchase of Units by Board. The purchase of any Unit, together with its appurtenant Common Interest, by the Board or its designee, corporate or otherwise, on behalf of all liens against their Units, other than Permitted Mortgages.

Section 8.7. Exceptions. The provisions of Section 8.1 shall not apply to (A) any lease, sale or conveyance of the Commercial Unit, in whole or in part, together with its appurtenant Common Interest, or (B) the lease, sale or conveyance of any Residential Unit, together with its appurtenant Common Interest, by: (a) the Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (as defined below) of the Unit Owner thereof or the owner of any interest in a Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor or its designee with respect to Unsold Units; (c) the Board; (d) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or (e) a Mortgagee, its nominee, or a purchaser who has acquired title to any Residential Unit at any foreclosure sale of its Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its Residential Unit shall be subject to, all of the provisions of this Article 8. The term "affiliate" shall be deemed to be any individual or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, (with respect to a Unit Owner which is not an individual or any entity with respect to which such Unit Owner or owner of an interest in a Unit Owner, as the case may be, (individual or otherwise) owns 50% or more of the legal and beneficial interest.

Section 8.8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Residential Unit by gift, or may devise his or her Residential Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of Section 8.1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Residential Unit will be subject to, the provisions of this Article.

Section 8.9. Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-Common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Condominium Property as herein provided.

Section 8.10. Payment of Assessments. Unit Owners shall not be permitted to sell, convey, mortgage, pledge, hypothecate or lease their Units unless and until they shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Units and until such Unit Owners shall have satisfied all unpaid Assessments.

Section 8.12. Sponsor's Superior Right of First Refusal. For a period of three (3) years after the First Closing, Sponsor shall have a right of first refusal with respect to the resale of any of the Residential Units. This right of first refusal shall be superior to the right of first refusal conferred upon the Board pursuant to the provisions of this Article 8.

ARTICLE 9. CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements so taken. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $2,500,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.6 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata in accordance with their Common Interests, and (b) borne and shared by all Unit Owners with respect to any taking of the Limited Common Elements pro rata, in accordance with their Common Interests; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five (75%) percent or more of the Limited Common Elements and/or Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless seventy-five (75%) percent or more of all Unit Owners (including Sponsor or its designee, if Sponsor or such designee shall then own any Units), both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Condominium 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 the resulting sale, and the net proceeds of any such award with respect to the taking shall be divided among the 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 out of its share of such funds, such amounts as may be necessary to reduce all unpaid liens on his Unit in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" means not more than 60 days from the date of such taking.

ARTICLE 10. RECORDS AND AUDITS

Section 10.1. Records. The Board or the Managing Agent for the Condominium shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

Section 10.2. Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners, and, if so requested, to any Permitted Mortgagee. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

Section 10.3. Availability of Documents. Copies of the Declaration, these Bylaws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours, upon reasonable prior notice.

ARTICLE 11. ARBITRATION

Section 11.1. General Procedure. Any arbitration provided for in these Bylaws or the Declaration shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect, and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these Bylaws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall not be binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten days after his or her

appointment. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the City of New York and which has at least five members.

Section 11.2. Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

Section 11.3. Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes".

ARTICLE 12. MISCELLANEOUS

Section 12.1. Consents. Wherever the consent, approval or satisfaction of Sponsor or its designee is required under these Bylaws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Units.

Section 12.2. Waiver. No provision contained in these Bylaws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

Section 12.3. Captions. The index hereof and 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 Bylaws nor the intent of any provision hereof.

Section 12.4. Certain References.

12.4.1. A reference in these Bylaws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.4.2. The terms "herein", "hereof" or "hereunder" or similar terms used in these Bylaws refer to these entire Bylaws and not to the particular provision in which the terms are used.

12.4.3. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these Bylaws.

Section 12.5. Severability. Subject to the provisions of the Declaration, if any provision of these Bylaws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these Bylaws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these Bylaws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these Bylaws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

Section 12.6. Insurance Trustee. The Insurance Trustee shall be a bank or trust company having an office located in The City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

Section 12.7. Successors and Assigns of Sponsor. The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of all of the then Unsold Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

Section 12.8. Covenant of Further Assurances.

12.8.1. Any party which is subject to the terms of these Bylaws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these Bylaws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.8.2. If any Unit Owner or any other party which is subject to the terms of these Bylaws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action which such Unit Owner or other party is required to execute, acknowledge and deliver or to take pursuant to these

Bylaws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

Section 12.9. Definitions. Except where otherwise herein defined, all capitalized terms contained herein have the same meanings ascribed to them as are contained in the Offering Plan.

ARTICLE 13. AMENDMENTS TO BYLAWS

Section 13.1. Amendments by Unit Owners. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Units, any provision of these Bylaws or the Rules and Regulations affecting (a) only the Units or the Common Element or the Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners provided, however, that the use of Units or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Unit Owners. Each duly adopted amendment, modification, addition or deletion to these Bylaws shall be effectuated by an instrument recorded in the City Register's Office.

Section 13.2. Amendments Affecting Sponsor or its Designee. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of these Bylaws, the Declaration or the Rules and Regulations shall be effective in any way against (a) Sponsor or its designee, for so long as Sponsor is the owner of one or more Units, or any Unsold Unit, unless Sponsor has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS

(Send this application to the reviewing attorney assigned to the subject plan.)

