THIS IS A NON-EVICTION PLAN
NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.

CONDOMINIUM OFFERING PLAN
FOR

TIMES PLAZA CONDOMINIUM
560 STATE STREET
BROOKLYN, NEW YORK 11217

Total Purchase Price (39 Residential Units)	$23,913,100.00[1]
Commercial Units not presently being offered for sale (8)	
Working Capital Fund	$10,000.00[2]
Reserve Fund	$574,452.00[3]

(1) Prices are subject to change and may be negotiated. See Section of the Plan entitled "Changes in Prices and Units."

(2) To be increased by an indeterminate amount equal to one month's Common Charges paid by Purchasers of Residential Units at the closing of purchase. See Section of the Plan entitled "Working Capital Fund and Reserve Fund."

(3) The Reserve Fund will be established in accordance with Chapter 8 of Title 26 of the Administrative Code of the City of New York. It is most probable that this amount will be revised pursuant to such statute. See Section of the Plan entitled "Working Capital Fund and Reserve Fund" for calculation, possible credits against this amount and funding period.

SPONSOR:
Times Plaza Development Limited Partnership
c/o Bruce Orlofsky
562 State Street
Brooklyn, New York 11217-1412

CONDOMINIUM

SELLING AGENT:
Heron LLC located at 820 2nd Avenue, New York, New York 10017
and Times Plaza Development Limited Partnership located at 562 State Street, Brooklyn, New York 11217-1412
Date of Acceptance for Filing: November 23, 2004

THIS OFFERING CANNOT BE USED AFTER ONE (1) YEAR
FROM THE DATE OF ACCEPTANCE FOR FILING UNLESS AMENDED.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

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

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SPECIAL RISKS

The special risks summarized below are explained more fully in other Sections of this Plan. Prospective Purchasers should therefore read the entire Plan to completely understand these and other material aspects of this offering. See the Section of the Plan entitled "Definitions" for the meanings of the capitalized words used in the Plan (such as this Section) and not defined elsewhere in the Plan.

1. **The Commercial Units.**

The Commercial Unit Owner(s) have certain special rights under the Declaration including the right to subdivide the Commercial Unit(s) and to use same for any lawful purpose including the use for a food establishment which may result in increased noise, traffic and odors. Neither the Condominium Board nor the Residential Unit Owners will have any right to restrict or limit any lawful use of any Commercial Unit except that the Commercial Unit(s) may not be used for (i) the sale or display of pornographic photographs, magazines, movies or videotapes or as a so-called rubber goods shop or (ii) any nude or semi-nude live performances or nude modeling or as a sex club or massage parlor. No representation or warranty is made as to who the owner(s) or tenant(s) of the Commercial Units may be at any time or as to the lawful uses to which any Commercial Unit may be put at any time. See "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws".

2. **Financing Contingency and Availability.**

The rights and obligations of each Purchaser under a Purchase Agreement are conditioned upon such Purchaser obtaining a commitment for financing in an amount equal to eighty (80%) percent of the Purchase Price (or such lesser sum as such Purchaser may approve), but only under the terms and conditions more particularly set forth in the "Procedure to Purchase" section of the Plan. In particular, if a Purchaser chooses to obtain financing from a source other than a Recognized Lender, the Purchaser's obligations under the Purchase Agreement will not be conditioned upon his or her obtaining such other financing. Thus, the failure to obtain financing from such a source will not relieve Purchaser from his or her obligations under the Purchase Agreement, and if such Purchaser fails to pay the balance of the Purchase Price to Sponsor on or prior to the Closing Date and any such default is not cured within a thirty (30)-day period after written notice thereof with TIME BEING OF THE ESSENCE, Sponsor may cancel the Purchase Agreement and retain as liquidated damages the Down Payment, together with any interest earned thereon, plus the cost of any special work in the Unit ordered by the Purchaser (together with interest on the cost thereof from when expended at the same interest rate as earned on the Down Payment). Any payments received in excess of such sums together with any interest earned on such excess, will be refunded to Purchaser within ten (10) business days after receipt of such written cancellation.

Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain mortgage financing or the terms or costs of such financing. It is noted that most lenders currently require that a specified minimum percentage of units in a condominium be sold to purchasers for owner-occupancy as one of their loan prerequisites. Sponsor cannot and does not represent, assure or guarantee the percentage of Units that will be Owner-Occupied

(as defined below in "Definitions") at any given time or that such percentage will meet the requirements of Institutional Lenders or other lenders at any time or whether a Purchaser will succeed in arranging such financing. Please consult the Sections of the Plan entitled "Procedure to Purchase" and "Closing of Title to Units and Terms of Sale" and the form of Purchase Agreement set forth as Document 4 in Part II of the Plan.

Pursuant to existing law and regulation the Sponsor may declare the Plan effective once it has accepted Purchase Agreements from bona fide purchasers (including investors) with respect to at least 15% of the Residential Units, but it is not a requirement to close the conversion that each Purchaser delivering a Purchase Agreement which is counted toward the 15% actually close on his or her purchase. Therefore, the conversion may become effective even though the sales of less than 15% of the Residential Units are closed. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. As stated above, such restrictions include requiring that a certain percentage of the units in a building be sold before the lender will consider making a loan. Thus, it may be possible that a purchaser will experience difficulty obtaining a loan in a building where the percentage of units sold is lower than a lender's particular sales minimum. Even after a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

In addition, Purchasers are also advised that Sponsor has no obligation to declare the Plan effective except as set forth in "Effective Date." Until the Plan is declared effective, Sponsor shall have no obligation to sell any Units for which a Purchase Agreement has been executed and delivered. In addition, as set forth in "Effective Date," Sponsor has certain rights to abandon the Plan, which rights also apply following Sponsor declaring the Plan effective.

Because the plan can be declared effective based on sales of fifteen (15%) percent of the units to tenants or bona fide purchasers for their own occupancy, purchasers may be living in a mixed rental/owner-occupied building for an indeterminate period of time and that owner-occupants may not control the board or operation of the property during such transition or ever, unless the by-laws are amended to provide for an owner-occupant majority on the board.

3. **Sponsor's Remedies on Purchaser's Default Under the Purchase Agreement. 30 day "Time of The Essence" For Purchaser To Cure Default**.

Any Purchaser who defaults under his or her Purchase Agreement must be given written notice and the opportunity to cure such default within thirty (30) days from the sending of the default notice, which default notice shall be sent via certified mail, return, receipt requested and via first class mail. If a defaulting Purchaser does not remedy the default within such thirty (30)-day grace period, with **TIME BEING OF THE ESSENCE**, Sponsor will have the right to cancel such defaulting Purchaser's Purchase Agreement and retain as liquidated damages the Down Payment, together with any interest earned thereon, plus the cost of any special work in the Unit ordered by Purchaser (together with interest on the cost thereof from when expended at the same interest rate as earned on the Down Payment). Purchaser and Sponsor will thereupon be relieved of all further liabilities and obligations thereunder and

under the Plan. If the Purchase Agreement is canceled, Sponsor has the right to sell the Unit to others as if the Purchase Agreement had never been made, without accounting to the Purchaser for the proceeds of such sale. See the Section of the Plan entitled "Closing of Title to Units and Terms of Sale."

4. **Purchaser's Delinquency Closing Costs**.

If through no fault of Sponsor a Purchaser fails to close on the date fixed by Sponsor for closing of title to Purchaser's Unit, then Purchaser will (a) pay (among other closing costs) a late fee equal to 0.0411 % times the unpaid balance of the Purchase Price for each day's delay, beginning with the fifteenth (15'") day after the date originally scheduled for the closing to and including the day immediately preceding the actual Closing Date, (b) reimburse Sponsor for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the period of delay, (c) pay the service fees of Sponsor's attorneys of $350 for each default letter sent to such Purchaser and (d) pay the adjournment fees and other closing costs to be paid by Purchaser as described in the Section of the Plan entitled "Unit Closing Costs and Adjustments."

5. **Purchasers Payment of Transfer Taxes and Mansion Tax**.

At the closing of title to his or her Unit, each Purchaser will be required to pay New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax. The New York City Real Property Transfer Tax is currently imposed at a rate of one percent (1 %) of the Purchase Price for an individual residential condominium unit if the Purchase Price is five hundred thousand dollars ($500,000.00) or less and one and four hundred twenty-five one-thousandths percent (1.425%) if the Purchase Price is more than five hundred thousand dollars ($500,000.00). The New York State Real Estate Transfer Tax is currently imposed at a rate equal to the amount of two dollars ($2.00) per five hundred dollars ($500.00) or part thereof of the Purchase Price. Prospective Purchasers are advised that both New York State and New York City have taken the position that where a Purchaser pays either or both of these taxes such payment constitutes additional consideration to the seller and must be considered in computing the tax due. In addition, purchasers of Residential Units with a purchase price of $1,000,000.00 or more will be required to pay the additional tax (commonly known as the "mansion tax") imposed on purchasers, equal to one percent (1.0%) of the purchase price of the Unit.

Please see "Unit Closing Costs and Adjustments" for a discussion of various additional closing costs payable by Purchaser, including, without limitation, fee title insurance and/or mortgage title insurance premiums, other title charges and disbursements, recording fees, financing costs (if applicable), fees payable to Sponsor's attorneys, a fee to the Managing Agent and the contribution to the Working Capital Fund payable by Purchaser at closing.

6. **Bank Account For Down Payment Is Federal Insured To $100,000 Only**.

Each Down Payment will be kept in a segregated attorney's special escrow account at Citibank, N.A.(the "Bank") with a branch located at 120 Broadway, New York, New York

10271. The Bank is covered by Federal Bank Insurance Deposit insurance to a maximum of $100,000 in the aggregate with respect all funds deposited by any Person in one or more deposit accounts. If a Purchaser's Down Payment, together with any other funds of such Purchaser in deposit accounts at the Bank, exceed $100,000, the excess above $100,000 will not be federally insured. Neither Sponsor, the Selling Agent nor the Escrow Agent holding the Down Payment will be liable for any losses resulting from the failure of the Bank.

7. **Sponsor's Inability to Convey Title**.

Except as provided in the Effective Date Section of the Plan, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Unit in accordance with the Plan and the terms of the Purchase Agreement for such Unit. If Sponsor notifies a Purchaser of its refusal to cure any such inability, then such Purchaser's sole remedy will be either (a) to take such title as Sponsor is able to deliver without abatement in or credit against the Purchase Price for the Unit and without any claim or right of action against Sponsor for damages or otherwise or (b) to terminate his or her Purchase Agreement and receive a refund of his or her Down Payment and any interest earned thereon. A Purchaser must notify Sponsor which option such Purchaser elects within ten (10) days after the giving of Sponsor's notice of refusal to cure such inability, with TIME BEING OF THE ESSENCE. If a Purchaser fails to timely deliver such notice, it will be conclusively deemed that such Purchaser has elected to acquire title to the Unit subject to such inability as set forth in clause (a). See the Section of the Plan entitled "Closing of Title to Units and Terms of Sale" and the form of Purchase Agreement set forth as Document 4 in Part II of the Plan.

8. **Management Fee For Tenant-Occupied Units**.

The Unit Owner of any Residential Unit occupied by a Non-Purchasing Tenant will be responsible for the due performance of all of the obligations of the landlord under the Non-Purchasing Tenant's Existing Lease or month-to-month tenancy. The actual performance of such obligations will, however, in the first instance, be by or at the direction of the Managing Agent for the account of the Unit Owner. Each Purchaser of a Residential Unit occupied by a Non-Purchasing Tenant (other than Sponsor, a Sponsor Successor, or their respective designees) will be required to deposit with the Managing Agent at closing an amount equal to not less than two months' Common Charges and estimated real estate taxes to be used as working capital to furnish services required under such Non-Purchasing Tenant's Existing Lease or month-to-month tenancy for the Unit and by Applicable Law. Such fund must thereafter be replenished by the Purchaser of the Unit within thirty (30) days after notice from the Managing Agent that such fund has been diminished. See the Sections of the Plan entitled "Procedure to Purchase," "Unit Closing Costs and Adjustments" and "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws."

9. **Sponsor Control**.

Until the first meeting of the Unit Owners following the First Unit Closing, the members of the Condominium Board shall consist of three (3) persons appointed by the Sponsor. From and after such first meeting of the Unit Owners, the Condominium Board shall

be composed of five (5) members. The Commercial Unit Owners shall, at all times, as a group, have the right to designate one (1) member of the Condominium Board to represent them on the Condominium Board, which member represents 20% of the five (5) member Condominium Board, which percentage is slightly more than the Common Interest percentage allocated to the Commercial Unit(s). The balance of the Condominium Board, consisting of four (4) members, shall be Residential Members. During the Initial Control Period, the Unsold Residential Unit Owners (including Sponsor and/or its designees, successors or Holders of Unsold Units) shall have the right, as a group, to designate three (3) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Residential Unit Owners (including Sponsor) may (or may not be) related to or affiliated with Sponsor or other Unsold Residential Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the By-laws) of the Residential Unit Owners (including Sponsor and other Unsold Residential Unit Owners) from among a slate of candidates nominated by one or more Residential Unit Owners not related to or affiliated with Sponsor or other Unsold Residential Unit Owners (each a "Non-Sponsor Owner"). There is no restriction on the right of Sponsor and other Unsold Residential Unit Owners to vote for Residential Members who are nominated by Non Sponsor Owners. After the Initial Control Period, the owners of Unsold Residential Units (including Sponsor) shall have the right, as a group, to designate the following number of members of the Condominium Board: (a) one (1) Residential Members of the Condominium Board for so long as the Common Interests attributable to the Unsold Residential Units, as a group, equals, in the aggregate, more than ten (10%) percent of the Common Interests of all Residential Units and (b) one (1) Residential Member of the Condominium Board, for so long as there are at least two (2) Unsold Residential Units. Accordingly, after the Initial Control Period, Unsold Residential Unit Owners (including Sponsor) shall have the right, as a group, to designate not more than one (1) Residential Member of the Condominium Board who, in the sole discretion of the Unsold Residential Unit Owners (including Sponsor) may (or may not be) related to or affiliated with Sponsor or other Unsold Residential Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the By-laws) of the Residential Unit Owners (including Sponsor and other Unsold Residential Unit Owners) from the candidates nominated by one or more Non-Sponsor Owners.

After the expiration of the Initial Control Period, so many of those Residential Members who are related to or affiliated with Sponsor or other Unsold Residential Unit Owners as shall exceed the following applicable number shall resign from the Condominium Board: (x) one (1), so long as the Common Interests attributable to the Unsold Residential Units, as a group, equals more than ten (10.0%) percent of the Common Interests of all Residential Units, (y) one (1), so long as the Common Interests attributable to any Unsold Residential Units, as a group, equals ten (10.0%) percent or less of the Common Interests of all Residential Units, but there are not less than two (2) Unsold Residential Units and (z) zero, once the number of Unsold Residential Units falls below two (2) units.

The effect of the foregoing is that, from and after the first meeting of Unit Owners and prior to the expiration of the Initial Control Period, three (3) of the four (4) Residential Members of the Condominium Board (that is, 1 of the total 5 member Condominium Board) shall be elected from among candidates nominated by Non-Sponsor Owners and after the Initial Control Period at least three (3) of the four (4) Residential Members of the

Condominium Board (that is, at least 3 of the total 5 member Condominium Board) shall be elected from among candidates nominated by Non-Sponsor Owners. However, for an indeterminate period after the Initial Control Period, Sponsor will continue to exercise significant control with respect to the composition of the Condominium Board on account of, among other things, (i) Sponsor's right to vote on Residential Members of the Condominium Board from among a slate of candidates nominated by one or more Non Sponsor Owners (in addition to its right to designate the applicable specified number of Residential Members of the Condominium Board as provided above) and (ii) to the extent that Sponsor or an affiliate of Sponsor shall continue to own the Commercial Unit(s), the right of Sponsor and/or an affiliate of Sponsor, as the owner(s) of the Commercial Unit(s), to designate one (1) members of the Condominium Board as provided above (such right to designate such one member on the part of the Commercial Unit Owners not being affected by whether or not Sponsor or an affiliate of Sponsor shall own the Commercial Unit(s)).

The number of members of the Condominium Board may not be increased without the consent of all Commercial Unit Owners and, so long as there remains at least one Unsold Residential Unit, all Unsold Residential Unit Owners (including Sponsor and all Sponsor Successors). All Residential Members who are not designated or elected by Unsold Residential Unit Owners shall be required to own a Residential Unit for so long as they are Residential Members.

In the case where there shall be more than one Commercial Unit Owner, the allocation among the Commercial Unit Owners of the right to designate are members of the Condominium Board which may be designated by the Commercial Unit Owners as a group, as provided above, will be determined by one or more agreements among the Commercial Unit Owners, which shall have been consented to in writing by the holder(s) of record of any and all mortgages of record on the affected Commercial Unit(s) (collectively, "Applicable Commercial Unit Mortgagee Consent"), but the Condominium will not be bound thereby unless such agreements are in writing and a copy thereof and of the Applicable Commercial Unit Mortgagee Consent shall have been delivered to the Condominium Board no later than that date which is one (1) day prior to the date of the particular duly called meeting of the Unit Owners at which the members of the Condominium Board are to be elected or selected. A Commercial Unit Owner which has obtained any Applicable Commercial Unit Mortgagee Consent and which transfers one or more Commercial Units, whether or not such owner retains one or more Commercial Units, may transfer with such Commercial Unit(s) the right to designate up to the lesser of the following (such lesser number, the "Commercial Unit Transferor Designation Number'): (A) the number of members of the Condominium Board which all Commercial Unit Owners as a group may designate, as provided above and (B) the number of members of the Condominium Board that the transferring Commercial Unit Owner had the right to designate immediately prior to such transfer. Any such transferring Commercial Unit Owner retaining one or more Commercial Units may retain the right to designate a number of the Board members equal to the difference between the Commercial Unit Transferor Designation Number applicable to such transferor and the number of Board members which such transferor assigned the right to designate to the transferee. Once a transferee of a Commercial Unit has received from the transferor of such Unit the right to designate one or more members of the Condominium Board, then neither the consent nor the approval of the transferor, any of the transferor's successor or assigns nor the Condominium

Board shall be required for such transferee's further assignment of such right to designate member(s) of the Condominium Board to any new transferee of a Commercial Unit from such original transferee (but subject to compliance by such original transferee with the foregoing provisions of this paragraph pertaining to transfer by such original transferee of the right to designate members of the Condominium Board). A purchaser at foreclosure or deed in lieu of foreclosure with respect to a Commercial Unit shall automatically acquire the rights of the (former) owner of such Commercial Unit to designate members of the Condominium Board.

In the case where there shall be more than one Unsold Residential Unit Owner, the allocation among the Unsold Residential Unit Owners (including Sponsor) of the right of the Unsold Residential Unit Owners, as a group, to designate Residential Members of the Condominium Board, as provided above, will be determined by one or more agreements among the Unsold Residential Unit Owners, which shall have been consented to in writing by the holder(s) of record of any and all mortgages of record on the affected Unsold Residential Unit(s) (collectively, "Applicable Unsold Residential Unit Mortgagee Consent"), but the Condominium will not be bound thereby unless such agreements are in writing and a copy thereof and of the Applicable Unsold Residential Unit Mortgagee Consent shall have been delivered to the Condominium Board no later than that date which is one (1) day prior to the date of the particular duly called meeting of the Unit Owners at which the members of the Condominium Board are to be elected or selected. An Unsold Residential Unit Owner (including Sponsor) which has obtained any Applicable Unsold Residential Unit Mortgagee Consent and which transfers one or more Unsold Residential Units, whether or not such owner retains one or more Unsold Residential Units, may transfer with such Unsold Residential Unit(s) the right to designate up to the lesser of the following (such lesser number, the "Unsold Residential Unit Transferor Designation Number"): (A) the number of Residential Members of the Condominium Board which all Unsold Residential Unit Owners (including Sponsor) as a group may designate, as provided above and (B) the number of Residential Members of the Condominium Board that the transferring Unsold Residential Unit Owner had the right to designate immediately prior to such transfer. Any such transferring Unsold Residential Unit Owner retaining one or more Unsold Residential Units may retain the right to designate a number of the Residential Members of the Condominium Board equal to the difference between the Unsold Residential Unit Transferor Designation Number applicable to such transferor and the number of Residential Members of the Condominium Board which such transferor assigned the right to designate to the transferee. Once a transferee of an Unsold Residential Unit has received from the transferor of such Unit the right to designate one or more Residential Members of the Condominium Board, then neither the consent nor the approval of the transferor, any of the transferor's successor or assigns nor the Condominium Board shall be required for such transferee's further assignment of such right to designate member(s) of the Condominium Board to any new transferee of an Unsold Residential Unit from such original transferee (but subject to compliance by such original transferee with the foregoing provisions of this paragraph pertaining to transfer by such original transferee of the right to designate Residential Members of the Condominium Board). A purchaser at foreclosure or deed in lieu of foreclosure with respect to an Unsold Residential Unit shall automatically acquire the rights of the (former)

owner of such Unsold Residential Unit to designate Residential Members of the Condominium Board.

10. **Condominium Does Not Qualify Under Section 528 of the Internal Revenue Code**

It is unlikely that the Condominium will satisfy the requirement in the applicable regulations that at least 85% of the square footage of all Units comprising the Condominium be used for residential purposes in order for the Condominium Board to elect to be exempt from taxation on its "exempt function income" under Section 528 of the Internal Revenue Code. Accordingly, the status of the Condominium Board for federal income tax purposes is uncertain. The Internal Revenue Service may contend that the Condominium Board constitutes an association taxable as a corporation, in which event all income earned by the Condominium Board, less applicable expenses, would be taxable to the Condominium Board at the applicable corporate income tax rate. However, since the Budget for the First Year of Condominium Operation does not anticipate any net income, no provision has been made for income taxes payable by the Condominium in the Budget for the First Year of Condominium Operation other than on projected income to be earned on the projected amount of the Reserve Fund during the First Year of Condominium Operation. If there are any Income Taxes to be paid, it may be necessary to use the Contingency amount in the budget, or Working Capital Fund, or even increase the Common Charges to cover these expenses. In the alternative, the Condominium Board may be regarded as merely a conduit for the Unit Owners, in which event all income earned by the Condominium Board less the applicable expenses of earning such income would be deemed income to the Unit Owners and taxable to them. See "Opinion of Counsel" and "Projected Budget for First Year of Condominium Operation."

11. **No Security For Performance**.

Sponsor has not furnished any bond or other security for the performance of its obligations under this Plan. In addition, Sponsor's liability to any Purchaser under this Plan or to such Purchaser's successors or assigns (to the extent permitted hereunder) or to the Condominium Board with respect to its obligations under this Plan will, in any event, be limited to the Sponsor's ability to pay. The foregoing limitation will not be applicable to liability arising from a violation by Sponsor of Article 23-A of the GBL.

12. **The Managing Agent is the Sponsor**.

Times Plaza Development Limited Partnership the Sponsor is also the initial Managing Agent for the Condominium. Prior to the First Unit Closing, the Condominium Board will enter into a management agreement with Times Plaza Development Limited Partnership, for an initial term of three (3) years upon terms described in the Section of the Plan entitled "Management Agreement, Contracts and Leases." In addition, the agreement shall be automatically renewed for successive terms of three (3) years each unless the Condominium Board shall send notice of termination of the agreement not less than one (1) year nor more than thirteen (13) months prior to the expiration date with respect to the then current term. Management agreements for condominium buildings in the Borough of Brooklyn typically have an initial term shorter than

the initial 3 year initial term of the management agreement with Times Plaza Development Limited Partnership; a 1 year initial term perhaps being the most common. In addition, typically management agreements either do not contain a provision requiring advance notification to the managing agent that the condominium will not be renewing the management agreement or, if they do contain such a provision, the advance notification period is typically shorter than 13 months. In view of the relationship between Sponsor and the Managing Agent, Sponsor may have influence over a number of services to be performed by the Managing Agent after conversion of the Property to condominium ownership. As a result, to the extent any conflict exists or arises between the interests of Sponsor and the Condominium Board, a similar potential conflict exists or may arise with respect to the interests of the Managing Agent.

13. **Restrictions on Sale and Leasing of Units**.

Any Residential Unit Owner may sell or lease his or her Residential Unit, provided he or she first gives the Condominium Board notice of his or her intention to sell or lease such Unit and an opportunity to purchase or lease such Unit, as the case may be, at the same price or rental and on the same terms as are offered in good faith by a prospective purchaser or lessee, as the case may be, as more specifically provided in the By-Laws. If the Condominium Board does not elect to purchase or lease such Unit, as the case may be, by giving written notice as provided in the By-Laws to such Unit Owner within fifteen (15) days after receipt of the Unit Owner's notice of intention to sell or lease described above, then the Unit Owner will have a period of ninety (90) days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in the notice. If such written agreement is not executed by the Unit Owner within the ninety day period, or the sale or lease, as the case may be, is not consummated on or before the intended closing date, or commencement date of the term of the lease which, as the case may be, is provided in the notice, then the Unit Owner will be required to offer again the Unit first to the Condominium Board as described above before entering into such sale or lease. The Condominium Board may exercise its option to purchase or lease any Unit without prior approval of a Majority in Common Interest of Unit Owners. The terms of any such lease, including the rent, will be subject to any applicable state and local laws.

The sale and lease restrictions described above shall not apply to (A) any Commercial Unit or (B) any Residential Unit which is owned by (1) the Sponsor, any Sponsor Successor, any Unsold Residential Unit Owner or any designee of any of such parties or (2) the Condominium Board, or (C) the sale, transfer or lease of a Unit to or by a Mortgagee or its nominee, including, without limitation, a foreclosure sale, (D) any Unit transferred by the Unit Owner thereof to his or her spouse, adult child, parent, adult sibling or to any affiliate of the Unit Owner or (E) any Unit transferred by a Unit Owner by gift, devise, will or intestacy; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the sale and lease restrictions described above. See the Section of the Plan entitled "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws"."

14. **Occupancy of Units By Renters; Retention of Unsold Residential Units**.

Sponsor reserves the right to sell Units to investors who intend to rent and not to occupy their Units personally.

In 511 West 232" Owners Corp. et. al. v. Jennifer Realty. Co. et. al. (98 N.Y. 2d 144, 746 N.Y.S. 2d 131 (2002)) (the "Jennifer Case"), following the rejection by a sponsor of a purchase offer on a vacant apartment ten years after the closing under the offering plan, the cooperative apartment corporation brought an action to compel the defendant sponsor to sell its unsold units. The Appellate Division of the Supreme Court, First Department determined that the defendant sponsor, which had filed a cooperative offering plan covering a 66 apartment building in Bronx County, New York, had made an implied promise in the offering plan to sell the unsold cooperative apartments within a "reasonable time." The court remanded to the Supreme Court for its determination of the issue of whether or not the defendant sponsor had breached this implied promise where the sponsor had not, as of some ten years after the consummation of the offering plan, sold any of the 41 unsold cooperative apartments (representing approximately 62 percent of the 66 units in the building). The decision of the Appellate Division was appealed by the defendant sponsor to the New York Court of Appeals, which held on June 10, 2002 that plaintiff's allegations would support their claim for breach of contract.

Sponsor agrees to comply with the requirements of law in this area as determined from time to time by controlling decisions of the Courts of New York State.

15. **Dishonored Check Under Purchase Agreement**.

If any down payment check delivered by the Purchaser under a Purchase Agreement shall be dishonored for any reason whatsoever, it shall be deemed a material default by the Purchaser under the Purchase Agreement and Sponsor may, in that event, cancel the Purchase Agreement and declare same to be void ab inifio, to the same effect as if the Purchase Agreement had never been executed and delivered. Purchaser shall have no right to cure such default; however, Sponsor in its sole and absolute discretion, may permit Purchaser to substitute a bank or certified check for the same amount as the dishonored check within two business days after notification to Purchaser that the original check was dishonored.

16. **Sponsor's Right to Institute and Settle Tax Certiorari Proceedings**.

Sponsor has the right to institute, continue, litigate and settle tax certiorari proceedings in its sole discretion as set forth in greater detail in Footnote 9 of "Footnotes to Schedule A." Whether Sponsor elects to institute tax certiorari proceedings for particular tax years and the degree of success that Sponsor may have in such proceedings or in negotiating settlements thereof will, of course, affect Purchasers in that it will affect the level of real estate taxes payable by Purchasers with respect to their Units. Sponsor has an interest in successfully pursuing tax certiorari proceedings and in obtaining settlements thereof reducing assessed valuations to levels as low as Sponsor may be able to achieve since such settlements will affect all Units in the Building, that is, not only those that may be or become the subject of Purchase Agreements from time to time but also those that continue to be held by Sponsor from time to time. However, Sponsor can offer no assurance as to what the results of such proceeding or negotiations might be. The results of such proceedings and negotiations are not expected to have any direct impact upon Non-Purchasing Tenants.

Sponsor makes no representation or warranty and can provide no assurance that there will be any reduction in the Actual Assessed Valuation or Transitional Assessed Valuation with respect to the Property as a result of the-current or any future tax certiorari proceedings, the settlement negotiations with the City of New York or otherwise or that such reductions, if any, will take place in time to affect the First Year of Condominium Operation or benefit the Condominium and/or Unit Owners in any manner.

Nothing contained above shall relieve Sponsor of its obligation to fund the Reserve Fund in the amount required by the Reserve Fund Law, subject to the limitations set forth in "Working Capital Fund and Reserve Fund."

17. **Sponsor Veto Over Certain Expenditures**.

As long as Unsold Residential Unit Owners (including Sponsor) continue to own at least twenty-five percent (25%) of the Residential Units during the five (5) years following the First Unit Closing, the Condominium Board will not be permitted, without the prior written consent of a Majority in Common Interest of Unsold Residential Unit Owners to:

(a) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

(b) assess any Common Charges or special assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of the lesser of (i) five percent (5%) in the aggregate of the estimated General Common Expenses and Residential Limited Common Expenses for any one (1) fiscal year of operation or (ii) the maximum assessment permitted under Applicable Law;

(c) increase the number or change the type of employees from that described in the First Year Budget;

(d) enter into any service or maintenance contracts for work not covered in the First Year Budget;

(e) borrow money on behalf of the Condominium; or

(f) exercise a right of first refusal to lease or purchase a Unit.

Notwithstanding the foregoing, the Unsold Residential Unit Owners (including Sponsor) may not exercise a veto over expenditures which: (i) conform to the First Year Budget and are for the period covered by the First Year Budget; or (ii) are required to comply with Applicable Law, including expenditures required to cure any notices of violations; or (iii) are necessary to remedy any work order by an insurer which is the responsibility of the Condominium Board to remedy. See the Sections of the Plan entitled "Control by Sponsor" and "Rights and Obligations of Condominium Board/Summary of By-Laws."

18. **Air Rights and Development of Adjacent Parcel(s).**

Sponsor reserves the right to transfer the Air Rights of the subject Property to another Property, or may retain same for future use, sale or development or disposition. Sponsor also reserves the right to sell, develop or retain the other adjacent portion of the property which is not part of this offering. The Sponsor is in the process of selling, and anticipates to conclude the sale of the adjacent parcel(s) which consists of the parking lot and loading dock, including certain Rights, see General Section and below for more details.

The development rights which are not currently being utilized by the Building (the "Excess Development Rights") attributable to the Land will not be submitted to the condominium regime. Sponsor presently intends to convey the Excess Development Rights to the purchaser of the parcel next to the Building which will be subdivided from the existing Lot 27 (the "Development Rights Purchaser") and, when such conveyance occurs, Sponsor will retain the proceeds from such conveyance and neither the Condominium nor any Unit Owners will have any interest in the Excess Development Rights or the proceeds of the sale thereof. Other than the development rights currently utilized by the Building, there will be no further development rights available to the Condominium. In connection with the conveyance of the Excess Development Rights, Sponsor shall be entitled to merge the zoning lot of which the Land is a part with the zoning lot of which the land owned by the Development Rights Purchaser is a part (after any such merger, the "Merged Zoning Lot"), which merger (the "Merger"), is a necessary pre-requisite to the Development Rights Purchaser's ability to utilize the Excess Development Rights). In connection with the Merger, Sponsor will enter into a declaration (the "Declaration of Zoning Lot Restrictions") and a zoning lot development agreement ("ZLDA") which will be recorded against the Property and become a Permitted Encumbrance. Under the terms of the ZLDA, the Condominium Board will be required to reasonably cooperate with the Development Rights Purchaser or its designee and to execute such documentation as may be reasonably necessary to enable the Development Rights Purchaser to utilize the Excess Development Rights. No part of the Land or the Building shall be used by the Development Rights Purchaser, except that the creation of mutual easements of egress and ingress shall not be considered to violate this provision. The ZLDA shall provide that direct ingress and egress from the Condominium premises shall not be materially interfered with by or on behalf of the Development Rights Purchaser shall grant certain easements for the Condominium's mechanical room, compactor, and the Development Rights Purchaser and other areas as needed by the Condominium. No construction activities by or on behalf of the Development Rights Purchaser will take place in the Building, however, construction actually will take place immediately adjacent to the Building, or directly above the Building and the creation or maintenance, repair, replacement or other actions required with respect under the ZLDA shall not be considered to violate this provision.

After the merger, and closing of the sale of the adjacent Parcel, the Merged Zoning Lot, as an "adjacent lot" as defined in the Zoning Resolution of the City of New York, effective as of December 15, 1961, as amended (the "Zoning Resolution"), will be receiving the transfer of Development Rights.

All present and future "parties in interest" to the Property, including Sponsor, the Condominium Board, and any Unit Owner, are deemed to have (a) consented to, waived objection to and subordinated to the Declaration of Zoning Lot Restrictions, the Merger and the transfer of any Development Rights to the Merged Zoning Lot, (b) consented to and waived objection to each addition, amendment or replacement to the Declaration of Zoning Lot Restrictions and/or the ZLDA required in connection with the utilization of the Development Rights, (c) consented to and waived their right, if any, to execute the Declaration of Zoning Lot Restrictions, the ZLDA or a transfer of Development Rights and Notice of Restrictions pursuant to the applicable provisions of the Zoning Resolution required in connection with the utilization of the Development Rights, (d) consented to and waived objection to any necessary applications, agreement, declaration or document or such other action as may be required to effectuate the Merger, the Declaration of Zoning Lot Restrictions or the transfer and utilization of the Development Rights as required by the applicable provisions of the Zoning Resolution, and (e) consented to and waived objection to any other matters relating to the transfer of the Development Rights.

Sponsor, any Condominium Board and any present and future "parties in interest" to the Property (including any Unit Owner) shall be required, upon the request of Sponsor or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with the Merger, the Declaration of Zoning Lot Restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

The ZLDA may provide that in the event that the Building is destroyed by a casualty (or if both the Building and any building using the Excess Development Rights are destroyed by a casualty) and there has been a downzoning, then pursuant to the ZLDA any rebuilding of the Building will be limited to the number of floor area development rights then available (and, therefore, there is a risk that not all of the Condominium Units can be rebuilt).

No party shall be a third party beneficiary of this Amendment other than Purchasers or Unit Owners. Without limiting the generality of the foregoing, the Development Rights Purchaser shall derive no rights whatsoever from this Amendment and a grant of rights, if any, shall be included in one or more writings signed by all necessary parties as provided above.

The Sponsor has been advised by the prospective purchaser of the adjoining parcel, that it intends to build two (2) seven (7) story residential towers over a one (1) story commercial space on the first floor. The total number of residential units for both buildings is seventy one (71) units.

The proposed new building will be designated construction classification "IC" (non-combustible construction), with an occupancy classification of "J-2" (multi-family residential) and "E" (business).

The above information is presented by the Sponsor based on information furnished by the prospective purchaser of the adjoining lot. All plans are subject to change as to the design, layout and scope without any prior notice.

19. **Credit Against Amount of Reserve Fund.** The amount of the Reserve Fund to be established pursuant to this Section may be reduced by an amount equal to the actual cost of "capital replacements" which are begun after the Plan is first submitted to the Department of Law and before the Plan is declared effective; provided, however, that any such replacements must be set forth in the Plan, or an amendment to the Plan, together with their actual or estimated costs and further provided that such reduction or credit shall not exceed the lesser of the actual cost of the Capital Replacements or one percent.(1 %) of the Total Price. Sponsor presently contemplates a capital replacement, of a new roof on all the Buildings on the Property at a cost of Forty Five Thousand and 00/100 ($45,000.00) and to install new pavers and roofing system on the Plaza Area at a cost of approximately One Hundred Thousand and 00/100 ($100,000.00) Dollars which would qualify for such a credit against the Sponsor's Reserve Fund Contribution. Sponsor reserves the right to amend the Plan to disclose its intent to perform one or more capital replacements which will result in a reduction to or credit against the Reserve Fund.

20. **Sponsor's Right Not To Sell**. The Sponsor reserves the right to rent rather than sell Units as they become vacant when in its opinion it determines that the fair market sales price of the Units has decreased by twenty five (25%) percent or more than the actual price that was paid by non-tenant purchasers to declare the Plan Effective. The Sponsor reserves this right not to sell units until the Sponsor has sold at least fifty (50%) percent or more of the Units. Following the sale of at least fifty (50%) percent of the Units, the Sponsor reserves the right to suspend sales in the event it determines that the then prevailing market conditions warrant it and provided it has transferred control of the Board of Managers.

Purchasers should be aware that the Sponsor is not limiting the conditions which it will rent rather then sell units except as provided herein. There is no commitment to sell more than fifteen (15%) percent thereby limiting their ability to gain effective control of the Condominium.

However, barring any major down turn in the real estate market, the Sponsor intends to sell units as they become available pursuant to this Offering Plan.

21. **Control of Board of Managers**.

FOR AS LONG AS THE OWNER-OCCUPANTS DO NOT HAVE CONTROL OF THE BOARD OF MANAGERS, THERE MAY BE A CONFLICT IN INTEREST BETWEEN THE NON-RESIDENT OWNERS, INCLUDING THE SPONSOR AND THE OWNER-OCCUPANTS AS TO HOW THE CONDOMINIUM SHOULD BE MANAGED BECAUSE OF THEIR DIFFERENT REASONS FOR PURCHASING A UNIT, MAINLY ONE (1) FOR INVESTMENT AND THE OTHER AS A RESIDENCE.

22. **Disputed Water Bill.**

The Sponsor has been attempting to have the City of New York read the water bill for the entire building since December 31, 2002. The Sponsor has hired O'Keefe & Associates located at 160 Broadway, New York, New York 10038 in an attempt to determine the amount of water consumption. The Commercial Units are separately sub-metered and will pay their own water charges directly to the Condominium, therefore, the only issue and dispute is the amount of water used by the Residential Units.

The Sponsor will attempt to have this resolved at or prior to closing but will remain responsible for all water usage charges until closing for the Residential Units as paid in the past and if it is unable to resolve this issue before closing it will obtain the opinion of an expert in these matters to determine the amount of the water charges which should be apportioned between the Commercial Units and Residential Unit Owners and which will then become part of the Common Charges for all the Residential Unit Owners to pay. At or prior to closing, the Sponsor will attempt to have the Commercial Units directly metered by installing a second meter for water and sewer consumption, and if not done by closing Sponsor will deposit with the Condominium $10,000 for the Commercial Units for future water/sewer charges which if drawn down will be replenished within thirty (30) days.

23. **Adjustments.**

If the result of the closing adjustments there is a net credit in favor of the Condominium, then, in lieu of Sponsor paying the Condominium Board the amount of such net credit, the amount of Sponsor's contribution to the Working Capital Fund will be increased by the amount of such net credit. If, however, the result of the closing adjustments is a net credit in favor of Sponsor, the amount of such net credit shall be paid to Sponsor at the time of the First Unit Closing out of the Working Capital Fund or Reserve Fund, using Sponsor's initial contribution for such purpose. In no event, however, shall such payments be made to Sponsor to the extent that they would result in the reduction of the Working Capital Fund or Reserve Fund to an amount less than Five Thousand and 00/100 ($5,000.00) Dollars. If, because of the limitation set forth in the preceding sentence, Sponsor is not paid the full amount of the net credit to which it is entitled at the time of the First Unit Closing, the unpaid balance of the net credit in favor of Sponsor shall be paid to Sponsor by the Condominium Board without interest (except following default by the Condominium Board and, thereupon, at the rate of 18.0% per annum) in equal consecutive monthly installments pursuant to the terms of a negotiable promissory note, in favor of Sponsor, to be executed by the Condominium Board at the First Unit Closing or shortly thereafter. Such note shall provide that the first monthly installment shall be payable on the first day of the first calendar month following the date of the First Unit Closing and that successive monthly installments will be payable on the first day of each succeeding calendar month thereafter in monthly payments for a term no greater than five (5) years from the date of the First Unit Closing, at which time the entire principal and any accrued and unpaid interest shall be due and payable in full. The note shall provide that the Condominium Board will be entitled to prepay such promissory note in full only, at any time and without penalty. The note shall also provide that the Condominium Board shall pay any attorneys fees incurred in connection with

enforcement of the Condominium Board's obligations under such note. Other than set forth above, the Note payments are not included in the Budget.

24. **Rent Increases**.

In the event of capital improvements made by the Sponsor, the Board of Managers or Unit Owners, non-purchasing tenants will be subject to rent increases as a result of said capital improvements which will then be reflected in an amendment to the Plan, with the amount of the rent pass-along.

INTRODUCTION

Purpose of the Plan

Times Plaza Development Limited Partnership ("Sponsor"), the owner of the subject Land and Building presents this offering plan (the "Plan") for the conversion to a condominium ownership the building known as 560 State Street, Brooklyn, New York (the "Building"), and the parcel of land on which the Building is situated on (such parcel of land and the Building being collectively referred to as the "Property"). The Commercial Units, which are not being offered for sale have addresses of 565 and 567 Atlantic Avenue, 562, 563, 564 State Street, 118, 120, 122, 124 and 126 Flatbush Avenue, and 12 4th Avenue, Brooklyn, New York. The current parcel of Land will be subdivided into two (2) parcels, and the Legal Description herein will be changed to reflect this change.

The purpose of the Plan is to set forth all of the material terms of the offer to convert the Property to condominium ownership and to sell Residential Units therein.

The Plan is presented in two parts, which together constitute the entire Plan. Part I sets forth a description of the material terms of the offer and Part II contains, among other things, the basic documents necessary to effectuate the provisions of the Plan and a description of the Property.

The Plan may be amended from time to time upon the filing of an amendment with the Department of Law of the State of New York (the "Department of Law"). Amendments will be served on all tenants and offerees as defined in Section 23.1 (d) of the Regulations promulgated by the Attorney General in Title 13 NYCRR, by either personal delivery or certified mail.

The Condominium

The Condominium will be known as The Times Plaza Condominium. The Condominium will be organized to comply with and will be subject to the Condominium Act.

The Offer

Sponsor hereby offers for sale 39 Residential Units on the terms and conditions set forth in the Plan. The Sponsor represents that it will attempt in Good Faith to sell the Units rather than rent as they become vacant. However, this effort is subject to conditions contained in the "Special Risk" Section 20, herein. In addition, if the Sponsor makes a bulk sale of all the units, the successor Sponsor will be bound by the Sponsor's representation regarding its commitment to sell units.

The Sponsor reserves the right to rent rather than sell Units as they become vacant when in its opinion it determines that the fair market sales price of the Units has decreased by twenty five (25%) percent or more than the price last offered to non-tenant purchasers at the time the Plan was declared effective. The Sponsor reserves the right not to sell units until the Sponsor has sold at least fifty (50%) percent or more of the Units. Following the sale of at least fifty (50%) percent of the Units, the Sponsor reserves the right to suspend sales in the event it determines that the then prevailing market, conditions warrant it and provided it has transferred control to the Board of Managers.

Purchasers should be aware that the Sponsor is not limiting the conditions which it will rent rather then sell units except as provided herein. There is no commitment to sell more than fifteen (15%) percent thereby limiting their ability to gain effective control of the Condominium.

However, barring any major down time in the real estate market, the Sponsor intends to sell units as they become available pursuant to this Offering Plan.

The Commercial Unit(s) are not being offered for sale at this time. It is anticipated that as of the First Unit Closing, the Commercial Units initially will be owned by Sponsor, or an affiliate of Sponsor. Sponsor reserves the right to amend the Plan to offer any or all of the Commercial Units for sale. Although reference is generally made in the Plan to the "Commercial Units" as opposed to the "Commercial Unit," on account of the likelihood that the Declaration, when filed, will establish more than one Commercial Unit or that Sponsor shall subsequently create, through subdivision, as permitted by the Declaration, more than one Commercial Unit, Sponsor nevertheless reserves the right, in its sole discretion, to limit the number of Commercial Units to one Commercial Unit.