Re: Address of Building or Name of Project :

257 West 117th Street
New York, New York 10026

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments 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:

[ ] return of down payment.
[ ]forfeiture of down payment.
[ ]
other:_____

5. The project is [ ] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as [ ] a cooperative.
[ ] a condominium.
[ ] a homeowners association.

[ ] a timeshare.
[ ] other:_____

7 Name and Address
of Sponsor: _____
_____

8. Name and Address
of Escrow Agent:_____
_____

9. If down payments are maintained in an escrow account:

(a) Name of account: _____

(b) Name and address
of bank:_____

(c) Account number (if known):_____

(d) Initial interest rate (if known):_____

10. If down payments have been secured by bonds:

(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:

_____
_____
_____
_____
_____

11. If down payments have been secured by a letter of credit:

(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) The 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:_____

[ ] has not closed.

[ ] don't know.

(d) Down payments are secured by:

[ ] escrow account

[ ] bonds.

[ ] letter of credit

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed:_____

(c) Date(s) of down payment(s):_____

(d) Total amount of down payment(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 unlawfiil 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: _____
_____
_____

Certifications

CERTIFICATION OF SPONSOR AND PRINCIPALS OF SPONSOR PURSUANT TO PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Attn: Investment Protection Bureau

Re: Condominium Offering Plan
The 257 West 117th Street Condominium
257 West 117th Street, New York, New York

Gentlemen:

The undersigned certify as follows:

We are the Sponsor and the principal of the Sponsor of the Condominium Offering Plan for the captioned property.

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 Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for making this certification. We jointly and severally certify that the Offering Plan does, and that all documents submitted hereafter by us which amend or supplement the Offering 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 or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) 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.

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.

SPONSOR: **BRIDGE CAPITAL CORP.**

By: _____
Name: Stanley Wolfson
Title: President

PRINCIPAL OF SPONSOR:

_____
STANLEY WOLFSON

Sworn to before me this
15th day of October, 2003

_____
Notary Public

ALVIN S. SCHEIN
Notary Public, State of New York
02SC4644627
Qualified in New York County
Commission Expires November 30, 2005

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO PART 20 OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Attn.: Investment Protection Bureau

Re: Condominium Offering Plan
The 257 West 117th Street Condominium
257 West 117th Street, New York, New York

Gentlemen:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me firm to prepare a report describing the construction and/or renovation of the property (the "Report"). I visually inspected existing portions of the renovated property on October 8, 2003 and I examined the building plans and specifications that were prepared by Klein, Levin & Associates dated August 1, 2003. I prepared the Report dated January 15, 2004, a copy of which is intended to be incorporated into the Offering Plan so that prospective Purchasers may rely on the Report.

I am a registered architect/licensed engineer in the State of New York.

I understand that I am 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 this Report.

I have read the entire Report and have 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. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation and/or construction,

provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(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; and

(vii) does 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.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing the Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property, and it is to be understood that all aspects of the physical condition of the property cannot be determined by a visual inspection, and that all statements contained in this certification are premised on or limited to such visual inspection.

Seth V. Howe, Registered Architect

REGISTERED ARCHITECT SETH V. HOWE No. 022802 STATE OF NEW YORK

Sworn to before me
this 26 day of February, 2004

Notary Public

2007

CERTIFICATION BY SPONSOR'S EXPERT
AS TO ADEQUACY OF BUDGET
PURSUANT TO PART 20 OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
23rd Floor
New York, New York 10271

Attn: Investment Protection Bureau

Re: Condominium Offering Plan
The 257 West 117th Street Condominium
257 West 117th Street, New York, New York

Gentlemen:

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm, Coldwell Banker Mid Plaza Real Estate, to prepare Schedule B containing projections of income and expenses for the first year of condominium operation.

Our firm is in the real estate management business since 1995, and during that time we have managed residential properties with individual, condominium and cooperative forms of ownership. Presently, we have more than 12 buildings in our company's portfolio.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to Schedule B.

We have reviewed Schedule B and investigated the facts set forth in Schedule B and the facts underlying them with due diligence in order to form a basis for this certification. We have also relied upon our firm's experience in managing residential buildings.

We certify that the projections in Schedule B 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 Schedule B:

(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;

(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; and

(vii) does 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 statements 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 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. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

COLDWELL BANKER MID PLAZA REAL ESTATE

By: _____
Name: Anthony Nasti
Title: President

Sworn to before me this
16 day of October, 2003

_____
Notary Public

SEAN E. STANTON
Notary Public, State of New York
No. 31-4905606
Qualified in New York County
Commission Expires Aug. 24, 2005

CERTIFICATION REGARDING ADEQUACY OF PAYMENTS FROM THE COMMERCIAL UNIT OWNER PURSUANT TO SECTION 20.4(e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

January 23, 2004

New York State Department of Law
Real Estate Financing Bureau
120 Broadway
23rd Floor
New York, New York 10271

Re: Condominium Offering Plan (the "Plan") for 257 West 117th Street, New York, New York 10026 (the "Property")

Gentlemen:

Bridge Capital Corp, the sponsor ("Sponsor") of the condominium offering plan for the referenced Property, retained our firm to review or prepare Schedule B, which includes projections of common charges payable by the owner of the Commercial Unit. Our firm, Merlow Management, of which I am President, has been in the real estate management business since 1992, and during that time we have managed residential properties with individual, condominium and cooperative forms of ownership, including buildings containing commercial space. Presently, we have more than 12 buildings in our company's portfolio.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Commercial Unit listed in Schedule B.

We have reviewed Schedule B as it impacts upon the Commercial Unit and investigated the facts set forth in the such Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We have also relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for common charges payable by the owner of the Commercial Unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to the Commercial Unit for the projected first year of condominium operation, and that the allocation of exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner of the Commercial Unit:

(i) set forth in detail the projected common charges for the Commercial Unit 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 owner of the Commercial Unit;

(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 statement is not intended as a guaranty or warranty of the common charges fairly attributable to the commercial unit for the first year of condominium operation.

The certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that the violations are subject to the civil and criminal penalties of the General Business and Penal Law.

MERLOT MANAGEMENT

By: _____

Name: Beth Mallowitz
Title: President

Sworn to before me this
28 day of January, 2004

_____
Notary Public

DANA L. ROSS
Notary Public - State of New York
NO. 01LR6067215
Qualified in New York County
My Commission Expires Dec 3, 2005

Opinion re 339-i

CERTIFICATION CONCERNING COMPLIANCE WITH SECTION 339(i) OF THE NEW YORK CONDOMINIUM ACT

Bridge Capital Corp.
1790 Madison Avenue
New York, New York 10035

Re: Plan of Condominium Conversion
257 West 117th Street, New York, New York

Gentlemen/Mesdames:

Our firm, Coldwell Banker Mid Plaza Real Estate, of which I am President, has been retained by you, as Sponsor of the Offering Plan to convert the subject property to condominium ownership, to prepare this opinion concerning the compliance with Section 339(i) of the New York Condominium Act.

Our firm is in the real estate management business since 1995, and during that time we have managed residential properties with individual, condominium and cooperative forms of ownership. Presently, we have more than 12 buildings in our company's portfolio.

The allocation of percentage of Common Interest for the Condominium Units in the Offering Plan is made pursuant to Section 339-i(iv) of the Real Property Law, which considers each Unit's floor space, location, uniqueness, overall dimensions, and similar factors of relative value to other space in the Condominium.

COLDWELL BANKER MID PLAZA REAL ESTATE

By: _____
Name: Anthony Nasti
Title: President

Sworn to before me this
16 day of October, 2003

_____
Notary Public

SEAN E. STANTON
Notary Public, State of New York
No. 31-4905606
Qualified in New York County
Commission Expires Aug. 24, 19
2005

Opinion re Real Estate Taxes and J-51 Benefits

M. C. O'BRIEN, INC.

REALTORS ESTABLISHED 1909

Michael C. O'Brien, MAI
1885-1982
M. C. O'Brien, Jr., MAI, SIOR, CRE
President
William G. O'Brien
Senior Vice President
M. C. O'Brien, III, SIOR
Vice President and Secretary
Malcolm J. Newman, CREA
Vice President
William P. O'Brien, SIOR
Vice President

3832 KINGS HIGHWAY, BROOKLYN, NEW YORK 11234
TEL 718 252-9191 FAX 718 252-4864

August 15, 2003

Mr. Stanley Wolfson
Bridge Capital Corp.
1790 Madison Avenue
New York, NY 10035

Re: 257 West 117th Street
Block 1923, Lot 10,
Borough of Manhattan
City and State of New York

Dear Mr. Wolfson:

You have requested us to project the real estate tax liability to be levied upon the above-captioned premises, which is currently undergoing renovation, and which upon completion will consist of a 7-story condominium building, with 16 residential condominium units and one commercial unit, for the first two years of condominium operation commencing January 1, 2004, after condominium declaration has been filed.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information consists of a detailed layout of the building and units showing the number of square feet and amenities of each unit and the building, as well as the estimated construction cost of the completed structure as well as the purchase price of the property.

The standard for assessment for residential cooperative and condominium structures appears in Real Property Tax Law 581. The method of assessment of individual condominium units is set forth in the Real Property Law Section 339-Y. The standard of assessment prescribed by statute for cooperative and condominium structures provides that these buildings be assessed in the same manner as rental apartment buildings. Furthermore, the statutes provide that the sale price of a cooperative apartment building as an entity and the sale of condominium units are not the measure of value for assessment purposes.

The current standard of assessment used by the Property Division of the New York City Department of Finance is to assess at 45% of market value. In this instance, the selling price of the individual condominium units should not be the standard. Instead it should be the value placed upon newly altered, fairly comparable conversions and new construction. The assessing authorities have utilized their perception of a cost factor, plus the value of the land for this purpose. The acquisition price may be utilized as a measure of value, but it should not be controlling since the Department of Finance as a matter of law can no longer automatically reassesses a property at 45% of sale price.

Upon completion, the new structure will contain 16 residential units approximating 33,736 square feet of total gross residential area, and one commercial unit approximating 37,500 square feet of gross commercial space.