As set forth in greater detail in "Rights of Existing Tenants," the Plan is offered as a Non-Eviction Plan. The initial prices and estimated Common Charges for each of the Residential Units and Storage Units are set forth in the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information" ("Schedule A"). 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. As set forth in greater detail in "Rights of Existing Tenants," each Eligible Tenant who occupies a Residential Unit in the Building on the date the Plan is accepted for filing, will, during the Exclusive Purchase Period, have the exclusive right to purchase his or her Unit at the reduced Purchase Price for such Unit as applicable during such Exclusive Purchase Period as set forth in Schedule A. "Exclusive Purchase Period" means the period consisting of the first ninety (90) days after the Presentation Date of the Plan. Sponsor will not enter into an agreement to sell a Unit while such Unit is subject to such exclusive right to purchase. There will be no increase in prices to Eligible Tenants during the Exclusive Purchase Period, provided that after the expiration of the Exclusive Purchase Period, the respective reduced purchase prices applicable to the purchase by Eligible Tenants of their Units during such Exclusive Purchase Period shall no longer apply and Eligible Tenants will no longer have the exclusive right to purchase their Units, which may then be purchased by others.

Neither the Condominium Board nor the Unit Owners will have any right to restrict or limit any lawful use of any Commercial Unit except that the Commercial Units may not be used for (i) the sale or display of pornographic photographs, magazines, movies or videotapes or as a so-called rubber goods shop or (ii) any nude or semi-nude live performances or nude modeling or as a sex club or massage parlor. No representation or warranty is made as to who the owner(s) or tenant(s) of the Commercial Units may be at any time or as to the lawful uses to which any Commercial Unit may be put at any time.

The Building has a total of 39 residential apartments as well as commercial, retail units and professional, which will be part of the Commercial Unit as more fully described in this Plan.

The Sponsor and its Interest in the Property

Sponsor is a Connecticut limited partnership authorized to do business in New York with an office c/o Bruce Orlofsky, 562 State Street, Brooklyn, New York 11217-1412, the owner of record of the Property.

Plaza, and Other Amenities

There is an outdoor plaza, referred to in the Plan as the Residential Plaza, used by residents at the Building which is used by residents and located, on the second floor of the Building. There is a laundry room located on the first floor of the Building, which laundry room services the Residential Units.

No Residential Units have their own terraces or balconies. There are no parking or recreational facilities or other amenities appurtenant to the Property other than as described in this section of the Plan or in "Description of Property and Building Condition" included in Part II of the Plan.

Commercial Units

The exact location of the Commercial Units is set forth on the Floor Plans included in Part II of the Plan. The Commercial Units may be one or more Units in the discretion of the Sponsor and the owner of such Units shall have the right to subdivide, split and combine such Units. The Commercial Units include, among other space, retail space, commercial and professional space. The Commercial Units may be used for any lawful use except that the Commercial Units may not be used for (i) the sale or display of pornographic photographs, movies or videotapes or as a so-called rubber goods shop or (ii) any nude or semi-nude live performances or nude modeling or as a sex club or massage parlor. Except for certain easements specifically granted in favor of residents and the Condominium Board in the Declaration and By-laws (see "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-Laws"), no one other than the Commercial Unit Owners, their designees and tenants and the guests, invitees and patrons of the foregoing shall have the right to enter or use the Commercial Units. No assurance is or can be given that the existing uses of, or services, amenities or products currently offered in, the Commercial Units (or the different spaces within the Commercial Units) or the prices or fees currently being charged for such products, services or amenities, as the case may be, offered within the Commercial Units will continue or for how long they might continue or that certain existing uses will not be relocated within the Commercial Units or eliminated altogether, all in the sole discretion of the Commercial Unit Owners.

The Building is more fully described in the "Description of Property and Building Condition" included in Part II of the Plan, which sets forth a description of the physical

condition of the Building. The Property and the Units are being offered and sold in their "as is" condition on the Closing Date, and Sponsor will not have any obligation to make any repairs or improvements, except as may be expressly provided in the Section of the Plan entitled "Sponsor's Statement of Building Condition." See the Section of the Plan entitled "Special Risks."

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a residential private home. Each Unit Owner owns fee title to his or her Unit and is entitled to the exclusive possession thereof. Each Unit Owner also owns in common with other Unit Owners an undivided interest in the Common Elements known as the Common Interest with respect to the Unit owned by such Unit Owner. Each Residential Unit Owner must pay Common Charges with respect to his or her Unit based upon the Common Interest for such Unit (General Common Charges) or Percentage of Residential Common Interest (Residential Common Charges), as the case may be, as more particularly described in "Footnotes to Schedule B" and "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws". The Common Elements, as more particularly described in the "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws" section in Part I of the Plan and in the Declaration set forth in Part II of the Plan, consist of the General Common Elements, the Residential Limited Common Elements, the Commercial Limited Common Elements and, if applicable, the Individual Commercial Limited Common Elements. The General Common Elements include generally the Land, the roofs, foundation and supports of the Building and all other parts of the Property, other than the Units, the Residential Limited Common Elements, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements, which General Common Elements are described in greater detail in the Declaration and "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws". The Residential Limited Common Elements are generally devoted in use or function to the Residential Units and include generally the Main Lobby, the Residential Plaza, the hallways and corridors connecting the Residential Units with one another and the Facilities exclusively serving the Residential Units. The Commercial Limited Common Elements are generally devoted in use or function to the Commercial Units and generally include the certain passages, hallways, corridors and mechanical space designated as Commercial Limited Common Elements on the Floor Plans and the Facilities exclusively serving the Commercial Units. The Individual Commercial Limited Common Elements are those Commercial Limited Common Elements which serve one or more but not all of the Commercial Units or the Commercial Unit Owners. This term only applies if and when there shall be more than one Commercial Unit. The General Common Elements, the Residential Limited Common Elements and the Commercial Limited Common Elements are described in greater detail in the Declaration and "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws".

The Residential Units may be used solely for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his or her Unit with a lender and in such amount as he or she chooses (see "Procedure to

Purchase"). Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

Sponsor is not offering to arrange institutional financing or to act as agent for any lender with respect to the financing of Units under this Plan. Commercial and savings banks as well as some savings and loan associations may make loans to help Purchasers finance the acquisition of their Units. Each institution has its own lending policies and credit requirements. The Sponsor makes no representation or warranty that institutional financing will be available to Unit Owners or as to the terms and conditions upon which financing might be available.

A Unit Owner may decorate the interior of his or her Unit in any way he or she desires subject to compliance with the By-Laws and the Rules and Regulations thereunder. Except for compliance with law, there are no limitations or restrictions upon the right of the Commercial Unit Owners, the Sponsor, any Unsold Residential Unit Owners or their respective designees to decorate or alter their respective Units. A Unit Owner will be responsible for the cost of maintenance and interior repairs to his or her Unit.

The Sponsor will make application to divide the Property into separate tax lots for each Unit and its Common Interest, which Unit (and its Common Interest) will then be taxed as a separate tax lot for real estate tax purposes. Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to a Unit is officially made, a Unit Owner will then be responsible for the payment of the real estate taxes on his or her, but not any other, Unit and his or her Unit will not be affected by virtue of nonpayment of real estate taxes with respect to any other Unit. The amount of the tax assessed against any Unit will depend upon various factors affecting value, including but not limited to, square footage, location, purchase price and other factors taken into consideration by the taxing authorities. Until the Units are separately assessed as described above, real estate taxes assessed against the Property will be treated as a General Common Expense and borne by all Unit Owners based upon the Common Interests of their respective Units.

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Condominium to acquire or lease such Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the Owner of such Unit. The Sponsor, any Sponsor Successor and their designees may sell or lease all or any portion of their Unsold Residential Units without any restriction or limitation imposed pursuant to the Declaration or By-Laws. The Commercial Unit Owner(s) (including Sponsor) may sell or lease any portion of the Commercial Units as if they were a separate commercial property without any restriction or limitation imposed pursuant to the Declaration or By-Laws. (See "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-Laws").

Operation and management of the Condominium will be vested in the Condominium Board as more particularly set forth in the By-Laws. Each Unit Owner will have a right to vote for members of the Condominium Board as provided in the By-Laws. The Condominium Board will determine the amount of General Common Expenses and Residential Common Expenses. Common Expenses include General Common Expenses, Residential Common

Expenses and Commercial Common Expenses. General Common Expenses include, without limitation, the expenses of maintaining and operating the General Common Elements and certain other expenses (such as fire and hazard insurance premiums) set forth in "Schedule B: Projected Budget for First Year of Condominium Operation" and "Footnotes" and in the Declaration and By-laws. Residential Common Expenses include, without limitation, the expenses of maintaining and operating the Residential Limited Common Elements and certain other expenses set forth in "Schedule B: Projected Budget for First Year of Condominium Operation" and "Footnotes" and in the Declaration and By-Laws.

Every Unit Owner will be required to pay General Common Charges to pay for General Common Expenses and each Residential Unit Owner will be required to pay Residential Common Charges to pay for Residential Common Expenses. Every Unit Owner will be required to pay a share of General Common Expenses, generally in accordance with the Common Interests of such Unit Owner's Unit. Residential Common Expenses will be borne solely by the Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units.

The obligation to maintain and repair the Commercial Limited Common Elements shall be solely the obligation of the Commercial Unit Owners who will pay for such expenses (called Commercial Common Expenses) directly. At least monthly, the Condominium Board will assess General Common Charges against each Unit Owner (both Residential Unit Owners and Commercial Unit Owners) to pay General Common Expenses and will assess Residential Common Charges against only the Residential Unit Owners to meet Residential Common Expenses.

In the opinion of counsel to the Sponsor, under present income tax laws, an owner of a Residential Unit, substantially like a homeowner, may deduct from his or her income for federal, New York State and New York City resident income tax purposes, the real estate taxes paid with respect to his or her Residential Unit and the interest paid on the mortgage, if any, on his or her Residential Unit, but subject to the conditions and restrictions discussed in "Counsel's Tax Opinion". For the most part the owner of a Residential Unit may only deduct interest on debt incurred to acquire his or her principal residence or a designated secondary residence subject to certain limitations (See "Counsel's Tax Opinion").

The Condominium shall maintain fire insurance policies insuring the Building (but not including appliances or any furniture, furnishings or other personal property in the Unit) covering the interests of the Condominium, the Condominium Board, all the Unit Owners and their mortgagees as their respective interests may appear, in an amount equal to at least eighty percent of the full replacement value of the Building exclusive of excavation and foundations and deduction for depreciation. Each Unit Owner is advised to insure the interior of his or her own Unit and the contents thereof, including appliances, furniture, furnishings, or other personal property within the Unit. In addition, a Unit Owner may desire to obtain insurance covering his or her liability to others for personal injury or property damage occurring within or to his or her Unit. Because the plan can be declared effective based on sales of fifteen (15%) percent of the units to tenants or bona fide purchasers for their own occupancy, purchasers may be living in a mixed rental/owner-occupied building for an

indeterminate period of time and that owner-occupants may not control the Board or operation of the property until after the Initial Control Period (see "Definitions" herein).

Applicable Rent Laws

As set forth in "Rights of Existing Tenants" section of the Plan, the Residential Units (or their occupancy) are subject to applicable Rent Laws.

The Plan is a Non-Eviction Plan and is presented in compliance with Section 352-eeee of the GBL, which grants the right to continued occupancy by Non-Purchasing Tenants who are not in default in paying rent or performing other lease obligations where an offering plan is declared effective by a sponsor under such law. No Non-Purchasing Tenant shall have any rights in addition to or beyond the rights conferred by Applicable Law, except as otherwise expressly set forth in the Plan.

Summary of Contents of the Plan

The agreement to purchase a Unit is called a "Purchase Agreement", the general form of which is set forth in Part II of the Plan as Document Number 4. The procedure to purchase is summarized in Part I of the Plan in the Section entitled "Procedure to Purchase."

A detailed description of the physical condition of the Property, prepared by Berzak Gold Architects, PC, with offices at 115 East 23rd Street, New York, New York 10010 an independent architectural firm, and included as part of the "Description of Property and Building Condition" contained in Part II of this Plan as Document Number 1, should be reviewed carefully by prospective Purchasers.

Floor plans of the Residential Units and floor plans depicting the location of the Residential Units and the Commercial Unit(s) are set forth in Part II of the Plan as Document Number 13.

Section 352-eeee of the GBL is set forth in Document Number 11 in Part II of the Plan.

The salient provisions of the Declaration, which establishes condominium ownership of the Property, the By-Laws of the Condominium, which govern the operation of the Condominium, and the Rules and Regulations of the Condominium promulgated pursuant to the By-Laws, are partially summarized below in the Section entitled "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws" and the text of the Declaration and By-laws are reproduced in full in Part II of the Plan as Document Number 10.

The form of deed that Sponsor will issue to Purchasers of the Units and the form of power of attorney that each Unit Owner will be required to give to the Condominium Board and to Sponsor pursuant to the terms of the By-Laws (the "Unit Owner's Power of Attorney") are set forth in Part II of the Plan as Document Number 9 and Document Number 8 respectively.

The Power of Attorney in Part II of the Plan as Document Number 8 provides in part as follows by allowing the Board of Managers:

(1) (a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner so desiring to sell, convey, transfer, assign or lease, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender such Unit pursuant to the terms of Article V, Section 7 of the By-Laws, and (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and, with respect to any transfer pursuant to the terms of subdivision (1)(a) or (1)(c) of this paragraph at such price or at such rental, as the case may be, as such attorneys-in-fact deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, on such terms as such attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in such premises which the undersigned could do if the undersigned were personally present, and (2) to execute, acknowledge and deliver (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 New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other Governmental Authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Property (including, without limitation, the Common Elements), that the Condominium Board deems necessary or appropriate.

In addition, the acts to irrevocably nominate, constitute and appoint Times Plaza Development Limited Partnership (the "Sponsor"), each Sponsor Successor and each Commercial Unit Owner, as the undersigned's true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with full power of substitution, acting severally, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant deems necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, or any other Governmental Authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof; and amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of such documents, when such amendment (i) shall be required to reflect any changes in the Commercial Units or the Unsold Residential Units and/or the reapportionment of the Common Interests of the affected Commercial Units or Unsold Residential Units resulting therefrom, as the case may be, made by Sponsor, any Sponsor Successor or any Commercial Unit Owner in accordance with the Declaration and By-laws (including without limitation under Sections 9 and 11 of the Declaration), (ii) shall, under the terms of the Declaration and/or Bylaws, be permitted to be filed by Sponsor, a Sponsor Successor or a Commercial Unit Owner without the consent of the undersigned or that of the Condominium Board or (iii) will 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 subdivisions (i), (ii) or (iii) of this paragraph will not

(x) change the Common Interest of the undersigned's Unit, (y) require a material, physical modification to the undersigned's Unit, or (z) 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 subdivisions (x) or (y) of this paragraph) or the holder of such mortgage (in the event described in (z) 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 will remain in full force and effect until (1) in the case of powers granted to Sponsor or a Sponsor Successor, the later of (i) such time as no Sponsor or Sponsor Successor owns any Units in the Condominium and (ii) there shall cease to be any Unsold Residential Units in the Condominium and (2) in the case of powers granted to a Commercial Unit Owner, there shall cease to be any Commercial Units in the Condominium.

The Certifications of Sponsor, the Architect, Sponsors Expert Concerning Adequacy of Budget and Sponsors Expert Concerning the Adequacy of the Common Charges Payable by the Commercial Unit Owners are set forth in Part II of the Plan.

The Plan delivered to the Department of Law, including all Schedules and Parts A, B, C and D of the Exhibits, constitutes the entire offer. Copies of the Plan and Parts A, B, C and D of the Exhibits will be available for inspection without charge to prospective Purchasers and their attorneys at the office of the Selling Agent by appointment.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AGREEMENT.

DEFINITIONS

For convenience of presentation, general definitions of certain terms used in Part I of the Plan are set forth below. These definitions are subject to the more particular definitions of such terms set forth in the Declaration in Part II of the Plan.

"amend", "amended" or **"amendment"** refer to any amendment, whether by deletion of any existing provision, modification of any existing provision, or insertion of a new provision.

"Applicable Law" means all applicable laws, statutes, treaties, rules, codes, ordinances, regulations of any Governmental Authority and, to the extent the Property, any Unit, any Unit Owner, Sponsor, any Sponsor Successor and/or the Condominium Board, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any Governmental Authority, court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction.

"Appurtenant Interest" means, with respect to any Unit, (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of the owner of such Unit in any

other Units acquired by the Condominium Board or its designees on behalf of the other Unit Owners or the proceeds of the sale or lease thereof if any, and (iii) the interest of the owner of such Unit in any other asset of the Condominium.

"Attorney General" means the Office of the Attorney General of the State of New York.

"Building" shall have the meaning given such term in the "Introduction" section of the Plan.

"Building roof antennas" shall mean any antennas or other communications devices (including, without limitation, a telephone repeater or other communication antennae or device for cellular telephones, internet equipment or other communications equipment) and any ancillary electrical equipment now or hereafter installed a Building roof by an owner of the Commercial Units' Telecommunication Rights or Declarant's Telecommunication Rights (each term having the meaning given it in the Declaration).

"By-Laws" means the By-Laws of the Condominium, in the form set forth as Document Number 10 in Part II of the Plan, including the Rules and Regulations, as amended from time to time pursuant to the terms thereof.

"closing," "closing of title" and words of similar import are used synonymously and mean the settlement of the mutual obligations of Sponsor and a Purchaser under such Purchaser's Purchase Agreement, including the payment to Sponsor of the Purchase Price and the delivery to such Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in the Purchase Agreement.

"Closing Date" means the date scheduled for the closing of title to a Unit by Sponsor as same may be adjourned in accordance with the terms of the Purchase Agreement.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commercial Common Charges" means the charges allocated and assessed against the Commercial Units by the Commercial Unit Owners or the Commercial Board (if one shall be established as provided in the Declaration), payable by the Commercial Unit Owners in the manner provided in the Declaration and By-laws to meet the Commercial Common Expenses.

"Commercial Common Expenses" shall mean all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Commercial Limited Common Elements and such other items as are provided in the Declaration or By-laws to be Commercial Common Expenses.

"Commercial Limited Common Elements" means those Common Elements generally devoted in use or function to the Commercial Units and include generally certain passages, hallways, corridors and mechanical space designated as Commercial Limited Common Elements on the Floor Plans and the Facilities exclusively serving the Commercial

Units and such other areas which are so designated on the Floor Plans or in the Declaration (or in amendments thereto) as a Commercial Limited Common Element.

"Commercial Section" means, collectively, the Commercial Units, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements.

"Commercial Unit" or **"Commercial Units"**, as the case may be, means the initial commercial condominium unit(s), which is (are) designated as the (or a) "Commercial Unit" in the Declaration and Floor Plans, together with, as may be applicable from time to time, such additional or other commercial condominium units resulting from any subdivision, splitting and/or combining of such Unit(s) as permitted by the Declaration. The space included within the Commercial Unit(s) includes, without limitation, the retail for commercial space at the Property, the loading dock, and parking area appurtenant thereto areas and such additional space in such buildings which are part of the Commercial Unit(s) as set forth in the Floor Plans (hereinafter defined).

"Commercial Unit Owner" means the owner of a Commercial Unit at the time in question.

"Common Charges" means, collectively, the General Common Charges, the Residential Common Charges and the Commercial Common Charges.

"Common Expenses" means, collectively, the General Common Expenses, the Residential Common Expenses and the Commercial Common Expenses.

"Common Elements" means, collectively, the General Common Elements, the Residential Limited Common Elements, the Commercial Limited Common Elements and, if applicable, the Individual Commercial Limited Common Elements and generally consist of all parts of the Property other than the Units.

"Common Interest" means the undivided percentage interest of each Unit in the Common Elements.

"Condominium" means The Times Plaza Condominium to be established pursuant to the terms of the Declaration and to be governed pursuant to the terms of the By-Laws.

"Condominium Act" means Article 9-B of the Real Property Law of the State of New York as amended from time to time.

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

"Condominium Documents" means, collectively, the Declaration, the By-Laws (including the Rules and Regulations) and the Floor Plans, all as amended from time to time.

"Declaration" means the declaration to be executed by Sponsor for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof and includes any duly adopted amendments thereto.

"Department of Law" means the New York State Department of Law.

"Development Rights" shall have the meaning ascribed thereto in Section 1 of the Declaration.

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 1 of the Declaration.

"Down Payment" means the payment on account of the Purchase Price, in an amount equal to ten percent (10%) of the Purchase Price, required to be paid by a Purchaser at the time of delivery of a Purchase Agreement.

"Effective Date" means the date upon which the Plan is declared effective by Sponsor in accordance with the terms of the Plan.

"Eligible Tenant" means (a) a bona fide residential tenant in occupancy on the Filing Date; (b) a bona fide residential tenant with the right to renew a lease on the Filing Date; and (c) a bona fide residential tenant who has the right to continued occupancy of a Unit on the Filing Date. Nothing herein, however, shall be construed to deprive an owner of any legal remedy for illegal occupancy. A tenant who leases commercial space or any other space other than a dwelling unit or who first leases or rents a Unit after the Plan is presented is not an Eligible Tenant. In addition, prospective Purchasers who upon signing a Purchase Agreement enter into an Interim Lease and the estate of a tenant who dies before signing and returning a Purchase Agreement are not Eligible Tenants. An Eligible Tenant who (i) voluntarily surrenders his or her Unit or (ii) is evicted pursuant to a court order before this Plan is presented or before signing and submitting a Purchase Agreement shall no longer be an Eligible Tenant.

"Escrow Agent" means Eiseman Levine Lehrhaupt & Kakoyiannis, P.C.

"Exclusive Purchase Period" means the period consisting of the first ninety (90) days after the Presentation Date of the Plan.

"Exhibits" means collectively Exhibits A, B, C and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department.

"Existing Lease" means and includes any lease or occupancy agreement in effect with respect to any Residential Unit at the time in question.

"Facilities" means includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, basket, mail box, carpeting, tile or

other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

"Family Members" means and includes a spouse, child (by blood, marriage or adoption), parents (including step-parents or parents-in-law), grandchildren, siblings and grandparents.

"Filing Date" means the date on which a letter from the Department of Law advising that the Plan or any amendment to the Plan has been filed or accepted for filing by the Department of Law.

"First Unit Closing" means the first date upon which title to a Unit is conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year Budget" means the projection of receipts and expenses of the Property for the first 12 months following the projected date of the First Unit Closing contained in the Section of the Plan entitled "Schedule B: Projected Budget for First Year of Condominium Operation."

"First Year of Condominium Operation" means the twelve month period commencing on the date of the First Unit Closing.

"Floor Plans" means the floor plans of the Building certified by Berzak Gold Architects, PC and to be filed in the Register's Office simultaneously with the recording of the Declaration, which will be substantially in the form reproduced in Part II of the Plan.

"General Common Charges" means the charges allocated and assessed against the Units by the Condominium Board payable by the Unit Owners (both Residential Unit Owners and Commercial Unit Owner(s)) in accordance with the respective Common Interests of their respective Units (except as otherwise provided in the Declaration or in the By-Laws), to meet the General Common Expenses.

"General Common Elements" means the Land and all parts of the Building, other than the Units, the Residential Limited Common Elements, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements. The General Common Elements include, without limitation, the foundations, footings, columns, girders, floor slabs and ceilings, beams, supports, interior load bearing walls, roofs (other than the Residential Plaza), those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed structural members of those walls, and all Facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of both the Commercial Section (or portions thereof) and the Residential Section (or portions thereof).

"GBL" means the General Business Law of the State of New York, as amended from time to time.

"General Common Expenses" shall mean all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or

improvement to, the General Common Elements, including, without limiting, accounting, legal, architectural, engineering or other professional or services fees, certain other expenses set forth or described in "Schedule B: Projected Budget for First Year of Condominium Operation" to be borne by all Unit Owners and such other items which are provided in the Declaration or By-Laws to be General Common Expenses.

"Governmental Authority" means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

"Individual Commercial Limited Common Elements" means, in the case of there being more than one Commercial Unit, those Commercial Limited Common Elements which serve one or more but not all of the Commercial Units or the Commercial Unit Owners.

"Initial Control Period" means the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Residential Units having more than fifty percent (50%) of the aggregate Common Interests appertaining to all Residential Units or (ii) the fifth (5th) anniversary of the First Unit Closing.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or licensed mortgage banker or (ii) a federal, state, municipal, teachers' or union employee, welfare, pension or retirement fund or system having assets in excess of $300,000,000, in each case doing business in the State of New York; or (iii) any Governmental Authority including an agency of the City or State of New York.

"Institutional Mortgage" means a Permitted Mortgage covering one or more Units and the initial holder of which is either the Declarant or an Institutional Lender (as defined above).

"Insurance Trustee" means a bank or trust company in the State of New York, designated by the Condominium Board and having a capital, surplus and undivided profits of $500,000,000.00 or more.

"Land" means all that certain tract, plot, piece and parcel of land situated, lying and being in the City, County and State of New York, as more particularly described in Schedule A of the Declaration.

"Limited Common Elements" means, collectively, the Residential Limited Common Elements, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements.

"Liquidated Sum" shall mean the Down Payment under a Purchase Agreement, together with any interest earned thereon plus the cost of any special work in the Unit ordered by the Purchaser (together with interest on the cost of such work from when expended).

"Majority in Common Interest of Unit Owners" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of Unit Owners determined in accordance with the By-Laws.

"Majority in Common Interest of Unsold Residential Unit Owners" shall mean those Unsold Residential Unit Owners whose Unsold Residential Units have, in the aggregate, more than 50% of the aggregate of the Common Interests allocated to all Unsold Residential Units, from time to time.

"Managing Agent" means the Person engaged from time-to-time by the Condominium Board to perform the duties of a managing agent of the Building and initially will mean Times Plaza Development Limited Partnership.

"Merger" shall have the meaning ascribed thereto in Section 1 of the Declaration.

"Mortgage Representatives" means the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of the By-Laws.

"Non-Eviction Plan" means an offering plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent (15%) of all Units in the Building by bona fide tenants in occupancy or bona fide Purchasers who represent that they or one or more members of their immediate family intend to occupy the Unit when it becomes vacant.

"Non-Purchasing Tenant" means any Eligible Tenant who does not purchase his or her Unit and who is entitled to possession on the Effective Date.

"Owner-Occupied" means occupied by a Unit Owner or a Family Member of a Unit Owner.

"Percentage of Commercial Common Interest" means, as applied to each Commercial Unit (assuming there is more than one Commercial Unit) the Common Interest attributable to such Commercial Unit divided by the aggregate of the Common Interests attributable to all Commercial Units.

"Percentage of Residential Common Interest" means, as applied to each Residential Unit, as the case may be, the Common Interest attributable to such Residential Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Residential Units. The respective Percentages of Residential Common Interest with respect to each Residential Unit are set forth on Schedule A.

"Permitted Encumbrances" means those title encumbrances subject to which a Purchaser under the Plan agrees to take title to a Unit, as more particularly itemized in the Section of the Plan entitled "Closing of Title to Units and Terms of Sale."

"Permitted Mortgage" means shall mean any first mortgage of record against a Unit.

"Permitted Mortgagee" means the holder of any Permitted Mortgage of record against a Unit.

"Person" means any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, limited liability company, organization, government or any department or agency thereof, or any other entity.

"Plan" means this offering plan to convert the Property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-eeee of the General Business Law of the State of New York, as amended from time to time.

"Purchase Agreement" means the purchase agreement between Sponsor and a Purchaser under the Plan in the form set forth as Document Number 4 in Part II of the Plan.

"Purchase Price" means the purchase price of a Unit.

"Purchaser" means a Person or Persons buying a Unit under a fully-executed Purchase Agreement, whether for personal occupancy or use of the Purchaser or a Family Member or for rental or other investment purposes.

"Presentation Date," "Date of Presentation," "presentation," "presented" and related words means the date of personal delivery or (if mailed) the fifth day after mailing (whichever is the last to occur) of this Plan or any amendment to the Plan, as the context may require, to those Persons required to receive same pursuant to the GBL and the regulations of the Department of Law promulgated thereunder.

"Property" means the Land, the Building, all other improvements erected or to be erected on the Land, all easements, rights, and appurtenances pertaining thereto and all other property, real, personal or mixed, used or intended to be used in connection therewith.

"Recognized Lender" means (i) the Sponsor or its successors or (ii) an Institutional Lender.

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

"Rent Laws" means: (i) the Rent Stabilization Law of 1969; (ii) the New York City Rent Stabilization Code adopted pursuant thereto; (iii) the New York City Rent and Rehabilitation Law; (iv) the Tenant Protection Regulations of the New York State Division of Housing and Community Renewal; (v) the Emergency Tenant Protection Act of 1974; (vi) New York City Local Law 4 of 1994; (vii) the 1993 Rent Regulation Reform Act; (viii) the Rent Regulation Reform Act of 1997; and (ix) Article 7-C of the Multiple Dwelling Law, all as may be amended from time to time.

"Reserve Fund Law" means Chapter 8 of Title 26 of the New York City Administrative Code, as amended from time to time.

"Residential Common Charges" means the charges allocated and assessed against the Residential Units by the Condominium Board, payable by the Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units to meet the Residential Common Expenses.

"Residential Common Expenses" shall mean all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Residential Limited Common Elements and certain other expenses (such as expenses pertaining to the Superintendent's Unit) set forth or described in "Schedule B: Projected Budget for First Year of Condominium Operation" as to be borne only by the Residential Unit Owners and such items as are provided in the Declaration or By-laws to be Residential Common Expenses.

"Residential Limited Common Elements" means those Common Elements which are generally devoted in use or function to the Residential Units and include generally the Residential Plaza, the hallways and corridors connecting the Residential Units with one another and the Facilities exclusively serving the Residential Units and such other areas which are so designated on the Floor Plans or in the Declaration as a Residential Limited Common Element. .

"Residential Members" means those members of the Condominium Board who are elected by the Residential Unit Owners in accordance with the By-laws.

"Residential Plaza" mean the outdoor plaza, sitting area located on the second floor of the Building, as more particularly identified as Residential Limited Common Elements on the Floor Plans.

"Residential Section" means collectively, the Residential Units and the Residential Limited Common Elements.

"Residential Unit" means a Unit which is designated as a Residential Unit in the Declaration and/or the Floor Plans, consisting generally of a specific apartment.

"Residential Unit Owner" means the owner of a Residential Unit.

"Rules and Regulations" shall mean the rules and regulations of the Condominium, adopted by the Condominium Board pursuant to the By-Laws, as amended, modified, deleted from or added to from time to time, pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration or the By-Laws, initially in the form set forth as Document Number 10 in Part II of the Plan.

"Selling Agent" means Heron LLC and Times Plaza Development Limited Partnership, or any successor selling agent designated by Sponsor.

"Service Equipment" shall mean all of the following now or hereafter installed in the Building, serving one or more Units or the Common Elements, if any, appurtenant thereto: (i) pipes, wires, ducts, risers, cables, conduits and (ii) mechanical, electrical and

other equipment, including supplemental air-conditioning systems, antennas and other communications devices.

"Signs" means any sign, advertisement, banner, notice or other lettering.

"Sponsor" means Times Plaza Development Limited Partnership, a Connecticut limited partnership, having an office c/o Bruce Orlofsky, 562 State Street, Brooklyn, New York 11217-1412.

"Sponsor's Counsel" means the law firm of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C., with offices at 845 Third Avenue, 8th Floor, New York, New York 10022.

"Sponsor Successor" means (i) any corporation or other entity which, through amalgamation, consolidation, or other legal succession becomes invested with the rights and assumes the burdens of Times Plaza Development Limited Partnership or (ii) any Person, who, at any time, (a) purchases from Times Plaza Development Limited Partnership, or otherwise succeeds to (x) one or more Residential Units or (y) all remaining Residential Units then owned by Sponsor, and is designated as a Sponsor Successor by Sponsor and (b) is not purchasing such Residential Units for his, her or its own occupancy or for occupancy by one or more of such Person's Family Members, and, in any case, shall also include any nominee holding any Unit for the account of the Person referred to in clause (i) or (ii) above. The phrase "owned by" shall include owned by any such nominee.

"Unit" or "Condominium Unit" means any space designated as a Residential Unit, Commercial Unit in the Declaration consisting generally of (i) in the case of the Residential Unit, a specific apartment; in the case of a Commercial Unit, a block of commercial or non-residential space in the Building on certain of the floors of the Building having, inter alia, Residential Units thereon and (ii) an appurtenant undivided interest in the Common Elements. All of such Units are collectively referred to as the "Units."

"Unit Owner" means any record owner of a Unit, and all of such Unit Owners are, collectively, referred to as the "Unit Owners."

"Unsold Residential Unit" or **"Unsold Residential Units"** means any Residential Unit or Residential Units owned at the time in question by Sponsor or any Sponsor Successor. Any Unsold Residential Unit shall retain its status and character as an Unsold Residential Unit until: (i) it is no longer owned by Sponsor or any Sponsor Successor; (ii) it is occupied by a Unit Owner or a Family Member of a Unit Owner; or (iii) it is conveyed to a bona fide Purchaser for personal occupancy (by the Purchaser or a Family Member of the Purchaser). Further, a Residential Unit that is conveyed to Sponsor by a Purchaser who has elected to rescind his or her purchase of the Unit and receive a refund of the Purchase Price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Residential Unit.

"Unsold Residential Unit Owner" means the owner of an Unsold Residential Unit.

"ZLDA" shall have the meaning ascribed thereto in Section 1 of the Declaration.

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meaning ascribed thereto in the By-Laws or the Declaration, as the case may be.

LOCATION AND AREA INFORMATION

Location

The Times Plaza Condominium is located at 560 State Street, Brooklyn, New York. The Condominium is located between the Park Slope and downtown section of Brooklyn and is part of Brooklyn Community District Number 13. This is a highly developed area that is essentially residential in character, but served by a rich assortment of shopping, recreational, medical, religious, and educational facilities. The area is serviced by a network of streets and roads as well as New York City public bus service and by New York City Subway service. Police, Fire, Water, Sanitation, Snow Removal, and Road Maintenance are provided by the City of New York. The police precincts servicing the community include the 78th (within ½ mile from the subject property), 84th (within 2 miles from the subject property), and 88th (within 2 miles from the subject property) precincts. Fire Station 110 is located approximately three blocks from the subject property. Medical needs of the community are served by the Long Island College Hospital (within 1.06 miles from the subject property) and New York Methodist Hospital (within 1.18 miles from the subject property). Students living in this property are eligible to attend Public School 133 (within ½ mile from the subject property), Public School 282 (within 1 mile from the subject property) Public School 38 (within ½ mile from the subject property), Brooklyn Technical High School (within 1/2 mile from the subject property) and Brooklyn High School for the Performing Arts (within 1/3 mile from the subject property).

Transportation

Taxi and limousine service is widely available in Brooklyn. In addition, public transportation provided by the New York City Metropolitan Transit Authority is easily accessible from the Building. The Building is conveniently located near ten (10) subway lines. The Atlantic Avenue and Pacific Street Stations, are serviced by the 2, 3, 4, 5, D, R, N, M, Q and B train lines. Bus service is frequent, offering various routes with nine (9) bus routes.

Shopping Facilities

Shopping Facilities are located across the street in the Atlantic Center which is a Shopping Mall not owned by the Sponsor and contains numerous retail stores. In addition, one block away is the Brooklyn Academy of Music.

SCHEDULE A
PURCHASE PRICES AND RELATED INFORMATION

Schedule A
Commencing July 1, 2005

Unit	Rooms/Bedrooms/Bath	Status	Approximate Square Footage	Percentage of Common Interest	Offering Price to Tenant Purchasers	Offering Price to Non-Tenant Purchasers	Estimated Common Charges Monthly	Estimated Common Charges yearly	Estimated Real Estate Taxes Monthly	Estimated Real Estate Taxes Yearly	Projected Monthly Carrying Charges
C1			8,600	18.82840%	Not Offered for Sale		$972.42	$11,669.02	$6,680.13	$80,161.61	$7,652.55
C2			1,440	3.10167%	Not Offered for Sale		$160.19	$1,922.28	$1,100.44	$13,205.31	$1,260.63
C3			1,455	3.14039%	Not Offered for Sale		$162.19	$1,946.28	$1,114.18	$13,370.18	$1,276.37
C4			1,160	2.50368%	Not Offered for Sale		$129.31	$1,551.67	$888.28	$10,659.39	$1,017.59
C5			3,510	7.57580%	Not Offered for Sale		$391.26	$4,695.15	$2,687.82	$32,253.83	$3,079.08
C6			2,660	5.74120%	Not Offered for Sale		$296.51	$3,558.15	$2,036.92	$24,443.07	$2,333.44
C7			1,185	2.55764%	Not Offered for Sale		$132.09	$1,585.11	$907.43	$10,889.11	$1,039.52
C8			1,170	2.52844%	Not Offered for Sale		$130.58	$1,567.02	$897.07	$10,764.79	$1,027.65
1A	2/0/1	S	540	0.68559%	$243,000.00	$303,500.00	$179.81	$2,157.76	$277.02	$3,324.24	$456.83
1B	4/2/1.5	S	1,100	1.39658%	$495,000.00	$618,200.00	$366.29	$4,395.43	$564.30	$6,771.61	$930.59
1C	4/2/1.5	S	1,085	1.37753%	$488,300.00	$609,800.00	$361.29	$4,335.50	$556.61	$6,679.27	$917.90
2A	4/2/1.5	V	1,070	1.35849%	$481,500.00	$601,300.00	$356.30	$4,275.56	$548.91	$6,586.93	$905.21
2B	4/2/1.5	S	1,060	1.34579%	$477,000.00	$595,700.00	$352.97	$4,235.60	$543.78	$6,525.36	$896.75
2C	4/2/1.5	V	1,075	1.36484%	$483,800.00	$604,200.00	$357.96	$4,295.54	$551.48	$6,617.71	$909.44
3A	4/2/1.5	S	1,065	1.35214%	$479,300.00	$598,500.00	$354.63	$4,255.58	$546.35	$6,556.15	$900.98
3B	4/2/1.5	V	1,075	1.36484%	$483,800.00	$604,200.00	$357.96	$4,295.54	$551.48	$6,617.71	$909.44
3C	4/2/1.5	S	1,065	1.35214%	$479,300.00	$598,500.00	$354.63	$4,255.58	$546.35	$6,556.15	$900.98
4A	4/2/1.5	V	1,270	1.61241%	$571,500.00	$713,700.00	$422.89	$5,074.73	$651.51	$7,818.13	$1,074.40
4B	4/2/1.5	S	1,205	1.52989%	$542,300.00	$677,200.00	$401.25	$4,815.00	$618.17	$7,417.99	$1,019.42
4C	4/2/1.5	S	1,365	1.73303%	$614,300.00	$767,100.00	$454.53	$5,454.33	$700.25	$8,402.95	$1,154.77
5A	4/2/1.5	S	1,320	1.67589%	$594,000.00	$741,800.00	$439.54	$5,274.52	$677.16	$8,125.93	$1,116.70
5B	4/2/1.5	S	1,225	1.55528%	$551,300.00	$688,500.00	$407.91	$4,894.92	$628.43	$7,541.11	$1,036.34
5C	4/2/1.5	S	1,440	1.82825%	$648,000.00	$809,300.00	$479.50	$5,754.02	$738.72	$8,864.65	$1,218.22
6A	4/2/1	NC	1,035	1.31405%	$465,800.00	$581,700.00	$344.64	$4,135.70	$530.96	$6,371.46	$875.60
6B	4/2/1	S	1,035	1.31405%	$465,800.00	$581,700.00	$344.64	$4,135.70	$530.96	$6,371.46	$875.60
6C	4/2/1	S	1,035	1.31405%	$465,800.00	$581,700.00	$344.64	$4,135.70	$530.96	$6,371.46	$875.60
7A	4/2/1.5	S	1,130	1.43467%	$508,500.00	$635,100.00	$376.28	$4,515.31	$579.69	$6,956.29	$955.97
7B	4/2/1.5	V	1,120	1.42197%	$504,000.00	$629,400.00	$372.95	$4,475.35	$574.56	$6,894.73	$947.51
7C	4/2/1	S	1,060	1.34579%	$477,000.00	$595,700.00	$352.97	$4,235.60	$543.78	$6,525.36	$896.75
7D	4/2/1	S	1,100	1.39658%	$495,000.00	$618,200.00	$366.29	$4,395.43	$564.30	$6,771.61	$930.59

Unit	Rooms/Bedrooms /Bath	Status	Approximate Square Footage	Percentage of Common Interest	Offering Price to Tenant Purchasers	Offering Price to Non-Tenant Purchasers	Estimated Common Charges Monthly	Estimated Common Charges yearly	Estimated Real Estate Taxes Monthly	Estimated Real Estate Taxes Yearly	Projected Monthly Carrying Charges
7E	4/2/1	S	1,070	1.35849%	$481,500.00	$601,300.00	$356.30	$4,275.56	$548.91	$6,586.93	$905.21
7F	4/2/1.5	S	1,150	1.46006%	$517,500.00	$646,300.00	$382.94	$4,595.23	$589.95	$7,079.41	$972.89
7G	4/2/1.5	S	1,205	1.52989%	$542,300.00	$677,200.00	$401.25	$4,815.00	$618.17	$7,417.99	$1,019.42
7H	4/2/1.5	S	1,035	1.31405%	$465,800.00	$581,700.00	$344.64	$4,135.70	$530.96	$6,371.46	$875.60
7J	4/2/1.5	V	1,110	1.40927%	$499,500.00	$623,800.00	$369.62	$4,435.39	$569.43	$6,833.17	$939.05
7K	4/2/1	S	1,075	1.36484%	$483,800.00	$604,200.00	$357.96	$4,295.54	$551.48	$6,617.71	$909.44
7L	4/2/1	V	1,070	1.35849%	$481,500.00	$601,300.00	$356.30	$4,275.56	$548.91	$6,586.93	$905.21
7M	4/2/1	S	1,020	1.29501%	$459,000.00	$573,200.00	$339.65	$4,075.77	$523.26	$6,279.12	$862.91
8A	4/2/1.5	S	1,045	1.32675%	$470,300.00	$587,300.00	$347.97	$4,175.66	$536.09	$6,433.02	$884.06
8B	4/2/1.5	S	1,065	1.35214%	$479,300.00	$598,500.00	$354.63	$4,255.58	$546.35	$6,556.15	$900.98
8C	4/2/1.5	V	1,040	1.32040%	$468,000.00	$584,500.00	$346.31	$4,155.68	$533.52	$6,402.24	$879.83
9A	4/2/1.5	S	1,030	1.30770%	$463,500.00	$578,900.00	$342.98	$4,115.73	$528.39	$6,340.68	$871.37
9B	4/2/1.5	S	1,065	1.35214%	$479,300.00	$598,500.00	$354.63	$4,255.58	$546.35	$6,556.15	$900.98
9C	4/2/1.5	S	1,030	1.30770%	$463,500.00	$578,900.00	$342.98	$4,115.73	$528.39	$6,340.68	$871.37
10A	3/1/1	V	1,010	1.28231%	$454,500.00	$567,600.00	$336.32	$4,035.81	$518.13	$6,217.56	$854.45
10B	4/2/1.5	V	1,045	1.32675%	$470,300.00	$587,300.00	$347.97	$4,175.66	$536.09	$6,433.02	$884.06
10C	4/2/1.5	V	1,010	1.28231%	$454,500.00	$567,600.00	$336.32	$4,035.81	$518.13	$6,217.56	$854.45
			63,730	100%	$19,148,400	$23,913,100	$16,543	$198,518	$38,140	$457,685	$54,684

C1-C8=Commercial Units
S=Stabilized Unit
NC=Non Controlled Unit
V=Vacant Unit

FOOTNOTES TO SCHEDULE A

(1) The Floor Plans contained in Part II of the Plan and any other floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions and layout of typical Units. The actual layout of a Unit may have been altered. Each Unit should be inspected prior to purchase to determine its useable dimensions, layout and physical condition. Floor Plans showing the location or configuration of Units contained in Part II of the Plan may be difficult to read due to the need to reduce them in size for inclusion in the Plan. Larger size Floor Plans are available for inspection in the Selling Agent's office during regular business hours.

(2) Square footage listed exceeds the usable square footage and is calculated from dimensions of the Unit only, which are approximate and measured as follows: (1) vertically from the top of the concrete slab below the Unit to the top of the concrete slab above the Unit; and (2) horizontally by (a) the exterior face of the brickwork constituting the exterior walls of the Building bounding the Unit, (b) the exterior face of interior walls and partitions separating the Unit from Common Elements (if any) and (c) the center line of walls separating the Unit from other Units. References in this paragraph to the exterior face are from the perspective of a person standing within the Unit. Floor plans showing typical Units appear as Document Number [13] in Part II of the Plan. The elevations of the various floors of the Building as reflected on the Drawings of Berzak Gold of the Floor Plans should not be relied upon as an indication of the vertical dimensions or ceiling height of any Unit. Such elevations are only approximate and generally include the height of the floor slab above the Unit.