Assessments in New York City are made on a fiscal year basis running from July 1 on any one year to the next succeeding June 30. The status of a property on January 1 of any one year is the basis for the assessment for the fiscal year beginning that July 1. The total tentative taxable assessment for the subject property, identified as Block 1923, Lot 10 for the current tax year is set forth as follows:

2003/2004	Land	Building	Total
Actual	$90,000	$141,750	$231,750
Transitional	$90,000	$134,820	$224,820

Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transitional assessed valuation. Therefore, the current year taxes would be based on the transitional assessed value of $224,820.

Since 1981, the Real Property Tax Law has provided that when there is an increase in actual assessed valuation between one year and the next year, that increase will be phased in over a five-year period. However, in the event of an increase due to new construction or alteration, there is no phase-in, and the amount attributable to such construction is added in its entirety to the assessment for the next succeeding year. You have advised us that you expect the project to be complete by January 1, 2004. The increased value, therefore, for the construction completed by January 1, 2004 will be reflected on the 2004/2005 assessment roll. However, the taxable value will be mitigated by any exemptions and abatements applied for and approved as is addressed subsequently.

The City of New York has four tax categories for real property. The subject property is currently classified as a Class IV (commercial) property, and its assessment is based on its present status. Since 1994/1995, the Class IV tax rate showed a decreasing trend until 2002/2003 when the tax rate increased over 10% and again in 2003/2004 when the rate increased 8.45%. As a result the average annual percentage change is about +1.0% over the most recent ten year period. The following chart summarizes the tax rate over the last ten years, along with our projections through tax year 2004/2005.

CLASS IV TAX RATE

Year	Tax Rate	% Change
1994/1995 Blended	$10.494/$100 A.V.	–1.09%
1995/1996	$10.402/$100 A.V.	–0.88%
1996/1997	$10.252/$100 A.V.	–1.46%
1997/1998	$10.164/$100 A.V.	–0.87%
1998/1999	$10.236/$100 A.V.	+0.71%
1999/2000	$9.989/$100 A.V.	–2.47%
2000/2001	$9.768/$100 A.V.	–2.26%
2001/2002	$9.712/$100 A.V.	–0.58%
2002/2003 Blended	$10.678/$100 A.V.	+10.87%
2003/2004	$11.580/$100 A.V.	+8.45%
2004/2005 Projected	$11.700/$100 A.V.	+1.00%
2005/2006 Projected	$11.817/$100 A.V.	+1.00%

The 2004/2005 Class IV tax rate has not yet been announced. The 2003/2004 tax rate is used to determine the current tax burden. In order to project the Class IV tax rate in the upcoming years, we will assume 1% increases for the following two years (2004/2005 and 2005/2006). This is based on the aggregate history of the past decade. Notwithstanding, the projection is purely speculative.

Based upon the actual 2003/2004 Class IV tax rate of $11.58 per $100 of assessed value, and the assessments above, the subject's tax obligation for the current year is calculated as follows:

	Taxable A.V.		Tax Rate		Taxes
Land:	$90,000	x	0.1158	=	$10,422
Building:	$134,820	x	0.1158	=	$15,612
Total:	$224,820	x	0.1158	=	$26,034

Section 11-209 of the Administrative Code of the City of New York provides as follows:

Taxable status of a building in the course of construction: A building in the course of construction, commenced since the preceding fifth day of January and not ready for occupancy on the fifth day of January following, shall not be assessed unless it shall be ready for occupancy or a part thereof shall be occupied prior to the fifteenth day of April.

Therefore, understanding that a Temporary Certificate of Occupancy for the entire structure is projected for Jan 1, 2004, the subject building will be fully assessed by January 1, 2005 for the tax year 2005/2006. The 2003/2004 tax payment will still be based on the subject's present status. For 2004/2005 it is expected that the assessed valuation will increase by 10% from $231,750 to $254,925, of which 20% of the increase will be taxable in the first year and 40% in the following year in accordance with the transitional system.

The 2004/2005 tax burden, for the first full year of condominium operation, is calculated as follows:

	Taxable A.V.		**Tax Rate**		**Taxes**
Land:	$91,800	x	0.11700	=	$10,741
Building:	$144,585	x	0.11700	=	$16,916
Total:	$236,385	x	0.11700	=	$27,657

Upon completion of the subject property, the residential portion of the building, will be reassessed and reclassified as a Class II property. The commercial unit of the building will remain Class IV. The Class II tax rate for the 2003/2004 tax year is $12.517 per $100 of assessed value. Since 1994/1995, the average annual compound increase in the Class II tax rate is +1.73%. Based on the record of the past decade, we project 1% annual increases for each of the next three tax years. Nonetheless, the projection is purely speculative.

CLASS II TAX RATE

Year	Tax Rate	%Change
1994/1995 Blended	$10.668/$100 A.V.	+1.70%
1995/1996	$10.807/$100 A.V.	+1.30%
1996/1997	$11.056/$100 A.V.	+2.30%
1997/1998	$11.046/$100 A.V.	–0.09%
1998/1999	$10.739/$100 A.V.	–2.86%
1999/2000	$10.851/$100 A.V.	+1.04%
2000/2001	$10.847/$100 A.V.	–0.04%
2001/2002	$10.792/$100 A.V.	–0.51%
2002/2003 Blended	$11.541/$100 A.V.	+6.94%
2003/2004	$12.517/$100 A.V.	+8.50%
2004/2005 Projected	$12.642/$100 A.V.	+ 1.00%
2005/2006 Projected	$12.768/$100 A.V.	+ 1.00%

We have examined assessed valuations of the most recent construction within the subject's market area. Based upon these surveys, and subject to the reservations set forth above, as well as the owner's cost estimate, potential capitalized income and physical details, it is our opinion that the actual assessment, for the tax year 2004/2005 will be in the approximate amount of $1,375,417, or an assessed value per square foot per annum of approximately $40.77 based on a residential building area of 33,736 square feet.

It is our opinion that the actual assessment attributed to the commercial portion of the subject property upon completion and reassessment, for the tax year 2004/2005 will be in the approximate amount of $1,321,875, or an assessed value per square foot per annum of approximately $35.25 based on a commercial area of 37,500 square feet.

Prospective purchasers are advised that this valuation assumes that the taxing authority is assessing a post-construction, completed, occupied building and is not intended to reflect any "progress" or interim valuation. In the event that completion of construction is delayed for any reason, it is possible that the 2004/2005 assessed valuation may be somewhat different than as estimated herein.

Full taxes during the 2004/2005 tax year are projected as follows, exclusive of tax exemptions that the subject may receive:

FULL TAX LIABILITY
2004/2005 TAX YEAR

	Taxable A.V.		Tax Rate		Taxes
Residential Portion	$1,375,417	x	0.12642	=	$173,880
Commercial Portion	$1,321,875	x	0.11700	=	$154,659
Total					$328,539

Real property taxes are payable semi-annually, on July 1, and January 1 (the City operates on a fiscal year commencing July 1 in one year and ending June 30 in the successive year). The tax liability of a particular condominium unit may be estimated for the tax years 2004/2005 and 2005/2006 as a pro rata share of the total residential tax levy.

The estimated **full tax liability** for an individual residential condominium unit, for the first two years following completion, equals:

Tax Year 2004/2005:	$10,868
Tax Year 2005/2006:	$10,976

However, as a renovation, the residential portion of the subject property will most likely be eligible for a real estate exemption under the J-51 tax exemption program. Under this program, increases in asset value resulting from new development are traditionally phased in over a period of fifteen years within the subjects area of Manhattan.

The commercial portion of the subject property will most likely qualify for 25 year ICIP exemption. According to the ICIP guidelines, the value attributable to the improvement but not the land is temporarily exempted from taxes. This applies to the new construction or renovation of the improvement. The amount of tax exemption and the length of the exemption period are determined by the type and location of the project. The subject is situated in a Special Exemption area of Upper Manhattan.

Based on information from the Department of Housing Preservation and Development, the subject ICIP tax exemption is projected for 25 years which will commence upon completion in tax year 2003/2004. During the first 16 years of the exemption period, the subject will enjoy 100% exemption under assessed value of the improvements. During the final nine years, the exemption is to be phased out in 10% annual increments.

Assuming that the subject property receives tax exemptions under each of these programs, the tax burden during the first 16 years of condominium operation shall be based on land assessments only.

We have already projected the 2004/2005 land assessment at $91,800 based upon a 10% increase from the 2003/2004 assessments phased in at 20% per annum. This resulted in a 2004/2005 land only tax burden of $10,741 using the projected Class IV tax rate of $11.700 per $100 of assessed value. For the 2005/2006 year, we assume that the transitional assessed value of the land will increase 20% and the tax rate will increase 1% resulting in a land only tax burden of $11,061 based on a Class IV rate.

However, by the 2005/2006 tax year, the subject will also have been reclassified , with the residential portion subject to a Class II tax rate and the commercial portion continuing to be subject to a Class IV tax rate. Our projected 2004/2005 Class IV tax rate is $11.700 per $100 of AV and our projected Class II tax rate is $12.642 per $100 of AV. The estimated gross building area of the completed improvements is 71,236 square feet, of which 33,736 square feet is residential and 37,500 is commercial. Accordingly, the projected land assessment may be apportioned with residential occupancy responsible for 47.4% of the total land tax levy and the commercial unit responsible for 52.6% of the total levy.

Therefore, the 2004/2005 tax burden , inclusive of J-51 and ICIP tax exemptions is as follows:

TAX LIABILITY BASED ON J-51 AND ICIP EXEMPTIONS
2004/2005 TAX YEAR

	Total Assessment	Share	Land Only Taxable A.V.		Tax Rate		Taxes
Residential	$1,375,417	47.4%	$43,513	x	0.12642	=	$5,501
Commercial	$1,321,875	52.6%	$48,287	x	0.11700	=	$5,650
Total		100.0%	$91,800				$11,151

Therefore, estimated tax liability for an individual condominium unit, for the first two years following completion, assuming the tax exemption benefits described above, equals :