(3) The number of rooms in each Unit set forth in Schedule A has been computed by Sponsor in accordance with the guidelines established by the Real Estate Board of New York, Inc. Partitions (if any) constructed by tenants or other occupants to enclose a sleeping alcove or walls moved or removed by tenants or other occupants (including former tenants or former owners) have not been taken into consideration for purposes of these calculations. The number of rooms set forth in Schedule A may vary from the registration information on file, if any, with any governmental or regulatory authority. There are no Residential Limited Common Elements limited in use to only certain of the Residential Unit Owners but each of the Residential Unit Owners have the right to use the Residential Limited Common Elements, including without limitation, the Residential Plaza, the boundaries of which are more particularly delineated on the Floor Plans. The Commercial Unit Owner has the right to use the Commercial Limited Common Elements to the exclusion of the Residential Unit Owners (except for any applicable easements as set forth in the Declaration).

(4) An Eligible Tenant will have the exclusive right, during the Exclusive Purchase Period only, to purchase his or her Unit for the Price set forth in this column of Schedule A. See the Section of the Plan entitled "Rights of Existing Tenants" for further discussion.

Sponsor has reserved the right to change the Purchase Price of any Unit from time to time in the manner set forth below, provided that the Purchase Prices to Eligible Tenants may not be increased during the Exclusive Purchase Period.

Variation in Purchase Prices for similar Units may be accounted for by one or more considerations, such as size, exposure, views, location in the Building and space or room configuration.

All of the Residential Units, with the exception of Unit 6A, are subject to the Rent Stabilization Law of 1969 or the New York City Rent Stabilization Code. In addition, as set forth in greater detail in "Rights of Existing Tenants", with respect to Residential Units, GBL Section 352-eeee (as summarized in "Rights of Existing Tenants") all the Residential Units at the Property are now subject to rent regulation and Rent Laws, including the Rent Stabilization Law of 1969, the New York City Rent Stabilization Code. Apartment 6A is a free market rent apartment, and not subject to the New York City Rent Stabilization Code or the New York City Rent and Rehabilitation Law.

(5) The Purchase Prices set forth in Schedule A must be decreased or increased by a duly filed amendment to the Plan when the change in price is (a) an across-the-board change affecting one or more lines of Units or Unit models; (b) a price change that is to be advertised; or (c) a price increase for an individual Purchaser. Purchase Prices are negotiable. Accordingly, Sponsor may enter into a Purchase Agreement with a non-occupant Purchaser to sell a particular Unit at prices less than those set forth in Schedule A without filing an amendment beforehand.

In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of closing, such as legal fees to Sponsors counsel and Purchaser's own attorney, title insurance premiums, transfer taxes, a fee to the Managing Agent and recording charges. If Purchaser obtains a mortgage loan, Purchaser will also be responsible for the payment of additional closing costs and expenses relating to such loan. Finally, the apportionment of certain charges relating to the Unit at the time of the closing of title will be reflected as adjustments to the Purchase Price. See the Section of the Plan entitled "Unit Closing Costs and Adjustments."

(6) The Common Interest allocated to each Unit is based upon Real Property Law Section 339-i(iv) which takes into account floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to the terms of the Condominium Act. The aggregate Common Interest of all Units equals one hundred percent (100%).

(7) The Percentage of Residential Common Interest of each Residential Unit is equal to the Common Interest of such Residential Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Units (including the Commercial Units) as set forth on Schedule A.

(8) These estimates were based upon the total Common Charges payable by the Residential Unit Owners as set forth in "Schedule B: Projected Budget for the First Year of Condominium Operation" (Schedule B), which was prepared for the year July 1, 2004 – June 30, 2005. The respective Common Charges amounts set forth on Schedule A for the respective Residential Units represent the product of (A) the total projected Common Charges payable by the Residential Unit Owners as a group as set forth on Schedule B, and (B) the respective Percentages of Residential Common Interest of the respective Residential Units. The total

projected Common Charges payable by the Residential Unit Owners as a group as set forth on Schedule B consists of the sum of the projected Residential Common Charges (payable only by Residential Unit Owners) and the aggregate share of the projected General Common Charges payable by the Residential Unit Owners as a group.

The Common Charges shown for the Commercial Unit represents the total annual General Common Charges to be levied by the Condominium Board against and collected from the Commercial Unit Owner(s) during the First Year of Condominium Operation and exclude the Commercial Common Charges, which charges represent generally payment for the cost of repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to, the Commercial Limited Common Elements (except as may otherwise be provided in the Declaration or By-laws), which costs are the responsibility of the Commercial Unit Owners and are paid by the Commercial Unit Owner(s) directly instead of to the Condominium Board.

This period is used only for purposes of projection and illustration. Sponsor does not warrant that Condominium operation will commence on July 1, 2005. The estimated Common Charges are based upon the estimates of income and expenses set forth in Schedule B. The actual amounts of income and expenses may differ from the estimates thereof and may change in subsequent years. Because of the possibility of unforeseeable changes in the economy or increase or decrease in the amount of income and/or expenses of operation, the projections are not intended to be taken as guarantees or warranties of any kind whatsoever or as any assurance that the actual expenses or income of the Condominium for any period of operation may not vary from the amounts shown. In fact, it may be expected, based on current trends, that the operating expenses, including fuel costs, utilities, maintenance and repairs, labor and other related expenses, will increase in the future.

In addition to these estimated charges, each Unit Owner will be responsible for paying: (i) mortgage payments under any loan or loans obtained to finance the acquisition of his or her Unit; (ii) the cost of interior repairs to, and the maintenance, painting and decoration of, his or her Unit (including, without limitation, the equipment and appliances contained therein); (iii) the cost of any insurance covering (a) furniture, belongings, equipment and other personal property and (b) liability to others for personal or property damage as a result of occurrences in his or her Unit; and (iv) the cost of cable television connection/installation and service fees.

(9) The projection for real estate taxes for the First Year of Condominium Operation is based upon the projected real estate taxes in an aggregate amount for all Units of $457,685.

The tax assessments of condominium apartment buildings are governed by Section 581 of the Real Property Tax Law. This law requires the tax assessor to disregard the condominium form of ownership in valuing such properties and to value the building in the same manner as similar but non-condominium owned, rental buildings. Thus, while the fact of conversion of the Building to condominium ownership will not automatically cause an

increase in assessed value, the Assessed Valuation may increase in the future in accordance with New York City assessment practices.

A. **Certain Estimates with regard to Tax Year 2004/2005 Real Estate Taxes. Without Regard to any possible Tax Certiorari Settlement Offer*.**

Set forth immediately below is the Transitional Assessed Valuation (and Actual Assessed Valuation and Tax Rate) as estimated by The Mazursky Group, Inc. "(Mazursky"), a real estate tax consulting firm, for the 2004/2005 tax year based on the Property's historical Transitional and Assessed Valuations without regard to any Tax Certiorari Settlement Offer or any reductions in assessed valuation that may otherwise result from any tax certiorari proceedings. **THE PROJECTIONS OF THE ESTIMATED MONTHLY AND ANNUAL REAL ESTATE TAXES PAYABLE BY UNIT OWNERS, AS SET FORTH IN FOOTNOTE 9,** is based on the opinion of Mazursky and that the projection for real estate taxes for the First Year of Condominium Operation is based upon the following additional assumptions:

(1) The Units will be assessed in direct proportion to the relative value of each space as indicated in the offering plan prices;

(2) The Property's Actual Assessed Valuation for the tax year 2005/2006 is projected to be $3,750,000, and the Property's tax will be computed based upon the resulting Transitional Assessed Valuation, as projected by "Mazursky" of $3,750,000;

(3) The tax rate for the tax year 2005/2006 is projected to be $12.70 for each $100 of assessed valuation.; and

(4) Then, based on the foregoing assumptions, the estimate of real estate taxes for the First Year of Condominium Operation would be an aggregate of $457,685.00 ($261,938 Residential and $195,750 Commercial).

B. **Projection of Tax Year 2005/2006 Real Estate Taxes.**

Property in New York City is reassessed on an annual basis. Although the actual assessed valuation is likely to increase and the tax rate may increase, it is impossible to predict the amount or certainty of such future increases. Consequently, Sponsor has based its projection on the above-stated Actual Assessed Valuation for 2005/2006 (which provides an approximate 17 percent increase over the Actual Assessed Valuation for the 2003/2004 tax year without regard to any Tax Certiorari Settlement Offer) and has not included a decrease in the tax rate projection even though a decrease may be received.

C. **Certain Other Matters Pertaining to Real Estate Taxes.**

At each Unit closing, real estate taxes will be adjusted with Sponsor as of midnight of the day immediately preceding the date of the Unit closing, based upon the actual real estate taxes then in effect.

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* Please note that the projections in Schedule A of this Offering Plan are not based on the estimates contained in this Section C but rather on the basis set forth in Section d of this Footnote 9 below.

On or after the filing and recording of the Declaration and a deed for a Unit, a separate tax lot is to be or will have been created for each Unit in the Condominium. After creation of the separate tax lot for a Unit, the local assessor ("assessor") apportions the assessed valuation of the Property to each of the newly created tax lots representing the Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property (i) to the Residential Units and the Commercial Units in the same proportion as each such group's aggregate percentage of Common Interest bears to the other group's or (ii) to a tax lot representing a Residential Unit on the basis of the percentage of Common Interest appurtenant to the Unit relative to the other Residential Units. Moreover, there can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Unit or the Property as described above on or after such apportionment or for any other reason. Such an increase will increase a Unit Owner's real estate taxes above the amounts estimated on Schedule A.

If on the date of the First Unit Closing, the Units have not been separately assessed as independent tax lots, then until such time as an independent tax assessment is made and in effect, for each Unit Owner, including Sponsor, the tax liability of each Unit Owner will be determined by multiplying the percentage of Common Interest attributable to his or her Unit by the aggregate real estate taxes assessed against the Property, and paid as part of the Common Charges until separate lots are determined, and adjusted at that time if any.

Sponsor shall have the right to continue the tax certiorari proceedings for the pending years through the tax year of closing and to litigate or settle same in its sole discretion whether before or after the First Unit Closing and to institute, litigate and/or settle tax certiorari proceedings with respect to any subsequent tax years which commence prior to the date of commencement of the First Year of Condominium Operation. In addition, and without limiting the foregoing, since, among other things, tentative Actual Assessed Valuations for any given New York City tax year currently are published by the City on or about January before such tax year and must be challenged, if property owners desire to challenge them, well in advance of the commencement of the ensuing tax year, Sponsor shall have the right prior to the First Year of Condominium Operation to institute, litigate and/or settle tax certiorari proceedings (challenging the assessed valuation published for the Property) with respect to the first tax year which commences on or after the commencement of the First Year of Condominium Operation provided, however, that Sponsor shall, on the date of commencement of the First Year of Condominium Operation, cease to institute, litigate and settle any such proceedings which shall not already have been settled or resolved prior to such date, unless otherwise requested in writing by the Board of Managers of the Condominium and agreed to by Sponsor. Sponsor shall be entitled to receive and retain any and all real estate tax refunds relating to tax years ended prior to the commencement of the First Year of Condominium Operation. If, in Sponsor's sole and absolute discretion but in accordance with the above, Sponsor commences tax certiorari proceedings with respect to the tax year which includes the date of commencement of the First Year of Condominium Operation and the closing to a Purchaser's Unit occurs within the said tax year, such Unit's allocable share (based upon its Common Interest) of the net refund, if any, received by Sponsor for real estate taxes paid for said tax year shall be adjusted between such Purchaser and Sponsor as of midnight of the day immediately preceding the Closing Date with respect to such Unit. The net refund shall reflect deduction for all expenses incurred by Sponsor in pursuing the tax certiorari proceedings and settlement thereof for the applicable tax year, including, without limitation, counsel fees and disbursements, regardless of when such expenses may have been,

or may be, incurred. See also "Unit Closings Costs and Adjustments" for apportionments of real estate tax rebates, refunds and credits as between Sponsor and Purchaser.

If Sponsor, in its sole discretion (but in accordance with the provisions of the paragraph immediately preceding this paragraph), institutes tax certiorari proceedings with respect to the tax year 2005/2006 and a reduction in the same goes into effect in time to affect the tax year in which the First Unit Closing takes place, then a reduction in Actual Assessed Valuation with respect to the 2005/2006 tax year and/or the 2004/2005 tax year may benefit Unit Owners during the First Year of Condominium Operation (and in subsequent tax years).

Whether Sponsor elects to institute tax certiorari proceedings for particular tax years and the degree of success that Sponsor may have in such proceedings or in negotiating settlements thereof will, of course, affect Purchasers in that it will affect the level of real estate taxes payable by Purchasers with respect to their Units. Sponsor has an interest in successfully pursuing tax certiorari proceedings and in obtaining settlements thereof reducing assessed valuations to levels as low as Sponsor may be able to achieve since such settlements will affect all Units in the Building, that is, not only those that may be or become the subject of Purchase Agreements from time to time but also those that continue to be held by Sponsor from time to time. However, Sponsor can offer no assurance as to what the results of such proceedings or negotiations might be. The results of such proceedings and negotiations are not expected to have any direct impact upon Non Purchasing Tenants.

Sponsor makes no representation or warranty and can provide no assurance that there will be any reduction in the Actual Assessed Valuation or Transitional Assessed Valuation with respect to the Property as a result of the current or any future tax certiorari proceedings, or otherwise or that such reductions, if any, will take place in time to affect the First Year of Condominium Operation or benefit the Condominium and/or Unit Owners in any manner.

(10) The estimated total monthly carrying charges for each Unit is the sum of the estimated monthly common charges and estimated monthly real estate taxes for each Unit as projected in Schedule A (see footnotes 8 and 9). The estimated total annual carrying charges for each Unit is the sum of the estimated annual common charges and estimated annual real estate taxes for each Unit as projected in Schedule A (see footnotes 8 and 9).

As noted in Footnote 8 above, in addition to these estimated charges, each Unit Owner will be responsible for paying: (i) mortgage payments under any loan or loans obtained to finance the acquisition of his or her Unit; (ii) the cost of interior repairs to, and the maintenance, painting and decoration of, his or her Unit (including, without limitation, the equipment and appliances contained therein); (iii) the cost of any insurance covering (a) furniture, belongings, equipment and other personal property and (b) liability to others for personal or property damage as a result of occurrences in his or her Unit; and (iv) the cost of cable television connection/installation and service fees

As set forth in greater detail in "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Opinion of Counsel" and subject to the qualifications set forth in "Opinion of Counsel," it is the opinion of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C.

that, under present law, the owners of Residential Units, for federal income tax purposes, are entitled to a deduction for mortgage interest and real estate taxes in the taxable year in which the same are paid (or accrued in the case of a taxpayer who uses the accrual method of accounting for income tax purposes). However, tax deductions may vary in future years due to changes in the interest rates of individual unit owner's mortgages, if any, or from changes in the allocation of constant debt service payments to interest and principle, or due to changes in real property tax or assessed values, the tax rate, or the method of assessing real property.

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SCHEDULE B
PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
(July 1, 2005 to June 30, 2006)

INCOME (1):

	Residential Units' Share	Commercial Unit(s)' Share	Total
Commercial Units Common Charges (1d)		$28,495.08	$28,495.08
Residential Units Common Charges (1c)	$170,023.40		$170,023.40
SUBTOTAL (Total Income from Common Charges)			$198,518.48
Laundry Income (1e)	$ 2,500.00		$2,500.00
Income on Reserve Fund (1b)	$ 1,434.00	$ 159.00	$1,593.00
TOTAL INCOME:	$173,957.40	$28,654.08	$202,611.48

EXPENSES:

	Residential Units' Share	Commercial Unit(s)' Share	Total
Labor (2)	$40,618.00	0	$40,618.00
Utilities (Electricity and Gas) (3)	$22,767.48	$0	$22,767.48
Water Charges and Sewer Rents (4)	$19,800.00	0	$19,800.00
Repairs, Maintenance and Supplies (5)	$14,270.40	$1,585.60	$15,856.00
Service Contracts (6)	$1,673.52	$528.48	$2,202.00
Insurance (7)	$25,778.00	$21,090.00	$46,868.00
Management Fees (8)	$22,500.00	$2,500.00	$25,000.00
Legal Fees and Audit Fees (9)	$11,250.00	$1,250.00	$12,500.00
Other (10)	$4,950.00	$550.00	$5,500.00
Contingency (11)	$10,350.00	$1,150.00	$11,500.00
Total Expenses:	$173,957.40	$28,654.08	$202,611.48

FOOTNOTES TO SCHEDULE B

(1a) **Total Income:** **$202,611.48**

This figure represents the sum of (1) the total annual Residential Common Charges and Residential General Common Charges (as defined below) to be levied by the Condominium Board against and collected from the Residential Unit Owners during the First Year of Condominium Operation (see Footnote (1c) below), (2) the total annual General Common Charges to be levied by the Condominium Board against and collected from the Commercial Unit Owners during the First Year of Condominium Operation (see Footnote (1 d) below) and (3) the projected income on the Reserve Fund during the First Year of Condominium Operation. The Commercial Common Charges do not appear on the budget since these charges pay for the cost of repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to the Commercial Limited Common Elements (except as may otherwise be provided in the Declaration or By-laws), which costs are the responsibility of the Commercial Unit Owners and are paid by the Commercial Unit Owner(s) directly instead of to the Condominium Board.

The projected interest income on the Reserve Fund is expected to be offset in part by the projected income taxes (Federal income and New York State and New York City franchise taxes) on such income and it is anticipated that the balance of such projected income will be used to augment the Reserve Fund rather than be applied to payment of general operating expenses of the Condominium and, accordingly, will not be available to defray or reduce the amount of Common Charges otherwise needed to be collected from the Unit Owners during the First Year of Condominium Operation.

The estimate of the annual Common Charges to be collected by the Condominium Board during the First Year of Condominium Operation, is based upon the assumption that the First Year of Condominium Operation will be the year from July 1, 2005 to June 30, 2006. The actual first year of operation may be earlier or later than that year.

(1b) **Income on Reserve Fund:** **$1,593.00**

The budget amount is based on an estimated Reserve Fund during the First Year of Condominium Operation of $159,350 and investment of such Reserve Fund at an estimated annual interest rate of one percent (1%). The interest rate available to the Condominium Board may be less than or more than one percent (1%) per annum. The amount of the estimated Reserve Fund during the First Year of Condominium Operation represents a projected initial funding amount and does not represent the amount of the Reserve Fund as to be ultimately funded in full in accordance with Chapter 8 of Article 26 of the Administrative Code of the City of New York. See "Working Capital Fund and Reserve Fund." This sum is based upon the following assumptions which may or may not apply: (1) Sponsor shall, in funding the Reserve Fund, elect the option set forth in paragraph 2(b) of "Working Capital Fund and Reserve Fund" (the "Payment Over Time Option"), (2) Sponsor shall be entitled to no credit against the Reserve Fund on account of capital replacements, (3) the total Reserve Fund payments during the First Year of Condominium Operation shall be equal to the minimum initial Reserve Fund payment required under the Payment Over Time Option, that is one

percent (1.0%) of the "Total Price" (that is, the sum of the cost of all Units in this offering at the last price which is offered to tenants in occupancy prior to the Effective Date of this Plan, regardless of the number of sales made (assuming that such last price offered to tenants in occupancy prior to the Effective Date shall be, for the Residential Units, the prices set forth on Schedule A as applicable to Eligible Tenants during the Exclusive Period, the prices set forth on Schedule A as applicable to both Eligible Tenants and non-tenants)), (4) none of the Reserve Fund shall be expended during the First Year of Condominium Operation. ALL OF THE FOREGOING ASSUMPTIONS ARE SET FORTH ONLY TO FACILITATE AN ESTIMATION OF THE AMOUNT OF THE RESERVE FUND DURING THE FIRST YEAR OF CONDOMINIUM OPERATION FOR PURPOSES OF COMPUTING AN ESTIMATED AMOUNT OF INCOME ON THE RESERVE FUND DURING THE FIRST YEAR OF CONDOMINIUM OPERATION. SPONSOR MAKES NO REPRESENTATION OR WARRANTY THAT ANY OF THE FOREGOING ASSUMPTIONS SHALL ACTUALLY APPLYAND SPONSOR SHALL HAVE ABSOLUTELY NO OBLIGATION TO CAUSE ANY OF SUCH ASSUMPTIONS TO COME INTO EFFECT OR TO CAUSE THE RESERVE FUND TO BE FUNDED IN THE ESTIMATED AMOUNT.

No income has been projected on the investment of the Working Capital Fund. All or part of the Working Capital Fund may be expended during the first or subsequent years of operation. Accordingly, interest income cannot be determined with exactitude and may be inconsequential. For this reason, and for the further reason that such interest income does not reflect normally anticipated income from operations, no interest income with respect to the Working Capital Fund has been included in the estimated income for the First Year of Condominium Operation. If there is any interest income on either the reserve or working capital funds there may be possible federal or state income taxes to be paid which currently there are no provisions in the budget to pay.

(1c) **Common Charges Payable by Residential Unit Owners:** **$170,023.40**

This figure represents the total annual Residential Common Charges and General Common Charges to be levied by the Condominium Board against and collected from all Residential Unit Owners as a group. It is composed of (i) the aggregate of all Residential Common Charges (which are payable only by the Residential Unit Owners), to defray the Residential Common Expenses, including, without limitation, the expenses incurred in connection with the repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to, the Residential Limited Common Elements and (ii) the aggregate share of the General Common Charges to be levied by the Condominium Board against and collected from the Residential Unit Owners as a group, that is, the product of the aggregate of (i) the Common Interests with respect to all Residential Units and (ii) the total of the General Common Charges (the "Residential General Common Charges"). The General Common Charges will be utilized by the Condominium Board to defray the General Common Expenses, which, include, without limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to, the General Common Elements.

Each Residential Unit Owners share of the Common Charges payable by the Residential Unit Owners as a group (that is, the Residential Common Charges and Residential General Common Charges) is equal to, for each Residential Unit, the Percentage of Residential Common Interest attributable to such Unit multiplied by the sum of (1) the Residential Common Charges and (2) the Residential General Common Charges. The "Percentage of Residential Common Interest" of each

Residential Unit, respectively, is set forth on Schedule A and is equal to the Common Interest attributable to such Residential Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Residential Units.

(1d) **General Common Charges Payable by Commercial: Unit Owners:** **$28,495.08**

This figure represents the General Common Charges to be levied by the Condominium Board against and collected from, the Commercial Unit Owner(s) and is computed by multiplying the total Common Interests attributable to the Commercial Unit(s) by the aggregate of the General Common Charges to be levied by the Condominium Board. The General Common Charges will be utilized by the Condominium Board to defray the General Common Expenses, which, include, without limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to, the General Common Elements.

Not all of the expense items listed on the budget are treated as General Common Expenses and, accordingly, the Commercial Unit Owner(s) will have no obligation to pay any share of the expenses set forth in the budget except as expressly set forth in the footnotes that follow. The obligation of the Commercial Unit Owner(s) to make contributions toward the expenses set forth in the budget shall not include (A) any contributions toward Residential Common Expenses, including, but not limited to, (B) repairs, maintenance and supplies except as attributable solely to the General Common Elements and specifically excluding the Residential Limited Common Elements, and (C) the cost of maintenance and service contracts serving primarily the Residential Limited Common Elements, such as the compactor maintenance contract, the intercom maintenance contract, the exterminating contract, the metal maintenance (doors) contract, the metal maintenance (elevators) contract, the automatic door repair contract (with respect to lobby doors) and air conditioning inspection and repair contracts with respect to air conditioning units located in the lobbies and in elevator machine rooms serving the Residential Elevators, and the cost of a service contract serving primarily the Residential Units, the master antenna service contract.

In addition, under the Declaration, the Commercial Unit Owner(s) are required to bear the expense of maintaining and repairing the Commercial Limited Common Elements.

Since the Commercial Unit(s) encompass largely all of the commercial space at the Building, it is not anticipated that the Condominium will have income derived from the lease of any commercial space at the Building. All of the income derived from the Commercial Section will be the property of the Commercial Unit Owner(s) and not that of the Condominium or any Residential Unit Owner. It is not anticipated that Sponsor will be leasing any space from the Condominium.

(1e) **Laundry Income**: **$2,500.00**

Laundry Equipment, consisting of four washing machines and three double gas dryers, is owned and maintained in a room off the first floor lobby by Coinmach laundry equipment company. The present agreement, which expires on February 28, 2006, provides

for a minimum payment of $4,800 per year. In addition, the Condominium will be entitled to 65% of collections in excess of $4,800 per year. Coinmach is currently only paying $2,500 per annum. The Sponsor has sued Coinmach Industries located at 1725 York Avenue, New York, New York 10128 and obtained a judgment of $5,600.00 which will be collected by the Sponsor. For the purposes of this budget, an estimate of $2,500 has been used. The Condominium will provide hot and cold water and gas for the operation of the laundry machines.

2. **Labor:** **$40,618**

This item contemplates the continuation of the services of the existing building employee during the first year of condominium operation. Labor estimates are based on a full time non-resident superintendent. Estimates are based on a 55 pay week year to account for holidays, vacations, and sick days. In addition, the Sponsor provides a $600.00 per month housing supplement that it pays the superintendent.

For the first three (3) years of Condominium operation, the Sponsor will continue to make this $600.00 monthly payment on behalf of the Condominium. Following these three (3) years the Sponsor will have no further obligation to make said payment and the Condominium will at or before that time need to decide to replace the superintendent, or increase his salary. The wages and benefits (including vacation pay and sick time) for the employees are as follows:

1 Superintendent	$34,500.00
Projected payroll taxes:	
Social security (7.65% of taxable payroll)	$ 2,587.50
New York unemployment insurance (3.3% of $7,000 for each employee)	$ 231.00
New York disability insurance premium (est.)	$ 100.00
Workers compensation:	$ 3,200.00
Total:	$40,618.50

3. **Utilities ($11,125.03 for electricity and $11,642.45 for gas)**

This item includes the cost of natural gas for heating building lobbies and electricity for the common areas of the buildings, including electricity and gas used in for the laundry facilities. Electricity to units is separately metered and charges therefore will be paid directly to the utility company by unit owners.

The budgeted cost for electricity has been computed by multiplying the average usage for the past four and a half years by a projected rate of $0.252890 per kilowatt hour (KWH). The

budgeted cost for gas has been computed by multiplying the average usage for the past three years by a projected rate of $1.3017 per hundred cubic feet (CCF). This projected rate has been calculated by adding to the 2004 rate an increase of 10%.

The budgeted cost for gas has been computed by multiplying the average usage for the past four years and five months by a projected rate of $1.4375 per hundred cubic feet (CCF). This projected rate has been calculated by adding to the 2004 rate an increase of 10%.

Electricity

Common Area

Year	KWH	Cost	Cost/KWH
2000	43,027	$ 9,803	$0.2278
2001	46,588	$ 10,640	$0.2284
2002	42,219	$ 8,812	$0.2087
2003	44,490	$ 9,065	$0.2037
2004 Jan-Jun	21,817	$ 5,016	$0.2299

Gas

Year	CCF	Cost	Cost/CCF
2000	7,619	$ 8,998	$1.1809
2001	11,190	$16,073	$1.4364
2002	7,917	$ 9,369	$1.1834
2003	8,025	$ 5,946	$1.3491
2004 Jan-May2	448	$ 3,199	$1.3068

In view of the current energy situation, it is not possible to predict with certainty whether the budgeted figures will reflect the actual cost to be incurred during the first year of condominium operation. The actual charges may exceed the budgeted amount if utility rates are increased. Utility rates are affected by increases in the fuel rates paid by the utility as well as other factors.

4. **Water Charges and Sewer Rents**: **$19,800.00**

The budgeted amount is predicated on the property receiving metered water and sewer charges from the City of New York. The commercial units are sub-metered off the one meter for the building and pay their share of the total water consumption. The Commercial Unitswill receive a separate water bill which is based on the calculation of Water Waste Prevention Co., Inc., located at 111 John Street, Suite 430, New York, New York 10038. They have determined that the water consumption for the units for the period from 8/28/03 to 8/26/04 was $2,845.98 plus an administrative fee of $357.18 all totalling $3,203.16. These amounts are for informational purposes and are not included in the budget.

The Sponsor has been attempting to have the City of New York read the water bill for the entire building since December 31, 2002. The Sponsor has hired O'Keefe & Associates located at 160 Broadway, New York, New York 10038 in an attempt to determine the amount of water consumption. The Commercial Units are separately sub-metered and will pay their own water charges directly to the Condominium, therefore, the only issue in dispute is the amount of water used by the Residential Units.

O'Keefe & Associates located at 160 Broadway, Room 1100, New York, New York 10038 has provided an estimate for a projected water and sewer charge of $18,000 for the first (1st) year of Condominium Ownership. The actual cost for the first year of condominium operation has been calculated by increasing this estimate by 10%.

The Sponsor will attempt to have this resolved at or prior to closing but will remain responsible for all water usage charges until closing for the Residential Units as paid in the past and if it is unable to resolve this issue before closing it will obtain the opinion of an expert in these matters to determine the amount of the water charges which should be apportioned between the Commercial Units and Residential Unit Owners and which will then become part of the Common Charges for all the Residential Unit Owners to pay. At or prior to closing, the Sponsor will attempt to have the Commercial Units separately metered by installing a second meter for water and sewer consumption, and if not done by closing Sponsor will deposit with the Condominium $10,000 for these units for future water charges which if drawn down will be replenished within thirty (30) days.

5. **Repairs and Maintenance**: **$15,856.00**

This item includes building and janitorial supplies and the various repairs and maintenance items involved in the operation of this type of property, such as repairs and maintenance of roof, exterior and plumbing. It is also intended to include the cost of curing violations, which are not the Sponsor's obligation to cure. However, this item does not include repairs and painting of or the curing of violations within the interiors of the apartments which would become the obligations of the respective Purchasers following the purchase of their Units. The annual cost projected in this estimate includes a provision for a ten (10%) percent increase over the average of the last four and a half years' costs.

Year		Cost
2000		$16,960
2001		$18,707
2002		$14,517.00
2003		$ 7,474
2004	Jan-Jun	$ 6,295

6. **Service Contracts**: **$2,230.00**

The following service agreements are presently in effect:

Service	Contractor	Annual Cost	Expiration
Extermination:	Empire Pest Control 438 Court Street Brooklyn, New York 11231	$1,301	Month-to-Month
Security	D.G.A. Security 20 West 47th Street New York, New York 10036	$ 701	Month-to-Month
		$2,002	

The annual cost projected in this estimate includes a provision for a ten (10%) percent increase above current charges.

7. **Insurance:** **$46,868.00**

Includes current annual insurance premiums and reserves for additional premiums as quoted by the Sponsor's broker, I Dachs & Sons, Inc., by written quote, dated June 25, 2004, as follows:

ESTIMATED COVERAGE/PERILS	ANNUAL AMOUNTS PREMIUM
All Risk Property (replacement cost/ agreed Value $2,500 deductible)	$9,000,000
Loss of rents	$1,398,000
Comprehensive general liability	
General Aggregate	$2,000,000
Each Occurrence	$1,000,000
Employee dishonesty (including managing Agents Rider)	Not Covered
Umbrella Liability	$100,000,000
Directors and Officers Liability	Included
Boiler and Machinery including business interruption	Building Limit
Total insurance premium	$42,571.16

The fire casualty and general liability insurance includes each Unit Owner as an additional insured as respects common area only. Notice of cancellation will be sent to the Board of managers in accordance with applicable insurance laws. The insurance policy will include a waiver of subrogation clause.

Purchasers should obtain at their own cost and expense additional insurance covering fire and casualty losses to apartment contents, replacements, additions, upgraded fixtures and improvements and Unit Owners' liability coverage for occurrences within their apartments. The rate noted above may be subject to change due to market conditions. In the event of a fire or other casualty resulting in a total loss or substantial destruction of the building, the proposed insurance may not be sufficient to replace the building.

This projected rate has been calculated by adding 10% to the current quoted rate.

8. **Management Fees:** **$25,000.00**

This item is based upon a Management Agreement to be entered into with Times Plaza Development Limited Partnership at the first unit closing. This management fee is less than the prevailing cost for similar services. The Managing Agent is affiliated with certain principals of the Sponsor. For a full discussion of the terms and conditions of the Management Agreement, see the section of this Plan entitled "Management Agreement, Contracts and Leases."

9. **Legal Fees and Audit Fees:** **$12,500.00**

All Unit Owners are entitled to receive from the Condominium, at the Condominium's expense, which expense is part of the Common Charges, charged to Unit Owners, an annual audited financial statement, prepared by an independent certified public accountant, within four months after the end of each fiscal year. The amount budgeted is based on a fee quotation for accounting services estimated at $4,500 per year, and legal fees estimated at $8,000 per year of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. with rates currently ranging from $150.00 for Associates time to Partners at $450.00 per hour which are subject to change.

10. **Other:** **$5,500.00**

This estimate includes license fees, inspection fees, registration charges, and municipal permits.

The budget does not include any interest income that may be received by the Condominium from the Working Capital Fund or Reserve Fund to be retained at title closing. All or part of the Working Capital Fund or Reserve Fund may be expended during the first or subsequent years of operation. Accordingly, this income cannot be determined with exactitude and may be inconsequential. For this reason, and for the further reason that interest income does not reflect normally anticipated income from operations, neither has been included in the projected income for the first year of condominium operation.

11. **Contingency:** **$11,500.00**

This amount may be applied by the Board of Managers toward unforeseen expenses or other appropriate expenses including possible income Taxes. The purpose of the contingency is to provide for any unanticipated expenses or unanticipated increases in projected expenses and a portion of the interest on any note to the Sponsor for closing adjustments. The reserve for contingencies is separate and distinct from the Reserve Fund and the Working Capital Fund.

12. Tax Exempt Status Under Section 528 of Internal Revenue Code.

It does not appear that the Condominium will satisfy the requirement that at least 85% of the floor are of the Building will be used for residential purposes. As a result, the Condominium Board will not be able to elect the favorable tax treatment available under Section 528 of the Internal Revenue Code. Accordingly, the Condominium may be subject to income taxes on the excess of the Common Charges and investment income over the expenses of operating the Condominium (See "Counsel's Tax Opinion Letter"). Since the Budget for the First Year of Condominium Operation does not anticipate any significant net income, no provision has been made for income taxes payable by the Condominium in the Budget for the First Year of Condominium Operation.

It should be noted that the Condominium would, even if permitted to make an election under Section 528 of the Code, still be required to pay a tax for any taxable income it may receive. For this purpose, "taxable income" is defined as the excess, if any, of (a) the gross income for the taxable year (other than "exempt function income" as defined below) over (b) the deductions allowed by the Code which are directly connected with the production of such gross income (excluding "exempt function income") computed with certain modifications provided in Section 528. "Exempt function income" is defined as any amount received as membership dues, fees or assessments from owners of condominium housing units. See "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and "Counsel's Tax Opinion Letter.

IN THE OPINION OF HERON LLC, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE FISCAL YEAR COMMENCING ON JULY 1, 2005. THE FOREGOING SCHEDULES, HOWEVER, ARE NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE COMMON CHARGES, OTHER INCOME OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULES, AND IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT OF CONDOMINIUM OPERATION IS TO BE DELAYED SIX (6) MONTHS OR MORE AFTER THE PROJECTED DATE FROM THE BUDGET YEAR PROJECTED IN THE

PLAN, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY TWENTY-FIVE PERCENT (25%) OR MORE, THE SPONSOR WILL 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 THE RIGHT, WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. SPONSOR WILL RETURN ANY DEPOSIT OR DOWN PAYMENT PROMPTLY TO SUBSCRIBERS WHO RESCIND.

THE SPONSOR HAS RESERVED THE RIGHT TO MODIFY, RENEW AND REPLACE EXISTING SERVICE, MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS AND INSURANCE POLICIES, AND TO ENTER INTO NEW AGREEMENTS AND POLICIES THAT WILL BE BINDING ON THE COOPERATIVE ON THE CLOSING DATE. HOWEVER, NO SERVICE OR MAINTENANCE CONTRACT WILL BE MADE WHICH WOULD MATERIALLY INCREASE THE FIRST YEAR'S ESTIMATED MAINTENANCE CHARGES UNLESS THE PLAN IS AMENDED. TO THE EXTENT THIS PLAN DISCLOSES SERVICES TO BE PROVIDED TO TENANTS, SPONSOR HAS AGREED THAT IF THE EXTENT OF SUCH SERVICES IS MATERIALLY REDUCED BY SPONSOR, SUCH REDUCTION WILL BE DISCLOSED IN AN AMENDMENT TO THIS PLAN AND PURCHASERS WILL BE GIVEN THE RIGHT OF RESCISSION AS A RESULT THEREOF.

SCHEDULE B-1

Estimate of cost of Electricity and Natural gas for applicable to individual apartments:

Individual unit owners are responsible for the costs associated with the heating, cooling, production of hot water, lighting and other electrical costs associated within their unit.

Each unit has heating supplied by a gas-fired furnace and hot water is provided by gas hot water heater. Each unit is provided with a central air conditioning unit powered electrically.

The following apartments are representative examples of the cost of the utilities associated with providing heat, hot water, air conditioning, electricity and lighting to the units.

Apt. **5A**

Size **4/2.1.5**

Approximate

Square Feet: **1,320**

Estimated Annual

Electrical Costs: **$2,796***

Estimated Annual

Gas Costs: **$801****

Electricity

Year	KWH	Cost	Cost/KWH
2003	10,402	$1,986	$0.1919
2004 Jan-Jul	7,625	$1,418	$0.1860

Gas

Year	Therms	Cost	Cost/Therm
Aug. 2003 To July 2004	380	$696	$0.5460

Apt.	**2B**
Size:	**4/2/1/5**
Approximate	
Square Feet:	**1,060**
Estimated Annual	
Electrical Costs:	
Estimated Annual	**$1,453***
Gas Costs:	**$1,052****

Electricity

Year	KWH	Cost	Cost/KWH
2003	5,379	$1,082	$0.2012
2004 Jan-Jul	3,827	$ 737	$0.1926

Gas

Year	Therms	Cost	Cost/Therm
Aug. 2003 To July 2004	540	$915	$0.5902

In view of the current energy situation, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred. The actual charges may exceed the estimated amount if utility rates are increased. Utility rates are affected by increases in the fuel rates paid by the utility as well as other factors.

*This estimated rate has been calculated by adding 15% to the seven-month cost of gas for the subject unit extended for 12 months.

OPINION OF EXPERT ON COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

SEE FOLLOWING PAGE

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HERON

November 16, 2004

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: Opinion on Compliance With Real Property Law Section 339-i for Condominium Offering Plan For Times Plaza Condominium, located at 560 State Street Brooklyn, New York (the "Condominium")

Gentlemen:

This letter is submitted in connection with the proposed conversion to condominium status of the above mentioned property. All capitalized items not otherwise defined herein shall have the same meanings as in the Condominium Offering Plan ("the Plan").

The Sponsor has requested our opinion on whether the method used to determine the undivided percentage interest of each Unit in the Common Elements in the above referenced Condominium complies with Real Property Law Section 339-i ("Section 339-i").

The principals of Heron LLC, including the undersigned, and of our affiliate are licensed real estate brokers as well as licensed real estate appraisers with over twenty (20) years of experience in the analysis and valuation of New York City residential and commercial properties. Our experience also includes consulting on cooperative and condominium offering plans and preparation of common interest allocations (condominiums) and share allocations (cooperatives).

In connection with this opinion, we have prepared and reviewed Schedule A of the Plan, the Floor Plans, and the proposed Declaration included in Part II of the Plan and have assumed the statements and information contained therein are accurate and correct. We have not reviewed or verified the calculation of floor areas used in determining the sizes of Units or the Limited Common Elements.

REPRESENTING FINE REAL ESTATE Heron LLC 820 2nd Avenue, New York, NY 10017 Tel. 212.490.5000 Fax 212.490.1818

Section 6 of the Declaration states that "the percentage of Common Interest allocated to each Unit is 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 used, and the overall dimensions of the particular Unit."

Section 339-i requires that the Common Interest of each Unit must be based on one of four methods of calculation, including the method stated in Section 6 of the Declaration (Section 339-i (1) (iv)).

Having evaluated the allocation of Common Interest among the Units made by the Sponsor based on the foregoing factors, it is our opinion that the allocation is consistent with Section 339-i.

This opinion is confined to matters addressed herein with respect to Section 339-i. It is not intended and should not be construed as an opinion on any other aspect of the Plan. We assume no obligation to update or supplement this opinion to reflect any changes in statutory law or judicial precedent, or any changes in fact or circumstances that hereafter may come to our attention pertaining to the subject matter hereof.

We have no beneficial interest in the Sponsor or in the profitability of the conversion. Our fee is not contingent upon any predetermined result or event.

We consent to the incorporation of this opinion in the Plan and to the references to our name in the Plan in connection with this opinion.

Sincerely,
HERON LLC

Richard J. Grossman
Senior Vice President

COMMERCIAL UNITS

Sponsor (and its successors and assigns) reserves the right to use the Commercial Units for any lawful purpose permitted under the Zoning Resolution of the City of New York and other Applicable Law. Neither the Condominium Board nor the Unit Owners will have any right to restrict or limit any lawful use of the Commercial Units except that the Commercial Units may not be used for (i) the sale or display of pornographic photographs, movies or videotapes or as a so-called rubber goods shop or (ii) any nude or semi-nude live performances or nude modeling or as a sex club or massage parlor. No representation or warranty is made as to who the owner or tenants of the Commercial Units may be at any time or as to the lawful uses to which the Commercial Unit(s) may be put at any time.

The Commercial Units are currently subject to various office, retail and other commercial leases. The current tenants and subtenants with respect to the Commercial Units use the space they lease for, among other purposes, electronics, flowers, home furnishings and food sales. Neither the Condominium Board nor any Residential Unit Owner shall have any interest in the rents, profits or revenues derived from the rental or use of any space in the Commercial Units.

The Commercial Unit Owners have rights and obligations under the Declaration and By-laws which differ from those of Residential Unit Owners, including, without limitation, (i) the right to subdivide each such Unit without the consent of the Condominium Board, (ii) certain easements, (iii) the right to make alterations without the consent of the Condominium Board, (iv) the right to designate one (1) of the five (5) members of the Condominium Board, (v) the right to require the Condominium Board to enter into non-disturbance agreements with tenants of the Commercial Units, (vi) the exemption in favor of Commercial Unit Owners (and Unsold Residential Unit Owners) from the rights of first refusal in favor of the Condominium Board as to sale and leasing of Units and (vii) the obligation on the part of Commercial Unit Owners to pay Commercial Common Charges in lieu of Residential Common Charges, as are payable by Residential Unit Owners, all as more particularly described in "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-Laws" and "Introduction." However such rights and obligations, as differing from those applicable to Residential Unit Owners, will not have a material adverse effect upon the Condominium.

The General Common Charges payable by the Commercial Unit Owners are based on the respective Common Interests of the Commercial Units except as otherwise indicated in "Rights and Obligations of Unit Owners and Condominium Board, Summary of By-Laws", the Declaration, the By-laws or in Footnotes to Schedule B. Based upon the opinion of Herron Ltd. as contained in the Plan, Sponsor estimates that the Common Charges payable by the Commercial Unit Owner are sufficient to cover the Common Expenses fairly attributable to the Commercial Units and that the allocation of Common Charges to the Commercial Unit Owner reflects such special or exclusive use or availability or exclusive control of particular common areas as to which the Commercial Unit Owner may be entitled. The current tenancy of the Commercial Units is as follows:

The current tenancy of the commercial units is as follows:

565 Atlantic Avenue – Careplus
562-564 State Street – Midtown Florist and Greenhouse LLC
118 Flatbush Avenue – National Vision Center
120-122 Flatbush Avenue – Radio Shack
124-126 Flatbush Avenue – Vitamin Shoppe
12 4th Avenue & 567 Atlantic Avenue – Proline Sound Inc.
563 State Street, Brooklyn, New York - Vacant

CHANGES IN PRICES AND UNITS

Changes in Price and Term of Sale

Subject to the conditions hereinafter set forth, Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without prior notice or prior amendment to the Plan and without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any Mortgagee or any other party, to change the Purchase Price, the manner of payment and any other term of sale of any Unit as permitted by the terms of this Plan, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default may be made without the consent of the Purchaser.

Changes in the Purchase Prices set forth in Schedule A will be made pursuant to a duly filed amendment to the Plan when such change in price is an across-the-board change affecting one or more lines of Units or Unit models or is to be advertised or is a price increase for an individual Purchaser. As set forth in the Footnotes to Schedule A, Purchase Prices are negotiable. Accordingly, unless it would constitute a prohibited discriminatory inducement, Sponsor may enter into a Purchase Agreement with an individual Purchaser to sell one or more Units at prices less than those set forth in Schedule A without filing an amendment.