Tax Year 2004/2005: $344
Tax Year 2005/2006: $347

WE MAKE NO REPRESENTATIONS OR GUARANTEES THAT THE ASSESSED VALUE WILL BE FIXED AT ANY AMOUNT, NOR THAT ANY EXEMPTIONS WILL GRANTED. NEITHER WE, NOR ANY PERSON CAN GUARANTEE WHAT THE REAL ESTATE TAXES WILL BE AT ANY FUTURE DATE. CHANGES IN LAW OR POLICIES OF GOVERNMENT AGENCIES MAY RADICALLY CHANGE THE OPINIONS EXPRESSED HEREIN, AND INTERESTED PARTIES SHALL BE AWARE THAT THE ESTIMATE OF THE FUTURE ASSESSMENT COVERS A PERIOD TWO YEARS INTO THE FUTURE. WE ASSUME NO RESPONSIBILITY OR LIABILITY FOR ANY VARIATIONS IN THE ASSESSED VALUES FROM THE PROJECTION MADE HEREIN.

Respectfully submitted,

M. C. O'Brien, Inc.

Malcolm Newman
NYS Licensed Real Estate Broker

Opinions of Counsel

SEIDEN & SCHEIN, P.C.

ATTORNEYS AT LAW

JAY G. SEIDEN
ALVIN SCHEIN

JEANNE C. MATASE
STEPHANIE E. PAULOS
ADAM A. LEVENSON

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New York, New York 10022

Telephone: (212) 935-1400
Facsimile: (212) 593-4545
web:www.seidenschein.com

OF COUNSEL:
GARY A. BARASH
DAVID F. YAHNER

COUNSEL'S TAX OPINION LETTER

February 19, 2004

Bridge Capital Corp.
1790 Madison Avenue
New York, New York 10035

RE: Offering Plan (the "Plan") for the Conversion to Condominium Ownership of Premises 257 West 117th Street, New York, New York

Dear Sirs and Mesdames:

You have requested our opinion concerning (i) the availability of certain deductions for Federal, New York State and New York City income tax purposes (but not for purposes of the New York City earnings tax on non-residents) to persons who purchase Units for private residential use ("Residential Unit Owners") under the Plan and (ii) the proper treatment by the Condominium Board for such income tax purposes of the Common Charges paid or borne by all Unit Owners. Except where otherwise indicated herein, the terms used in this opinion have the same meanings as in the Plan.

In this connection, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1986 ("Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other materials as we deemed relevant, and we have assumed that the closing under the Plan will occur in 2004.

Deductions for Mortgage Interest and Real Estate Taxes

A Unit Owner will own his Unit and its Appurtenant Interest in the Common Elements in fee simple absolute. Accordingly, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will be individually liable for the payment of such real estate taxes. A Unit Owner, per terms of the Offering Plan, may also mortgage such Unit(s) and become individually liable for the payment of any finance charges or interest on such mortgage indebtedness.

In our opinion, a non-corporate Residential Unit Owner who itemizes his deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to his Unit in

the year paid or accrued provided that, up to the aggregate amount of $1,000,000.00 for all qualifying mortgages on all qualifying Units, (A) the mortgage does not exceed the lesser of (i) the Unit Owner's original basis in his Unit plus the cost of improvements, if any, or (ii) the fair market value of the Unit and (B) his Unit is a "qualified residence". A unit will be a "qualified residence" if it is either (i) the Unit Owner's "principal residence" as that term is defined by Section 1034 of the Code or (ii) a residence as defined by Section 280A(d)(1) of the Code and the Unit Owner selects it as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return may have two, and only two, qualified residences. In the case of a married couple filing separate returns, each taxpayer may take into account a single "qualified residence", unless by written agreement they consent to one of them taking into account a principal residence and one other residence. Under Section 461(g) of the Code, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points paid in certain cases).

In our opinion, a Residential Unit Owner whose Unit is used by him for residential purposes will, for Federal income tax purposes, be entitled to a deduction for real estate taxes incurred with respect to his Unit in the year paid or accrued under Section 164 of the Code.

It is also our opinion that each Unit Owner whose Unit is used in an active profession and/or trade or business, other than the rental of such Unit, in which the Unit Owner materially participates, will, for Federal income tax purposes, be entitled to a deduction for real estate taxes incurred with respect to his Unit in the year paid or accrued under Section 164 of the Code.

Other rules are applicable to a Unit Owner if the Unit is to be used in a trade or business or is to be held for rental. In these cases, the Tax Reform Act of 1986 will have broad impact, and no opinion is offered as to the consequences to such a Unit Owner.

It is also our opinion that each Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year (Section 615 of the New York State Tax Law).

It should be noted, however, the benefit of a Unit Owner's deductions for interest and real estate taxes may be reduced if the Unit Owner is subject to the Federal alternative minimum tax, or the State or City minimum taxes (Section 55 of the Code; Sections 615 and 622 of the New York State Tax Law; and Sections 11-1715 and 11-1722 of the New York City Code). In addition, it should be noted that state and local taxes, including real estate taxes, are not deductible for purposes of calculating an individual's federal alternative minimum taxable income, and that interest with respect to a "qualified residence" is generally deductible only to the extent incurred in acquiring, constructing or rehabilitating a "qualified residence" or in refinancing, without an

increase in the principal amount thereof, such an indebtedness; the difference in the treatment of these and other items, for federal alternative minimum tax purposes may result in a taxpayer becoming subject to such tax even though he has no items of tax preference.

It should be noted that our opinion as to the availability of deductions to a Unit Owner with respect to mortgage interest and real estate taxes in connection with his or her Unit used in an active profession and/or trade or business, other than the rental of such unit, is based on the assumption that such Unit Owner will have "at risk", within the meaning of Section 465 of the Code, in such profession, trade or business, an amount equal to, or in excess of his losses in connection with said profession, trade or business, including such deduction.

Common Charges

Common Charges will be borne by the Unit Owners and assessed and collected by the Board of Managers ("Condominium Board").

Under Section 528 of the Code, some Condominium Boards may be eligible to be exempt from tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. Generally, these requirements are:

(1) The condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance and care of association property;

(2) Sixty percent or more of the gross income of the condominium management association must consist of assessments from residential unit owners ("Exempt Function Income");

(3) Ninety percent of the expenditures of the condominium management association must be for the acquisition, construction, management, maintenance, and care of the condominium management association's property;

(4) No part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management, or maintenance of the condominium management association's property or by rebates of excess assessments; and

(5) Substantially all of the units must be used as residences.

Under the Treasury regulations issued pursuant to Section 528 of the Code, a condominium management association must qualify annually for the election under Section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528

will depend on the particular facts and circumstances prevailing in the taxable year at issue.

Since the aggregate square footage of the Commercial Unit will exceed 15% of the total square footage of all of the Units of the Condominium, the Condominium will not meet this test.

If the Condominium Board were eligible to make a Section 528 election, it would still be subject to tax on any income not received as assessments or other such payment from Unit Owners; thus, if the Condominium Board realized interest income from funds on deposit, such interest may be taxable to it.

If an election under Section 528 of the Code is not in effect for the taxable year, the tax status of the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528 of the Code ("existing law").

Under existing law, the tax status of the Condominium Board is uncertain. The By-Laws provide that the Condominium Board will act as the agent of the Unit Owners. Thus, the Condominium Board may take the position that it is simply a conduit for receipts and payments of the Unit Owners for whom it acts as agent and not a separate entity. In such case, the Unit Owners would themselves be taxable on any interest or similar income which is earned from investments of the amounts which are assessed and collected from the Unit Owners and/or held as reserve funds.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners through the Condominium Board, constitute an association taxable as a corporation. In such event, such association may be deemed subject to the Federal corporate income tax (and also to New York State and New York City corporate income taxes) on the portion of the Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board which are deductible for Federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to such Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected (*Revenue Ruling 75-370, 1975-2 Cum. Bull. 25*), or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the association (*Revenue Ruling 75-371, 1975-2 Cum. Bull. 52 Cf. Concord Village, Inc., 65 T.C. 142 (1975)*). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by

the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be treated as receiving a distribution equal to the fair market value of that benefit; under the usual rules applicable to distributions of associations, a distribution is first treated as taxable ordinary income to the extent of the distributee's proportionate share of the association's earnings and profits, then as a tax-free recovery of basis to the extent thereof, and the balance, if any, as capital gain.

In this connection, it should be noted that if the Condominium Board is determined to be a separate taxable entity for Federal income tax purposes, it is possible that the limitations of Section 277 of the Code may be found to apply. If this were the case, the Condominium Board's income from sources other than Unit Owners, if any, could not be offset by the Condominium Board's expenses incurred in the provision of services to Unit Owners. It is unclear how interest or other income earned on the investment of a required reserve fund would be treated for this purpose; if such income were treated as not derived from the Unit Owners in consideration of services rendered them by the Condominium Board, then such income may not be reduced by the Condominium Board's operating expenses with respect to the property and may result in a liability for taxes.

In the event that the Condominium Board is required to pay any Federal, New York State or New York City income tax, and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax (*see Old Colony Trust Co. v. Commission, 279 U.S. 716 (1929); Revenue Ruling 74-75. 1974-1 Cum. Bull. 19; Revenue Ruling 86-14 I.R.B. 1986-5, 33*).

We express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or as to any tax status of the Plan of a Unit under the laws of any other U.S. or foreign jurisdiction.

Thus, this opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business, other than set forth herein, or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Limited Common Elements are acquired and/or leased by the Condominium Board. It is also to be noted that under certain circumstances an owner of any Unit, by virtue of such ownership, may be deemed to become a resident of New York City and that this opinion does not deal with the circumstances under which this may occur, or with the income, estate or other tax consequences that may arise therefrom. Thus, each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

In our opinion, Unit Owners will be entitled to income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause Unit Owners not to be entitled to income tax deductions.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan.

Very truly yours,
SEIDEN & SCHEIN, P.C.

By: _____
Alvin Schein

SEIDEN & SCHEIN, P.C.

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COUNSEL'S OPINION LETTER RE ALLOCATION OF INTERESTS IN COMMON ELEMENTS

February 19, 2004

Bridge Capital Corp.
1790 Madison Avenue
New York, New York 10035

RE: The 257 West 117th Street Condominium
257 West 117th Street, New York, New York (the "Condominium")

Dear Sirs and Mesdames:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion, we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Coldwell Banker Mid Plaza Real Estate as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Coldwell Banker Mid Plaza Real Estate.