During the Exclusive Purchase Period the Purchase Prices to Eligible Tenants as set forth in Schedule A of the Plan will not be increased.

If Sponsor changes the Purchase Price of one or more Units, the Purchaser of such Unit may pay, or may have paid, more or less than other Purchasers of comparable Units having the same Common Interest. Such a price change, however, will not alter the Common Interest of, or the amount of the Common Charges payable by, the owners of Units.

Changes of Size, Layout and Number of Units.

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective purchasers, or for any other reason, Sponsor and the Commercial Unit Owners reserve the right to change: (a) the layout of, or number of rooms in, Unsold Residential Units (or Commercial Units, as the case may be) and (b) the size or number of Unsold Residential Units (or Commercial Units, as the case may be) by subdividing one or more Unsold Residential Units (or Commercial Units, as the case may be)

into two or more separate Units, by combining two or more separate Unsold Residential Units (or Commercial Units, as the case may be) into one or more Units, by altering the boundary walls of any Unsold Residential Unit (or Commercial Unit, as the case may be), or otherwise, including, without limitation, the use of any portion of the Common Elements adjacent to such Unsold Residential Units (or Commercial Units, as the case may be) to the extent that such portion is not required to be maintained as Common Elements pursuant to the terms of the Declaration and the By-Laws. Subject to the terms of this paragraph and the last two paragraphs of this subsection, such right may be exercised by Sponsor from time to time, both before and after the recording of the Declaration, without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any Mortgagee or any other party. Sponsor, however, will first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by Law. In addition, if a Purchase Agreement has been signed with respect to a Unit and the Purchaser thereunder is not in default, Sponsor will not materially change the size or layout of such Unit or its Common Interest without the written consent of the Purchaser. Further, Sponsor will not cause any material change to be made in the size or material adverse change to be made in the quality of the Common Elements unless Purchasers who are not then in default under their Purchase Agreements are given the right to rescind their Purchase Agreements for fifteen (15) days subsequent to the date of presentation of an Amendment disclosing such right. If a Purchaser elects to rescind his or her Purchase Agreement pursuant to the above, Sponsor will promptly return any down payment that is being held with interest, if any.

Any Floor Plans contained in Part II of the Plan and any other floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions and layout of typical Units. The square footage measurements set forth on Schedule A with respect to the Residential Units exceed the usable square footages and are calculated as described in "Footnotes to Schedule A." In addition, the measurements are only approximate. The actual layout of a Unit may have been altered. Each Unit should be inspected prior to purchase to determine its useable dimensions, layout and physical condition. Any inaccuracy between the actual dimensions of a Unit and the dimensions shown on the Floor Plans shall not be a basis for excusing a Purchaser from purchasing his or her Unit and Purchaser will not have any claim against Sponsor as a result of such deviation. Floor Plans contained in Part II of the Plan shows the location and configuration of Units.

If Sponsor changes the size or number of Unsold Residential Units or Commercial Units, Sponsor will increase or decrease the Common Interests appurtenant thereto accordingly. The aggregate amount of the Common Interests of all the Units, however, will always remain at 100%. As a result of any reapportionment of the Common Interests appurtenant to Unsold Residential Units, the amount of the Common Charges (General Common Charges and Residential Common Charges) and the real estate taxes and assessments payable by the owners of the Unsold Residential Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges (General Common Charges and Residential Common Charges) and the real estate taxes and assessments payable by the owners of Residential Units unaffected thereby will not vary (as a result thereof). Any reapportionment of the Common Interests appurtenant to Commercial Units will have no affect on the amount of the Common Charges payable by owners of the Residential Units.

The Plan will be amended to reflect any change in the size or number of Residential Units or their respective Common Interests, or any material change in the size or quality of the Common Elements; however, the layout and number of rooms in Unsold Residential Units with respect to which there are no outstanding Purchase Agreements may be changed without prior notice or amendment of this Plan.

ACCOUNTANT'S CERTIFIED STATEMENTS OF OPERATIONS

Attached hereto are statements of operations for the Property for the calendar years ended December 31, 2001, December 31, 2002, December 31, 2003, and the six (6) months ending June 30, 2004 respectively, as prepared by Mark Bindiger, certified public accountant.

SEE FOLLOWING PAGES

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TIMES PLAZA DEVELOPMENT LTD PARTNERSHIP

STATEMENT OF REVENUE AND EXPENSES

CONDOMINIUM BASIS

FOR THE SIX MONTHS ENDING JUNE 30 2004

MARK BINDIGER
CERTIFIED PUBLIC ACCOUNTANT

TELEPHONE (516) 285-6746
TELECOPIER (516) 285-4277

1975 LINDEN BOULEVARD
ELMONT, NEW YORK 11003

To the Partners of
Times Plaza Development Ltd Partnership
Brooklyn, New York

I have audited the accompanying Statement of Revenue and Expenses, Condominium Basis, of Times Plaza Development Ltd Partnership, (the "property"), for the six months ending June 30, 2004. These financial statements are the responsibility of the Property's management. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the Statement of Revenue and Expenses, Condominium Basis, is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of revenue and expenses. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. I believe that my audit provides a reasonable basis for my opinion.

The accompanying Statement of Revenue and Expenses, Condominium Basis, was prepared for inclusion in the offering plan to convert the Property to condominium ownership and excludes certain material income and expenses, described in Note 2, and are not intended to be a complete presentation of the Property's income and expenses.

In my opinion the aforementioned statement presents fairly the revenue and expenses, condominium basis, of the property, as described in Note 2 for the six months ending June 30, 2004, in conformity with generally accepting accounting principles.

This report is intended solely for the information and use of Times Plaza Development Ltd partnership for inclusion in the condominium offering plan and should not be used for any other purpose.

Mark Bindiger

Elmont, New York
July 26, 2004

Times Plaza Development Ltd. Partnership
Statement of Revenues and Expenses
Condominium Basis (Note 2)
For the six months ending June 30 2004

	2004
Operating Income	
Rents	$ 279,627
Operating expenses:	
Real Estate Taxes (Note 3)	125,116
Electricity	5,947
Insurance	22,068
Office and postage	641
Payroll	14,950
Payroll Taxes	1,310
Professional fees	4,770
Repairs and maintenance	5,408
Super's Rent	2,400
Fuel	5,913
Water	5,238
Management fees	7,200
	200,961
Net Income	$ 78,666

The accompanying notes are an integral part of the statement

Times Plaza Development Ltd. Partnership
Notes to Statement of Revenue and Expenses
Condominium Basis
For the Six Months Ending June 30, 2004

NOTE 1- PROPERTY DESCRIPTION

Times Plaza Development Ltd. Partnership (the Partnership) is a limited partnership, which owns and operates a 39 unit residential apartment building located in Brooklyn New York. The Partnership also manages 7 commercial leases.

NOTE 2- BASIS OF PRESENTATION

The Statement of Revenue and Expenses, condominium basis, has been prepared on an accrual basis and is in accordance with regulations prescribed by the New York State Attorney General's Office, and therefore, excludes certain income and expenses which are summarized below:

Garage rental income
Commercial property rental income
Interest income
Amortization
Depreciation
Interest on Mortgage Loan
Other interest
Investment losses
Commission expenses on commercial leases
Professional fees not related to the residential apartments
Security for the commercial property

NOTE 3- REAL ESTATE TAXES

The Partnership based on an appraisal from an independent real estate tax consultant and appraiser has allocated 55% of the real estate taxes to the residential apartments. The balance of 45%, or $102,368 for the six months ending June 30, 2004 has been allocated to the commercial leases and is not reflected in the Statement of Revenue and Expenses.

NOTE 4- WATER

The water bill is in dispute. The partnership has accrued $5,000 for the estimated amount of the water bill for the six months ended June 30, 2004.

TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP

STATEMENT OF REVENUE AND EXPENSES

CONDOMINIUM BASIS

FOR THE YEAR ENDED DECEMBER 31 2003

MARK BINDIGER
CERTIFIED PUBLIC ACCOUNTANT

TELEPHONE (516) 285-6746
TELECOPIER (516) 285-4277

1975 LINDEN BOULEVARD
ELMONT, NEW YORK 11003

To the Partners of
Times Plaza Development Limited Partnership
Brooklyn, New York

I have audited the accompanying Statement of Revenue and Expenses, Condominium Basis, of Times Plaza Development Limited Partnership, (the "property"), for the year ending December 31, 2003. These financial statements are the responsibility of the Property's management. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the Statement of Revenue and Expenses, Condominium Basis, is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of revenue and expenses. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. I believe that my audit provides a reasonable basis for my opinion.

The accompanying Statement of Revenue and Expenses, Condominium Basis, was prepared for inclusion in the offering plan to convert the Property to condominium ownership and excludes certain material income and expenses, described in Note 2, and are not intended to be a complete presentation of the Property's income and expenses.

In my opinion the aforementioned statement presents fairly the revenue and expenses, condominium basis, of the property, as described in Note 2 for the year ending December 31, 2003, in conformity with generally accepting accounting principles.

This report is intended solely for the information and use of Times Plaza Development Limited partnership for inclusion in the condominium offering plan and should not be used for any other purpose.

Elmont, New York
July 1, 2004

Times Plaza Development Limited Partnership
Statement of Revenues and Expenses
Condominium Basis (Note 2)
For the year ending December 31 2003

	2003
Operating Income	
Rents	$ 634,995
Operating expenses:	
Real Estate Taxes	222,632
Electricity	9,789
Insurance	24,942
Investigations	949
Office and postage	1,164
Payroll	31,050
Payroll Taxes	2,427
Professional fees	9,555
Repairs and maintenance	13,254
Super's Rent	7,200
Fuel	7,833
Water	10,476
Management fees	14,400
Security	701
	356,372
Net Income	$ 278,623

The accompanying notes are an integral part of the statement

Times Plaza Development Limited Partnership
Notes to Statement of Revenue and Expenses
Condominium Basis
December 31 2003

NOTE 1- PROPERTY DESCRIPTION

Times Plaza Development Limited Partnership (the Partnership) is a limited partnership, which owns and operates a 39 unit residential apartment building located in Brooklyn New York. The Partnership also manages 7 commercial leases.

NOTE 2- BASIS OF PRESENTATION

The Statement of Revenue and Expenses, condominium basis, has been prepared on an accrual basis and is in accordance with regulations prescribed by the New York State Attorney General's Office, and therefore, excludes certain income and expenses which are summarized below:

Garage rental income
Commercial property rental income
Interest income
Amortization
Depreciation
Interest on Mortgage Loan
Other interest
Investment losses
Commission expenses on commercial leases
Professional fees not related to the residential apartments
Security for the commercial property

NOTE 3- REAL ESTATE TAXES

The Partnership based on an appraisal from an independent real estate tax consultant and appraiser has allocated 55% of the real estate taxes to the residential apartments. The balance of 45%, or $184,154 for the year ending December 31, 2003 has been allocated to the commercial leases and is not reflected in the Statement of Revenue and Expenses.

The Partnership has received a real estate tax refund of $583,396 for overpaid taxes in prior years. This amount is not reflected in the Statement of Revenue and Expenses.

NOTE 4- WATER

The water bill is in dispute. The partnership has accrued $10,000 for the estimated amount of the water bill for 2003.

TIMES PLAZA DEVELOPMENT LTD PARTNERSHIP
STATEMENT OF REVENUE AND EXPENSES
CONDOMINIUM BASIS
FOR THE YEARS ENDED DECEMBER 31 2002 AND 2001

MARK BINDIGER
CERTIFIED PUBLIC ACCOUNTANT

TELEPHONE (516) 285-6746
TELECOPIER (516) 285-4277

1975 LINDEN BOULEVARD
ELMONT, NEW YORK 11003

To the Partners of
Times Plaza Development Ltd Partnership
Brooklyn, New York

I have audited the accompanying Statement of Revenue and Expenses, Condominium Basis, of Times Plaza Development Ltd Partnership, (the "Property"), for the years ended December 31 2002 and 2001. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the Statement of Revenue and Expenses, Condominium Basis, is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of revenue and expenses. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Statement of Revenue and Expenses, Condominium Basis, was prepared for inclusion in the offering plan to convert the Property to condominium ownership and excludes certain material income and expenses, described in Note 2, and are not intended to be a complete presentation of the Property's income and expenses.

In my opinion, the aforementioned statement presents fairly the revenue and expenses, condominium basis, of the property, as described in Note 2 for the years ending December 31 2002 and 2001, in conformity with generally accepted accounting principles.

This report is intended solely for the information and use of Times Plaza Development Ltd partnership for inclusion in the condominium offering plan and should not be used for any other purpose.

Mark Bindiger

Elmont, New York
May 7 2003

Times Plaza Development Ltd. Partnership
Statements of Revenues and Expenses
Condominium Basis
For the years ending December 31 2002 and 2001

	2002	2001
Operating Income		
Rents	$754.701	$713.837
Operating expenses:		
Real Estate Taxes	154,460	166,792
Electricity	8,774	11,150
Insurance	26,563	18,821
Licenses and permits	844	2,328
Office and postage	1,498	1,328
Payroll	31,625	29,650
Payroll Taxes	3,179	2,500
Professional fees	4,474	9,700
Repairs and maintenance	15,816	19,790
Fuel	8,915	16,890
Water	15,476	10,476
Management fees	38,400	14,400
Advertising		391
Security	1.312	0
	311.336	304.216
Income from operations	$443,365	$409,621

See notes to Statements of Revenue and Expenses

Times Plaza development Ltd. Partnership
Notes to Statements of Revenue and Expenses
Condominium Basis
December 31 2002 and 2001

NOTE 1- PROPERTY DESCRIPTION

Times Plaza Development Ltd. Partnership (the Partnership) is a limited partnership, which owns and operates a 39 unit residential apartment building located in Brooklyn New York. The Partnership also manages 7 commercial leases.

NOTE 2- BASIS OF PRESENTATION

The Statement of Revenue and Expenses, condominium basis, has been prepared on an accrual basis and is in accordance with regulations prescribed by the New York State Attorney General's Office, and therefore, excludes certain income and expenses which are summarized below:

Garage rental income
Commercial property rental income
Interest income
Amortization
Depreciation
Interest on Mortgage Loan
Other interest
Investment losses
Commission expenses on commercial leases
Professional fees not related to the residential apartments
Security for the commercial property

WATER

The water bill is in dispute. The Partnership has accrued $15,000 and $10,000 for the estimated amount of the water bill for 2002 and 2001 respectively.

REAL ESTATE TAXES

The Partnership has allocated 61% of the real estate taxes to the residential apartments. The balance of 39%, or $98,754 and $106,638 for the years ending December 31, 2002 and 2001, respectively, has been allocated to the commercial leases and is not reflected in the Statements of Revenue and Expenses.

RIGHTS OF EXISTING TENANTS

As of the date of presentation of this Plan, thirty eight (38) of the thirty nine (39) apartment units being offered are subject to the Rent Stabilization Laws of the City of New York. Unit 6A is not subject to the Rent Stabilization Laws, since it is a free market rent apartment. For so long as a non-purchasing residential tenant has the right to remain in possession of his Unit, his rent and other conditions of his tenancy shall continue to be subject to the New York City Rent Stabilization Law and Code. If there is no law that governs a residential or professional Unit, no unconscionable increases in rent may be made nor shall such rent be in excess of the rent charged for comparable Units. Complaints of unconscionable rent increases may be referred to the New York State Department of Financing, 120 Broadway, New York, New York 10271.

The rights of purchasing and non-purchasing tenants under the Plan may not be abrogated or reduced notwithstanding any expiration of or amendment to General Business Law §352-eeee.

THIS PLAN IS A NON-EVICTION PLAN. IT MAY NOT BE AMENDED AT ANY TIME TO PROVIDE THAT IT SHALL BE AN EVICTION PLAN.

Since the Plan is a Non-Eviction Plan, it is not presented subject to the rights of "Eligible Senior Citizens" and "Eligible Disabled Persons" to continued occupancy as afforded by Section 352-eeee of the GBL. Therefore, such rights are not summarized in the Plan. All Non-Purchasing Tenants, including, to the extent applicable, senior citizens and disabled persons, will benefit from the non-eviction provisions of the Plan as set forth below.

Exclusive Right to Purchase

Each Eligible Tenant who occupies a Residential Unit in the Building on the date the Plan is accepted for filing, will, during the Exclusive Purchase Period, have the exclusive right to purchase his or her Unit at the Purchase Price for such Unit set forth in Schedule A . Sponsor will not enter into an agreement to sell a Unit while such Unit is subject to such exclusive right to purchase. After the expiration of the Exclusive Purchase Period, Eligible Tenants will no longer have the exclusive right to purchase their Units, which may then be purchased by others. Such Units may be shown to others consistent with such Eligible Tenants' rights under their Existing Leases.

If, prior to the expiration of any exclusive period that begins before the First Unit Closing, Sponsor amends the terms and conditions of the offering to be more favorable to Eligible Tenants, an Eligible Tenant who was in occupancy on the Presentation Date and who executed and submitted a Purchase Agreement before Sponsor amended the Plan shall benefit from the more favorable terms and conditions.

Rentals and the Right to Remain In Occupancy (GBL Section 352-eeee)

All Residential Units offered for sale pursuant to the Plan are subject to Section 352-eeee of the GBL, which is reproduced in full in Part II of the Plan.

Pursuant to Section 352-eeee of the GBL, no eviction proceedings will be commenced at any time against Non-Purchasing Tenants for failure to purchase or for any other reason applicable to expiration of tenancy, provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Unit Owner or a similar breach by the Non-Purchasing Tenant of his or her obligations to the owner of the Unit. Further, a Unit Owner may not commence an action to recover possession of a Unit from a Non-Purchasing Tenant on the grounds that he or she seeks the Unit for the use and occupancy of himself or his family.[1]

The rentals of Non-Purchasing Tenants who reside in Units not subject to governmental regulation as to rentals and continued occupancy and Non-Purchasing Tenants who reside in Units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses. Complaints concerning such increases may be referred to the New York State Department of Law, Real Estate Financing Bureau, 120 Broadway, 23rd Floor, New York, New York 10271.

Certain Additional Tenant Rights

Section 352-eeee of the GBL further provides that all Residential Units occupied by Non-Purchasing Tenants will be managed by the same managing agent, if any, who manages all other Residential Units in the Building. Non-Purchasing Tenants will be provided all services and facilities required by law on a non-discriminatory basis. Sponsor shall guarantee the managing agent's obligation to provide such services and facilities with respect to Sponsor's Unsold Residential Units until such time as a majority of the Condominium Board consists of board members who are unrelated to and unaffiliated with Sponsor.

Section 352-eeee of the GBL also provides that it shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services that substantially interferes with or disturbs the comfort, repose, peace or quiet of any residential tenant in his use or occupancy of his Unit or the facilities related thereto. The Department of Law may apply to a court of competent jurisdiction for an order restraining such conduct and, if it deems it appropriate, an order restraining the owner from selling the Unit or from proceeding with the Plan, provided that nothing contained in the statute shall be deemed to preclude the tenant from applying on his or her own behalf for similar relief.

Tenants or their representatives may physically inspect the Property at any time subsequent to the submission of the Plan to the Department of Law, during normal business hours, upon written request made by them to Sponsor or the Selling Agent, provided tenants' representatives are registered architects or professional engineers licensed to practice in the State of New York.

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[1] The foregoing is a summary of the provisions of GBL Section 352-eeee relating to the grounds upon which Non-Purchasing Tenants may be evicted and is not intended to limit the rights of Sponsor or other Unit Owners of Units occupied by Non-Purchasing Tenants to evict Non-Purchasing Tenants on any additional legal grounds. Therefore, if GBL Section 352-eeee or the provision of any Applicable Law shall be interpreted by the courts or amended by the legislature to provide for the eviction of Non-Purchasing Tenants on any other grounds, Sponsor or other Unit Owners of such Units will also have the right to evict non-Purchasing Tenants on such additional grounds.

Section 352-eeee of the GBL sets forth a posting requirement as to the percentage of tenants who have purchased units. Such requirement is further discussed in the Section of the Plan entitled "Effective Date."

No Exclusive or Preferential Rights On the Part of Eligible Tenants To Purchase Vacant Units, Occupied Units

No Eligible Tenant will have any exclusive or preferential right to purchase a vacant Unit or a Unit occupied by another.

Any exclusive right granted to Eligible Tenants hereunder shall apply only to the purchase by an Eligible Tenant of his or her own Residential Unit. An Eligible Tenant may, however, if he or she wishes, execute and submit a Purchase Agreement for a vacant Unit, a Unit occupied by another, on the same condition as prospective Non Tenant Purchasers. If more than one Eligible Tenant seeks the same Unit at the same Purchase Price and on the same terms, it shall be within Sponsor's sole and absolute discretion to decide which, if any, Purchase Agreement to accept. Sponsor is under no obligation to accept Purchase Agreements from Eligible Tenants for vacant Units or Units occupied by others.

OBLIGATIONS OF OWNERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS

All Eligible Tenants are subject to Section 352-eeee of the GBL, which provides, among other things, that a Non-Purchasing Tenant may not be evicted at any time for failure to purchase or any other reason applicable to expiration of tenancy, provided that eviction proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the Unit Owner or a similar breach by the Non-Purchasing Tenant of his or her obligations to the Unit Owner or any other grounds permitted by Applicable Law or regulation. In addition, no eviction proceedings may be commenced by the Unit Owner against such Non-Purchasing Tenant on the grounds that the Unit Owner seeks the apartment for the use and occupancy of himself or his family. In addition, Rent Program Eligible Tenants will have certain additional rights to renewal leases as set forth in "Rights of Existing Tenants"

Possession of Occupied Units

Each Purchaser of a Unit occupied by another will purchase subject to: (a) the existing lease or occupancy agreement for such Unit; (b) any existing tenancy or occupancy of such Unit; (c) any right of the existing tenant or occupant to remain in possession of such Unit pursuant to Section 352-eeee of the GBL; and (d) all other rights of such tenant or occupant under any other Applicable Law (collectively, the "Applicable Tenancy Restrictions"). Sponsor and the Selling Agent make no statements of any kind as to the Applicable Tenancy Restrictions except as expressly set forth in the Plan.

NO REPRESENTATION OR WARRANTY IS MADE THAT THE EXISTING LAWS WILL REMAIN IN EFFECT OR UNCHANGED OR THAT THE RIGHTS OF NON-PURCHASING TENANTS WITH REGARD TO RENTALS AND OCCUPANCY RIGHTS MAY NOT BE CHANGED BY CHANGES IN APPLICABLE LAWS. The rights granted under the Plan to Purchasers and to Non-Purchasing Tenants may not be abrogated or reduced, however, notwithstanding any expiration of, or amendment to, Section 352-eeee of the GBL.

If the tenancy of a tenant is terminated as a result of an uncured default by such tenant in paying the requisite rent or in performing some other lease obligation, then, unless the tenant voluntarily surrenders possession of the Unit, the owner of such Unit may be required (at his or her own expense) to institute a summary dispossess and/or nonpayment proceeding in court in order to gain possession.

No representation or warranty is made as to length of time that may elapse before a final court order of eviction is granted and made effective, that such a court order will be granted or that possession of a Unit occupied by another will be obtained.

Rights and Duties of Non-Occupant Purchasers

Upon acquiring title to an occupied Unit, the Purchaser will become the landlord of the tenant or occupant thereof and the latter will become such Purchaser's tenant or occupant. The relationship between the two parties will be governed primarily by the terms, covenants and conditions contained in the lease or other occupancy agreement then in effect with such tenant or occupant and the Applicable Tenancy Restrictions. Such Purchaser will be obligated to comply

with the Applicable Tenancy Restrictions. Such Purchaser will succeed to, among other things, Sponsor's right to receive the rents reserved in the lease or occupancy agreement or month-to-month tenancy and Sponsor's obligation to perform all of the duties of the landlord under such lease or occupancy agreement or month-to-month tenancy, which duties may include, to the extent applicable, but may not be limited to, the obligation to maintain, repair and replace any plumbing fixtures, refrigerator, dishwasher, lighting fixtures and other fixtures, equipment and appliances in such Unit and to paint the Unit periodically. The Purchaser will be obligated to perform these duties as the landlord of such tenant or occupant even though the rents reserved under the lease or occupying agreement or month-to-month tenancy may be insufficient to pay for the cost of such performance. In addition, such Purchaser will be required to pay all Common Charges assessed against him by the Condominium Board and the real estate taxes assessed against the Unit, regardless of whether such Common Charges and real estate taxes are more or less than the rent payable by the tenant or occupant and regardless of whether such rent is received.

All costs and expenses incurred in connection with the ownership of a Unit occupied by another (including, without limitation, legal fees and litigation expenses for enforcing the lease, occupancy agreement or provisions of any month-to-month tenancy and obtaining possession of the Unit) will be borne entirely by the owner of the Unit.

A Person interested in purchasing a Unit occupied by another is advised to examine any lease or occupancy agreement for such Unit to ascertain the rental, the expiration date and the obligations imposed upon the landlord. These leases or occupancy agreements are on file at the office of Selling Agent. It is further recommended that such Person consult with his or her attorney in order to become fully apprized of the effect of the lease or occupancy agreement, as well as Section 352-eeee and the Applicable Tenancy Restrictions, on his or her rights as a Purchaser and on his or her obligations to any existing tenant or occupant of such Unit.

As previously set forth, Section 352-eeee of the GBL requires that all Units occupied by Non-Purchasing Tenants be managed by the same managing agent who manages all the other Units in the Building. A Purchaser who purchases a Unit occupied by a Non--Purchasing Tenant shall be required to appoint irrevocably the Condominium's Managing Agent and its successors (or the Condominium Board if no Managing Agent is employed by the Condominium) as his agent to provide to the Non-Purchasing Tenant all services and facilities required by Law on a non-discriminatory basis. The Managing Agent has agreed to undertake that obligation, as specified herein. The cost of any services that are required to be furnished to a Non-Purchasing Tenant by law and are not furnished by the Condominium Board to all Unit Owners will be furnished by the Managing Agent at the expense of the Owner of the Unit occupied by such Non-Purchasing Tenant.

Each Purchase Agreement for a Unit occupied by a Non-Purchasing Tenant will be deemed to include an agreement by the Purchaser to deposit with the Managing Agent (or the Condominium Board if no Managing Agent is employed by the Condominium at Closing an amount equal to not less than the greater of two months' Common Charges or two months' rent payable by such Non-Purchasing Tenant, to be used as working capital to furnish

services required under the Non-Purchasing Tenant's lease and pursuant to Applicable Law. Upon notice by the Managing Agent (or the Condominium Board) that the deposit has been diminished, the fund will be replenished by the Unit Owner within thirty (30) days of such notice. The provisions of this paragraph will not apply to Sponsor or any Sponsor Successor or any of their respective designees.

Upon the closing of title to a Unit subject to a lease, other occupancy agreement or month-to-month tenancy, Sponsor will deliver to the non-occupant Purchaser the unapplied balance of any security deposit held by Sponsor pursuant to the terms of such lease, occupancy agreement or month-to-month tenancy. Any such balance must be held by such Purchaser in trust in an interest-bearing account in accordance with the terms of Section 7-103 of the New York General Obligations Law. Upon delivery of the unapplied security deposit, the Purchaser will be required to execute, acknowledge and deliver an agreement to Sponsor, both acknowledging the amount so received and indemnifying Sponsor against all claims and liabilities in connection therewith.

Purchasers of occupied Units are obligated to comply with certain applicable statutory and regulatory provisions pertaining to lead-based paint and lead-based paint hazards in their Units as described in "Procedure to Purchase."

The New York Real Property Law has been amended to add Section 339-kk, which Section provides a procedure for the collection of Common Charges if a non-occupant owner fails to pay such Common Charges within sixty (60) days of the expiration of any grace period after they are due. Under such Section of Law:

If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the Condominium Board shall provide written notice to the rental Tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the Condominium Board has been elected by and from among the unit owners who are in occupancy, the Condominium Board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

Nothing in such section shall limit any rights of unit owners or of the Condominium Board existing under any other law or agreement.

Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such

non-occupying owner against such tenant for such rent. The units are not subject to Federal Lead Paint Regulation since the units received their Certificate of Occupancy in 1989 and 1990.

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INTERIM LEASES

Once a Purchase Agreement is accepted by Sponsor for a vacant Unit and for so long as such Purchase Agreement is in effect, such Unit may only be leased by Sponsor to the Purchaser thereof pursuant to an "Interim Lease" on the terms set forth in this Section.

An Interim Lease shall be prepared on a form of lease that shall contain default provisions (including failure of the tenant to comply with his or her obligations under his or her Purchase Agreement) described below. The term of each such Interim Lease shall expire on the earliest to occur of (i) the date of closing of title to the Unit covered by such Interim Lease, (ii) the date fixed in the Interim Lease for the expiration of the term, (iii) the date upon which the Interim Lease is terminated at the option of Sponsor by reason of a default by the Purchaser-tenant under the Interim Lease or a casualty or condemnation affecting the Unit or (iv) the date upon which the Interim Lease is terminated by the Purchaser-tenant or Sponsor as provided below. The rent payable under the Interim Lease shall be negotiated by the parties and the amount of such rent shall not be subject to any limitation.

An uncured default by the Purchaser-tenant under the Purchase Agreement will constitute a default under the Interim Lease. A default in the performance or observance of the terms and conditions of the Interim Lease will also be a default under the terms of the Purchase Agreement and will permit Sponsor to cancel the Purchase Agreement in accordance with its terms. The Purchaser-tenant will be required to vacate his or her Unit within thirty (30) days after notice is sent of Sponsor's intent to cancel the Purchase Agreement, provided that the Purchaser-tenant fails to cure any such default within the applicable grace period, if any, with TIME BEING OF THE ESSENCE. Before a default under the Interim Lease may be declared a default under the Purchase Agreement, however, either: (i) Sponsor must obtain an order of eviction or other judgment or order against the Purchaser-tenant from a court or agency of competent jurisdiction or (ii) the Purchaser-tenant must have vacated the Unit.

In the event that the Purchaser-tenant should exercise any right to terminate or rescind the Purchase Agreement or Interim Lease, such termination or rescission will be contingent upon his or her surrendering possession of his or her Unit and leaving the same vacant, in good condition and broom clean within thirty (30) days after he or she elects to terminate or rescind. He or she must also pay any rent then due and payable under his or her Interim Lease. Nothing contained herein shall relieve any Purchaser of liability for damage to his or her Unit or of any other liability under the Purchase Agreement or Interim Lease.

In no event will any portion of the rental paid under an Interim Lease be credited towards the Unit's Purchase Price.

Sponsor's right to rent or lease any Unsold Residential Unit, or Commercial Unit will not be subject to any right of first refusal in favor of the Condominium Board to lease such Unsold Residential Unit or Commercial Unit from Sponsor on the same terms offered to the prospective tenant or occupant.

In the event the Plan is abandoned, a Unit occupied pursuant to an Interim Lease shall be terminable by Sponsor on 90 days prior written notice to the Purchaser-tenant under the Interim Lease. Additionally, a Purchaser-tenant under an Interim Lease may, if the Plan is abandoned, cancel such lease and vacate the premises upon ninety (90) days written notice to Sponsor sent to the address set forth on the cover page of this Plan.

PROCEDURE TO PURCHASE

General

A Person desiring to purchase a Unit will be required to execute, in triplicate, a Purchase Agreement in the form set forth as Document Number 4 in Part II of this Plan. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and, before being executed, should be read carefully by the prospective Purchaser and his or her legal or financial representative.

Purchasers who are Eligible Tenants shall have at least three (3) business days in which to review the Plan and all filed amendments prior to executing a Purchase Agreement, unless fewer than three (3) business days remain in the statutory time period to declare the Plan effective.

Unless a Purchaser who is not an Eligible Tenant has been afforded at least three (3) business days in which to review the Plan and all filed amendments prior to executing a Purchase Agreement, such Purchaser shall have seven (7) days after delivering an executed Purchase Agreement together with the required Down Payment to rescind the Purchase Agreement and have the full Down Payment refunded promptly. Such Purchaser must either personally deliver a written notice of rescission to Sponsor or the Selling Agent within the seven (7)-day period or mail the notice of rescission to Sponsor or the Selling Agent and have the mailing post-marked within the seven (7) day period.

New Federal Regulations and City Local Law On Lead-based Paint.

The United States Department of Housing and Urban Development and the Environmental Protection Agency have adopted "Lead-Based Paint Regulations" applicable to most housing built prior to 1978 (called "Target Housing"). The Building was completed in 1989. Generally, the Regulations concern disclosure of known presence of lead-based paint and lead-based paint hazards in Target Housing. The disclosures are required to be made in contracts of sale or lease (including lease renewals and subleases) of Target Housing. The Lead-Based Paint Regulations apply to all owners of co-operative and condominium units in Target Housing, including Unit Owners of the Building.

In order to comply with the Lead-Based Paint Regulations:

(i) Each prospective Purchaser of a Residential Unit will be given a copy of United States Consumer Product Safety Commission pamphlet entitled "Protect Your *Family* From *Lead in the Home*";

(ii) Each prospective Purchaser of a Residential Unit will be given a 10 day opportunity to conduct a risk assessment or inspection (collectively, "inspection") for the presence of lead-based paint and/or lead-based paint hazards;

(iii) Each prospective Purchaser of a Residential Unit will receive and must sign and return to Sponsor, before entering into a Purchase Agreement, a notice of such 10-day opportunity on a form entitled "Disclosure *of* Information on Lead-Based Paint and/or Lead-Based Paint Hazards," a copy of which is included in Part II of the Plan (the "Lead-Based Paint Disclosure Form"). The text of the Lead-Based Paint Disclosure Form is the sample disclosure form contained in the Lead-Based Paint Regulations.

In the event a prospective Purchaser of a Residential Unit elects to conduct such an inspection, the prospective Purchaser shall be required to sign and deliver to Sponsor a "Pre-Contract Signing Inspection Agreement," in the form included in Part II of the Plan. The Pre-Contract Signing Inspection Agreement sets forth (among other things) the terms, requirements and conditions applicable to the inspection. Please refer also to the Section of the Plan entitled "Sponsor's Description *of* Building Condition."

The Lead-Based Paint Regulations do not require an owner to positively test for the presence of lead-based paint and do not impose a duty to abate, contain, remove or correct lead-based paint conditions or hazards. New York City Local Law #1 of 2004, effective August 2, 2004 does, however, impose obligations on owners of multiple dwellings to correct all lead-based paint hazards (as defined in the statute) in an apartment in a multiple dwelling in which a child under seven (7) years of age resides. The law, which replaced Local Law #38 of 1999, prescribes specific work practices to be followed when correcting lead based paint hazards. The law also requires the owner to adjust any painted doors and windows so that they do not stick and cause paint to peel or chip when opened or closed and to correct any lead based paint violations issued byte Department of Housing Preservation and Development (the "HPD") using prescribed methods. Following the Closing Date, it shall be the responsibility of each Unit Owner to comply with the requirements of Local Law #1 of 2004 with respect to lead-based paint, if any, within such Unit Owner's Unit. Purchasers are advised that such law imposes certain record keeping requirements. Such record keeping requirements require an owner to keep a record of the name, address and telephone number of the person or entity who performed the corrective work; the start date and completion date for the work; the location of the work performed in each room; a detailed description of such work; and invoices for payment of such work. There are additional record keeping and certification requirements. Such records must be maintained for a period of ten (10) years from the date of completion of such work or transferred to a subsequent owner and maintained by such subsequent owner during such time period and made available to HPD upon request. Each Residential Unit Owner shall be responsible for maintaining such records with respect to his or her Unit and shall promptly forward a true and exact copy of all such records to the Condominium Board. The Condominium Board shall maintain copies of all such records.

If correcting the condition requires disturbing more than two (2) feet of Lead Paint, then a Unit Owner must use a trained worker. If the surface distributed is more than one hundred (100) feet, then the work must be performed by EPA certified lead abatement firm.

Since the Building was gut renovated, and all previously painted surfaces had been removed and completed with a new Certificate of Occupancy issued on June 1, 1990, there is no issue concerning Lead Paint in the units.

Delivery of Purchase Agreement

A prospective Purchaser desiring to purchase a Unit should deliver three (3) copies of the executed Purchase Agreement, together with three copies of the completed and, as to the Purchaser of a Residential Unit, executed Lead-Based Paint Disclosure Form. Each Purchaser must also submit his or her unendorsed personal check, in the sum of One Thousand and 00/100 ($1,000.00) (the "Down Payment"), to the Selling Agent at Heron LLC, 820 2nd Avenue, New York, New York 10017. Said check is to be made payable to the order of "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. Escrow Account for Times Plaza Condominium."

Acceptance of Purchase Agreement

If the prospective Purchaser is an Eligible Tenant, a Purchase Agreement for the Unit he or she occupies will be accepted by Sponsor on condition that: (i) the prospective Purchaser signs and returns to the Selling Agent during the Exclusive Purchase Period three (3) copies of the Purchase Agreement, together with the requisite Down Payment and Lead-Based Paint Disclosure Form, (ii) the Purchase Price is in accordance with the price for the Unit set forth in the Plan; and (iii) the prospective Purchaser then has the exclusive right to purchase the Unit under the Plan. As set forth in the Section of the Plan entitled "Rights of Existing Tenants," no Eligible Tenant will have any exclusive or preferential right to purchase any vacant Unit, any Unit occupied by another.

If the prospective Purchaser is not an Eligible Tenant or the conditions set forth in the immediately preceding paragraph have not been met, then within twenty (20) days after delivery to the Selling Agent by the prospective Purchaser of three (3) copies of the Purchase Agreement, together with the requisite Down Payment and Lead-Based Paint Disclosure Form, Sponsor shall either accept the Purchase Agreement by returning a fully executed counterpart thereof to the prospective Purchaser or reject the Purchase Agreement and refund the full Down Payment previously tendered. If Sponsor takes no action to accept or reject the Purchase Agreement within said twenty (20)-day period, the Purchase Agreement shall be deemed canceled and the prospective Purchaser shall be entitled to receive immediately a full refund of the Down Payment. Upon such refund being made, neither party will have any further rights, obligations or liabilities hereunder with respect to the other or any other party connected with the Plan. Sponsor has the right, without incurring any liability, to reject any Purchase Agreement (except with respect to Purchase Agreements tendered by Eligible Tenants within the Exclusive Purchase Period in accordance with the requirements set forth above) without cause or explanation, so long as such rejection is not based upon race, creed, color, national origin, ancestry, sex or other ground prohibited by Applicable Law.

Notwithstanding anything to the contrary contained in this Section, Sponsor shall have no obligation to accept a Purchase Agreement for any Unit unless at the time such Purchase Agreement is submitted to Sponsor, the Purchaser thereunder also delivers to

Sponsor the Lead-Based Paint Disclosure Form fully completed and signed by the prospective Purchaser in triplicate.

After this Plan is declared effective, Sponsor will give each Purchaser not less than thirty (30) days' prior written notice of the date, time and place (within the City of New York) for the transfer of title to his or her Unit. At the closing of title, such Purchaser shall pay the balance of the Purchase Price by his or her unendorsed, certified personal check or by official cashier's check, in either event drawn on a New York Clearing House Association member bank.

EFFECTIVE DATE

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and upon compliance with the relevant conditions and time periods described in the Plan. The following provisions will determine whether, when and how the Plan will be declared effective:

The Plan may be declared effective by (i) an amendment to the Plan or (ii) by serving notice on each tenant and non-tenant Purchaser that the Plan is declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. The First Unit Closing shall not occur until the amendment declaring the Plan effective is accepted for filing by the Department of Law.

If the Plan is not declared effective within fifteen (15) months from the date of issue of the letter of the Attorney General stating that the Plan has been accepted for filing, the Plan shall be deemed abandoned, void and of no effect. In the event of such abandonment, no new plan for the conversion of the Building will be submitted to the Attorney General for at least twelve (12) months after such abandonment.

The Plan may not be declared effective until written Purchase Agreements have been executed and delivered for at least fifteen percent (15%) of all Residential Units offered under the Plan by Eligible Tenants or bona fide Purchasers who represent that they intend that they or a specified member of their immediate family occupy the Unit when it becomes vacant. As to Eligible Tenants, the Purchase Agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

The Plan will not be declared effective based on Purchase Agreements:

1. signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or

2. assigned or transferred (with Sponsor's express written consent), unless (i) the tenant in occupancy has signed the Purchase Agreement and paid the full down payment to Sponsor, and (ii) the assignee shall provide a notarized affidavit stating that the assignee was not procured by Sponsor, the Selling Agent, or the Managing Agent, and that the assignee intends that he or she or a specified member of his or her immediate family personally occupy the dwelling unit; or

3. if the Purchaser was not afforded the seven (7)-day period to rescind the Purchase Agreement or the three (3)-day period to review the Plan and all filed amendments in accordance with the provisions set forth above the Section of the Plan entitled "Procedure to Purchase"; or

4. with any Purchaser who is Sponsor, the Selling Agent or the Managing Agent, or who is a principal of Sponsor, the Selling Agent or the Managing Agent, or is related to Sponsor, the Selling Agent or the Managing Agent or to any principal of Sponsor, the Selling Agent or the Managing Agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder, a member or a limited partner, except that such a Purchaser other than Sponsor or a principal of Sponsor may be included to the extent permissible under the applicable Regulations promulgated by the Department of Law.

When Purchase Agreements have been executed and accepted for the sale to Purchasers of at least eighty percent (80%) of the Residential Units offered under the Plan, Sponsor must declare the Plan effective, provided that and notwithstanding the foregoing, it shall be a condition to any obligation on the part of Sponsor to declare the Plan effective.

Sponsor shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after the date of presentation of this Plan, and at least once every thirty days thereafter until the Plan is declared effective or abandoned, as the case may be, and on the second day before the expiration date and on the expiration date of any exclusive purchase period provided in an amendment to the Plan: (a) file with the Attorney General a written statement, under oath, setting forth the percentage, as of the date of such statement, of bona fide tenants in occupancy, on the date the Plan was accepted for filing by the Attorney General, of all dwelling units in the Building who have executed and delivered Purchase Agreements under the Plan; and (b) before noon on the date such statement; filed, post a copy of such statement in a prominent place accessible to all tenants in the Building.

Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever, provided that, except as set forth below, the Plan neither has been declared effective nor is required to be declared effective as set forth above. Except as provided below, after the Plan is declared effective or so required to be declared effective, but before the First Unit Closing, the Plan may not be abandoned except in the event of: (a) the existence of one or more defects in title that Sponsor is obligated under the Plan to cure, which cannot reasonably be cured without litigation or cannot be cured for less than One Hundred Six Thousand Two Hundred Sixty Five and 00/100 ($106,265.00) in the aggregate (as reasonably estimated by Sponsor); or (b) any substantial damage to or destruction of the Building by fire or other casualty; or (c) the taking of any material portion of the Property by condemnation or eminent domain. Sponsor will not, in any event, be obligated to cure any defect in title (including, without limitation, liens) that are to be cured by, or that result from the acts and omissions of, any tenants or occupants of the Building. Each Purchaser in good standing who refuses to waive any of the aforesaid title defects shall have the right for fifteen (15) days after being notified thereof to rescind his or her Purchase Agreement and receive all monies deposited thereunder with any interest earned thereon, provided that, if he or she was not a tenant in occupancy on the date the Attorney General accepted the Plan for filing, such rescission shall be

conditioned upon the cancellation of any Interim Lease and the surrender of possession of his or her Unit within thirty (30) days after such rescission.

If this Plan is withdrawn or abandoned, all Purchasers, and one residential tenant per Unit will be so notified in writing. Within twenty (20) days thereafter, all Down Payments paid to Sponsor pursuant to Purchase Agreements then in effect (together with any interest earned thereon) will be returned to Purchasers. Sponsor will retain, however, as liquidated damages, the Down Payment (together with any interest earned thereon, but not to exceed ten percent (10%) of the Purchase Price plus any additional sums deposited on account of any special work in the Unit ordered by the Purchaser together with interest on the cost thereof from when expended at the same interest rate as earned on the Down Payment) of any Purchaser who is then in default under his or her Purchase Agreement beyond any applicable grace period or whose Purchase Agreement had been canceled previously as a result of such Purchaser's default. Upon the return or retention of the Down Payment and any such interest, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under this Plan or under such Purchase Agreements. If this Plan is withdrawn or abandoned, Sponsor shall promptly file an amendment disclosing such withdrawal or abandonment together with form RS-3 as required by the regulations of the Department of Law.

After this Plan has been declared effective, Sponsor will, from time to time, fix one or more dates for closing title to Units for which Purchase Agreements are in effect. The First Unit Closing will be held no later than one hundred eighty (180) days after the Plan is declared effective, unless adjourned by Sponsor, but in no event sooner than thirty (30) days after the date upon which notice is given that the Plan is declared effective. The closing of title to each Unit will take place in accordance with the terms of the applicable Purchase Agreement. See the Section above entitled "Procedure to Purchase" for a more complete discussion of the events that will occur at each such closing of title.