Coldwell Banker Mid Plaza Real Estate has determined that Common Interests have been allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i(1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing, it is our opinion that Real Property Law Section 339-i has been complied with regarding the allocation of Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Seiden & Schein, P.C., the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

The opinion expressed herein is based solely on New York law.

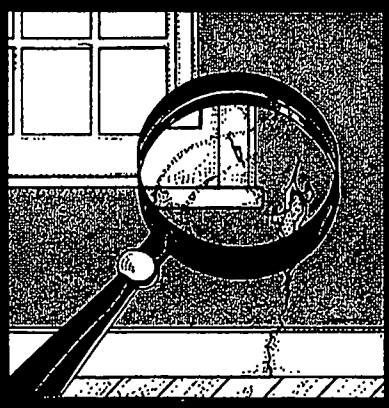
We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

SEIDEN & SCHEIN, P.C.

By: _____
Alvin Schein

EPA Pamphlet





Protect Your Family From Lead In Your Home



United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
September 2001

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

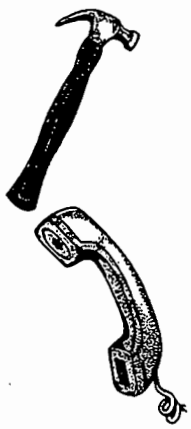
Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure form about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure form about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS have to give you this pamphlet before starting work.

IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Center at **1-800-424-LEAD (424-5323).**

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

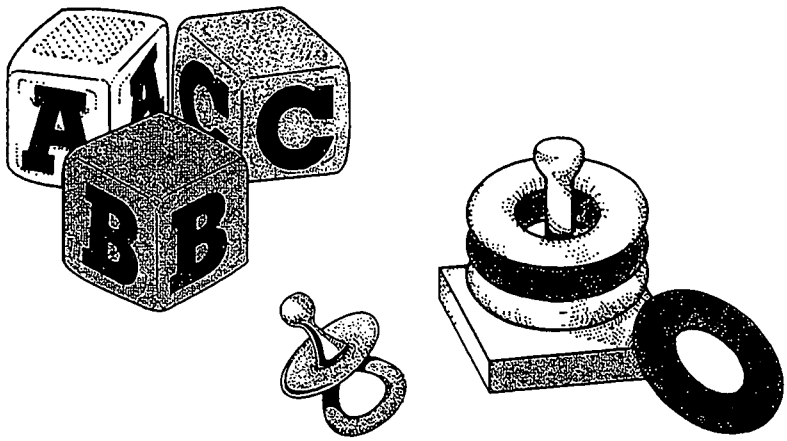
Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children than adults because:

- Children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



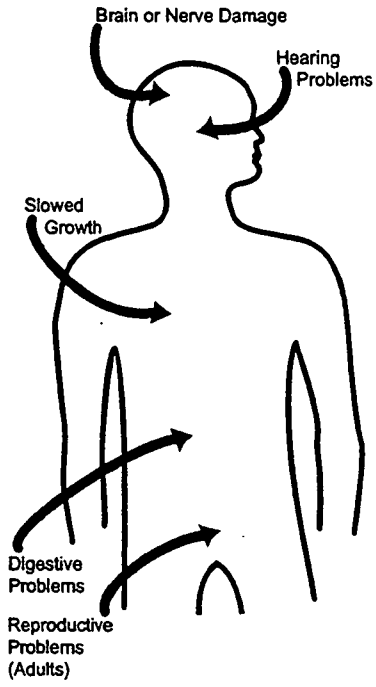
Lead's Effects

If not detected early, children with high levels of lead in their bodies can suffer from:

- Damage to the brain and nervous system
- Behavior and learning problems (such as hyperactivity)
- Slowed growth
- Hearing problems
- Headaches

Lead is also harmful to adults. Adults can suffer from:

- Difficulties during pregnancy
- Other reproductive problems (in both men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside *and* outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead in one of two ways, or both:

- A paint **inspection** tells you the lead content of every different type of painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- A **risk assessment** tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Hire a trained, certified professional who will use a range of reliable methods when checking your home, such as:



- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are standards in place to ensure the work is done safely, reliably, and effectively. Contact your local lead poisoning prevention program for more information, or call **1-800-424-LEAD** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these tests before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**



- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your local agency (see page 11) for help with locating certified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

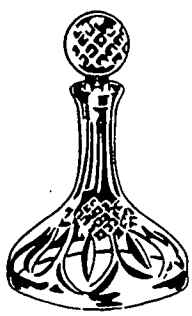


Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** and ask for the National Lead Information Center at **1-800-424-LEAD.**

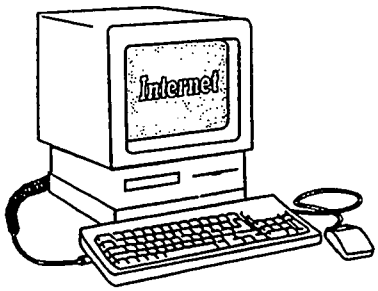


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's website at: **www.cpsc.gov.**



Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

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