This Plan may not be amended at any time to provide that it shall be an eviction.

CLOSING OF TITLE TO UNITS AND TERMS OF SALE

Pre-Closings

In connection with the purchase of a Unit, at the Sponsors option, each Purchaser upon at least five (5) days' notice shall be required to attend a pre-closing for the purchase of his or her Unit at which time such Purchaser shall be required to sign a Power of Attorney in the form set forth in the Purchase Agreement covering the Unit, pay the balance of the Purchase Price (other than the portion thereof to be financed by a Recognized Lender as evidenced by a bona fide mortgage commitment delivered to Sponsor on or before the pre-closing) and pay certain closing fees, costs and adjustments as more particularly described in the Plan. The Purchaser shall also execute at such pre-closing the New York State and New York City real property and real estate transfer tax returns covering the sale of the Unit, any real estate reporting return and statement required by the Internal Revenue Code or the regulations thereunder, all other documents required by law, and all other documents reasonably required by the Sponsor. Failure to attend the pre-closing, execute and deliver documents and make the payments as provided above shall constitute a default by a

Purchaser under his or her Purchase Agreement. In addition, a Purchaser shall pre-close with his or her lender, if any, in connection with his or her acquisition of the Unit. Pre-closings with Sponsor and with Purchasers lender may become necessary or desirable in Sponsors view if Sponsor determines that it needs to have the closings of a number of Units occur contemporaneously with the First Unit Closing so as to generate sufficient sales proceeds to consummate the Plan.

Pre-Requisites to Closing of Title

The closing of title to each Unit shall take place only after, or concurrently with, the latest of the following events to occur:

The Plan being declared effective by Sponsor and an amendment to the Plan stating that it has been declared effective having been accepted for filing;

The recording and filing in the Registers Office of the Declaration, By-Laws and Floor Plans in accordance with the Condominium Act or other Applicable Law and such other documents as may be required by Applicable Law in connection with the submission of the Property to condominium ownership pursuant to the Condominium Act;

The release of such Unit and its appurtenant Common Interest from the lien of all mortgages (excluding any mortgages made or caused by the Purchaser of such Unit), unless Sponsor has obtained from the holders of all such mortgages an agreement pursuant to which each such mortgage holder has either (a) consented to the formation of the Condominium and acknowledged that its lien will be limited to Unsold Residential Units and Commercial Units and/or (b) subordinated the lien of its mortgage to the Declaration;

If the Purchaser of such Unit so requests, the issuance of a title insurance binder by a Preferred Title Company (hereinafter defined) insuring fee title to such Unit in the Purchaser, at the Purchasers expense, subject only to the Permitted Encumbrances and any other title matters which Purchaser consents to take title subject to, which binder will also insure that a valid condominium has been created pursuant to the terms of the Condominium Act (see the Section of the Plan entitled "Unit Closing Costs and Adjustments" for an estimate of the cost to the Purchaser to obtain such title insurance); and

Delivery to the Purchaser, in proper form for recording, of a duly executed bargain and sale deed with covenants against grantors acts conveying title to such Unit (the "Unit Deed").

As used in the Plan, the term "Preferred Title Company" shall mean Lex Terrae, Ltd.

State of Title

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing of title to such Unit free and clear of all liens, encumbrances, and title exceptions other than those described in the proposed Unit Deed and the title exceptions and other matters set forth below (collectively the "Permitted Encumbrances"):

1. Any state of facts shown by that certain survey dated April 29, 1989 made by Albert A. Bianco and re-dated October 13, 1997 (the "Existing Survey") covering the premises and more and any other state of facts which an accurate current survey and inspection made on the date of closing of title to such Unit would show, provided that such state of facts shown by such current survey does not prohibit the existence and use of the Unit;

2. Zoning regulations, ordinances, building restrictions and regulations;

3. Consents by Sponsor, of the Property for the erection of any structure or structures on, under or above any street or streets which the Property may abut (this being a customary permitted encumbrance in contracts of sale, although Sponsor has no actual knowledge of any such consents having been given other than as may be set forth in agreements and instruments of record and other than any such structure as (i) may not require the consent of the owner of the Property or (ii) will not have a material adverse effect on the Condominium);

4. Encroachments of the Building, walls, stoops, steps, balconies, ornamental columns, windows, door caps, keystones, ledges, pilasters, coping, trim and cornices, and any other part thereof, if any, upon any street or highway or upon any adjoining property and similar encroachments upon the Property;

5. Sewer, water, electric, plumbing, heating, gas, telephone and other utility easements and consents, if any, then or thereafter recorded, including the right to maintain and operate lines, wires, cables, amplifiers, transformers, pipes, conduits, poles, meters and distribution boxes in, over, under and upon the Property and the Building;

6. The lien of any mortgage, lien or other encumbrance granted, created, or obtained by the Purchaser;

7. Easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities;

8. Agreements, covenants, restrictions and easements of record;

9. Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and use of the Unit;

10. Rights, if any, to maintain vaults and chutes under the sidewalk;

11. The lien of any Common Charges, real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment of such items is made as provided in this Plan;

12. Service, labor, concessionaire and maintenance agreements contemplated under this Plan;

13. Any Interim Lease with the Purchaser for such Unit and any other leases, tenancies and occupancies permitted by the Purchase Agreement for such Unit;

14. Any Existing Lease for such Unit;

15. Any lien, judgment, encumbrance or lis pendens either (i) for which the instrument required to remove said encumbrance of record is delivered at or prior to the date of closing of title to the Unit to the proper party or to the Purchaser's title insurance company together with the required recording or filing fee or (ii) as to which a Preferred Title Company will insure that the lien, judgment, encumbrance or lis pendens will not be collected out of or enforced against the Unit;

16. The lien of any assessment or assessments which are or may become payable in annual installments of which any installment is then a charge or a lien, provided that apportionment thereof is made as provided below;

17. Party wall agreements, if any;

18. Judgments, bankruptcies or other returns against other persons having names the same as or similar to that of Sponsor, or any of its principals, provided Sponsor, or any such principals, as the case may be, deliver to the Purchaser or the Purchaser's title insurance company an affidavit showing that such judgments, bankruptcies or other returns are not against Sponsor, or any such principals, as the case may be;

19. Uniform Commercial Code financing statements or conditional bills of sale provided that (i) such statements were filed on a date more than five years prior to the closing of title to the Unit, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is no longer in the Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

20. The printed exceptions set forth in the Certificate of Title No. Kin 233063-L of Old Republic Title Insurance Company, or in any title policy issued by a title company that is authorized to do business in the State of New York and that is a member of the Title Insurance Rate Service Association;

21. All of the terms, burdens, easements, covenants, restrictions, conditions and rules and regulations set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder) the Unit Owner's Power of Attorney and the Floor Plans, all as may be amended from time to time;

22. The Urban Renewal Plan;

23. Terms, covenants, conditions, and provisions of The Land Disposition Agreement dated as of February 20, 1985 between The City of New York and Times Plaza Development Corp, recorded on November 22, 1985 in Reel 1727 Page 56;

24. Terms, covenants, conditions and provisions of The Right of Reverter in the Deed between The City of New York and Times Plaza Development Corp., recorded on November 12, 1988 in Reel 1727 Page 43;

25. All terms, covenants, conditions and easements of record, and exceptions in Schedule "B" of the subject title report.

26. All notes or notices of violations of law or municipal ordinances, orders or requirements noted in or issued by the Department of Housing Preservation and Development, the Department of Buildings, the Fire Department or other state or municipal department against or affecting the Property.

Except as provided in the Section titled Effective Date, Sponsor has agreed to spend up to $106,265.00 to clear title issues. Sponsor will have no obligation to cause the Purchasers title company, if any, to omit any exceptions to title if they exceed said amount. In the event Purchaser's title company fails or refuses to issue title insurance in accordance with the terms of the Plan and the Purchase Agreement, then the Purchaser shall accept such title as any Preferred Title Company shall approve and insure, subject to the provisions herein.

Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense in excess of its obligations under the Plan to cure any inability to deliver title to a Unit in accordance with the Plan and the terms of the Purchase Agreement for such Unit. If Sponsor notifies a Purchaser of its refusal to cure any such inability, then such Purchaser's sole remedy will be either (a) to take such title as Sponsor is able to deliver without abatement in or credit against the Purchase Price for the Unit and without any claim or right of action against Sponsor for damages or otherwise or (b) to terminate his or her Purchase Agreement and receive a refund of his or her Down Payment and any interest earned thereon. A Purchaser must notify Sponsor which option such Purchaser elects within ten (10) days after the giving of Sponsor's notice of refusal to cure such inability, with TIME BEING OF THE ESSENCE. If a Purchaser fails to timely deliver such notice, it will be conclusively deemed that such Purchaser has elected to acquire title to the Unit subject to such inability as set forth in clause (a).

TERMS OF SALE

The following is a summary of certain material provisions of the Purchase Agreement, but it is not intended as a complete statement of these or other important provisions of the same. For a complete statement of these provisions, please refer to the form of Purchase Agreement set forth as Document Number 4 in Part II of this Plan:

1. Incorporation of Plan

The Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) as well as all amendments to the Plan duly filed by Sponsor (including, but not limited to, amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by the Purchaser or the section of the Plan entitled "Schedule B: Projected Budget for the First Year of Condominium Operation" and Footnotes) are incorporated into each Purchase Agreement by reference. Any conflict between the Purchase Agreement and the Plan will be resolved in favor of the Plan. The execution and submission of a Purchase Agreement constitutes the Purchaser's acceptance of this Plan and his or her agreement to be bound by the terms of the Plan, including all duly filed amendments thereto. Any such amendments shall not excuse the Purchaser from performing the Purchaser's obligations under the Plan and Purchase Agreement, nor shall they entitle the

Purchaser to any offset or credit against the performance of the Purchasers obligations under the Plan and Purchase Agreement, nor shall they entitle the Purchaser to any offset or credit against the Purchase Price. Any such amendments can be made by Sponsor without the Purchaser's consent or approval; subject to the Purchaser's right to rescind in the event of a material amendment to the Plan or the Condominium Documents that adversely affects in any material respect the Purchaser's rights, obligations or liabilities under his or her Purchase Agreement or under the Plan. See also the section of the Plan entitled "General."

Moreover, if, prior to the First Unit Closing, Sponsor amends the terms and conditions contained in the Plan to be more favorable to tenant Purchasers, an Eligible Tenant who executed and submitted a Purchase Agreement before Sponsor amended the terms may elect to benefit from the more favorable terms and conditions, in which event the Purchase Agreement may be amended to reflect such more favorable terms.

Nothing contained in the Plan, the Purchase Agreement or any modifications thereto shall be deemed to constitute a waiver of the Purchaser's rights or an abrogation of Sponsor's obligations under Article 23-A of the GBL. The Purchase Agreement to be used by Eligible Tenants who purchase during the Exclusive Purchase Period may not be modified except by a duly filed amendment to the Plan.

2. **Payment of Purchase Price**

Each Purchaser shall deliver his or her check made payable to the order of "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. Attorney Escrow Account for Times Plaza Condominium" in the amount of the Down Payment, subject to collection, simultaneously with the execution and delivery of the Purchase Agreement. The balance of the Purchase Price will be paid to Sponsor at the closing.

Except for the Down Payment, which is to be paid as provided above, any payments to be made by the Purchaser under the Purchase Agreement (including without limitation the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of Sponsor, must be made by unendorsed certified check, or bank check, drawn in either case on a member bank of the New York Clearing House Association and made payable to the order of Sponsor; except that at the request of Sponsor made at or prior to the closing, the Purchaser will pay the balance of the Purchase Price to such payees as Sponsor directs.

If any down payment check delivered by the Purchaser under a Purchase Agreement shall be dishonored for any reason whatsoever, it shall be deemed a material default by the Purchaser under the Purchase Agreement and Sponsor may, in that event, cancel the Purchase Agreement and declare same to be void ab initio, to the same effect as if the Purchase Agreement had never been executed and delivered. Purchaser shall have no right to cure such default; however, Sponsor in its sole and absolute discretion, may permit Purchaser to substitute a bank or certified check for the same amount as the dishonored check within two business days after notification to Purchaser that the original check was dishonored.

Notwithstanding the above, the Purchase Agreement provides that, at the option of Sponsor, Purchaser shall attend a pre-closing of the purchase of his or her Unit at

which purchaser will be obligated to pay to Sponsor or its designee at such pre-closing the balance of the Purchase Price (other than the portion thereof financed by a Recognized Lender as evidenced by a bona fide mortgage commitment delivered to Seller on or before the pre-closing). See section of the Plan entitled "Closing of Title to Units and Terms of Sale."

3. **Financing**

As more fully described in Paragraph 5 of the Purchase Agreement, the obligation of a Purchaser to purchase his or her Unit under his or her Purchase Agreement will be contingent upon the issuance to the Purchaser, within thirty (30) days from the later of (i) the Effective Date or (ii) the date of the Purchase Agreement (the "Financing Contingency Period"), of a mortgage loan commitment by a Recognized Lender for a loan in an amount equal to eighty (80%) percent of the Purchase Price (or such lesser sum as the Purchaser may approve), secured by a first mortgage on the Unit, bearing interest at the then prevailing rate structure charged by such Recognized Lender (the "Commitment").

A Recognized Lender shall mean: (i) the Seller or its successors; (ii) (A) any bank, trust company, savings and loan association or savings bank; (B) any insurance company; (C) any real estate investment trust; or (D) any pension, retirement or welfare fund having assets in excess of $300,000,000; in each case doing business in the State of New York; (iii) any Governmental Authority including an agency of the City or State of New York; or (vii) any comparable institutional lender acceptable to the Seller.

Each Purchaser must promptly apply for the loan and, within ten (10) business days after Sponsor sends the Purchaser a fully executed counterpart of the Purchase Agreement, the Purchaser must complete, sign and submit to a Recognized Lender a mortgage loan application (on the form provided by such Recognized Lender) consistent with the loan terms set forth above and containing accurate and complete financial and other information with respect to the Purchaser and members of the Purchaser's family as required by the Recognized Lender.

The Purchaser will either deliver a copy of the Commitment to the Seller within five (5) days after its issuance or notify Sponsor in writing of the failure of the Purchaser to obtain same within five (5) days after expiration of the thirty (30)-day period within which same was to be obtained, as the case may be. In the event the Purchaser fails to obtain the Commitment within the specified time period, the Purchaser must deliver to Sponsor copies of the loan application of the Purchaser and the Recognized Lender's "Mortgage Disclosure Statement" along with the notice of the failure of the Purchaser to obtain the Commitment.

The Purchaser must cause the Purchasers spouse (if any) to execute jointly with the Purchaser the mortgage note or bond and such other loan documents as may be required by the Recognized Lender, unless such action is waived by Sponsor. If the Purchaser is other than a natural person (such as a corporation or partnership), the Purchaser agrees to furnish at closing such guarantees from the Purchasers officers, stockholders, partners, members or principals (as the case may be) as the Recognized Lender may request.

If the Recognized Lender refuses or fails to issue, within the Financing Contingency Period, a Commitment in favor of the Purchaser for a loan on the terms set forth above, then, except as provided below, the Purchaser, if and only if the Purchaser has acted in good faith and complied with all of the obligations of Purchaser under Paragraph 5 of the Purchase Agreement, may cancel the Purchase Agreement by notice to Sponsor given within five (5) days after the expiration of the Financing Contingency Period.

Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of the Purchase Agreement as provided above, where the basis of such cancellation is the failure (as opposed to the refusal) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, Sponsor may, but shall not be obligated to, elect by notice given to the Purchaser to extend the Financing Contingency Period for an additional period of thirty (30) days from the date such notice is given to the Purchaser.

Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of the Purchase Agreement as provided above, where the basis of such cancellation is the refusal (as opposed to the failure) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, Sponsor may, but shall not be obligated, to elect to endeavor to obtain a Commitment for a loan from another Recognized Lender on Purchaser's behalf or originate such loan itself, in either case on substantially the same terms and conditions as the loan originally applied for by the Purchaser. Upon the giving by Sponsor of such a notice, the Financing Contingency Period shall be deemed extended for an additional period of thirty (30) days from the date such notice is given to the Purchaser, and the Purchaser shall thereafter, in connection with any loan being made by another Recognized Lender or being originated by Sponsor and in connection with obtaining a Commitment for any such loan, be required to comply with the provisions of Paragraph 5 of the Purchase Agreement, including but not limited to requirements with respect to applying for and accepting a Commitment for such loan.

If the Purchase Agreement is canceled as set forth above, the Escrow Agent (as defined below) shall refund to the Purchaser within thirty (30) days after such cancellation all monies deposited by Purchaser under his or her Purchase Agreement together with any interest thereon. Upon such refund being made, Sponsor and the Purchaser shall be released and discharged of all further liabilities and obligations under the Purchase Agreement and under the Plan. The failure of Purchaser to comply with all of the obligations of Purchaser under Paragraph 5 of the Purchase Agreement in connection with obtaining financing will constitute a waiver by the Purchaser of the provisions of the Purchase Agreement conditioning the Purchase Agreement upon obtaining the financing described in this subsection and of the right of Purchaser to cancel under the Purchase Agreement.

If a Purchaser chooses to obtain financing from a source other than a Recognized Lender, the obligations of such Purchaser under the Purchase Agreement will not be conditioned upon his or her obtaining such other financing. Thus the failure to obtain financing from such a source will not relieve such Purchaser from his or her obligations under the Purchase Agreement. Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain mortgage financing or the terms or costs of such financing. It is noted that most lenders currently require that a specified minimum percentage of units in a condominium be sold to

Purchasers for owner-occupancy as one of their loan prerequisites. Sponsor cannot and does not, represent, assure or guarantee the percentage of Units that will be Owner-Occupied at any given time or that such percentage will meet the requirements of Institutional Lenders or other lenders at any time or whether a Purchaser will succeed in arranging such financing. Please consult the Sections of the Plan entitled "Special Risks" and "Closing of Title to Units and Terms of Sale."

4. **Trust Funds**

Sponsor shall comply with the escrow and trust fund requirements of Sections 352-e(2b) and 352-h of the GBL and the Attorney General's Regulations promulgated pursuant thereto, and all funds paid by Purchasers shall be handled in accordance with such statutes and Regulations. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the handling or disposition of Down Payments paid by such Purchasers. Nothing in the preceding sentence, however, will limit the obligation of any Purchaser to pay the fees and expenses of Sponsor's attorneys (to the extent such fees and expenses are expressly disclosed in the Plan) in connection with the purchase or closing of title to the Unit purchased by such Purchaser under the Plan.

A Down Payment will be deemed to have been unconditionally tendered when it is delivered to Sponsor or the Selling Agent together with a Purchase Agreement in the form agreed to by Sponsor and signed by the Purchaser, without any request for a change in such form or the terms of the Purchase Agreement (together with the Lead-Based Paint Disclosure Form completed and signed by such Purchaser). Each Down Payment will be placed, within five (5) business days after the date on which such Down Payment has been unconditionally tendered, in a special escrow account of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. (hereinafter the "Escrow Agent"), whose address is 845 Third Avenue, 8th Floor, New York, New York 10022, and whose telephone number is (212) 752-1000. The signatories on this escrow account, who are each members of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C., and any one of whom is authorized to withdraw funds, are: Peter Kakoyiannis, Jonathan Eiseman, Wayne Lehrhaupt, Eric Levine and Stephen Weinstein. The name of the escrow account is "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. Attorney Escrow Account for Times Plaza Condominium" (the "Escrow Account"), and such Escrow Account is located in Citibank, N.A., 120 Broadway, New York, New York 10271 (the "Bank"). The Bank is covered by federal bank deposit insurance generally to a maximum of $100,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limitation, amounts deposited directly by such person and the Down Payment held in escrow for such person by the Escrow Agent).

If a Purchaser makes a Down Payment in excess of $100,000 for the purchase of a Unit, or if the amount of such Purchaser's deposits at the Bank and such Down Payment exceed $100,000, the aggregate of such Down Payment and all other such deposits will generally not be federally insured in excess of $100,000. No representation or guaranty is made by the Escrow Agent or Sponsor that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

Interest on a Purchaser's Down Payment will begin to accrue when the check for the Down Payment is collected, and provided there is no charge back or debit by the Bank against

the amount deposited. Any interest earned on the Down Payment shall be delivered to a Purchaser at the closing of title to his or her Unit or other termination of the Purchase Agreement, unless the Purchaser has defaulted thereunder beyond any applicable grace periods, in which event Sponsor shall be entitled to retain the Liquidated Sum. The interest rate to be earned on the Down Payment will be the rate paid from time to time by the Bank for the same type of account as the Escrow Account, which was approximately one-half percent (½%) per annum as of June 30, 2004. Each Purchaser must indicate his or her social security or its federal taxpayer identification number on the Purchase Agreement in the space provided therefor. A Purchaser's failure to provide any social security number on the Purchase Agreement will be deemed a waiver of such Purchaser's right to receive interest on such Down Payment. If there is more than one Person comprising Purchaser, the social security or federal taxpayer identification number of the Person who is to receive the interest on the Down Payment must be noted in the Purchase Agreement in the separate space provided therefor.

All checks for Down Payments under the Plan shall be made payable to the order of "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. Attorney Escrow Account for Times Plaza Condominium." Within ten (10) business days after unconditional tender and delivery by a Purchaser to Sponsor or the Selling Agent of a check for a Down Payment submitted with such Purchaser's Purchase Agreement (and Lead-Based Paint Disclosure Form) on account of the Purchase Price thereunder, the Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account and will provide the account number and the initial interest rate. Subject to the provisions of the next sentence, if such Purchaser does not receive notice of such deposit within fifteen (15) business days after unconditional tender and delivery to Sponsor or the Selling Agent of such Down Payment, then such Purchaser may cancel such purchase and rescind such Purchaser's Purchase Agreement, so long as such right to rescind is exercised within ninety (90) days after such Purchaser's unconditional tender and delivery of such Down Payment to Sponsor or the Selling Agent. A Purchaser shall not, however, be entitled either to rescind such Purchaser's Purchase Agreement or to receive a refund of such Purchaser's Down Payment where proof satisfactory to the Attorney General is submitted establishing that such Down Payment was timely deposited and notice as provided above was timely mailed to such Purchaser in conformity with the Attorney General's Regulations. Additionally, Purchaser understands that receipt of the Down Payment by the Escrow Agent and deposit of the Down Payment in the Escrow Account by the Escrow Agent will not be deemed acceptance of the Purchase Agreement by Sponsor, which acceptance can only occur as provided in the Section of the Plan entitled "Procedure to Purchase."

The Escrow Agent will hold a Purchaser's Down Payment in escrow until: (a) otherwise directed in one or more writings signed by each of Sponsor and such Purchaser; (b) otherwise directed in a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's Regulations; (c) a judgment or order of a court of competent jurisdiction permits or requires the release of such Down payment; (d) such Down Payment is paid by the Escrow Agent into a court of competent jurisdiction; (e) such Down Payment is paid to Sponsor as provided below; or (f) such Down Payment is paid to such Purchaser as provided below.

If there is no written agreement between Sponsor and a Purchaser to release the Down Payment paid by such Purchaser, the Escrow Agent will not pay such Down Payment to Sponsor until after ten (10) business days following the date that the Escrow Agent has given such Purchaser written notice that the Escrow Agent intends to pay such Down Payment to Sponsor. Thereafter, such Down Payment 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 the Escrow Agent has received, within such ten (10)-business-day period, notice from such Purchaser that such application has been made.

Sponsor will not object to the release of the Down Payment paid by any Purchaser to such Purchaser, provided such Purchaser has not defaulted and has timely and validly rescinded such Purchaser's Purchase Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

A Purchaser or the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Down Payment paid by any Purchaser. Sponsor must avail itself of this procedure (i) if there is a dispute which needs to be resolved between Sponsor and a Purchaser of a Unit under the Plan relating to such Purchaser's Down Payment or (ii) if any Purchaser has given notice of objection to the Escrow Agent within the ten business day period described above. A form for this purpose is attached as an exhibit to the Purchase Agreement in Part II of the Plan. The party applying for a determination must send all other parties a copy of the application.

Included as Document Number 7 in Part II of the Plan is a copy of the escrow agreement between Sponsor and Escrow Agent (the "Escrow Agreement") which is subject to the terms of the Attorney General's Regulations. In the event of any conflict between the Escrow Agreement and either any other provision of the Plan or any Purchase Agreement, the terms of the Escrow Agreement shall control.

The Escrow Agent will maintain all records concerning the Escrow Account for seven (7) years after the closing of such account.

The Escrow Agent may from time to time, upon notice to Sponsor and all Purchasers, change the depositary in which the Down Payments are held to another lending institution in New York City without the necessity of amending the Plan.

5. **Events of Default**

If a Purchaser (i) defaults in paying the balance of the Purchase Price on the date scheduled by Sponsor for closing title to his or her Unit (or the scheduled pre-closing date, as the case may be), (ii) default in his or her obligation to attend a pre-closing, (iii) defaults in performing some other obligation under the Purchase Agreement, or (iv) is or becomes a tenant or occupant of a Building and is evicted for failure to pay rent or to perform some other lease or tenancy obligation (whether by voluntary removal or by court order), Sponsor's sole remedy under the Purchase Agreement is to cancel said Purchase Agreement by sending written notice to such Purchaser via certified mail, return, receipt requested and via first class mail and, if such Purchaser shall fail to cure such default within thirty (30)

days after the giving of such notice, to retain, as and for liquidated damages, the Liquidated Sum. Any payments received by Sponsor in excess of the Liquidated Sum, together with interest earned on such excess payments, if any, shall be refunded to the Purchaser with reasonable promptness after cancellation. THE CURING OF SUCH DEFAULT WITHIN SAID THIRTY (30)-DAY PERIOD IS OF THE ESSENCE OF THE PURCHASE AGREEMENT. THIS MEANS THAT, UPON THE PURCHASER'S FAILURE TO CURE HIS OR HER DEFAULT WITHIN SUCH PERIOD, THE PURCHASE AGREEMENT SHALL BE DEEMED CANCELED AND SPONSOR MAY RETAIN THE LIQUIDATED SUM AS DAMAGES. If a Purchaser is or becomes a tenant or occupant of a Building and fails to pay rent or otherwise to comply with his or her lease or tenancy obligations or vacates or abandons his or her Unit, then Sponsor may cancel his or her Purchase Agreement as set forth above whether or not such Purchaser is evicted from a Building by reason thereof. If, however, such person is not evicted from a Building by reason of such default, vacating or abandonment, Sponsor shall return to such Purchaser all monies deposited under his or her Purchase Agreement, together with the interest earned thereon, if any.

If a Purchase Agreement is canceled, both Sponsor and the Purchaser shall be relieved of all further obligations and liabilities thereunder and under this Plan, and Sponsor shall be free to sell the Unit to another as though such Purchase Agreement had never been made and without accounting to the Purchaser for the proceeds received on such sale.

6. **Units Sold "As Is"; Fixtures and Appliances**

The Units are being sold in the condition in which they exist at the time of signing the Purchase Agreement. The Units and the Building shall be accepted in their respective condition as of such time, subject to ordinary use, wear and tear and natural deterioration (and any damage caused by a Purchaser who is a tenant or occupant of the Unit or such Purchaser's household members); and subject further to Sponsor's obligation to maintain the Building until the First Unit Closing to the extent indicated in the Section of the Plan entitled "Sponsor's Statement of Building Condition." Sponsor will not be obligated to make repairs, replacements, modifications or changes in or to any Unit or any appliances, equipment or fixtures unless expressly agreed to in writing by the parties.

At closing, each Unit will contain only those appliances, countertops, cabinets, sinks, vanities, hardware and other fixtures and equipment that are owned by Sponsor and were installed therein as of the date of the Purchase Agreement relating to such Unit. All such items will be delivered to the Purchaser of the Unit in "as is" condition subject to ordinary use, wear and tear and natural deterioration (and any damage caused by a Purchaser who is a tenant or occupant of the Unit or such Purchaser's household members. Each Unit is to be sold unfurnished, and there will be no modifications or "extras" unless agreed to in writing by the parties. Any appliances, furnishings, equipment, fixtures or other personal property owned by any tenant or occupant of the Unit or any other Person will not be included in the sale. Each Purchaser is advised to inspect the Unit in which he or she is interested to determine what appliances and fixtures are contained in the Unit and the condition of such appliances and fixtures.

7. **Access to Unit**

Each Purchaser of a Unit with respect to which such Purchaser is not the tenant or occupant shall be given reasonable access to such Unit prior to the Closing (subject to the rights of any tenant or occupant of such Unit) for the limited purpose of inspection and taking measurements. Any Purchaser permitted such access shall release Sponsor and the Selling Agent and their respective agents, employees, contractors and representatives from any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from any injuries sustained by any person or damage to any property resulting from such access, even if such injury results from the negligence of Sponsor, the Selling Agent or any of their respective agents, employees, contractors or representatives. In addition, any such Purchaser shall indemnify and hold Sponsor and the Selling Agent and their respective agents, employees, contractors and representatives harmless from and against any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from such access, including without limitation reasonable attorneys' fees and expenses.

8. **Closing of Title**

The closing of title to each Unit will be held in such place in the City of New York, on such day and at such hour as Sponsor shall designate to the Purchaser of such Unit on not less than thirty (30) days' prior written notice. Such notice shall inform the Purchaser of his or her obligation to pay the balance of the Purchase Price as set forth in the subsection entitled "Payment of Purchase Price" above. Sponsor has the right to postpone the closing date and to fix a new closing date. In such event, Sponsor shall give the Purchaser not less than three (3) business days' prior notice of the new date and time of closing. The closing shall take place only after or concurrently with the occurrence of the necessary concurrent or prerequisite events set forth in the subsection entitled "Prerequisites to Closing of Title," above.

The foregoing shall not act to extend Sponsor's time to declare the Plan effective as set forth in the Section of the Plan entitled "Effective Date" and shall not affect Sponsor's right to abandon or withdraw this Plan as set forth in such Section. If the Plan is so abandoned or withdrawn, the Purchase Agreement will be deemed canceled, and all monies paid by the Purchaser thereunder, together with interest earned thereon, if any, shall be disbursed as discussed in the subsection entitled "Trust Funds," above. After the funds are so disbursed, neither the Purchaser nor Sponsor shall have any claims against each other in connection with the Purchase Agreement or this Plan, nor shall the Purchaser have any such claims against the Selling Agent, and all of the same shall be released and discharged from all obligations and liabilities under the Purchase Agreement and this Plan.

9. **Deliver of Deed**

Except in connection with a pre-closing, upon delivery to Sponsor of (i) the balance of the Purchase Price, (ii) a Unit Owners Power of Attorney in favor of the Condominium Board and Sponsor,(iii) transfer tax returns in the respective forms required to be filed with the City and State of New York, (iv) any real estate reporting return and statement required by the Internal Revenue Code or the Regulations thereunder, (v) all other documents required by law and (vi) all other documents reasonably required by Sponsor

which documents must be executed and acknowledged by the Purchaser, Sponsor, will execute, acknowledge and deliver to the Purchaser a bargain and sale deed with covenant against grantor's acts, conveying title to the Unit subject only to the Permitted Encumbrances and such other title conditions as consented to by Purchaser, if any. The deed and the Unit Owner's Power of Attorney will be substantially in the forms set forth as Document Number 9 and Document Number 8, respectively, in Part II of this Plan.

10. **Existing Tenancies**

If the Purchaser's Unit is, at the time of signing the Purchase Agreement, occupied by, or under lease to, any Person than such Purchaser, such Purchaser will purchase the said Unit subject to the rights of the existing tenant(s) or occupant(s); the rights of existing residential tenants are more fully described in the Section of this Plan entitled "Rights of Existing Tenants." In addition, upon becoming the Unit Owner of such Unit, said Purchaser will succeed to and assume all of Sponsor 's rights and obligations as the landlord of such tenant or occupant, as more fully set forth in the Section of the Plan entitled "Obligations of Owners of Units Occupied by Non-Purchasing Tenants."

11. **Rent Security Deposit**

The unapplied rent security deposit, if any, of a tenant who purchases his or her Unit will be refunded to such tenant, together with any interest earned thereon, within thirty (30) days after the closing of title to the Unit, provided that the tenant is not in default under his or her lease or tenancy obligations. If an occupied Unit is purchased by a Person other than the tenant or occupant, the unapplied security deposit, if any, will be transferred at closing to such Purchaser, who shall, in writing, acknowledge receipt of same at closing and agree to indemnify Sponsor from all liability in connection therewith. In either event Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent due to Sponsor from such tenant or occupant.

12. **Risk of Loss or Damage to Units Prior to Closing**

If the Purchaser is or becomes the tenant or occupant of a Unit before the closing of title thereto and before such closing the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts or omissions of such Purchaser or other occupant of the Unit or such Purchaser's or other occupant's guests, invitees or workmen. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. If Sponsor or (in the event the Declaration has been filed) the Unit Owners do not elect to repair the damage (except for damage that is the Purchaser's obligation to repair as provided above), the Purchase Agreement will be canceled and be of no further force or effect. Thereafter, the Down Payment, together with interest earned thereon, if any, shall be disbursed as discussed above in the subsection entitled "Trust Funds." If Sponsor (or the Unit Owners, if the Declaration has been filed) elects to repair or replace the loss or damage so as to restore the Unit substantially to its condition immediately preceding such loss or damage, the Purchase Agreement shall continue in full force and

effect; in which event the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor (or the Unit Owners) shall be entitled to a reasonable period of time to complete such repairs or replacement.

13. **Broker**

The Purchaser represents under the Purchase Agreement to Sponsor that he or she has not dealt with any broker other than the Selling Agent in connection with the acquisition of his or her Unit and will indemnify Sponsor against the claims of any other broker.

14. **No Lien**

Neither the Purchase Agreement nor any monies deposited thereunder shall constitute a lien against the Property, including the Unit.

15. **Eligible Tenants' Right to Assign Purchase Agreement**

Subject to the provisions below as applicable to Eligible Tenants only, the Purchase Agreement may not be assigned or transferred by the Purchaser without such Purchaser first obtaining the express written consent of Sponsor, which consent Sponsor may withhold in its sole and absolute discretion. If Sponsor shall consent to the assignment of a Purchase Agreement, the assigning party shall not be released from any liability under his or her Purchase Agreement by reason of such assignment.

(i) In no event may an Eligible Tenant assign his Purchase Agreement prior to the Presentation Date of an Amendment to the Plan disclosing that the Plan has been declared effective or later than fifteen (15) days prior to his scheduled closing date (or scheduled pre-closing, as the case may be);

(ii) A Permitted Assignee shall execute and deliver to the Selling Agent an affidavit substantially in the form reasonably satisfactory to Sponsor which affidavit must, in any event, state that the assignee was not procured by Sponsor, the Selling Agent or the Managing Agent and that the assignee intends that he or a member of the assignee's immediate family, which immediate family member must be named in the affidavit, will personally occupy the Unit.

(iii) The Eligible Tenant and the assignee must comply with all requirements of the New York State Department of Law; any assignment made hereunder must be in accordance with Attorney General Regulations at Part 23.3(r) of Title 13 NYCRR.

(iv) The assignee shall, at his cost and expense cause his attorney to prepare a written assignment of the Purchase Agreement together with the Down Payment and the interest thereon. The form of assignment shall be in form and content reasonably satisfactory to Sponsor's attorneys. The assignee shall also cause his attorney to prepare and have executed and delivered at closing of title to the Unit (or the pre-closing, as the case may be) all transfer tax returns required in connection with the assignment.

(v) The assignee shall pay to Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. at the closing of title to the Unit (or the pre-closing, as the case may be), an Assignment Fee of $500.00 in addition to those fees set forth in the section of the Plan entitled "Closing Costs and Expenses."

UNIT CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of a Unit are set forth below. SPONSOR MAKES NO REPRESENTATION OR WARRANTY AS TO SUCH COSTS WHICH ARE ONLY ESTIMATES AND WHICH ARE SUBJECT TO CHANGE.

At the closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the closing: (i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and any escrows for real estate taxes; (ii) Common Charges for the month in which title closes and (iii) rent and other charges, if any, pursuant to the lease for, or tenancy of, such Unit.

In the event the Unit has not been separately assessed for the then current fiscal tax year at the time of closing title, the apportionment of real estate taxes shall be based on the Unit's pro rata share (in accordance with its Common Interest) of the real estate taxes with respect to the Property. In addition, the computation of real estate tax apportionments shall take into account (A) the actual amount of real estate taxes paid by or on behalf of the Sponsor with respect to the applicable real estate tax period in which the closing occurs and (B) the total amount of the real estate taxes for such tax period.

Until the Units are separately assessed, all real estate taxes with respect to the Property will be treated as a General Common Expense. See Footnote 9 to Schedule A and "Unit Closing Costs and Adjustments." The fact that a Unit Owner may have established escrow deposit(s) with such Unit Owner's mortgage lender for the payment of real estate taxes by such mortgage lender with respect to such Unit Owner's Unit, shall not release such Unit Owner from such Unit Owner's responsibility to timely pay (or cause its mortgage lender to pay), by such date as may be determined by the Condominium Board, such Unit's pro rata portion (based upon such Unit's Common Interest) of such portion of the General Common Charges assessed for the purpose of payment of real estate taxes. If, prior to the separate assessment of the Units for real estate tax purposes, the Condominium Board shall fail to timely pay all or any portion of the real estate taxes levied with respect to the Property, Sponsor and each other Unsold Residential Unit Owner shall have the right (but not the obligation) to pay such taxes not timely paid and the Condominium Board shall reimburse Sponsor or other Unsold Residential Unit Owner, as the case may be, upon demand, for the amount of such taxes so paid, plus interest thereon until paid in full, at a rate of interest equal to prime rate as announced from time to time by Citibank, N.A.

Installments for tax assessments due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title. If any real estate tax rebate, refund or credit is received by Purchaser or on Purchaser's behalf (including by the Condominium Board on behalf of Purchaser) after the closing with respect to such Purchaser's

Unit, which pertains in whole or in part to a period prior to such closing (collectively, "Real Estate Tax Credit"), such rebate, refund or credit shall be apportioned with Sponsor as of the date of closing (so that the portion of such Real Estate Tax Credit attributable to the period prior to the closing shall be paid to Sponsor and the balance of such Real Estate Tax Credit, if any, may be retained by Purchaser) and such obligation on the part of Purchaser shall survive the Closing. At closing, Purchaser shall execute such documents as Sponsor may require confirming the above and/or authorizing Sponsor to make application for and to receive the entire amount of such Real Estate Tax Credit, subject to Sponsor's obligation to apportion with Purchaser any Real Estate Tax Credit with respect to such Purchaser's Unit, in the manner described above. Any allocable share of a Real Estate Tax Credit required to be paid to a Purchaser as provided above shall be reduced by an allocable share (based upon the portion of the respective tax year that Purchaser shall own the Unit) of all expenses incurred by Sponsor in connection with obtaining such Real Estate Tax Credit (including, without limitation, the cost of tax certiorari proceedings and the settlement thereof).

If any errors shall be made in the calculation of closing apportionments, if an apportionment shall be omitted, or if the estimates that were used for apportionment purposes vary from the actual amounts thereof after the amounts become known (including, without limitation, the amount of any Real Estate Tax Credit), same shall be corrected or adjusted between Sponsor and the Purchaser after the Closing and any such correction or adjustment shall be paid promptly to the appropriate party after it is ascertained. The obligation to correct any such erroneous adjustment or to make any additional adjustment in accordance with the above shall survive the closing of title to the Unit and Purchaser shall at Closing execute an agreement confirming the foregoing.

At the time of title closing, each Purchaser of a Unit will pay certain closing costs in addition to any legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing apportionments described above. Such closing costs will include the following, the amounts of which are subject to change without prior notice or amendment (except for fees required to be paid to Sponsor's counsel as set forth in paragraph (i), below, the amount of which fees may only be changed by duly filed amendment):

(a) Each Purchaser is free to obtain title insurance from a title insurance company other than through Lex Terrae, Ltd.; however, Sponsor makes no representation or warranty as to the cost, terms or availability of such other title insurance. In addition, as indicated in paragraph (b) below, each Purchaser shall pay to Sponsors attorneys an additional fee of $750 if Purchaser elects to obtain title insurance other than from Lex Terrae, Ltd. This additional fee is charged on account of, among other things, the anticipated increased time and effort to Sponsor and its attorneys in clearing title with separate title companies but is payable whether or not additional time and effort is actually expended to clear title;

(b) Each Purchaser will, in all events, pay a fee for recording the Deed to the Unit and the Unit Owners Power of Attorney, for each instrument, together with a service charge to the title company for such recording (as set by each title company);

(c) If the Purchaser obtains a mortgage loan, such Purchaser will pay a mortgage recording tax in the amount provided by Applicable Law (at present, the rate is 2% of the principal amount of the mortgage for mortgages of less than $500,000.00; 2.125% for mortgages of $500,000.00 or more; and 2.75% for mortgages of or aggregating $500,000 or more with a lien on 2 or more units) and a fee and service charge to the title company for recording the mortgage at the same rates given above for recording the deed and Unit Owner's Power of Attorney, and will also pay to Sponsor a sum equal to the partial mortgage tax credit, if any, to which the Purchaser is entitled under Section 339-ee(2) of the New York Condominium Act;

(d) Each Purchaser will be required to pay:

a. the New York City Real Property Transfer Tax on the sale of the Unit (which currently, if Purchaser purchases one Unit under the Plan, would be equal to (x) 1.0% (1.425% if two or more units are purchased) of the purchase price (inclusive of the portion of such tax and the New York State Real Estate Transfer Tax paid by the Purchaser) when said sum is $500,000.00 or less, or (y) 1.425% (2.625% if two or more units are purchased) of the purchase price (inclusive of the portion of such tax and the New York State Real Estate Transfer Tax paid by the Purchaser) when said sum exceeds $500,000.00); and

b. the New York State Real Estate Transfer Tax on the sale of the Unit (which currently would be equal to $2.00 per each $500.00 (or fractional portion thereof) of the sum of the purchase price plus the portion of such tax and the New York City Real Property Transfer Tax paid by the Purchaser); and

c. in the case of a Residential Unit with a purchase price of $1,000,000.00 or more only, the New York State Additional Transfer Tax (commonly known as the "Mansion Tax"), currently equal to one percent (1%) of the purchase price (inclusive of New York City Real Property Transfer Taxes and New York State Real Estate Transfer Taxes paid by the Purchaser) of the Unit.

The New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax (described at subparagraphs a. and b. above) are ordinarily a seller's obligation. The amount of such transfer taxes payable by each Purchaser will be greater than the amount of the transfer taxes Sponsor would have been required to pay on each sale because the payment of these taxes by the Purchaser is deemed by the City and State taxing authorities to be additional consideration given by Purchaser to the Sponsor for the sale of the Unit. Thus, the calculations set forth above at subparagraphs a. and b. include payment of the transfer taxes together with the purchase price as the basis for the calculation of the taxes.

(e) If the Purchaser obtains a mortgage loan, then the Purchaser will be responsible for paying all closing costs and expenses in connection therewith in amounts determined by the lender. Generally, such costs include but are not necessarily limited to: a fee charged by the lender's attorney; an appraisal fee; an inspection fee; a fee for recording the mortgage; and an origination fee, or "points." Sponsor makes no representation or warranty as to such closing costs and expenses or as to the availability of such financing;

(f) If the Purchaser has dealt with any, broker in connection with the purchase of his or her Unit other than the Selling Agent or any other broker engaged in writing by Sponsor, then the Purchaser will be required to pay the commission of such broker unless Sponsor expressly agrees otherwise in writing;

(g) Each Purchaser shall pay a fee to the Managing Agent in the amount of $350.00 in payment of administrative and other services rendered in connection with the closing, including the issuance of the customary letter concerning payment of common charges;

(h) Each Purchaser shall pay a closing fee of $1,000.00 to Sponsor's counsel, as well as the following fees: (1) an additional fee of $450.00 if Purchaser finances a portion of the Purchase Price, (2) an additional fee of $500.00 payable to Sponsor's counsel, if the closing is adjourned for any reason other than at Sponsor's request, for each time the closing is so adjourned; (2) an additional closing fee of $500.00 payable to Sponsor's counsel, if the Purchaser assigns the Purchase Agreement; (3) an additional closing fee of $750.00 payable to Sponsor's counsel, if Purchaser elects to obtain title insurance other than from a Preferred Title Company; and (4) an additional closing fee of $600.00, payable to Sponsor's counsel if the closing takes place (subject to the consent of Sponsor's attorneys), at a place other than at the office of Sponsor's attorneys (in no event shall the closing take place outside of New York County). The above fees shall be payable by Purchaser to Sponsor's attorneys for as many of the above events that occur and in each instance of said events (for example, each time Purchaser adjourns the closing). Nothing contained above shall imply that Sponsor waives its right to require that Purchaser pre-close with Sponsor and to pre-close with Purchaser's lender so as to permit a master closing involving numerous simultaneous closings of Units at the offices of Sponsor's counsel.

(i) Each Purchaser (except Sponsor or any Sponsor Successor) shall pay to the Condominium, a sum equal to one month's common charges with respect to the Purchaser's Unit as and for Purchaser's contribution to the Working Capital Fund of the Condominium. Such sum shall not be refundable; and

(j) Purchasers of Units occupied by Non-Purchasing Tenants, except Sponsor or any Sponsor Successor, will be required to deposit with the Managing Agent (or the Condominium Board if no managing agent is employed) at the closing of title an amount not less than two-months' common charges and real estate taxes to be used as working capital to furnish services required under the Non-Purchasing Tenant's lease and pursuant to Law.

(k) Certain of the foregoing closing costs, such as the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax are customarily borne by the seller; under the Plan, however, they are required to be paid by the Purchaser.

MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit will inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing

will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the closing, Sponsor will be reimbursed to the extent of any mortgage tax credit allowed.

Note should be taken that the recording charges, fees and taxes above are based on rates in effect at the date of presentation of the Plan and are subject to change without notice. Premiums for title insurance will vary depending upon the Purchase Price and the amount of any mortgage loan. No representations are made as to the amounts of any charges, fees and taxes at the time of closing or as to the availability, cost or terms of financing.

SPONSOR'S RIGHTS AND OBLIGATIONS

Sponsor's Obligations with Respect to the Creation of the Condominium

Sponsor will bear all costs and expenses to be incurred in connection with the creation of the Condominium and the preparation, filing and distribution of the Plan. In addition, Sponsor will pay all selling expenses and brokerage commissions of the Selling Agent or other broker engaged by Sponsor.

Annexed to "Document 1: ("Description of Property and Building Condition") in Part II of the Plan are copies of violations of record affecting the Property as of the date of the violations search. Sponsor shall not have any obligation to cure such violations of record or any other violations (of record or otherwise) affecting the Property at any time.

Within thirty (30) days from the date the Plan is accepted for filing by the Department of Law, Sponsor will arrange to keep on file with Selling Agent at its office at the Building, a listing of (or copies of) all outstanding violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development, which list will be periodically updated until the First Unit Closing and which list will be made available for inspection by prospective Purchasers.

As set forth in the Section of the Plan entitled "Effective Date"," if the cost to cure title defects exceeds certain dollar amounts therein set forth, Sponsor shall have the right to abandon the Plan rather than cure such title defects. The existence of any title defects will not constitute an objection to title or excuse any Purchaser from completing payment of the balance due under his or her Purchase Agreement (without provision for escrow), provided that Sponsor either furnishes adequate proof that such defect has been cured or remedied or deposits with the Condominium Board a reasonable sum to secure Sponsor's obligation to cure and remedy such title defect subsequent to the First Unit Closing. At Sponsor's request, the Condominium Board will apply the sums so deposited towards payment of the cost of curing or remedying title defects, except the Condominium Board may retain a sufficient portion of such security deposit to pay for the reasonable costs of curing or remedying the remaining title defects.

Sponsor shall procure fire insurance coverage, on behalf of the Condominium, at the Condominium's expense, to be effective at the First Unit Closing, in the amount set forth in

the Footnotes to Schedule B. Sponsor believes, based upon the opinion of I Dachs & Sons, Inc., that the fire and casualty insurance coverage set forth in such Schedule B is adequate.

Immediately following the First Unit Closing, Sponsor will assign to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume, all assignable service and maintenance contracts and agreements relating to the Property, other than those contracts or agreements pertaining solely to the Commercial Units and/or the Commercial Limited Common Elements. The Condominium will indemnify Sponsor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the First Unit Closing occurs.

Unsold Residential Units

Title to each Unsold Residential Unit will remain in Sponsor until the Unit is sold and a deed delivered to the Purchaser. Sponsor reserves the right to procure a Sponsor Successor which may become the owner of certain or all Unsold Residential Units. From and after the first Unit Closing, Sponsor will be obligated to pay Common Charges, special assessments and real estate taxes and to perform other duties as a Unit Owner with respect to any Unsold Residential Units for as long as same are owned by Sponsor. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Residential Units. No bond has or will be furnished by Sponsor to secure payment of such Common Charges.

Sponsor reserves the right to sell Units to investors who intend to rent and not to occupy their Units personally.

General Obligations

Sponsor represents that until the First Unit Closing, the Property will be maintained, repaired, cared for and operated in substantially the same condition and manner as it was on the Presentation Date of the Plan, subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If Sponsor is prevented from so maintaining the Property for any of these reasons other than fire or other casualty, Sponsor will make any repairs subsequent to the First Unit Closing that it was obligated to make prior thereto. Notwithstanding the foregoing, Sponsor shall have no obligation to cure any violations with respect to the Building.

All representations under the Plan, all obligations pursuant to the GBL, and such additional obligations under the Plan which are to be performed subsequent to the First Unit Closing will survive delivery of a deed to a Unit.

The foregoing sets forth the entire extent of the obligations of Sponsor and no other obligations will be implied, except that nothing contained herein will be deemed to limit the rights of Purchasers under their respective Purchase Agreements. Sponsor makes no representations or warranties other than as set forth in this Section. Sponsor will not be liable for any claims or obligated to defend any suits with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of tide to such Unit or the leasing thereof to any Purchaser or, with

respect to the Common Elements, arising out of any occurrence taking place on or after the date of the First Unit Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in this Plan.

Obligations of Sponsor hereunder with respect to the Condominium and the Common Elements will be enforceable only by the Condominium Board on behalf of all Unit Owners. In no event will any obligations of Sponsor under this Section be enforceable by individual Unit Owners unless the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of written notice of such claim by any Unit Owner to the Condominium Board.

Sponsor will be obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions, and agrees to indemnify the Board of Managers and the Unit Owners, arising from said suits or proceedings.

Sponsor has not furnished any bond or other security for the performance of its obligations under the Plan. Sponsor represents that it has the financial resources to enable it to meet its obligations with respect to unsold units. No bond or other security has been furnished by the Sponsor, and the Sponsor's ability to meet this obligation will depend solely upon its financial condition if and when called upon to perform.

Mortgagee's Conditions to Closing

As a condition to closing, the Mortgagee will release the units from its lien upon the following: (i) deposit of $3,000,000.00 with the Lender for three (3) years; (ii) mortgagee receives copy of filed plan; (iii) thirty (30) days prior written notice of sale with copies of executed Purchase Agreements with bona fide third party arms length purchase for value; (iv) the sale price of the Unit is equivalent or greater than eighty (80%) percent of Minimum Sale Price, provided that if the actual proposed sale price for any Unit is less than the Minimum Sale Prices Sponsor will obtain Lender's consent before entering into a Purchase Agreement for said Unit; and (v) Mortgagor pays to Mortgagee a sum (the "Release Price") equal to eighty five (85%) percent of the "net sale proceeds" of such Unit, together with any Unit prepayment Charge; (vi) after each Release, the Remainder Parcel must be in full compliance with all applicable laws, rules, regulations and ordinances of all governmental authorities having or claiming jurisdiction thereover and all other applicable laws; (vii) Mortgagor shall procure, at mortgagor's sole cost and expense, from the title company insuring the lien of this Mortgage an endorsement to Mortgagee's title insurance policy which shall provide that the coverage afforded by such policy shall be unaffected as a result of the Release; and (viii) payment of all customary costs and expenses, including reasonable attorney's fees and expenses, incurred by Lender in connection with the review of the Conversion Documents and with the preparation and execution of the Release shall be paid by Mortgagor.

There is no rental requirements by the Lender that affect the Sponsor as to the sale or inspection of sale of Units.

CONTROL BY SPONSOR

Until the first meeting of the Unit Owners following the First Unit Closing, the members of the Condominium Board shall consist of three (3) persons appointed by the Sponsor namely Bruce Orlofsky, Jason Orlofsky and Mitchell Orlofsky. From and after such first meeting of the Unit Owners, the Condominium Board shall be composed of five (5) members. The Commercial Unit Owners shall, at all times, as a group, have the right to designate one (1) member of the Condominium Board to represent them on the Condominium Board, which one member represents 20% of the 5 member Condominium Board. The balance of the Condominium Board, consisting of four (4) members, shall be Residential Members. During the Initial Control Period, the Unsold Residential Unit Owners (including Sponsor) shall have the right, as a group, to designate three (3) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Residential Unit Owners (including Sponsor) may (or may not be) related to or affiliated with Sponsor or other Unsold Residential Unit Owners, and the balance of the Residential Members shall be selected by plurality vote (in accordance with the By-laws) of the Residential Unit Owners (including Sponsor and other Unsold Residential Unit Owners) from candidates nominated by one or more Residential Unit Owners not related to or affiliated with Sponsor or other Unsold Residential Unit Owners (each a "Non-Sponsor Owner"). There is no restriction on the right of Sponsor and other Unsold Residential Unit Owners to vote for Residential Members who are nominated by Non-Sponsor Owners. After the Initial Control Period, the owners of Unsold Residential Units (including Sponsor) shall have the right, as a group, to designate the following number of members of the Condominium Board: (a) one (1) Residential Member of the Condominium Board for so long as the Common Interests attributable to the Unsold Residential Units, as a group, equals, in the aggregate, more than ten (10%) percent of the Common Interests of all Residential Units and (b) one (1) Residential Member of the Condominium Board, for so long as there are at least two (2) Unsold Residential Units. Accordingly, after the Initial Control Period, Unsold Residential Unit Owners (including Sponsor) shall have the right, as a group, to designate not more than one (1) Residential Member of the Condominium Board who, in the sole discretion of the Unsold Residential Unit Owners (including Sponsor) may (or may not be) related to or affiliated with Sponsor or other Unsold Residential Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the By-laws) of the Residential Unit Owners (including Sponsor and other Unsold Residential Unit Owners) from among the candidates nominated by one or more Non-Sponsor Owners.

After the expiration of the Initial Control Period, so many of those Residential Members who are related to or affiliated with Sponsor or other Unsold Residential Unit Owners as shall exceed the following applicable number shall resign from the Condominium Board, following the calling of a meeting within thirty (30) days after the expiration of the Initial Control Period for the purposes of electing new Board Members.

The effect of the foregoing is that, from and after the first meeting of Unit Owners and prior to the expiration of the Initial Control Period, one (1) of the four Residential Members of the Condominium Board shall be elected from among candidates nominated by Non-Sponsor Owners and after the Initial Control Period at least two (2) of the four (4) Residential Members of the Condominium Board of the total four (4) member Condominium Board shall be elected

from among candidates nominated by Non-Sponsor Owners. However, for an indeterminate period after the Initial Control Period, Sponsor will continue to exercise significant control with respect to the composition of the Condominium Board on account of, among other things, (i) Sponsor's right to vote on Residential Members of the Condominium Board from among a slate of candidates nominated by one or more Non-Sponsor Owners (in addition to its right to designate the applicable specified number of Residential Members of the Condominium Board as provided above) and (ii) to the extent that Sponsor or an affiliate of Sponsor shall continue to own the Commercial Unit(s), the right of Sponsor and/or an affiliate of Sponsor, as the owner(s) of the Commercial Unit(s), to designate one (1) member of the Condominium Board as provided above (such right to designate such member on the part of the Commercial Unit Owners not being affected by whether or not Sponsor or an affiliate of Sponsor shall own the Commercial Unit(s)).

The number of members of the Condominium Board may not be increased without the consent of all Commercial Unit Owners and, so long as there remains at least one Unsold Residential Unit, all Unsold Residential Unit Owners (including Sponsor and all Sponsor Successors). All Residential Members who are not designated or elected by Unsold Residential Unit Owners (including Sponsor) shall be required to own a Residential Unit for so long as they are Residential Members.

In the case where there shall be more than one Commercial Unit Owner, the allocation among the Commercial Unit Owners of the right to designate the one (1) member of the Condominium Board which may be designated by the Commercial Unit Owners as a group, as provided above, will be determined by one or more agreements among the Commercial Unit Owners, which shall have been consented to in writing by the holder(s) of record of any and all mortgages of record on the affected Commercial Unit(s) (collectively, "Applicable Commercial Unit Mortgagee Consent"), but the Condominium will not be bound thereby unless such agreements are in writing and a copy thereof and of the Applicable Commercial Unit Mortgagee Consent shall have been delivered to the Condominium Board no later than that date which is one (1) day prior to the date of the particular duly called meeting of the Unit Owners at which the members of the Condominium Board are to be elected or selected. Once a transferee of a Commercial Unit has received from the transferor of such Unit the right to designate one or more members of the Condominium Board, then neither the consent nor the approval of the transferor, any of the transferor's successor or assigns nor the Condominium Board shall be required for such transferee's further assignment of such right to designate member(s) of the Condominium Board to any new transferee of a Commercial Unit from such original transferee (but subject to compliance by such original transferee with the foregoing provisions of this paragraph pertaining to transfer by such original transferee of the right to designate members of the Condominium Board). A purchaser at foreclosure or deed in lieu of foreclosure with respect to a Commercial Unit shall automatically acquire the rights of the (former) owner of such Commercial Unit to designate members of the Condominium Board.

In the case where there shall be more than one Unsold Residential Unit Owner, the allocation among the Unsold Residential Unit Owners (including Sponsor) of the right of the Unsold Residential Unit Owners, as a group, to designate Residential Members of the Condominium Board, as provided above, will be determined by one or more agreements among

the Unsold Residential Unit Owners, which shall have been consented to in writing by the holder(s) of record of any and all mortgages of record on the affected Unsold Residential Unit(s) (collectively, "Applicable Unsold Residential Unit Mortgagee Consent"), but the Condominium will not be bound thereby unless such agreements are in writing and a copy thereof and of the Applicable Unsold Residential Unit Mortgagee Consent shall have been delivered to the Condominium Board no later than that date which is one (1) day prior to the date of the particular duly called meeting of the Unit Owners at which the members of the Condominium Board are to be elected or selected. Once a transferee of an Unsold Residential Unit has received from the transferor of such Unit the right to designate one or more Residential Members of the Condominium Board, then neither the consent nor the approval of the transferor, any of the transferor's successor or assigns nor the Condominium Board shall be required for such transferee's further assignment of such right to designate member(s) of the Condominium Board to any new transferee of an Unsold Residential Unit from such original transferee (but subject to compliance by such original transferee with the foregoing provisions of this paragraph pertaining to transfer by such original transferee of the right to designate Residential Members of the Condominium Board). A purchaser at foreclosure or deed in lieu of foreclosure with respect to an Unsold Residential Unit shall automatically acquire the rights of the (former) owner of such Unsold Residential Unit to designate Residential Members of the Condominium Board.

As long as Unsold Residential Unit Owners (including Sponsor) continue to own at least twenty-five percent (25%) of the Residential Units during the five (5) years following the First Unit Closing, the Condominium Board will not be permitted, without the prior written consent of a Majority in Common Interest of Unsold Residential Unit Owners to:

(a) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

(b) assess any Common Charges or special assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of the lesser of (i) five percent (5%) in the aggregate of the estimated General Common Expenses and Residential Limited Common Expenses for any one (1) fiscal year of operation or (ii) the maximum assessment permitted under Applicable Law;

(c) increase the number or change the type of employees from that described in the First Year Budget;

(d) enter into any service or maintenance contracts for work not covered in the First Year Budget;

(e) borrow money on behalf of the Condominium; or

(f) exercise a right of first refusal to lease or purchase a Unit.

Notwithstanding the foregoing, the Unsold Residential Unit Owners (including Sponsor) may not exercise a veto over expenditures which: (i) conform to the First Year Budget and are for the period covered by the First Year Budget; or (ii) are required to comply with Applicable Law, including expenditures required to cure any notices of violations; or (iii) are necessary to remedy

any work order by an insurer which is the responsibility of the Condominium Board to remedy. See "Rights and Obligations of Condominium Board/Summary of By-Laws."

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RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND CONDOMINIUM BOARD: SUMMARY OF BY-LAWS

Rights and Obligations of Unit Owners

Common Interest

Each Unit has been allocated a percentage ownership of the Common Elements of the Condominium (a "Common Interest") in accordance with New York Real Property Law Section 339-i subdivision 1.(iv) 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. Every Unit Owner will be responsible for his proportionate share of the General Common Expenses of the Condominium, based upon the Common Interest of his or her Unit. Each Unit Owner will have the same proportionate share of any common profits of the Condominium or any distribution upon termination or condemnation of the Condominium.

Description of Unit

A Unit Owner will obtain fee title to the Unit, subject to the Permitted Encumbrances. Generally, each Unit is measured: (1) vertically from the top of the concrete slab below the Unit to the bottom of the concrete slab above the Unit; and (2) horizontally by (a) the exterior face of the brickwork constituting the exterior walls of the Building bounding the Unit, (b) the exterior face of interior walls and partitions separating the Unit from Common Elements (if any) and (c) the center line of walls separating the Unit from other Units. Each Unit includes and each Unit Owner is responsible for the door and windows opening from the Unit. References in this paragraph to the exterior face are from the perspective of a person standing within the Unit. For a detailed description of the Unit to be conveyed, see "Declaration" and "Floor Plans" in Part II of the Plan. Each Commercial Unit will include, without limitation, (1) all related Facilities located within the Commercial Unit exclusively serving the Commercial Unit and (2) where any portion of a Commercial Unit includes more than one story in height, any mezzanine levels within such space.

Description of Common Elements

The Common Elements of the Condominium consist of the entire Property other than the Units. A Unit Owner will have an undivided interest in all of the Common Elements. The Common Elements may not be divided or partitioned except as provided in the Condominium Act.

The Common Elements consist of the General Common Elements and the Limited Common Elements. The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners (in which event they are called "Residential Limited Common Elements"), (b) the Commercial Units or the Commercial Unit Owners (in which event they are called "Commercial Limited Common Elements") and (c) from and after any subdivision of the Commercial Unit

into more than one Unit, those Commercial Limited Common Elements which serve one or more but not all of the Commercial Units or the Commercial Unit Owners (in which event they are referred to as "Individual Commercial Limited Common Elements").

The General Common Elements are all of the Common Elements exclusive of the Limited Common Elements and include generally (even if within the dimensions of a Unit) the following: (a) the Land; (b) all foundations, columns, girders, concrete floor slabs, ceilings, supports and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed structural members of those units; (c) to the extent not expressly part of a Unit or a Limited Common Element, the roofs of the Building (excluding the Residential Terraces) and all walls and partitions separating Units from the Common Elements; (d) the Common Plazas, (e) the loading docks, (f) the electric meters, gas meters, water meters, electric closets (except to the extent serving only the Residential Section or only the Commercial Section), electric, gas and water feeders and risers, the water tower(s) and the sprinkler system, (g) cooling tower rooms, (h) the outdoor planter areas throughout the Property (except for planters within (or surrounded by) the Residential Terraces, as designated on the Floor Plans as Residential Limited Common Elements), (i) any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of both the Commercial Section (or portions thereof) and the Residential Section (or portions thereof) and which are not a part of any Unit or any Limited Common Element and (j) all Units which may hereafter be acquired and held by the Condominium Board on behalf of all Unit Owners but only while so held; and (I) all parts of the Property other than the Units and the Limited Common Elements.

Limited Common Elements

The Residential Limited Common Elements consist of, among other things, the following: (i) the Main Lobby, (ii) the Residential Plaza, (iii) kitchen and bathroom exhaust ducts, corridor and Residential Unit supply air ducts and all other Facilities in the floors and ceilings serving or benefiting exclusively the Residential Section, (v) the rooms and Facilities located as follows: (1) residential compactor room located on the Ground Floor and the chutes serving same and the residential mailboxes located in the Lobby of the Building, (vi) the outdoor trash or refuse containers and recycling containers, servicing generally the Residential Unit, located from time to time within or in the general vicinity of the Building (but excluding the land underneath such containers) and all equipment ancillary thereto whether or not located in such vicinity, including, without limitation, compactor equipment and equipment for disposal or removal from the Property of the trash, refuse and/or recyclable materials deposited in such containers (collectively, the "Refuse Disposal Equipment"), (vii) electric closets serving only the Residential Section, (viii) all passages, hallways and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Residential Units, Storage Units or part of the Commercial Units, Commercial Limited Common Elements, Individual Commercial Limited Common Elements or General Common Elements, (x) all other Facilities exclusively serving the Residential Section, excluding the Residential Units, the Storage Units, the Commercial Units, the Commercial Limited Common Elements, any Individual Commercial Limited Common Elements and the General Common Elements and which are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

The Commercial Limited Common Elements consist of, among other things, the following: (i) duct work, including exhaust ducts, corridor and Commercial Unit supply air ducts and all other HVAC and electric and similar Facilities serving or benefiting exclusively the Commercial Section, (ii) all windows in the Commercial Section other than windows which are part of a Commercial Unit, (iii) the Commercial Elevators (iv) the outdoor Parking Areas, (v) electric closets serving only the Commercial Section, (vi) all passages, hallways and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Commercial Units, Residential Units, the Residential Limited Common Elements or General Common Elements, (vii) all remaining Facilities exclusively serving the Commercial Section, excluding the Commercial Units, the Residential Units, the Residential Limited Common Elements and the General Common Elements, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Commercial Section.

The Residential Limited Common Elements are restricted for use only by Residential Unit Owners and their tenants, guests and invitees only, subject to certain easements and other rights in favor of the Commercial Unit Owners and the Condominium Board as set forth below and in the Declaration and the By-laws. The Commercial Limited Common Elements are restricted for use only by Commercial Unit Owners and their tenants, guests and invitees only, subject to certain easements and other rights in favor of the Residential Unit Owners and the Condominium Board as set forth below and in the Declaration and the By-laws.

Sales and Leases of Units

Unless approved by the Condominium Board in its sole discretion, no Residential Unit Owner, other than Sponsor, an Unsold Residential Unit Owner or their designees, may enter into a lease for a Residential Unit or any other agreement or arrangement (involving the payment of money or other consideration) for the occupancy or permitting the occupancy of a Residential Unit, in each case, for a term or period of less than one (1) year, not including any renewal terms or renewal periods that may be provided for. The foregoing one year requirement is referred to herein as the "Minimum Lease Term Requirement."

Any Residential Unit Owner may sell or lease his or her Residential Unit or Storage Unit (which, in the case of a lease, shall comply with the Minimum Lease Term Requirement), provided he or she first gives the Condominium Board notice of his or her intention to sell or lease such Unit and an opportunity to purchase or lease such Unit, as the case may be, at the same price or rental and on the same terms as are offered in good faith by a prospective purchaser or lessee, as the case may be, as more specifically provided in the By-Laws. If the Condominium Board does not elect to purchase or lease such Unit, as the case may be, by giving written notice as provided in the By-Laws to such Unit Owner within fifteen (15) days after receipt of the Unit Owner's notice of intention to sell or lease described above, then the Unit Owner will have a period of ninety (90) days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in the notice. If such written agreement is not executed by the Unit Owner within the ninety (90) day period, or the sale or lease, as the case may be, is not consummated on or before the intended closing date, or commencement date of the term of the lease which, as the case may be, is provided in the

notice, then the Unit Owner will be required to offer again the Unit first to the Condominium Board as described above before entering into such sale or lease. The terms of any such lease, including the rent, will be subject to any applicable state and local laws.

The Condominium Board may exercise its option to purchase or lease any Unit as provided above without prior approval of a Majority in Common Interest of Unit Owners. If the Condominium Board elects to exercise such right of first refusal, 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 Condominium Board. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner, pro rata in accordance with the Common Interest of such Unit's Owner's Unit, as a General 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" (as such term is defined in the Declaration).

While held by the Condominium Board, such Units may be used for any purpose permitted by law for which such Unit may be used pursuant to the Declaration and the By-Laws. The Condominium Board may sublet any such Unit which is so leased without the consent of the landlord. Any Unit which is acquired and held by the Condominium Board on behalf of all Unit Owners shall become part of the General Common Elements, but only while so held. If any Unit shall be acquired by the Condominium Board, or its designee, on behalf of some or all Unit Owners, as tenants in common, then all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit. The Condominium Board has the power to sell, lease, mortgage, or otherwise deal with any Unit acquired by the Condominium Board or its designee, on behalf of all Unit Owners, but shall not have the power to cast the votes appurtenant to such Unit. Any proceeds of the disposition of a Unit will be received by the Condominium Board for all Unit Owners.

The owner of a Residential Unit occupied by a Non-Purchasing Tenant who transfers ownership to such Unit will cause such Non-Purchasing Tenant and the Condominium Board to receive prompt notification of such transfer of ownership (other than in the case of a transfer to the Non-Purchasing Tenant with respect to such Unit) and the Condominium Board is required to retain and make available such information to affected Non-Purchasing Tenants.

The Condominium Board may not discriminate against any person for any reason proscribed by applicable civil rights laws.

The sale and lease restrictions described above shall not apply to (A) any Commercial Unit, (B) any Unsold Residential Unit, (C) any Residential Unit which is owned by (1) the Sponsor, any Sponsor Successor or any Unsold Residential Unit Owner or any designee thereof or (2) the Condominium Board, or (D) the sale, transfer or lease of a Unit to or by a Mortgagee or its nominee, including, without limitation, a foreclosure sale, (E) any Unit transferred by the Unit Owner thereof to his or her spouse, adult child, parent, adult sibling or to any affiliate of the Unit Owner; or (F) any Unit transferred by a Unit Owner by gift,

devise, will or intestacy; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the sale and lease restrictions described above.

Notwithstanding the foregoing, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than any mortgages) are paid and satisfied at or prior to closing. The foregoing provision is inapplicable to a conveyance to (i) a purchaser at a foreclosure sale brought by a Permitted Mortgagee with respect to a Unit covered by a Permitted Mortgage or (ii) a conveyance of a Unit by deed in lieu of foreclosure to a Permitted Mortgagee or its nominee. However, a sale by a Permitted Mortgagee or its nominee to a bona fide purchaser shall not be deemed to be a sale to a nominee and any conveyance by such bona fide purchaser shall again be subject to the requirement that all Common Charges and liens against the Unit must be paid or satisfied at or prior to closing.

A conveyance of a Unit by a Unit Owner must include the appurtenant Common Interest for such Unit.

Restrictions on Occupancy and Use

The Rules and Regulations annexed to the By-Laws provide, in part, as follows:

(i) No pets (including without limitation, a dog, cat or bird) may be kept in a Residential Unit without the consent of the Board or the Managing Agent; provided that a dog, cat or bird, as the case may be, may be kept in a Residential Unit if a dog, cat or bird, as the case may be, was previously permitted by Sponsor under the express terms of a lease or lease renewal (or rider thereto) covering such Residential Unit entered into or which went into effect prior to the First Unit Closing (as defined in the Plan). Each Residential Unit Owner who keeps any type of pet in his or her Unit will be required to (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium adopted with respect thereto. The Condominium Board may require that pet owners enter into an agreement with the Board confirming such owners' obligations with respect to their pets and, in any event, the Condominium Board may require the removal of a pet which causes a nuisance, health hazard or unsanitary condition.

(ii) no sign shall be affixed by any Residential Unit Owner (other than Sponsor, an Unsold Residential Unit Owner or their designees) on any part of the outside of the Building, and also no awnings, aerials or other projections shall be attached by any Residential Unit Owner to the outside of the Building, and no blinds, shades or screens shall be used by any Residential Unit Owner on the exterior of any window or door of any Residential Unit, or shall be visible through the exterior windows of any Residential Unit, without, in each case, the prior written consent of the Condominium Board, which consent shall not be unreasonably withheld or delayed; The foregoing provisions shall not be applicable to Sponsor, any Unsold Residential Unit Owner or their designees.

(iii) As provided in the Declaration, each Residential Unit may be used only for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law, as provided in the Declaration, the certificate of occupancy for the Building, and applicable zoning law, except that the Sponsor and any affiliates

of the Sponsor shall have the right, without charge, (a) to have a general or sales office in one or more Units or elsewhere on the site, to use one or more Units as models and for other promotional purposes in connection with the sale or lease of Units; (b) to have its employees, contractors and sales agents present on the site; and (c) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to comply with their obligations under this Plan.

(iv) Residential Unit Owners shall not cause or permit any disturbing noises or objectionable odors from their Residential Units, or permit or keep in their Residential Units any inflammable, combustible or explosive material, chemical or substance (except as required in normal professional and business use);

(v) the Commercial Units and Commercial Section may be used for any lawful purpose. SUCH USE MAY BE NOISY, CAUSE HEAVY TRAFFIC AND NEED NOT NECESSARILY BE COMPATIBLE WITH THE RESIDENTIAL CHARACTER OF THE BUILDING. Notwithstanding the foregoing, the Commercial Units may not be used for (i) the sale or display of pornographic photographs, movies or videotapes or as a so-called rubber goods shop or (ii) any nude or semi-nude live performances or nude modeling or as a sex club or massage parlor.

(vi) except as provided otherwise in the Declaration, the General Common Elements and Residential Limited Common Elements shall not be obstructed or encumbered by refuse or otherwise and the General Common Elements and Residential Limited Common Elements shall not be altered or affected by any Unit Owner without the prior written consent of the Condominium Board.

Each of Sponsor, its designees and the Commercial Unit Owners shall have the right, without the consent of the Condominium Board or any Unit Owner, to seek to amend the certificates of occupancy for the Building and/or obtain any required special permit, other permit, zoning variance or other variance, in order to permit changes to the permitted use(s) of the Commercial Units or to eliminate restrictions on such use and such change of use shall not require the consent of the Condominium Board or any Unit Owner.

There are no restrictions on occupancy of any Unit applicable to Units owned by corporations, partnerships, limited liability companies or other entities or fiduciaries, which, by virtue of such form of ownership, are in addition to those restrictions applicable to individual Unit Owners.

Further restrictions on the use of Units are set forth in the Declaration, By-Laws and in the Rules and Regulations reproduced in Part II of the Plan.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit provided that the Condominium Board is notified in writing as provided in the By-Laws of the making of such mortgage and the Condominium Board receives a conformed copy of the note and mortgage. The By-Laws provide certain special rights to the holder of a Permitted Mortgage against a Unit.

Common Charges – Determination and Assessment

The Condominium Board determines the amount of General Common Expenses (which are paid by both the Residential Unit Owners and the Commercial Unit Owners) and the Residential Common Expenses (which are paid for solely by the Residential Unit Owners). General Common Expenses include, without limitation, the expenses of maintaining and operating the General Common Elements and certain of the types of expenses set forth in Schedule B, which covers the First Year of Condominium Operation. In the discretion of the Condominium Board, the General Common Expenses may also include monies needed to establish reserves, working capital and other sums necessary to carry on the affairs of a condominium. Residential Common Expenses include, without limitation, the expenses of maintaining and operating the Residential Limited Common Elements and certain of the types of expenses set forth in Schedule B as they pertain only to the Residential Units, the Residential Limited Common Elements or the Residential Unit Owners. Residential Common Expenses include, without limitation, (i) the expenses of maintaining and operating the Residential Limited Common Elements, (ii) the cost of staff necessary for the operating, repair and maintenance of the Residential Limited Common Elements, and (iii) 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 Residential Limited Common Elements. In the discretion of the Condominium Board, the Residential Common Expenses may also include reserves, working capital and other sums necessary to carry on the affairs of the Residential Section.

Notwithstanding anything to the contrary contained in the Plan, the Commercial Unit Owners shall not bear any share of the cost of any employee of the Condominium except only that they shall bear a pro rata share (in accordance with the respective Common Interests of their respective Commercial Units) of the cost of one non-resident superintendent but not any other employee.

The Commercial Common Expenses are determined and collected by the Commercial Unit Owners and cover the expenses of maintaining and operating the Commercial Limited Common Elements.

The Common Expenses set forth in Schedule B do not include maintenance, repairs or decoration of any of the Units or any portions thereof, payments required pursuant to the terms of the Unit Owners' mortgages and real estate taxes covering the individual Units. However, until the Units are separately assessed, all real estate taxes with respect to the Property will be treated as a General Common Expense. See Schedule A and **[Unit]Closing Costs and Adjustments."** The fact that a Unit Owner may have established escrow deposit(s) with such Unit Owners mortgage lender for the payment of real estate taxes by such mortgage lender with respect to such Unit Owners Unit, shall not release such Unit Owner from such Unit Owners responsibility to timely pay (or cause its mortgage lender to pay), by such date as may be determined by the Condominium Board, such Unit's pro rata portion (based upon such Unit's Common Interest) of such portion of the General Common Charges assessed for the purpose of payment of real estate taxes. If, prior to the separate assessment of the Units for real estate tax purposes, the Condominium Board shall fail to timely pay all or any portion of the real estate taxes levied with respect to the Property,

Sponsor and each other Unsold Residential Unit Owner shall have the right (but not the obligation) to pay such taxes not timely paid and the Condominium Board shall reimburse Sponsor or other Unsold Residential Unit Owner, as the case may be, upon demand, for the amount of such taxes so paid, plus interest thereon until paid in full, at a rate of interest equal to prime rate as announced from time to time by Citibank, N.A.

The Condominium Board may commence to assess General Common Charges and Residential Common Charges upon the First Unit Closing or at any subsequent date as in its sole discretion it may determine. The aggregate of the estimated General Common Charges and Residential Common Charges projected for the First Year of Condominium Operation which will be collected monthly by the Condominium Board (based on the General Common Expenses and Residential Common Expenses as estimated in Schedule B) are set forth on Schedule A. However, additional services which the Unit Owners may desire or other factors can increase these charges. Each Unit Owner will be required to pay a portion of the General Common Expenses in accordance with the respective Common Interest of such owners Unit (except as otherwise provided in Schedule B, the Declaration or the By-Laws). Each Residential Unit Owner shall, in addition, be required to pay a portion of the Residential Common Expenses in accordance with the Percentage of Residential Common Interest of such owners Residential Unit, as the case may be.

At least annually the Condominium Board will prepare and furnish to the Unit owners a budget for General Common Expenses and a budget for Residential Common Expenses. The Condominium Board will assess in advance General Common Charges against each Unit Owner to meet General Common Expenses and will assess in advance Residential Common Expenses against each Residential Unit Owner to meet Residential Common Expenses.

Notwithstanding anything to the contrary set forth in the Plan, if a Unit Owner owns more than one Unit, such Unit Owner shall have the right to designate, by notice to the Condominium Board or its Managing Agent, how a payment of Common Charges or a special assessment (or installment thereof), as the case may be, shall be allocated and credited as among the Units owned by such Unit Owner, which designation shall be binding upon the Condominium Board, provided that notice of such designation is received by the Condominium Board or its managing agent either with such payment or by separate notice received no later than fifteen (15) days after receipt of payment.

The provisions of the By-laws concerning allocation of the costs of electricity, gas and water (and appurtenant sewer charges) (collectively, the "Utilities" and, individually, a "Utility"))consumed at the Building (including, without limitation, in the Units and in the Common Elements) are set forth in Article V, Section 16 of the By-laws and are summarized below. However, for purposes of the projection set forth in the Projected Budget for the First Year of Condominium Operation as set forth in (**"Schedule B: Projected Budget for First Year of Condominium Operation"**), it is assumed that the provisions of the paragraph immediately following shall apply during the First Year of Condominium Operation, that is, that the Commercial/Residential Utilities Severance Condition (as defined below; requiring certain metering or submetering) shall not be met prior to or during the First Year of Condominium Operation. Sponsor is under no obligation to cause such condition to be satisfied at any time. Whenever reference is made above to payment of costs of Utilities,

such costs are deemed to include, without limitation all utility taxes, surcharges and other taxes and charges relating thereto, including, without limitation, the costs of the utility commodity and all additional fees and charges for delivery, distribution or transport of the utility commodity.

The Condominium Board is to promptly pay all of the cost of Utilities consumed at the Property, exclusive of any Direct Metered Utility Consumption (the "Non-Direct Metered Consumption"). Except as otherwise specifically provided below and regardless of any sub-metering or direct metering that may exist from time to time (except as otherwise specifically provided below, the cost of such Utilities (exclusive of the Direct Metered Utility Consumption, as defined below) shall be a General Common Expense and borne by all Unit Owners in accordance with the respective Common Interests of their respective Units. However, the cost of all Direct Metered Utility Consumption (i) with respect to a particular Unit shall be paid by the owner of such Unit directly to the applicable supplier(s) of the Utility or Governmental Authority payee, as the case may be, (ii) with respect to the Residential Limited Common Elements, if any, shall be a Residential Common Expense and paid by the Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units and Storage Units and (iii) with respect to the Commercial Limited Common Elements, if any, shall be a Commercial Common Expense and paid by the Commercial Unit Owners in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units. As of the Filing Date, the only Direct Metered Utility Consumption was the water consumed at 12 4th Avenue, Brooklyn, New York (located within the Commercial Unit, currently occupied by ProLine Electronics).

As used herein, the following terms shall have the respective meanings given them

(a) "Direct Metered Utility Consumption" shall mean the consumption of a Utility within a Unit, Residential Limited Common Elements or Commercial Limited Common Elements, as the case may be, the consumption of which is directly metered and billed by the utility supplier (or Governmental Authority payee) to the owner(s) of such Unit or the party (including, without limitation, a tenant) consuming such Utility, as the case may be.

(b) "Commercial/Residential Utilities Severance Condition" shall mean the separate metering by submetering and/or direct metering of all of the Utilities with respect to each of the following as a group (1) the entire Residential Section, (2) the entire Commercial Section and (3) the General Common Elements. Unless all Utilities shall be separately metered (submetered and/or direct metered) as to each of the foregoing groups, the Commercial/Residential Utilities Severance Condition shall not be deemed to have been met. Surveys of utility usage by any utility consumption expert or otherwise shall not be accepted as a substitute for actual metering and shall have no affect on the allocation of the costs of Utilities.

(c) "Commercial Section Utilities Consumption" shall mean the amount of one or more Utilities (as the context requires) consumed within the Commercial Section.

(d) "Residential Section Utilities Consumption" shall mean the amount of one or more Utilities (as the context requires) consumed within the Residential Section.

(e) "Individual Commercial Metered Condition" shall mean the separate and complete metering by submetering and/or direct metering, with respect to a particular Utility, of each of the

respective Commercial Units. The Individual Commercial Metered Condition may be satisfied as to one or more Utilities but will not be deemed satisfied unless the Commercial/Residential Utilities Severance Condition shall also be satisfied (as to all Utilities). Surveys of utility usage by any utility consumption expert or otherwise shall not be accepted as a substitute for actual metering and shall have no affect on the allocation of the costs of Utilities.

(f) "Individual Residential Metered Condition" shall mean the separate and complete metering by submetering and/or direct metering of each of the respective Residential Units with respect to all of the Utilities. The Individual Residential Metered Condition will not be deemed satisfied unless the Commercial/Residential Utilities Severance Condition shall also be satisfied. Surveys of utility usage by any utility consumption expert or otherwise shall not be accepted as a substitute for actual metering and shall have no affect on the allocation of the costs of Utilities.

If and when the Commercial/Residential Utilities Severance Condition shall be satisfied, however,

(1) All Unit Owners shall pay, to the Condominium Board within fifteen (15) days after billed, in accordance with the respective Common Interests of their respective Units, the cost of the Utilities consumed within the General Common Elements (including without limitation the cooling towers located therein);

(2) The Residential Unit Owners shall pay, to the Condominium Board within fifteen (15) days after billed, in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units, the cost of the Residential Section Utilities Consumption, exclusive of any Direct Metered Utility Consumption of the Residential Units (and each Residential Unit Owner shall pay, if applicable, the cost of any Direct Metered Utility Consumption consumed within such owner's Residential Unit directly to the applicable supplier(s) of the Utility or Governmental Authority payee, as the case may be); provided, however, that if and when the Individual Residential Metered Condition shall be met with respect to all of the Utilities,

(i) the Residential Section Utilities Consumption of each Utility within each Residential Unit shall be paid for solely by the owner of such Residential Unit in accordance with actual submetered (or direct metered) consumption of such Unit, such payment to be made to the Condominium Board (within fifteen (15) days after billed) or directly to the applicable supplier of such Utility (or Governmental Authority payee), as the case may be; and

(ii) the cost of such Utility consumed within the Residential Limited Common Elements shall be paid by all Residential Unit Owners in accordance with the respective Percentages of Residential Common Interests of their respective Residential Units.

(3) The Commercial Unit Owners shall pay, in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units, the cost of the Commercial Section Utilities Consumption, exclusive of any Direct Metered Utility Consumption of the Commercial Units (and each Commercial Unit Owner shall pay, if applicable, the cost of any Direct Metered Utility Consumption consumed within its

Commercial Unit directly to the applicable supplier(s) of the Utility or Governmental Authority payee, as the case may be); provided, however, that if and when the Individual Commercial Metered Condition shall be met with respect to a particular Utility,

(i) the Commercial Section Utilities Consumption of such Utility within each Commercial Unit shall be paid for solely by the owner of such Commercial Unit in accordance with actual submetered (or direct metered) consumption of such Unit, such payment to be made to the Condominium Board (within fifteen (15) days after billed) or directly to the applicable supplier of such Utility (or Governmental Authority payee), as the case may be; and

(ii) the cost of such Utility consumed within the Commercial Limited Common Elements shall be paid by all Commercial Unit Owners in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units.

The Condominium Board will have the right, power and authority to (1) effect submetering (or direct metering) of the Utilities as required to meet the Commercial/Residential Utilities Severance Condition and the cost of such submetering (and/or direct metering) shall be a General Common Expense, to be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units, (2) effect submetering (and/or direct metering) as required to meet the Individual Residential Metered Condition with respect to the Utilities and the cost of such submetering (and/or direct metering) shall be a Residential Common Expense, to be borne by all Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units and Storage Units and (3) at the request of a Commercial Majority in Interest or the Commercial Board, as the case may be, effect submetering (and/or direct metering) as required to meet the Individual Commercial Metered Condition with respect to one or more Utilities and the cost of such submetering (and/or direct metering) shall be a Commercial Common Expense, to be borne by all Commercial Unit Owners in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units. No Residential Unit Owner shall have the right, without the prior written consent of the Condominium Board, to cause his or her Residential Unit to be submetered or directly metered as to any Utility. The Commercial Majority in Interest (or Commercial Board, as the case may be) shall have the full right, power and authority, without the consent of the Condominium Board or any Unit Owner, to effect submetering and/or direct metering of one or more Utilities (including, without limitation, electricity) with respect to all or any portion of the Commercial Section; provided, however, that (i) such submetering (and/or direct metering) unless done at the request of the Condominium Board or in connection with effecting the Commercial/Residential Utilities Severance Condition, shall be a Commercial Common Expense and (ii) such submetering (and/or direct metering) shall not affect the allocation of the costs of Utilities except as expressly provided in Article V, Section 16 of the By-laws. Each Commercial Unit Owner will have the right, at its sole cost and expense, to effect submetering and/or direct metering of its Commercial Unit or any portion thereof) without the consent of the Condominium Board or any Unit Owner and any difference in cost between the cost paid by a Commercial Unit Owner for a Utility and the

cost therefor charged to any tenant or occupant of any portion of such Commercial Unit shall be the property of such Commercial Unit Owner and neither the Condominium Board nor any other Unit Owner shall have any right to share in any such profit or difference in cost.

A Unit Owner shall not exceed the capacity of existing electrical feeders, risers or wiring installations and shall not use any electrical equipment which, in the reasonable opinion of the Condominium Board, will overload such feeders, risers or installations. Notwithstanding the foregoing, one or more Commercial Unit Owners shall have the right to install additional electric feeders, risers, wiring installations, equipment and/or Facilities so as bring additional electrical capacity or power to their respective Commercial Units and/or the Commercial Limited Common Elements; provided that (i) the cost of such feeders, risers, installations, equipment and Facilities shall be borne solely by such Commercial Unit Owners and (ii) all electricity delivered by such feeders, risers, installations, equipment and/or Facilities shall be separately metered and the costs thereof shall be borne by such respective Commercial Unit Owners. The Condominium Board may also elect to bring additional electrical capacity or power to the Building (including, without limitation, by the installation of additional electric feeders, risers, wiring installations, equipment and/or Facilities) to service the Residential Section, in which case (i) the cost of the installation of such additional capacity, feeders, risers, installations, equipment and Facilities shall be borne by the Residential Unit Owners as a Residential Common Expense and (ii) the cost of all electricity delivered by such feeders, risers, installations, equipment and/or Facilities shall be borne by the Residential Unit Owners in accordance with their respective Percentages of Residential Common Interest of their respective Residential Units and Storage Units; subject, however, to the above provisions which apply from and after the satisfaction of the Individual Residential Metered Condition.

Prior to the effectuating of the metering and other requirements of the Commercial/Residential Severance Condition, the By-laws permit, under certain circumstances, adjustments to a Commercial Unit Owner's share of the cost of all Utilities consumed at the Building for a particular period based upon surveys of consumption within the Commercial Unit conducted by a qualified independent expert. The relevant provisions of the By-laws are contained in Section 16(f) of Article V, which provides as follows:

(1) Notwithstanding anything to the contrary contained in this Section 16, if, based upon the results of surveys of consumption of not less than all the Utilities as conducted by a qualified independent expert for each Utility retained by the Condominium Board (collectively, the "Condominium Board Utility Expert"), the sum of:

(A) the total cost of all Utilities as a whole consumed during a Reassessment Period (defined below) within a particular Commercial Unit, but excluding, however, all Direct Metered Utility Consumption with respect to such Commercial Unit and

(B) the pro rata share (based on such Commercial Unit's Percentage of Commercial Common Interest) of the total cost of all Utilities consumed within the Commercial Limited Common Elements during such Reassessment Period (the sum of the total costs under clause "(A)" above and this clause "(B)," the "Total Commercial Unit's Utilities Cost") shall exceed the total amount required to be paid to the Condominium Board

with respect to such Commercial Unit (based upon its Common Interest percentage as provided above) on account of all Utilities with respect to such Reassessment Period (the "Total Utilities Payment"), the difference shall be payable by the owner of such Commercial Unit within 60 days after demand by the Condominium Board therefor (a "Board Utilities Payment Demand"), which demand shall include all survey results, supporting documentation and such other documentation as such owner may reasonably request, unless the Commercial Unit Owner shall, prior to the expiration of such 60 day period, give notice to the Condominium Board of a Commercial Unit Owner Utilities Cost Challenge (defined below) and provides the determination of the Commercial Unit Owner Utility Expert (defined below) as to Total Commercial Unit's Utilities Cost for the applicable Reassessment Period not more than120 days after the giving of the Board Utilities Payment Demand. However, if the Total Utilities Payment with respect to a Commercial Unit for a Reassessment Period shall exceed the Total Commercial Unit's Utilities Cost for such Unit for such period (whether on the basis of the determination of the Condominium Board Utility Expert or as otherwise determined in the manner set forth in subparagraph's (2) and (3) below), the Condominium Board shall pay to the Commercial Unit Owner the amount of the difference not more than 60 days after receiving notice of the determination of the Total Commercial Unit's Utilities Costs in the manner set forth in subparagraphs (2) and (3) below and if such payment shall not be made, the Commercial Unit Owner may offset such amounts due against all General Common Charges payable by such owner on account of the Commercial Unit and any and all other sums due and owing by such Commercial Unit Owner to the Condominium Board. As used herein, the term "Reassessment Period" shall mean (i) initially, the period commencing on the date of the first closing of the sale of a Residential Unit pursuant to the Condominium Offering Plan with respect to the Property and ended on the last day of the calendar year in which such closing occurs and (ii) thereafter, each period coinciding with each succeeding calendar year, but, in each case, exclusive of any period commencing on or after the date, if any, that the Commercial/Residential Utilities Severance Condition shall be satisfied. The Condominium Board need not pursue the obtaining of determinations available under this Section 16(f) as to whether or not a Commercial Unit Owner shall have paid to the Condominium Board on account of Utilities with respect to a Commercial Unit not less than the Total Commercial Unit's Utilities Cost with respect to such Unit or to retain a Condominium Board Utility Expert to make any such determination, the decision to obtain such determinations being in the sole and absolute discretion of the Condominium Board. If, however, the Condominium Board shall fail to give a Board Utilities Payment Demand with respect to a Commercial Unit, for a particular Reassessment Period, within 180 days after the end of such Reassessment Period, the Condominium Board shall have no right to make a Board Utilities Payment Demand with respect such Commercial Unit as pertaining to such Reassessment Period or to challenge the amount paid by the owner of such Commercial Unit for Utilities with respect to such Unit for such Reassessment Period.

(2) Notwithstanding the foregoing, if a Commercial Unit Owner believes that (i) the Total Commercial Unit's Utilities Cost for a Commercial Unit owned by such owner, as determined by the Condominium Board Utility Expert for a particular Reassessment Period, is or may be too high and wishes to challenge such determination by the Condominium Board Utility Expert (such a challenge, in the manner hereinafter provided, a "Commercial Unit Owner Utilities Cost Challenge") and/or (ii) the Total Utilities Payment, with respect to such owners Commercial Unit for a Reassessment Period, for which a Condominium Board Utility Expert

shall not have yet issued a determination of Total Commercial Unit's Utilities Cost, exceeds the Total Commercial Unit's Utilities Cost for such period with respect to such Unit, such owner shall, in each case, have the right to retain a qualified independent expert for each Utility (collectively, "Commercial Unit Owner Utility Expert") to conduct surveys of consumption of all the Utilities with respect to such Unit (and the Commercial Limited Common Elements) for the particular Reassessment Period and the determination of the Commercial Unit Owner Utility Expert as to Total Commercial Unit's Utilities Costs for such period shall be provided to the Condominium Board together with all supporting documentation, whereupon the Total Commercial Unit's Utilities Cost shall be determined in the manner hereinafter provided. If there shall then be no determination by a Condominium Board Utility Expert on Total Commercial Unit's Utilities Costs for the Commercial Unit for the Reassessment Period that is the subject of a determination by the Commercial Unit Owner Utility Expert, the Condominium Board shall have the right to challenge the determination of the Commercial Unit Owner Utility Expert as to Total Commercial Unit's Utilities Cost ("Condominium Board Utilities Cost Challenge") by both giving notice to the applicable Commercial Unit Owner of the Board's intent to so challenge, within 60 days after notice of the determination of the Commercial Unit Owner Utility Expert, and providing the determination of the Condominium Board Utility Expert with respect thereto not more than 120 days after receipt by the Condominium Board of notice of such determination of the Commercial Unit Owner Utility Expert. Failure by the Condominium Board to both send such a notice of a Condominium Board Utilities Cost Challenge and provide such determination of the Condominium Board Utility Expert, within the applicable respective time periods set forth above, shall be deemed acceptance of the determination of the Commercial Unit Owner Utility Expert, which determination shall be binding upon the Condominium Board. If a party accepts the determination of the other party's expert as to the portion of the Total Commercial Unit's Utilities Costs pertaining to one or more Utilities for the applicable Reassessment Period, such party may, accordingly, limit its Commercial Unit Owner Utilities Costs Challenge or Condominium Board Utilities Cost Challenge, as the case may be, to the portion of the Total Commercial Unit's Utilities Costs as pertains to the balance of the Utilities.

(3) If the Condominium Board Utility Expert and the Commercial Unit Owner Utility Expert can not agree as to amount of the Total Commercial Unit's Utilities Cost as pertains to a Utility for a particular Reassessment Period, then, upon notice by either the Condominium Board or the Commercial Unit Owner to the other party, the Condominium Board Utility Expert for such Utility and the Commercial Unit Owner Utility Expert for such Utility shall designate a third qualified independent expert for such Utility ("Third Utility Expert") ,whose determination shall be conclusive and binding upon the Condominium Board and the Commercial Unit Owner as to the portion of the Total Commercial Unit's Utilities Costs as pertains to that Utility; provided that only the determination of Total Commercial Unit's Utilities Costs (i.e. for all Utilities as a whole and not on an individual Utility basis) shall determine whether there has been an overpayment or underpayment by the Commercial Unit Owner on account of Utilities. Notwithstanding the foregoing, if the determination by the Third Party Expert of the portion of the Total Commercial Unit's Utilities Costs, as pertaining to a particular Utility, shall be either greater or less than both (i) the portion of the Total Commercial Unit's Utilities Costs, as-pertaining to such Utility, as determined by the Condominium Board Utility Expert and (ii) the portion of the Total Commercial Unit's Utilities Costs, as pertaining to such Utility, as determined by the Commercial Unit Owner Utility Expert, such determination by the Third Utility Expert shall be disregarded and in its place

the average of (i) portion of the Total Commercial Unit's Utilities Costs as pertaining to such Utility as determined by the Condominium Board Utility Expert and (ii) portion of the Total Commercial Unit's Utilities Costs as pertaining to such Utility as determined by the Commercial Unit Owner Utility Expert shall be deemed the portion of the Total Commercial Unit's Utilities Costs as pertaining to such Utility and shall be deemed conclusive and binding upon the Condominium Board and the Commercial Unit Owner; provided that only the determination of Total Commercial Unit's Utilities Costs i.e. for all Utilities as a whole and not on an individual Utility basis) shall determine whether there has been an overpayment or underpayment by the Commercial Unit Owner on account of Utilities. Upon final determination of Total Commercial Unit's Utilities Costs in the manner provided above, the party entitled to payment may send to the other demand for payment, which payment shall be made not more than 60 days after the making of such demand.

(4) Nothing contained in this Section 16(f) is intended to govern the determination of whether or not there has been an overpayment or underpayment by a Commercial Unit Owner with respect to the costs of Utilities with respect to such owner's Commercial Unit with respect to any period commencing on or after the satisfaction of the Commercial/Residential Utilities Severance Condition.

Liens for the Non-Payment of Common Charges and Working Capital

The Condominium Board shall have a lien against each Unit for its unpaid General Common Charges and against each Residential Unit and Storage Unit for their respective unpaid Residential Common Charges, pursuant to Real Property Law Section 339-z, prior to all other liens except liens for the payment of taxes and all sums unpaid on a Permitted Mortgage, which lien of a Permitted Mortgage shall be superior to the lien of the Condominium Board. The Condominium Board may foreclose the lien in the same manner as a mortgage on real property and in so doing shall be entitled to recover all costs incurred including reasonable attorney's fees. Moreover, if any Unit Owner fails to pay any payment of General Common Charges (and, in the case of Residential Unit Owners, any Residential Common Charges) within fifteen (15) days of its due date, such Unit Owner shall be obligated to pay a late charge at the rate of $0.02 per dollar per month or any part thereof for all such overdue General Common Charges (or Residential Common Charges, as the case may be). The liability of each Unit Owner for the payment of Common Charges thereafter assessed against his or her Unit shall terminate upon a sale, transfer or conveyance of the Unit in accordance with the provisions of the Declaration and By-Laws. Further, any Unit Owner may convey his or her 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 the By-Laws. In that case, he or she shall be exempt from any Common Charges thereafter assessed, but not relieved of his or her obligation to pay his or her mortgage. A Unit Owner may not exempt himself from liability for his or her Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. Upon a resale, the Purchaser of a Unit shall be liable for the payment of unpaid Common Charges assessed against the Unit prior to the acquisition of the Unit by the Purchaser, except as follows. A purchaser of a Unit at a foreclosure sale with respect to a Permitted Mortgage against such Unit shall not be liable, and such Unit shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to the acquisition

by said purchaser of such Unit. In addition, a Unit conveyed by deed in lieu of foreclosure to a Permitted Mortgagee or its nominee shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to such acquisition of such Unit. However, the owner of such Unit prior to the foreclosure sale (or deed in lieu of foreclosure, as the case may be) shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

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

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural ordinary or extraordinary, which are either: (a) in or to any Unit (other than to the General Common Elements and Limited Common Elements within the Unit) and, including, without limitation, the exterior surface of windows, electrical, plumbing, and heating fixtures and exterior installations made by the Unit Owner, will be made by the Unit Owner of such Unit at such Unit Owner's sole cost and expense, subject to the restrictions set forth in the By-Laws; (b) in or to the General Common Elements (including all exterior walls of the Building, except as provided below) will be made by the Condominium Board and the cost and expense thereof will be charged as a General Common Expense; (c) in or to the Residential Limited Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged as a Residential Common Expense and (d) in and to any Commercial Limited Common Element, will be made by the Commercial Unit Owners. Notwithstanding the foregoing (but without limiting a Commercial Unit Owner's rights under the Declaration and the By-Laws to make repairs, alterations and replacements to its Unit and to the storefronts adjacent thereto), prior to commencement of any work, repair, maintenance or replacement of exterior walls by the Condominium Board, the Commercial Unit Owners shall be notified by the Board of Managers and, to the extent that such proposed work shall affect the storefronts adjacent to a Commercial Unit, the Condominium Board shall not, without the prior written consent of the owner of such Commercial Unit, alter the appearance of such storefronts and, in the event that any such storefronts shall be damaged in the course of such work by the Condominium Board, the Condominium Board shall restore such storefronts to their appearance as existing prior to the commencement of such work.

If any maintenance of, replacement of, or repairs to the Property or any part thereof are necessitated by the negligence of any Unit Owner, his or her tenants or visitors or occupants of the Unit, then the entire cost thereof shall be borne by such Unit Owner.

Whenever in the judgment of the Condominium Board, the General Common Elements shall require additions, alterations or improvements costing in excess of $500,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Units and a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof); provided that no such

approval shall be required for (1) facade repair and/or alteration work in the interests of safety (as determined by the Condominium Board) or in compliance with Local Law 11 of 1998 (or any successor or replacement law or statute), (2) roof replacements or (3) any addition, alteration or improvement paid for by Sponsor. Whenever in the judgment of the Condominium Board, the Residential Limited Common Elements shall require additions, alterations or improvements costing in excess of $100,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Residential Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3% of the Common Interests of all the Residential Units and a majority of the Mortgage Representatives with respect to the Residential Units (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof); provided that no such approval shall be required for (1) replacement of any roofs which are a part of the Residential Limited Common Elements (including the Residential Plaza) or (2) any addition, alteration or improvements paid for by Sponsor.

The Condominium Board shall be obligated to inspect, maintain, repair and, as and when reasonably necessary, replace, the Residential Plaza (including, without limitation, the roof materials thereon) so that they are at all times free from leaks, in a condition that does not interfere with or adversely impact upon the use of the Commercial Units or any of them, and otherwise in good working order and condition (collectively, the "Required Residential Plaza Roof Condition"). The costs to maintain, repair and replace the Residential Plaza shall be a Residential Common Expense. The Condominium Board shall indemnify and hold the Commercial Unit Owners harmless from and against an claim, liability, damage, cost or expense incurred by the Commercial Unit Owners or any of them by reason of the failure of the Condominium Board to maintain the Residential Plazas in the Required Residential Plaza Roof Condition (including, without limitation, arising from leaking of water from the Residential Plaza into any Commercial Unit below the Residential Plaza) or the failure of the Condominium Board or the Residential Unit Owners to comply with any of its obligations under this paragraph. If the Condominium Board fails to comply with any of its obligations as set forth above with respect to the Residential Terrace or fails to maintain Residential Plazas in the Required Residential Plaza Roof Condition, the Commercial Unit Owners shall be authorized, upon thirty (30) days written notice to cure by the Commercial Unit Owners to the Condominium Board and the failure of the Condominium Board to cure the condition within such period (except that no such notice shall be required in an emergency) to (but shall have no obligation to) enter upon the Residential Plaza and cure the condition which is the basis for such default and/or restore such Residential Plaza to the Required Residential Plaza Roof Condition, including, without limitation, taking such temporary and emergency measures as such Commercial Unit Owners may deem necessary (collectively, the "Commercial Unit Owners' Self Help Remedy"). If there shall be a dispute as to (i) whether the Condominium Board has maintained the Roof Terrace in the Required Residential Plaza Roof Condition or has otherwise failed to comply with its obligations to the Commercial Unit Owners under this paragraph and/or (ii) whether the Commercial Unit Owners were entitled to exercise the Commercial Unit Owners' Self Help Remedy as provided above, such disputes shall be resolved by a court of competent jurisdiction.

The cost of all repairs to and replacements of the Residential Plaza performed by the Commercial Unit Owners, together with interest thereon from the date incurred at the rate of 2.0% per month (but in no event in excess of the maximum rate permitted by law), shall be payable by the Condominium Board and assessed against Residential Unit Owners as a Residential Common Expense and if the Condominium Board shall fail to pay to the Commercial Unit Owners such monies, the Commercial Unit Owners paying for such repairs and replacements shall be entitled to offset against Common Charges otherwise payable by such Commercial Unit Owners to the Condominium Board, the cost of such repairs and replacements and interest thereon as provided above.

Additions, Alterations and Improvements by Unit Owners

No Residential Unit Owner(other than Sponsor, any Unsold Residential Unit Owner or any of their respective designees) shall make any structural addition, alteration or improvement (or non-structural addition, alteration or improvement affecting a Common Element) in or to his or her Residential Unit, without the prior written consent thereto of the Condominium Board, which consent shall not be unreasonably withheld. Non-structural interior additions, alterations, or improvements (other than affecting Common Elements), by a Residential Unit Owner to his or her Residential Unit, may be made without the consent of the Condominium Board but subject to the Declaration and By-Laws. The Condominium Board shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Condominium Board to the proposed addition, alteration or improvement. Any application to any Governmental Authority for a permit to make an addition, alteration or improvement in or to any Residential Unit permitted hereunder shall be executed by the Condominium Board, without, however, incurring any liability on the part of the Condominium Board to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding the above, Sponsor, any Sponsor Successor or their designees shall have the right, without the consent of the Condominium Board or any Unit Owner to make alterations, additions and improvements whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in and to or upon Unsold Residential Units. If, as a result of a Unit Owner (including, without limitation, Sponsor, any Sponsor Successor or a Commercial Unit Owner) making alterations, additions and improvements to such Unit Owner's Unit, Common Elements that the Condominium Board is responsible to maintain shall be damaged, such Unit Owner shall be obligated to repair such damage as soon as reasonably practicable following demand by the Condominium Board, failing which the Condominium Board may repair same and charge such Unit Owner for expenses incurred therefore as a Common Charge. Any dispute concerning the obligation of a Unit Owner to repair such damage or its liability to the Condominium Board for expenses incurred therefore shall be resolved by a court of competent jurisdiction.

There are no limitations or restrictions on the right of a Commercial Unit Owner to decorate, alter or otherwise improve the Commercial Units and any Commercial Limited Common Elements appurtenant thereto, other than the requirement that the Commercial Unit Owner comply with law and the applicable provisions of the Declaration and By-Laws.

Certain Easements and Right of Access;
Certain Special Rights of Commercial Unit Owners and Sponsor

Section 11 of the Declaration sets forth certain easements and rights of access on the part of the Residential Unit Owners, the Commercial Unit Owners and the Condominium Board, as the case may be, as well as certain special rights of the Commercial Unit Owners and Sponsor, including the following:

The Condominium Board has a right of access to each Residential Unit to inspect the same, to prevent damage thereto, to remove violations there from and to maintain, repair or replace the General Common Elements and Residential Limited Common Elements contained therein or elsewhere in the Property, subject to any restrictions on such right as may from time to time be provided in the By-Laws.

The Condominium Board shall also have a right of access, from time to time, to each area of a Unit containing equipment or wiring pertaining to the master television antennae at the Building or other Common Elements, as the Condominium Board may determine to be necessary or advisable, to inspect, repair and/or replace such equipment and/or wiring or other Common Elements. The owners of such Unit will be required to provide access to such Units to the Condominium Board and its representatives and contractors for the foregoing purposes and shall at all times provide the Condominium Board with copies of all keys as may be required from time to time to permit access to their Units for such purposes.

Residential Unit Owners shall be subject to such rules and regulations as the affected Commercial Unit Owner(s) may establish in its discretion, provided that such rules and regulations are reasonably designed (y) to protect the interests of such Commercial Unit Owner(s), including, without limitation, with respect to security and otherwise and (z) to limit the level of traffic within such areas, including, without limitation, by way of limiting the number of Residential Unit Owners who may obtain such access at any particular time (including, without limitation, by way of establishing a reservation system) and limiting the hours of use.

The Condominium Board and its representatives and invitees shall have a nonexclusive easement of ingress and egress over the Commercial Units, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements, to the extent necessary and limited to such locations as the affected Commercial Unit Owner(s) may designate, for purposes of (i) obtaining access to General Common Elements and Residential Limited Common Elements in connection with the operation, repair, maintenance, inspection, alteration or improvement thereof or the reading of utility meters and (ii) transporting, in a secure, safe and sanitary manner, refuse from the applicable compactor machine rooms located in the Residential Section for disposal in the refuse receptacles and containers located in the vicinity of the Building; provided that (y) such easement shall be subject to such rules and regulations, including, without limitation, restrictions on the hours of access and rules designed to avoid dropping or spilling of refuse or debris, as the affected Commercial Unit Owner(s) may establish in its discretion, provided that such rules and regulations are reasonably designed to protect the interests of such Commercial Unit Owner(s), including, without limitation, with respect to

security, safety, health, sanitation, avoidance of property damage and personal injury and to prevent damage to and interference with the operation of such Commercial Unit(s) and (z) the Condominium Board promptly repairs any resulting damage to a Commercial Unit, Commercial Limited Common Elements or Individual Commercial Limited Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry. The Condominium Board is to cause any dropped or spilled refuse to be immediately cleaned up in a manner satisfactory to the affected Commercial Unit Owner(s).

The Condominium Board and its representatives and invitees shall have a non-exclusive easement of ingress and egress over the Residential Units and the Residential Limited Common Elements for purposes of obtaining access to General Common Elements and Residential Limited Common Elements in connection with the repair, maintenance, inspection, alteration or improvement of the General Common Elements and the Residential Limited Common Elements and/or the reading of utility meters.

The Sponsor, each Commercial Unit Owner and their respective affiliates, designees, successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the Property (including, without limitation, each Unit, the General Common Elements and the Residential Limited Common Elements), for (i) the use of, obtaining access to and the inspection, maintenance and performance of alterations, replacements, and repairs of, to, in or about Units owned by such Sponsor or Commercial Unit Owner (and, in the case of a Commercial Unit, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements as well), as the case may be, together with all personal property, equipment and Facilities located therein, including, without limitation, for access to portions of the Commercial Unit(s) as may be used as laundry facilities and for repair and replacement of equipment therein, (ii) fulfilling the Sponsor's obligations under the Plan and (iii) any other lawful purpose; provided (y) Sponsor, such Commercial Unit Owner or their respective designees, as the case may be, repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry and (z) Sponsor, such Commercial Unit Owner or their respective designees, as the case may be, provides reasonable prior notice to the Owner of the Unit to which access is required (or the Condominium Board in the case of the General Common Elements or Residential Limited Common Elements).

The Sponsor, each Commercial Unit Owner (to the extent applicable to such Commercial Unit) and their respective designees shall each have an easement, without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering a Unit, (1) over the Property, including each Unit and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, storefront, exterior facade, lobby or any other public portion of the Property or on the exterior portion of any Residential or Commercial Unit) for the purposes of advertising the sale of Units, the leasing of the Commercial Units or of space in any of the Units and/or advertising any of the services, products, merchandise, wares and/or facilities of the owner of a Commercial Unit or of any

tenant occupying all or any portion of a Commercial Unit; (2) of ingress and egress over the Property, including each Unit and the Common Elements in connection with the sales and/or leasing of Units; (3) over the Property, including each Unit and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time a storefront, facade or other exterior portion of the Building adjacent to or part of a Residential or Commercial Unit; (4) over any part of the Property, including each Unit and the Common Elements (including, without limitation, the stairways, walkways, vestibules and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation (whether on Common Elements or within its Unit), inspection, maintenance, repair, operation, alteration, improvement or use of any of the following serving a Commercial Unit (or inuring to the benefit of Sponsor or its designees under the Declaration or the By-laws): the Service Equipment (as hereinafter defined), Facilities, flues and/or ducts, security system, and any and all cables, conduits, electrical lines and similar equipment as may be desirable in connection with the installation, maintenance, repair and/or replacement of (A) telecommunications or similar equipment on any portion of the roofs of the Building, (B) alarms, gates, electric eyes or video cameras, smokestacks, heating, air-conditioning systems and devices and exhaust and ventilation fans, systems and devices, in each case, located anywhere on the Property and (C) for egress or exiting for emergency or escape purposes.

The Common Elements shall be subject to non-exclusive easements in favor of such telecommunications firm(s) selected by Sponsor as may be (a) necessary to provide such telecommunications services and satellite dish services and similar communication services as may be described in such written agreements as may be entered into by Sponsor for the installation, maintenance, repair, replacement and removal of a satellite dish and antennas and any and all similar or dissimilar communication and/or telecommunications equipment and facilities including, without limitation, cables, wires, conduits, horizontal and vertical risers, shafts, terminals, multiplexes and other equipment and apparatus. In addition, such telecommunications firms shall have an easement for access to each Unit for the maintenance, repair and replacement of any of the foregoing equipment, if situated within such Unit.

Without any requirement of obtaining the consent of the Condominium Board, any Unit Owner or any holder of any mortgage encumbering any Unit, but subject to compliance with the applicable requirements of all governmental authorities, Sponsor, its designees and the Commercial Unit Owners shall each have the right and an easement, and shall have all necessary or convenient access, to install, erect, construct, inspect, operate, use, maintain, repair and replace or alter antennas, cellular telephone, cellular communications, telecommunications and similar equipment on any and all parts of the roof(s) and/or parapets of the Building (in such locations as they may determine from time to time) and, shall have an easement *through* the Common Elements to install, erect, construct, inspect, operate, use, maintain, repair and replace or alter such wires, conduits, cables and similar equipment servicing or otherwise required or convenient in connection with the installation, existence, servicing, maintenance, repair and/or replacement of any such antennas, cellular communications, telecommunications or similar equipment (collectively, the "Commercial Units' Telecommunications Rights" or "Declarant's Telecommunication Rights", as the case

may be). The owner of a Commercial Unit or Sponsor (or its designee), as the case may be, shall be entitled to collect and retain all revenues of any type whatsoever derived from the Commercial Units' Telecommunication Rights or Declarant's Telecommunication Rights, as the case may be, and such equipment. The owner of a Commercial Unit and Sponsor (or its designee) shall each have the right to grant to any party (whether or not a Unit Owner) the foregoing Commercial Units' Telecommunications Rights or Declarant's Telecommunications Rights, as the case may be, whether on an exclusive or non-exclusive basis, as the owner of such Commercial Unit or Sponsor, as the case may be, may elect and such grantee(s) (and their successors and assigns) may, in turn, assign such Commercial Units' Telecommunications Rights or Declarant's Telecommunication Rights, as the case may be. The Commercial Units' Telecommunications Rights and Declarant's Telecommunication Rights, are in addition to any telecommunications systems serving the Unit Owners. All telecommunications rights granted to Sponsor (including, without limitation, the Declarant's Telecommunications Rights) shall have priority over any similar rights of, and installations that may be made by, either the owner of any Commercial Unit or the Condominium Board, and all telecommunications rights granted to an owner of a Commercial Unit including, without limitation, the Commercial Units' Telecommunication Rights) shall have priority over any similar rights of, and installations that may be made by, the Condominium Board. Without limiting any of Declarant's rights as set forth above, any license agreement or other agreement permitting the maintenance on any part of the roof(s) and/or parapets of the Building of one or more antennas, cellular telephone, cellular communications, telecommunications and similar equipment, which has been entered into prior to the later of the recording of this Declaration or (as defined in the By-laws) the First Unit Closing (each an "Existing Telecommunications Agreement"), shall inure to the benefit of the Declarant and its designees and Declarant (and its designees) shall be entitled to all rents, license fees and other payments of any kind or nature due under such agreements. Sponsor (and its designees) shall have the right, from time to time and in its sole discretion, to modify, extend, renew and replace any Existing Telecommunications Agreement. If the Condominium Board receives any offer or solicitation of any type whatsoever from any entity interested in, or that would otherwise entail the use of telecommunications rights, the Condominium Board shall notify the Sponsor, and Sponsor shall have the right for thirty days following notice from the Condominium Board, to notify the Condominium Board that it (i.e., the Sponsor) intends to enter into an agreement with the offeror. The Sponsor shall thereafter have a period of one hundred twenty (120) days to consummate such agreement, failing which the Condominium Board may consummate an agreement with the offeror. In no event shall the Condominium Board approve the installation of any telecommunications equipment of the type described herein, on any Common Element or in any location that would interfere with any installation and operation of any such equipment by the Commercial Unit Owner or the Sponsor or their respective successors assignees, lessees or licensees. Each of the foregoing easements shall be exercised in such manner as not to unreasonably disrupt the use by any Unit Owners of their respective Units.

If a Commercial Unit (or Commercial Limited Common Elements, such as a hallway, serving such Commercial Unit and/or other Commercial Units) has either (i) an entrance or exit leading to a Main Lobby, other lobby or any interior portion of the Building and such entrance or exit is locked by the Condominium Board or (ii) an entrance or exit directly from

or to the outside of the Building, then the owner of such Commercial Unit may install a visual and/or audio intercom and buzzer-lock system on Common Elements or other portion(s) of the Property (or alternate system with a similar purpose) to allow persons to pass through such entrance or exit or, in the case of a door leading directly to the outside of the Building, to restrict access through such door.

The owner of a Commercial Unit, its tenants and the patrons, guests or invitees of such Commercial Unit Owner or of such tenant(s) shall have a non-exclusive easement of ingress and egress from the sidewalks at the Property through the General Common Elements and Residential Limited Common Elements for purposes of access to such Commercial Unit, the Commercial Limited Common Elements and any Individual Commercial Limited Common Elements.

Subject to compliance with all applicable laws and regulations, Sponsor, its designees and the owner(s) of the Commercial Units shall have the right in their discretion and from time to time to make holes in and remove sections of the concrete slabs, columns, supports and related General Common Elements bordering upon or lying within a Unit owned by them, including, without limitation, in connection with converting a Unit into a duplex unit, for purposes of connecting by internal stairway(s), elevator(s), escalator(s) or otherwise two or more levels of such Unit, or for purposes of increasing ceiling height within the Unit; provided that none of such actions shall compromise the structural integrity of the Building.

The Sponsor and its designees, as the case may be (without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering any Unit) and the Condominium Board (without the necessity of obtaining the consent of any Unit Owner other than Sponsor, its designees and the Commercial Unit Owners), shall each have the right to establish, grant and create easements for any additional electric, transformer, amplifier, gas, cable television, telephone, water, sewer or other utility lines, flues, ducts and appurtenances (including such equipment rooms as may be required in connection with any of the foregoing) in, under and through the Property including, without limitation, within the Common Elements and any of the Units, and to relocate any existing utility, sewer and drainage easements in any portion of the Property including, without limitation, within any of the Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of a Unit or any Limited Common Elements appurtenant thereto, unless the owner of such Unit consents thereto.

Compliance with Terms of Declaration. By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Declaration and the By-Laws and the Rules and Regulations thereunder. Failure to comply is grounds for an action for damages or injunctive relief, or both. The By-Laws, together with the Rules and Regulations thereunder, will be recorded with the Declaration in the Office of the City Register, Kings County.

Units Owned by Commercial Unit Owners Sponsor or its Designees

Section 9 of the Declaration sets forth certain special rights of the Sponsor and the Commercial Unit Owners, as summarized below:

Notwithstanding any other provision of the Declaration or By-Laws (hereinafter defined), Sponsor, its designees and each Commercial Unit Owner (to the extent applicable to such Commercial Unit Owner's Unit(s), as the case may be), shall have the right, without the consent of any of the other Unit Owners, or the Condominium Board or the Mortgagee of any Unit, from time to time, to (a) decorate or make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon its Unit(s) (Commercial Units and Residential Units, as applicable) and, in the case of a Commercial Unit Owner, the Commercial Limited Common Elements and any Individual Commercial Limited Common Elements; (b) change its Unit(s) or any part thereof by changing the layout, number of rooms, or size or number of such Unit(s), by subdividing one or more Units into any desired number of condominium units; (c) create and designate a Limited Common Element for the exclusive use of newly created Units; (d) convert space or constituents of its Unit(s) into a newly designated Limited Common Element and/or convert and designate a Limited Common Element as a part of the newly created Unit(s); (e) combine Units with the consent only of the owners of such Units to be combined; (f) reapportion among any newly created condominium unit(s) resulting from any subdivision (or combination) as provided above, the Common Interest appurtenant to the Units; (g) in the case of a Commercial Unit, construct, install, maintain, repair, replace or alter a storefront or building facade adjacent to such Commercial Unit; (h) dedicate any or all utility, sewer, telecommunications or cable television and drainage easements in any portion of the Property to any governmental body, public benefit corporation, telecommunications or cable television company or utility company if such Commercial Unit Owner, Sponsor or designee of Sponsor shall deem it necessary or desirable for the proper operation and maintenance of its Units or (as to Sponsor) the Property, (i) amend the certificate(s) of occupancy of the Building and/or obtain one or more new certificates of occupancy therefore in connection with the exercise of any of its rights as set forth above in this paragraph, including, without limitation, to reflect the combining or subdividing of Units; and (j) in the case of a Commercial Unit or Commercial Section space, apply for and obtain from time to time, at the expense of the owner(s) thereof, and whether in the name of such owner(s), in the name of the Condominium Board or otherwise, (1) one or more zoning variances as pertaining to the use or occupancy of such Commercial Unit or Commercial Section space and/or (2) one more amendments to the certificate(s) of occupancy of the Building and/or one or more new certificates of occupancy, so as to reflect existing or desired use and/or occupancy of such Commercial Unit or Commercial Section space, as shall be permitted by law from time to time, but not in conflict with any specific prohibition on use applicable to Commercial Units as may be contained in the Declaration or the By-laws. However, by reason of the foregoing, the Common Interest of the other Units shall not be enlarged unless the affected Unit Owner consents thereto, except that Limited Common Elements may be created for the exclusive use of any or all of the aforesaid subdivided (or combined) condominium units as provided above, in which event the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided (or combined) Condominium Units. The Commercial Unit Owners, Sponsor and/or its designees, as the case may be, shall each have the right to reflect any of the matters

described in Section 9 of the Declaration in a duly recorded amendment to the Declaration, the By-Laws and/or the Floor Plans. In making any additions, alterations, or improvements pursuant to the above, such Commercial Unit Owner, Sponsor or its designees, as the case may be, shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conduct in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction and (iii) hold the Condominium Board and the other Unit Owners harmless from any liability arising there from.

The owners of Commercial Units having an aggregate Common Interest of 66-2/3% or more of the aggregate of the Common Interests appurtenant to all of the Commercial Units (a" Commercial Amendment Majority") shall have the right, without the consent of the Condominium Board, any other Unit Owner (including, without limitation, the Residential Unit Owners) or the holder(s) of any mortgage on a Unit, to cause the Declaration, the By-Laws and the Rules and Regulations to be amended, modified, added to or deleted from in such manner as they may determine in their sole discretion shall be necessary, appropriate or desirable in connection with the operation of the Commercial Section or the subdivision of any Commercial Unit into separate Commercial Units, the combining of Commercial Units and/or the offering for sale or lease of all or any portion of the Commercial Units, including, without limitation, an amendment providing for the governance of the affairs of the Commercial Section and the Commercial Unit Owners and the relationship thereof and the sharing of costs pertaining to the Commercial Section, provided only that such amendment modification, addition or deletion, as the case may be, does not materially adversely affect the Residential Section or the Residential Unit Owners. Such amendment, modification, addition or deletion (collectively, a "Commercial Affairs Amendment") may include, without limitation, the creation of a commercial board of managers (a "Commercial Board") with jurisdiction over the Commercial Units, the Commercial Limited Common Elements, Individual Commercial Limited Common Elements and the Commercial Unit Owners, such amendment or modification to provide for the election of such Commercial Board by the Commercial Unit Owners in such manner and to provide for the granting to such Commercial Board of such powers pertaining to the Commercial Unit Owners, the Commercial Units, the Commercial Limited Common Elements, the Individual Commercial Limited Common Elements and related matters, as may be determined by Commercial Amendment Majority in its sole discretion, including, without limitation (i) the power to set, collect and enforce the obligation to pay Commercial Common Charges (as defined in the By-laws), (ii) powers over and with respect to the Commercial Limited Common Elements and any Individual Commercial Limited Common Elements, including, without limitation, powers comparable to the powers of the Condominium Board over the General Common Elements, and (iii) all of the powers of a Commercial Majority in Interest (as hereinafter defined) acting in concert, under the Declaration, the By-laws and the Rules and Regulations, prior to the adoption of such amendment). The establishment of a Commercial Board shall not affect the right of the Commercial Unit Owners to designate members of the Condominium Board as provided in the By-laws. In the case of any such amendment, modification, addition or deletion which does not materially adversely affect the Residential Section or the Residential Unit Owners, the Sponsor or its designee shall be the attorney-in-fact for the Residential Unit Owners and all other Unit Owners and the Condominium Board, coupled with an interest and granted for a valuable consideration, for the purpose of approving and executing any instrument effecting such

amendment, modification, addition or deletion. As used herein, the term "Commercial Majority In Interest" shall mean the owners of Commercial Units having an aggregate Common Interest of more than 50.0% of the aggregate of the Common Interests appurtenant to all of the Commercial Units.

Each of Sponsor, its designees and the Commercial Unit Owners shall have the right, without the consent of the Condominium Board, any Unit Owner or the holder of any mortgage encumbering a Unit, to seek to amend one or more certificates of occupancy for the Building and/or obtain any required special permit, other permit, zoning variance or other variance, in order to permit changes to the permitted use(s) of the Commercial Units or to eliminate restrictions on such use and such change of use, permit, variance or amendment to certificate(s) of occupancy, as the case may be, shall not require the consent of the Condominium Board, any Unit Owner or the holder of any mortgage encumbering a Unit and the Condominium Board shall cooperate in all respects with Sponsor, its designees and the Commercial Unit Owners in connection therewith.

The consent of the Condominium Board, any other Unit Owners and/or the holder of any mortgage on a Unit, shall not be required for the exercise by any Commercial Unit Owner, Sponsor or its designees, as the case may be, of the rights and powers set forth in Section 9 or Section 11 of the Declaration. The signatures of any of the other Unit Owners or Condominium Board are not required in connection with any amendment to the Declaration or By-Laws or Floor Plans permitted above or to any application or other document necessary or convenient to the exercise by a Commercial Unit Owner, the Sponsor or its designees, as the case may be, of any of their rights or powers under Section 9 or Section 11 of the Declaration, including but not limited to any application or document required by the Department of Buildings, the Real Property Assessment Bureau of the City of New York or any other governmental agency in connection with an amendment to the certificate of occupancy of the Building or the establishment of separate tax lots for any newly created condominium units and reapportionment of assessed valuation by reason thereof. Nevertheless, the Unit Owners and the Condominium Board are required to upon request, execute any such amendments, applications or other documents referred to or described above and the Declaration provides that they grant to each Commercial Unit Owner, the Sponsor and its designees, an irrevocable power of attorney coupled with an interest and granted for a valuable consideration, and with full power of substitution, to execute, deliver and/or record any and all such amendments, applications or other documents on behalf of the Condominium Board and the Unit Owners, and any such execution, delivery and/or recording does not require the consent of the Condominium Board or the Unit Owners.

The Condominium Board, at the request of the owner of a Commercial Unit, will enter into one or more non disturbance, subordination and attornment agreements, each with a tenant of such owner (each, a "Non-Disturbance Agreement"), each of which agreements shall provide, among other things, that (i) the tenant acknowledges that its lease is subordinate to the Declaration, (ii) the Condominium Board agrees that the rights of the tenant under such tenant's lease, including its rights to possession of the premises covered by the lease, will not be disturbed by the Condominium Board if there shall be a default by such Unit Owner under these By-laws or the Declaration and that such tenant's lease will continue

in effect in such event, provided, however, that such tenant is not in default of its obligations under its lease, (iii) the Condominium Board shall accept payment of any sum or performance of any obligation required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration or these By-Laws from or by such tenant with the same force and effect as though paid or performed by such Unit Owner and (iv) such other terms as may be requested by such Unit Owner provided that they are reasonable or customary in subordination, non-disturbance and attornment agreements generally. Notwithstanding the foregoing, the Condominium Board shall have no obligation to enter into or deliver a Non-Disturbance Agreement unless (1) the owner of such Commercial Unit is not in default in the payment of any Common Charges payable to the Condominium Board and is not otherwise in breach of its obligations to the Condominium Board under the Declaration and By-Laws and (2) the owner of such Commercial Unit shall pay all reasonable costs and expenses of the Condominium Board, including reasonable attorneys' fees and expenses, incurred in connection with any request for a Non-Disturbance Agreement.

Rights and Obligations of Condominium Board; Summary of By-Laws

The Condominium is an unincorporated association which is created by virtue of submission of the Property to the provisions of the Condominium Act in accordance with the Declaration and By-Laws set forth in Part II of the Plan. Summarized below are certain provisions of the By-Laws, including certain of the provisions relating to governance of the Condominium. A Purchaser should review in detail the full text of the Declaration, By-Laws, and Rules and Regulations thereunder which are set forth in Part II of the Plan.

The Condominium Board initially shall be comprised of three members selected by and affiliated with Sponsor. Following the first meeting of Unit Owners, the Condominium Board will consist of five (5) members, one (1) of whom will be selected by the Commercial Unit Owners and the balance of whom will be selected by the Residential Unit Owners (including Sponsor). The Condominium Board has no authority to remove any of its members, but the Condominium Board may, by the affirmative vote of a majority of its members, remove any officer, either with or without cause.

Any member of the Condominium Board may be removed with or without cause by a Majority in Common Interest of Unit Owners electing any such member pursuant to the By-Laws, except that if any member of the Condominium Board was elected by or is a designee of a Commercial Unit Owner, the Sponsor or any of its designees, as the case may be, such member may not be removed for other than for cause except by the written consent of such Commercial Unit Owner, Sponsor or its designees, as the case may be. However, such member may be removed for cause by a Majority in Common Interests of Unit Owners (inclusive of the Unit Owner(s) electing such member) following notice and an opportunity to be heard; provided that any such member that is removed shall be replaced with a member designated by the Commercial Unit Owner or the Sponsor or its designee, as the case may be, that elected or designated such member that was removed.

Powers and Duties of Condominium Board

Subject to applicable laws and the By-Laws, the powers and duties of the Condominium Board include, without limitation, (a) the operation and maintenance of the General Common Elements and Residential Limited Common Elements, and employment of personnel for such purpose, (b) determination and collection of the General Common Charges and Residential Limited Common Charges, (c) amending the Rules and Regulations, (d) having bank accounts and investing funds for the Condominium, (e) acquiring, selling, leasing, and mortgaging Units, (f) insuring the Property, adjusting claims, and repairing the Common Elements after a casualty or condemnation, (g) enforcing obligations of Unit Owners, (h) borrowing money on behalf of the Condominium, (i) granting certain utilities and other easements, and (j) representing Residential Unit Owners in connection with a protest of real estate taxes (excluding Unit Owners who timely give written notice to the Condominium Board that they do not want such representation on their behalf in the manner provided in the Bylaws).

The potential personal liability of the Condominium Board is discussed under the heading "Liability of Condominium Board, Officers, and Unit Owners" which appears later in this section.

Voting by Unit Owners

At each Unit Owner's meeting, each Unit Owner will be entitled to cast one (1) vote at all meetings of the Unit Owners for each one hundredth of one percent (.001%) of Common Interest applicable to the Unit of such Unit Owner.

The Commercial Unit Owners shall have the right to designate one (1) member of the Condominium Board to represent them on the Condominium Board. The balance of the members of the Condominium Board will be designated and/or elected by the Sponsor and or the Residential Unit Owners as provided in the By-laws.

Subject to the above right of the Commercial Unit Owner to designate one (1) members of the Condominium Board and except as provided in the section of the Plan entitled "Control By Sponsor," each Residential Unit Owner in the Condominium, including the Sponsor and any of its designees owning Units, will be entitled to vote for members of the Condominium Board based on their percentage Common Interest. Each Unit Owner may cast the number of votes allocated to his or her Unit for each Member of the Condominium Board to be elected, however, Unit Owners may not cumulate their votes. See "Control By Sponsor" for a description of the provisions of the By-laws pertaining to the right of the Unsold Residential Unit Owners (including Sponsor), as a group, to designate a specified number of Residential Members of the Board as applicable from time to time, which right is in addition to and not in lieu of the right of the Unsold Residential Unit Owners to vote for Residential Members who are nominated by Non Sponsor Owners.

The vote of a Majority in Common Interest of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all

purposes except as provided above with respect to the election of the members of the Condominium Board and as otherwise provided in the Declaration or the By-Laws.

Meetings of Unit Owners

After the first meeting of the Unit Owners described above (see "Control by Sponsor"), the By-Laws provide that annual meetings shall be held on the second Tuesday of November of each succeeding year unless such day shall be a holiday, in which event the meeting shall be held on the next succeeding business day. At such meeting, the Unit Owners shall elect members of the Condominium Board and shall also transact such other business of the Condominium as may properly come before the meeting.

It shall be the duty of the President of the Condominium to call a special meeting of the 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 25% in Common Interest of all the Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. The By-Laws provide that no business shall be transacted at a special meeting except as stated in the notice.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. No officer of the Condominium shall, except as may otherwise be provided by the Condominium Board from time to time, receive any compensation for acting as an officer of the Condominium.

The President shall be the chief executive officer of the Condominium, and shall have all of the general powers and duties which are incident to the office of President, including presiding at meetings and appointing committees. The President must be a member of the Condominium Board. The Vice President performs the duties of the President when he or she is absent or unable to act. The Secretary keeps the minutes and gives notice of meetings. The Treasurer keeps financial records and deposits funds for the Condominium.

Units Acquired By the Condominium Board

All Units acquired or leased by the Condominium Board or its designee, shall be held by such Condominium Board or its designee, on behalf of all Unit Owners and the rent or purchase price, closing costs and adjustments payable in connection therewith shall constitute a General Common Expense (except that all such costs with respect to the Superintendent's Unit or any other Residential Unit for occupancy by the Resident Superintendent shall be a Residential Common Expense). No Units held by the Condominium Board shall carry any voting rights.

Repair or Reconstruction after Fire or Other Casualty

If the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (but excluding machinery, appliances, fixtures, furniture, furnishings or other personal property within a Unit). If the insurance proceeds are insufficient to cover the cost of repairs or restorations, then such cost shall constitute a General Common Expense. Any surplus insurance proceeds shall be paid to all Unit Owners in accordance with the respective Common Interests of their respective Units, except that no payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to reduce unpaid liens on his or her Unit, in the order of priority of such liens.

If three-fourths 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, then the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common. In that case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in accordance with the respective Common Interests of their respective Units, provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable as herein above provided in the event of a loss amounting to $1,000,000.00 or less. However if such proceeds are in excess of $1,000,000.00, then such proceeds shall be payable to and held by the Insurance Trustee pursuant to the provisions of the By-Laws. The fees and expenses of the Insurance Trustee shall be paid by the Condominium Board and shall constitute a Common Expense.

Insurance

The Condominium Board is required to obtain and maintain, to the extent obtainable at reasonable rates and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, and vandalism and malicious mischief endorsements, insuring the Building (but excluding machinery, appliances, fixtures, furniture, furnishings or other personal property within a Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners as additional insured parties, and their mortgagees, all, as their respective interests may appear, in an amount equal to at least 80% of the full replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; (b) worker's compensation and New York State disability benefits insurance; (c) water damage insurance to the extent, if any, determined by the Condominium Board; (d) fidelity bond for the Managing Agent of the Condominium, to the extent, if any, determined by the Condominium

Board; (e) errors and omissions coverage for members of the Condominium Board and officers, to the extent, if any, determined by the Condominium Board; (f) comprehensive general liability insurance and (g) such other insurance as the Condominium Board may determine from time to time.

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 set forth in "Footnotes to Schedule B." Purchasers should refer to the "Footnotes to Schedule B" to determine the extent of insurance coverage and the cost thereof for the First Year of Condominium Operation.

All policies of physical damage insurance shall contain, to the extent obtainable at reasonable rates, waivers of subrogation and waivers of any defense based on coinsurance or other insurance or of invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and their mortgagees. Duplicate originals or certificates of insurance for all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and their mortgagees at least ten days prior to the expiration of the then current policies. Each such policy shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, there under shall be payable to the mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee provided in the By-laws. Any insurance maintained by the Condominium Board may contain such deductible amounts as the Condominium Board may determine from time to time.

The cost of the premiums for all insurance referred to above shall be a General Common Expense except as may be provided in the Rules and Regulations and except that the premiums for workers compensation and disability insurance for employees of the Condominium Board shall be a Residential Common Expense or General Common Expense, as the case may be, in accordance with the allocation of Condominium staff, for budget purposes, to the servicing of the Residential Limited Common Elements and General Common Elements, respectively. See "Footnotes to Schedule B" and Article V, Section 20 of the By-laws.

Each Unit Owner may obtain supplemental or additional insurance for his or her own benefit, 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 shall not be affected or diminished by reason of any such supplemental or additional insurance carried by such Unit Owner.

Liability of Condominium Board, Officers and Unit Owners

To the extent permitted by applicable law, no member of the Condominium Board or any managing agent, manager, or officer shall have any personal liability with respect to 1)

any contract, act or omission of the Condominium Board or any managing agent, manager, or officer in connection with the affairs or operations of the Condominium (except in their capacities as Unit Owners), or 2) any mistake of judgment, negligence, or otherwise, except in either case, for their own willful misconduct or bad faith. The By-Laws require that every contract made by the Condominium Board or by any managing agent thereof or any officer shall state that (a) it is made only as agent for all Unit Owners and such Condominium Board or managing agent or officer 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 Interests of all Units owned by such Unit Owner bears to the aggregate Common Interests of all Units, and (ii) unless provided by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest. A Unit Owner shall, in the same proportion as his or her Common Interest, indemnify each member of the Condominium Board and each officer against any and all claims, liabilities, damages, costs and expenses (including, without limitation, reasonable attorney's fees) arising out of or related to the performance of such duties as a member of the Condominium Board or officer, except those arising out of his or her own bad faith or willful misconduct, and except as may be provided by law. The Condominium Board may contract, or effect any other transaction, on competitive terms, with any member of the Condominium Board, any officer, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct, and except as may be provided by law.

Reports. Notice Books and Records

Annual financial statements prepared in accordance with generally accepted accounting principles, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners within four months after the end of each fiscal year.

The Secretary of the Condominium is required to give notice to each Unit Owner of record of each annual and special meeting of Unit Owners in the manner set forth in Article III, Section 3 of the By-laws.

Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

Amendments to Condominium Documents

Except as otherwise provided in the By-Laws or the Declaration with respect to a Commercial Unit Owner, Sponsor or its designees, as the case may be (including without limitation, their rights, under certain circumstances, to amend the Declaration and the Bylaws without the consent of the Condominium Board or its Unit Owners), the Declaration and the By-laws may be amended by vote of not less than 80% in number and in Common Interest of all Unit Owners cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, provided, however (i) any such amendment will not be effective

against a holder of a mortgage of record affecting a Unit if Mortgage Representatives (as defined in the By-Laws) shall have been designated in accordance with the By-laws (and the Condominium shall have received written notice of such designation as provided therein) and a majority of such Mortgage Representatives shall not consent thereto in writing, which consent shall not be unreasonably withheld or delayed; (ii) if the Sponsor or its designees or any Commercial Unit Owner shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendment shall not decrease the rights of such Commercial Unit Owner, the Sponsor or its designees or increase the obligations of such Commercial Unit Owner, the Sponsor or its designees and (iii) an amendment to the Declaration or the By-laws which constitutes a Commercial Affairs Amendment may be adopted solely by the written consent or approval of a Commercial Amendment Majority, without any requirement of obtaining the consent of any Unit Owner, the Condominium Board or any holder of a mortgage encumbering a Unit. The provisions of Section 16 and Section 9 of the Declaration may not be amended without the unanimous consent of all the Unit Owners.

Termination of Condominium

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent of a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with the By-Laws and the Condominium Board shall have received written notice thereof). In the event said withdrawal is authorized as provided above, the Property shall be subject to any 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 accordance with the respective Common Interests of their respective Units, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share of such net proceeds, all liens on his or her Unit, in the order of priority of such liens.

Review of Real Estate Tax Assessments

The Condominium Board may act as an agent of each Residential Unit Owner, except only those Residential Unit Owners who timely notify the Condominium Board (in the manner provided below) that they do not want the Condominium Board to act as their agent, to complain or apply to the local and county real estate tax assessment agency or board of review by filing a single complaint on behalf of each such Residential Unit Owner pursuant to the applicable sections of the Real Property Tax Law. The Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and assess as a Common Charge against all such Unit Owners a pro rata share of expenses, disbursements, and legal fees paid or incurred in connection with any such complaint or application. A Residential Unit Owner will be deemed to have authorized the Condominium

Board to act as such owner's agent for the foregoing purposes unless the Condominium Board shall have received, not later than fifteen (15) days after the assessed valuation for such Unit Owner's Unit shall first be set (whether on a tentative or official basis) by the applicable real estate tax assessment agency or applicable Governmental Authority, written notice from such Residential Unit Owner that such owner does not wish the Condominium Board to act as such owner's agent for the foregoing purposes.

Reserves

The Condominium Board has the right to assess, respectively, General Common Charges and Residential Common Charges, to create such reserves as the Condominium Board may determine to be reasonably necessary for general operating costs and expenses, working capital and/or replacement and improvement of, respectively, the General Common Elements and the Residential Limited Common Elements.

Real Property Law Section 339-kk

Under Real Property Law Section 339-kk ("Section 339-kk"), if the owner of a Residential Unit is a non-occupying owner who rents his or her Residential Unit to a rental tenant and then fails to make payments due for common charges, special assessments or late fees (collectively "Condominium Charges") for such Unit within sixty (60) days of the expiration of any grace period after they are due, upon notice in accordance with the following paragraph, all rental payments from the tenant shall be directly payable to the Condominium.

If the common charges, special assessments or late fees due for any Residential Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Condominium Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, special assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Condominium Board at the address listed on the notice.

Where a majority of the Condominium Board has been elected by and from among the Unit Owners who are in occupancy, the Condominium Board may elect not to require that rental payments be made payable to the Condominium Board. At such time as payments for common charges, special assessments, and late fees from the non occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Condominium Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within thirty (30) days of the date that such Condominium Board receives notice that such owner seeks to dispute such claim.

Nothing in Section 339-kk shall limit any right of Unit Owners or of the Condominium Board existing under any other law or agreement.

Payment by a rental tenant to the Condominium made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

Declaration and By-Laws

A copy of the Declaration and By-Laws is set forth in Part II of the Plan.

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INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following summary is for informational purposes only and is based upon information provided by Sponsor's counsel, Eiseman Levine Lehrhaupt & Kakoyiannis, P.C., in its opinion set forth in the Section of the Plan entitled "Opinion of Counsel".

Each Unit Owner will own his or her Unit, together with its appurtenant Common Interest, in fee simple, and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Because each Unit Owner will own his or her Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. that, under present law, owners of Residential Units will, for federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the taxable year in which the same are paid (or accrued in the case of a taxpayer who uses the accrual method of accounting for income tax purposes). It is also the opinion of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. that, under present law, each owner of a Residential Unit will, for New York State and New York City income tax purposes, be entitled to the same deduction that is allowed for federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year.

The aforesaid deductions, however, are subject to certain exceptions and limitations, which are more particularly discussed in the income tax opinion set forth in the Section of the Plan entitled "Opinion of Counsel." No opinion is being given regarding the income tax consequences of the purchase or ownership of the Commercial Unit. In addition, the aforesaid deductions in favor of an owner of a Residential Unit may vary from year to year due to, where and to extent applicable, changes in the interest rate on the such owner's mortgage on his Residential Unit (if any) or from changes in the allocation of constant debt service payments to interest and principal there under, or due to changes in real property taxes resulting from changes in assessed value, the tax rate or the method of assessing real property.

Common Charges will be borne by the Unit Owners and assessed and collected by the Condominium Board. See the income tax opinion in the Section of the Plan entitled "Opinion of Counsel" below, for a further discussion of the tax status of the Condominium.

No representations or warranties are made that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the aforementioned deductions or that the tax laws, or the regulations or rulings issued there under, or any judicial interpretation thereof upon which Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. has based its income tax opinion will not change. In no event will Sponsor, the Selling Agent, the Managing Agent, or any other person connected with this offering be liable if, at any time or for any reason, it is held that Residential Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid make any representations or warranties with respect to the tax consequences of this Plan or the tax

consequences or ownership of any Units offered under the Plan, and no one has been authorized to make such representations or warranties.

Tax Status of the Condominium

Ordinarily, a condominium board may elect to be exempt from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code, provided certain prerequisites are met.

However, in order to elect such status,

(a) the Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property;

(b) 60% or more of the gross income of the Condominium for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units in the Condominium;

(c) 90% or more of the net expenditures of the Condominium for the taxable year must be for the acquisition, construction, management, maintenance and care of the Property;

(d) no part of the net earnings of the Condominium may inure (other than by acquiring, constructing or providing management, maintenance and care of the Property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual;

(e) substantially all of the Units must be used by individuals as residences; and the Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

However, because the square footage of the Commercial Unit exceeds twenty nine (29%) percent of the Building's total square footage, the Condominium will not be able to satisfy the requirement that substantially all of the Units be used by individuals as residences and the Condominium Board will not be able to elect tax-exempt status under Section 528 of the Internal Revenue Code. See "Opinion of Counsel" and "Budget for First Year of Condominium Operation, Schedule B". Until the conversion of sufficient Commercial Units to residential use such that the Condominium is permitted to make the Section 528 election, the Condominium maybe subject to income taxes on the excess of the Common Charges and investment income over the expenses of operating the Condominium (See "Counsel's Tax Opinion Letter"). Sponsor makes no representation or warranty that sufficient Commercial Units shall be converted to residential use such that the Condominium shall be permitted to make the Section 528 election.

However, it should be noted that the Condominium would, even if permitted to make an election under Section 528 of the Code, still be required to pay a tax for any taxable income it may receive. For this purpose, "taxable income" is defined as the excess, if any, of

(a) the gross income for the taxable year (other than "exempt function income" as defined below) over (b) the deductions allowed by the Code which are directly connected with the production of such gross income (excluding "exempt function income") computed with certain modifications provided in Section 528. "Exempt function income" is defined as any amount received as membership dues, fees or assessments from owners of condominium housing units.

If an election under Section 528 is not available then the tax status of the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528 under which the tax status of the Condominium is uncertain.

Because the By-Laws provide that the Condominium Board will act as agent of the Unit Owners, the Condominium Board may take the position that it simply acts as agent for the Unit Owners and is not a separate taxable entity. In such a case, the Unit Owners would include in their gross income, and be taxed on, income derived by the Condominium Board. This income may include interest earned from investments on the amounts which are assessed and collected from the Unit Owners, or rental income.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as assessment and expenditure of Common Charges, the Condominium Board constitutes an association separately taxable as a corporation. In that event, the Condominium may be deemed to be subject to federal corporate income tax on the amount, if any, by which Common Charges (together with any income earned from other sources, such as interim investments of funds by such association) exceed the current expenses paid or incurred by the Condominium as are deductible for federal income tax purposes. The Condominium may likewise be subject to the New York State corporation franchise tax and the New York City general corporation tax. For a further discussion of the tax status of the Condominium, see "Counsel's Tax Opinion".

NO WARRANTIES ARE MADE THAT THE INTERNAL REVENUE SERVICE, THE DEPARTMENT OF TAXATION AND FINANCE OF THE STATE OF NEW YORK OR THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK WILL ALLOW INCOME TAX DEDUCTIONS. FURTHER NO WARRANTIES OR REPRESENTATIONS ARE MADE THAT THE TAX LAWS UPON WHICH SPONSOR'S COUNSEL BASE ITS OPINION WILL NOT CHANGE AND IN NO SUCH EVENT WILL SPONSOR, THE SELLING AGENT, SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD OR ANY OTHER PERSON CONNECTED WITH THIS OFFERING BE LIABLE IF FOR ANY REASON IT SHALL BE DETERMINED THAT RESIDENTIAL UNIT OWNERS DO NOT MEET OR AT ANY FUTURE TIME CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE, THE NEW YORK TAX LAW, THE NEW YORK CITY ADMINISTRATIVE CODE OR ANY AMENDMENT TO ANY OF THEM. MOREOVER, NONE OF THE AFORESAID MAKES ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES WITH RESPECT TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF ANY UNIT OFFERED UNDER THE PLAN EXCEPT AS

EXPRESSLY SET FORTH HEREIN, AND NO ONE ELSE HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES OTHER THAN THOSE CONTAINED HEREIN.

EACH PURCHASER SHOULD CONSULT HIS OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF UNIT OWNERSHIP.

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OPINION OF COUNSEL

SEE FOLLOWING PAGE

EISEMAN LEVINE LEHRHAUPT & KAKOYIANNIS, P.C.
845 Third Avenue, 8th Floor
New York, New York 10022
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November 15, 2004

Times Plaza Condominium
560 State Street
Brooklyn, New York 11217-1412

Re: Condominium Offering Plan for
Times Plaza Condominium
562 State Street
Brooklyn, New York (the "Plan")

Gentlemen:

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 the purposes of the New York City earnings tax on nonresidents) to persons who purchase Residential Units (each a "Unit" and collectively "Units") in the Times Plaza Condominium (the "Condominium") for residential use (the "Unit Owners") under the Plan, (ii) the treatment for such income tax purposes of the Common Charges paid or borne by the Unit Owners, and (iii) whether the method used to determine the undivided percentage interest of each Unit in the Common Elements of the Condominium complies with Real Property Law Section 339-i ("Section 339-i"). 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, the relevant sections of the Internal Revenue Code of 1986, as amended ("Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated there under, Section 339-i, and such other materials as we deemed relevant.

1. **Deductibility of Mortgage Interest and Real Estate Taxes.**

Pursuant to the Plan, a Unit Owner will own his or her Unit and its appurtenant interest in the Common Elements in fee simple, and, once each Unit is separately assessed for real estate taxes as provided in the Plan, each Unit will be taxed as a separate tax lot for real estate tax purposes. Each Unit Owner may mortgage his or her Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. In our opinion, under Sections 163 and 164, respectively, of the

Code, a Unit Owner will, for federal income tax purposes, be entitled to a deduction for interest paid with respect to such mortgage indebtedness and for real estate taxes paid with respect to a Unit during a taxable year, subject, however, to the conditions discussed below. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

An individual owner of a Unit who uses such unit for personal purposes may only deduct interest on debt secured by such Unit if such debt was incurred to acquire, construct or substantially improve his or her principal residence or designated secondary residence but only to the extent the principal amount of all such debts do not exceed $1 million ($500,000.00 for married persons filing separately) in the aggregate and such debts are secured by such residence. In addition, an individual may deduct, generally, the interest on other debt secured by such residences to the extent the principal amount is not in excess of $100,000 ($50,000 for married persons filing separately).

Taxpayers who intend to use a Unit in a trade or business or to hold a Unit for the production of rental income may be subject to the passive activity loss rules of Code Section 469. Taxpayers who intend to hold a Unit for investment will be subject to the investment interest rules of Code Section 163(d). Such taxpayers should consult their personal tax advisers as to the effect of Code Section 469 or 163(d) on their interest deduction.

It is also our opinion that an individual Unit Owner will, for New York State income tax purposes (and if such Unit Owner is a New York City resident, then for New York City resident income tax purposes only), likewise be entitled to a deduction equivalent to that which is allowed for federal income tax purposes for such mortgage interest and real estate taxes paid or accrued during the taxable year. Section 615 of the State Tax Law. New York imposes its own limitation on itemized deductions.

2. **Common Charges**.

Common Charges will be borne by Unit Owners and assessed and collected by the Board of Managers of the Condominium ("Board"). Under Code Section 528, a condominium board may be eligible to elect to be exempt from federal income tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met.

Section 528 permits a condominium management association to elect its benefits only if (a) substantially all of the units are used by individuals for residences, and (b) the condominium management association is:

1. organized and operated to provide for the acquisition, construction, management, maintenance and care of association property;

2. 60 percent or more of the gross income of the association for the taxable year must consist solely of amounts received as membership dues, fees, or assessments from owners of residential units;

3. 90 percent or more of the expenditures of the organization for the taxable year are expenditures for the acquisition, construction, management, maintenance-and care of association property; and

4. no part of the net earnings of the organization may inure (other than by acquiring, constructing, or providing management, maintenance and care of the association property, and other than rebate of excess membership dues, fees or assessments) to the benefit of any private shareholder or individual.

Treasury Regulation §1.528-4(b) provides that substantially all of the units will be treated as used by individuals for residences only if at least 85% of the total square footage of all units is used as such residences.

It appears, that based on the relative square footages of the Commercial Units and the Residential Units as set forth in the Declaration, less than 85% of the total square footage of all Units will be used for residential purposes and the Condominium Board will not be able to elect tax-exempt status under Section 528 of the Internal Revenue Code.

If an election under Section 528 is not available or in effect for a taxable year, the tax status of the Board will be governed by the rules in effect prior to the enactment of Section 528, under which the tax status of the Board is uncertain.

Because the By-Laws provide that the Board will act as agent of the Unit Owners, the Board may take the position that it simply acts as agent for the Unit Owners and is not a separate taxable entity. In such a case, the Unit Owners would include in their gross income, and be taxed on, income derived by the Board, which may include interest or similar income which is earned from interim investments of the amounts which are assessed and collected from the Unit Owners, and may also include income from any concession and other rental income.

However, the Internal Revenue Service may contend that, for purposes of those matters administered through the Board, such as assessment and expenditure of Common Charges, the Board constitutes an association separately taxable as a corporation, See, Code Section 7701(a)(3); Treasury Regulation §301.7701-2. In such event, the Board may be deemed to be subject to federal corporate income tax on the Common Charges, which in such case would be deemed to constitute gross income of the Board to the extent that the Common Charges (together with any income earned from other sources, such as interim investments of funds by the Board) exceed the current expenses paid or incurred by the Board which would be deductible for federal income tax purposes. In such case, the Board may likewise be subject to the New York State Corporation Franchise Tax. See, e.g., Department of Taxation and Finance Advisory Opinion TSB-A-97(24)C (September 30,1997). In FLR 92-120 (October 28, 1992) and FLR 92-11 (July 29, 1992) the New York Department of Finance interpreted Section 11-602.1 of the Administrative Code as requiring an unincorporated association to issue stock in order to become subject to the General Corporation Tax. Those rulings held that the Board would be subject, however, to the unincorporated business tax on any income which is not exempt from federal taxation pursuant to Section 528 of the Code. However, subsequent to the issuance of those rulings, the Administrative Code was amended and the General Corporation Tax now applies to all associations taxable as a corporation for federal income tax purposes whether or not shares of stock are issued.

Even if the Board is treated as a separate taxable entity, published rulings indicate that Common Charges assessed by the Board should not constitute gross income of the Board to the extent that they are designated for use solely to make specified capital improvements and are maintained in a separate bank account, because either the Board is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected (Rev. Rul. 75-370, 1975-2 C.B. 25) or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the Board (Rev. Rul. 75-371, 1975-2 C.B. 52; cf., Concord Village, Inc., 65 T.C. 142 (1975)). However, if treated as contributions to capital, it should be noted that when such amounts (together with any other funds accumulated by the Board) 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 subject to tax on his or her pro rata share of the amount expended to the extent of the earnings of the Board.

In the event that the Board is required to pay any federal, New York State or New York City income or franchise taxes, and an additional assessment is made in order to meet such tax liability, the additional amount collected through such assessment may itself be subject to tax. See, Old Colony Trust Co. v. Commissioner,279 U.S. 716 (1929); Rev. Rul. 74-75,1974-1 C.B. 19.

3. **Compliance with Real Property Law Section 339(i).**

Section 339-i.1 requires that the Common Interest of each Unit be based on any one of the following methods of calculation:

> (i) the approximate proportion that the fair value of the unit at the date of the declaration bears to the then aggregate fair value of all the units;
>
> (ii) the approximate proportion that the floor area of the unit at the date of the declaration bears to the then aggregate floor area of all of the units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all units in a part or parts of the common elements;
>
> (iii) in equal percentages, one for each unit as of the date of filing the declaration, or in equal percentages within separate classifications of units as of the date of filing the declaration;
>
> (iv) 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.

Section 6 of the Declaration states that "the Common Interest of each Unit is based upon floor space, subject to the location of such space and the additional factors of relative value of such space 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 Unit." The Declaration also provides that the aggregate Common Interests of all Units equal one hundred percent (100%).

In connection with this opinion, we have reviewed the opinion of Heron LLC included in Part I of the Plan, the information provided by you on Schedule A and the Floor Plans and have assumed the statements and information contained therein are correct and accurate. We have not reviewed or verified the calculations of floor areas used in determining the sizes of Units or the Limited Common Elements, which calculations have been furnished by you.

Based on the foregoing factors and the factual opinion of Heron LLC with respect to the allocation of the Common Interest among the Units made by the Sponsor, it is our opinion that the requirements of Section 339-i (1) (iv) have been met.

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 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 Owners trade or business or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his or her foreign status. This opinion also does not deal with the tax consequences which may arise if Units are acquired and/or leased by the Condominium Board. Purchasers must also be aware that under certain circumstances a Unit Owner, by virtue of his or her ownership of a Unit, may be deemed to become a resident of New York City and that no opinion is expressed herein as to the circumstances under which this may occur, or with respect to the income, estate or other tax consequences that may arise there from. Each person contemplating the purchase of a Unit is strongly advised to consult his or her own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

We make no warranty that the Internal Revenue Service or the New York State Department of Taxation and Finance will accept any or all of the views stated above. Moreover, the Federal and State tax laws and Regulations (and the rulings and decisions there under) may change and thereby affect the views stated above in whole or in part.

NO WARRANTIES ARE MADE THAT INTERNAL REVENUE SERVICE, THE DEPARTMENT OF TAXATION AND FINANCE OF THE STATE OF NEW YORK OR THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK WILL ALLOW INCOME TAX DEDUCTIONS. FURTHER NO WARRANTIES OR REPRESENTATIONS ARE MADE THAT THE TAX LAWS UPON WHICH THE COUNSEL TO THE SPONSOR BASE ITS OPINION (SET FORTH ABOVE) WILL NOT CHANGE AND IN NO SUCH EVENT WILL THE SPONSOR, THE SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO THE CONDOMINIUM BOARD, THE SELLING AGENT OR ANY OTHER PERSON CONNECTED WITH THIS OFFERING BE LIABLE IF FOR ANY REASON IT SHALL BE DETERMINED THAT UNIT OWNERS DO NOT MEET OR AT ANY FUTURE TIME CEASE TO MEET THE

REQUIREMENTS OF THE INTERNAL REVENUE CODE OF 1986, THE NEW YORK TAX LAW, THE NEW YORK CITY ADMINISTRATIVE CODE OR ANY AMENDMENT OF ANY THEREOF. MOREOVER, NONE OF THE AFORESAID MAKES ANY WARRANTIES WITH RESPECT TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF ANY UNITS OFFERED UNDER THE PLAN EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND NO ONE ELSE HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED HEREIN.

Part 3 of the foregoing opinion is confined to the matters addressed herein with respect to Section 339-i and is not intended, nor should be construed, as an opinion on other aspects of the Plan, such as the valid creation of a condominium, which is to be determined by a title insurance company.

The opinions contained herein are based upon our review of applicable statutory law and judicial precedent existing as of the date hereof, and we express no opinion as to the effect of any law that is hereafter enacted or any court case that is hereafter decided. We assume no obligation to update or supplement this opinion to reflect any changes in statutory law or judicial precedent, or any changes in fact or circumstances, that may hereafter come to our attention pertaining to the subject matter hereof.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan.

Very truly yours,

EISEMAN LEVINE LEHRHAUPT
& KAKOYIANNIS, P.C.

By: _____
Peter Kakoyiannis

WORKING CAPITAL FUND AND RESERVE FUND

Working Capital Fund

No later than thirty (30) days after the First Unit Closing, Sponsor shall contribute to the Condominium Board for its Working Capital the sum of Ten Thousand and 00/100 ($10,000.00) Dollars ("Sponsor's Working Capital Contribution"). In addition, at the closing of title to each Residential Unit sold by Sponsor to a Purchaser, the Purchaser shall pay to the Condominium as a contribution to the Working Capital Fund an amount equal to one month's common charges for such Residential Unit (such contributions, together with Sponsor's Working Capital Contribution, collectively, the "Working Capital Fund"). Purchasers of Units occupied by Non-Purchasing Tenants, except Sponsor or any Sponsor Successor, will be required to deposit with the Managing Agent (or the Condominium Board if no managing agent is employed) at the closing of title an amount not less than two months' common charges and real estate taxes to be used as working capital to furnish services required under the Non-Purchasing Tenant's lease and pursuant to Law.

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 By-Laws as will be determined by the Condominium Board in its sole discretion.

No representation is made that the Working Capital Fund 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.

THE PROPERTY IS OFFERED IN ITS CURRENT CONDITION AS SET FORTH IN THIS PLAN, WITHOUT ANY OBLIGATION ON THE PART OF SPONSOR OR THE SELLING AGENT OR MANAGING AGENT TO MAKE ANY REPAIRS OR IMPROVEMENTS. NO GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

Closing Adjustments with Condominium Board

Immediately prior to the First Unit Closing, Sponsor shall apportion the following items with the Condominium Board as of the day immediately preceding such closing:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to the employees of the Building;

(2) fees for assignable permits and licenses, if any;

(3) charges for electricity and gas;

(4) payments under service and maintenance contracts and concession agreements;

(5) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(6) cost of supplies on hand at Sponsor's cost;

(7) premiums for transferable insurance policies, provided that coverage of such policies conforms, as applicable, to that set forth in Schedule B; and

(8) any and all premiums advanced by Sponsor on account of condominium insurance policies taking effect commencing on or after the date of the First Unit Closing, to the extent that the coverage of such policies conforms, as applicable, to that set forth in Schedule B.

If the result of the closing adjustments there is a net credit in favor of the Condominium, then, in lieu of Sponsor paying the Condominium Board the amount of such net credit, the amount of Sponsor's contribution to the Working Capital Fund will be increased by the amount of such net credit. If, however, the result of the closing adjustments is a net credit in favor of Sponsor, the amount of such net credit shall be paid to Sponsor at the time of the First Unit Closing out of the Working Capital Fund or Reserve Fund, using Sponsor's initial contribution for such purpose. In no event, however, shall such payments be made to Sponsor to the extent that they would result in the reduction of the Working Capital Fund or Reserve Fund to an amount less than Five Thousand and 00/100 ($5,000.00) Dollars. If, because of the limitation set forth in the preceding sentence, Sponsor is not paid the full amount of the net credit to which it is entitled at the time of the First Unit Closing, the unpaid balance of the net credit in favor of Sponsor shall be paid to Sponsor by the Condominium Board without interest (except following default by the Condominium Board and, thereupon, at the rate of 18.0% per annum) in equal consecutive monthly installments pursuant to the terms of a negotiable promissory note, in favor of Sponsor, to be executed by the Condominium Board at the First Unit Closing or shortly thereafter. Such note shall provide that the first monthly installment shall be payable on the first day of the first calendar month following the date of the First Unit Closing and that successive monthly installments will be payable on the first day of each succeeding calendar month thereafter in monthly payments for a term no greater than five (5) years from the date of the First Unit Closing, at which time the entire principal and any accrued and unpaid interest shall be due and payable in full. The note shall provide that the Condominium Board will be entitled to prepay such promissory note in full only, at any time and without penalty. The note shall also provide that the Condominium Board shall pay any attorneys fees incurred in connection with enforcement of the Condominium Board's obligations under such note. Other than set forth above, the Note payments are not included in the Budget.

Reserve Fund

Within thirty (30) days after the First Unit Closing, Sponsor will establish and transfer to the Condominium Board a Reserve Fund in an amount as set forth below. The Reserve Fund is established in order to comply with the requirements of the Reserve Fund Law, a copy of which is set forth as Document Number 12 in Part II of this Plan. The Reserve Fund is required to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of the building. Until such time as a majority of the Condominium Board consists of members who reside in the Building and are unrelated to or unaffiliated with the holder(s) of the Unsold Residential Units (including Sponsor), the Reserve

Fund or Working Capital Fund may not be used to reduce projected Common Charges in the Plan.

The Reserve Fund will be established in accordance with the following provisions and conditions:

(1) **Definitions**: The following terms shall have the meanings ascribed with respect to the Reserve Fund:

(a) "Total Price" means the sum of the cost of all Units in the offering at the last price which was offered to tenants in occupancy prior to the Effective Date of this Plan, regardless of the number of sales made.

(b) "Capital Replacement" means (i) a building-wide replacement of a major component of any of the following systems: (1) elevator, (2) heating, ventilation and air conditioning, (3) plumbing, (4) wiring, (5) windows; or, (ii) a major structural replacement to the Building; provided, however, that replacements made to cure code violations of record shall not be included.

(2) **Amount of Reserve Fund**: The Reserve Fund to be established within thirty (30) days after the First Unit Closing shall be in an amount equal to either:

(a) three percent (3%) of the Total Price; or

(b) (i) three percent (3%) of the actual sales price of all Residential Units sold by Sponsor at the time the Plan is declared effective (provided, however, that if such amount is less than one percent (1 %) of the Total Price, then the fund shall be established as a minimum of one percent (1 %) of the Total Price); plus (ii) supplemental contributions to be made by Sponsor at a rate of three percent (3%) of the actual sales price of Residential Units for each Residential Unit held by Sponsor and sold to bona fide Purchasers subsequent to the Effective Date of the Plan and within five (5) years of the First Unit Closing, notwithstanding that the total amount contributed may exceed three percent (3%) of the total price; and provided, further, that if five (5) years from thirty (30) days after the First Unit Closing the total contributions by Sponsor to the Reserve Fund are less than three percent (3%) of the Total Price, Sponsor shall pay the difference between the amount contributed and three percent (3%) of the Total Price. Supplemental contributions shall be made within thirty (30) days of each sale.

(3) **Credit Against Amount of Reserve Fund**: The amount of the Reserve Fund to be established pursuant to this Section may be reduced by an amount equal to the actual cost of "capital replacements" which are begun after the Plan is first submitted to the Department of Law and before the Plan is declared effective; provided, however, that any such replacements must be set forth in the Plan, or an amendment to the Plan, together with their actual or estimated costs and further provided that such reduction or credit shall not exceed the lesser of the actual cost of the Capital Replacements or one percent (1 %) of the Total Price. Sponsor presently contemplates a capital replacement, if effected, of a new roof

on all the Buildings on the Property at a cost of approximately Fifth Thousand and 00/100 ($50,000.00) and to install new pavers and roof systems in the Plaza Area at a cost of approximately $100,000.00 which would qualify for a credit. Sponsor reserves the right to amend the Plan to disclose its intent to perform one or more capital replacements which will result in a reduction to or credit against the Reserve Fund. In the event of capital improvements made by the Sponsor, the Board of Managers or Unit Owners, non-purchasing tenant will be subject to rent increase as a result of said capital improvements which will then be reflected in an amendment to the Plan, with the amount of the rent pass-along.

(4) **Violations**: Within thirty (30) days from the date the Plan is accepted for filing by the Department of Law, Sponsor will arrange to keep on file with Selling Agent at its offices at the Building, a listing of (or copies of) all outstanding violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development, which list will be periodically updated until the First Unit Closing and which list will be made available for inspection by prospective Purchasers.

(5) **Sponsor's Right to Reduce Reserve Fund**. SPONSOR RESERVES THE RIGHT, PRIOR TO DECLARING THE PLAN EFFECTIVE, TO FILE AN AMENDMENT TO THE PLAN DISCLOSING THAT IT SHALL FUND A LOWER RESERVE FUND THAN IS PROVIDED FOR IN THE PLAN IF AND TO THE EXTENT SUCH LOWER FUNDING SHALL BE PERMITTED BY ANY CHANGE IN, REPEAL OF OR DETERMINATION OF INVALIDITY OR UNCONSTITUTIONALITY OF, THE RESERVE FUND LAW. However, Sponsor is not aware of any pending litigation challenging the constitutionality or validity of the Reserve Fund Law.

The Reserve Fund Law also provides for civil and criminal penalties for its violation, and further provides that any waiver of its provisions is void as against public policy.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management Agreement

It is, at present, contemplated that on the First Unit Closing (the "Commencement Date"), the Condominium Board will enter into a management agreement ("Management Agreement") with the Sponsor to be the Managing Agent for an initial term of three (3) years, subject to the rights of the parties thereto to earlier terminate the Agreement as described below. In addition, the agreement shall be automatically renewed for successive terms of three (3) years each, with each such term commencing on the day following the expiration of the previous three (3) year term (each a "Term Commencement Date") and ending on the day immediately preceding the third anniversary of the respective Term Commencement Date, unless earlier terminated in accordance with the provisions set forth below. The Condominium Board may cancel the Agreement (i) during any term by reason of a substantial and material default by the Agent in its obligations under the Agreement after thirty (30) days' prior written notice (unless the Managing Agent shall cure such default within such thirty (30) day period, or if such default is not susceptible to cure within thirty

(30) days, then unless the Managing Agent shall commence to cure the default and diligently prosecute the cure to completion) or (ii) as of the expiration date of the then current term of the Agreement from time to time (whether or not the Managing Agent shall be in default there under), provided that notice of such termination shall have been delivered to the Managing Agent not less than one (1) year nor more than thirteen (13) months prior to the expiration date with respect to the then current term. The Managing Agent may, at its option, cancel the Agreement at any time upon default by the Condominium Board, or at any time after the first year upon thirty (30) days' notice.

The Managing Agent will receive an annual fee of Twenty Five Thousand and 00/100 ($25,000.00) Dollars during the initial term of the Agreement, payable in equal monthly installments in advance which Sponsor believes in below market rate, and is able to do so because of its history and expenses with this Property. During the first three-year renewal term, if applicable, the Managing Agent's fee shall be Twenty Five Thousand and 00/100 ($25,000.00) Dollars per year and during the second three-year renewal term, if applicable, the Managing Agent's fee shall be $35,000.00. (For each three-year renewal term thereafter, if applicable, the fee shall be ten percent more than the fee in effect for the preceding three-year term.) The Managing Agent will be entitled to additional fees and commissions for certain special services performed by it and requested by the Condominium Board, including without limitation, the following fees: (a) for the sale through its own organization, or if the Condominium Board so advises, through other brokers, any space or Unit owned, reserved, acquired or reacquired by the Condominium at the Property, for a commission of six (6%) percent of the sales price (out of such commission of 6%, the Managing Agent shall pay any commissions due and payable to any other broker or co-broker procured by it in connection with such sale); and (b) for the leasing and/or subleasing of any space or Unit owned, reserved, acquired or reacquired by the Condominium at the Property and to renewal leases and subleases of any such space or Unit owned, reserved, acquired or reacquired by the Condominium at the Property, a commission of fifteen (15%) percent of the first year's rent. In addition, the Managing Agent shall have the right to receive from Residential Unit Owners who wish to sell or lease their Units a processing fee of $300 per purchase application and leasing application, plus reimbursement for the cost of any credit reports required by the Board.

The duties and services to be rendered by the Managing Agent include, among others:

1. billing and collecting Common Charges (Residential Common Charges and Residential General Common Charges) to and from the Residential Unit Owners and General Common Charges to and from the Commercial Unit Owner(s);

2. causing the General Common Elements and Residential Limited Common Elements to be serviced, maintained, repaired and altered in the manner deemed advisable by the Condominium Board, except that the Managing Agent shall not enter into any written contract in the name of the Condominium Board in excess of $5,000.00 for repairs, replacements, alterations, improvements, utilities or services to or of the General Common Elements and Residential Limited Common Elements or

equipment thereon, without the prior approval of the Condominium Board (other than in case of emergency);

3. employing, training, supervising, and discharging such employees of the Condominium Board, as are necessary for the operation and management of the General Common Elements and Residential Limited Common Elements;

4. maintaining, in full force and effect, all insurance required by the By-Laws, reasonably required by the Condominium Board;

5. maintaining records of cost and expenses incurred and income and receipts received in connection with the operation of the General Common Elements and the Residential Limited Common Elements (and, with respect to insurance policies, with respect to the Property);

6. furnishing to the Condominium Board statements of operations of the General Common Elements and Residential Limited Common Elements and, if requested by the Condominium Board, an annual budget, setting forth a detailed projection of cash receipts, cash receipts, cash expenditures, working capital and other necessary reserves and capital improvements and expenditures;

7. attending meetings of the Residential Unit Owners, of the Condominium Board and of all Unit Owners as a group; and

8. paying, out of the Condominium Board's operating account, bills and invoices for the costs and expenses of operating the Condominium.

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 General Common Expense.

All out-of-pocket expenses incurred by the Managing Agent in performance of its duties will be reimbursed to the Managing Agent by the Condominium Board. In addition, the Condominium Board will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Condominium Board or for personal injury or property damage not resulting from the Managing Agent's gross negligence or willful failure to comply with its obligations under the Management Agreement.

If requested by the Condominium Board, the Managing Agent shall, for the First Year of Condominium Operation, bond itself and all employees who handle, deal with or are responsible for monies of the Condominium Board under a fidelity bond in the amount to be mutually agreed to for each loss, the deductible under the above blanket employee dishonesty insurance, which fidelity bond shall be in addition to the expense currently budgeted for insurance.

The Management Agreement may be assigned by the Managing Agent but not by the Condominium Board (unless the Managing Agent shall consent in writing thereto).

The managing agent for the Condominium is required by Section 352-eeee of the General Business Law to be the managing agent of all dwelling units occupied by Non Purchasing Tenants. The Managing Agent must provide to Non-Purchasing Tenants all services and facilities required by Applicable Law on a non-discriminatory basis. Sponsor guarantees the obligation of the Managing Agent to provide all such services and facilities until such time as a majority of the Residential Members of the Condominium Board consists of members who are unrelated to or unaffiliated with the Unsold Residential Unit Owners (including Sponsor).

Other Contractual Agreements

Upon commencement of condominium operation, the Residential Section of the Condominium and General Common Elements will be subject to the then existing service and concession agreements (see the Footnotes to Schedule B for full details of the agreements in effect or proposed at the date of presentation of the Plan). The projected insurance coverage to be obtained for the First Year of Condominium Operation is contained in Footnote 8 to Schedule B.

Sponsor has reserved the right, prior to the First Unit Closing, to modify, renew and replace the existing agreements and to enter into new agreements that will be binding on the Condominium Board.

IDENTITY OF PARTIES

Sponsor

The Sponsor, Times Plaza Development Limited Partnership, is the owner of the subject Premises which was acquired in 1983 and is a Connecticut limited partnership formed February 14, 1985, and filed a Certificate of Authority with the Department of State to do business in New York State February 27, 1985 and continues to do business in New York State and is qualified to do business in New York and having an office c/o Bruce Orlofsky, 562 State Street, Brooklyn, New York 11217-1412. The general partner of the Sponsor is Times Plaza Development Corp., a New York corporation whose shareholders are Bruce Orlofsky, Mitchell Orlofsky, Jason Orlofsky and David Orlofsky. The Orlofsky Partnership, is the sole limited partner and consists of Jason Orlofsky, Mitchell Orlofsky, Bruce Orlofsky and David Orlofsky as partners.

Bruce Orlofsky, one of the Sponsor's principal, has experience in the real estate ownership.

Sponsor has not previously offered for sale as cooperatives, condominiums, planned unit development homes or time shares properties which were initially offered within the past five years except for the following:

The individual principales of the Sponsor, Jason, Bruce, Mitchell and David Orlofsky are partners in JMDB Partnership which has a 22.2% interest in Third and Atlantic Realty Associates LLC. The Sponsor of a Condominium Plan for fifteen (15) units of new construction

at 52 3rd Avenue, Brooklyn, New York which was accepted for filing September, 2004. Other than as described, none of the principles of the Sponsor nor Times Plaza Development Corp. is a principal of Sponsors or holder of unsold shares of units which currently own or hold 10 percent or more of the unsold shares or units at cooperatives or condominiums located in the State of New York.

Sponsor's Attorneys

Sponsor has retained the law firm of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. to represent it in connection with the Plan. Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. prepared the Plan and rendered to Sponsor an opinion with respect to the availability of income tax deductions to Purchasers and certain compliance with Section 339(i) of the Condominium Act. Peter Kakoyiannis has prepared this Offering Plan.

The Managing Agent

The Sponsor as Managing Agent has its offices c/o Bruce Orlofsky, 562 State Street, Brooklyn, New York 11217-1412 and will currently be the managing agent for the Condominium and has no prior management experience with Cooperatives or Condominiums.

The Selling Agent

Heron LLC, with an office at 820 2nd Avenue, New York, New York 10017, along with the Sponsor are the Selling Agents. The Sponsor has not previously acted as a selling agent for cooperatives or condominiums but has had experience leasing residential and commercial rental properties. Heron LLC has extensive experience at selling Cooperative and Condominium units and over the last twenty (20) years has been involved in over 100 Cooperative/Condominium conversions.

Architect

The report on the physical condition of the Building included as part of the "Description of Property and Building Condition" contained in Part II of this Plan was prepared by Berzak Gold P.C. (the "Architect"), with an office at 115 East 23rd Street, New York, New York 10010. The Architect has no financial interest in the Property, Sponsor, the Managing Agent or the Selling Agent or any other party interested in this transaction, except for its fees for services rendered in connection with such report, the preparation of the Floor Plans and related matters.

SPONSOR'S PROFIT

Sponsor is converting the Property to condominium ownership and is offering the Units for sale with the intention and expectation of making a profit.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board pursuant to the By-Laws:

(1) To submit to all Unit Owners within four (4) months after the end of each fiscal year of the Condominium an annual financial statement prepared in accordance with generally accepted accounting principles, certified by an independent certified public accountant (until such time as a majority of the Condominium Board consists of members who reside in the Building and are unrelated to or unaffiliated with the holder(s) of the Unsold Residential Units (including Sponsor); and

(2) To give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting no later than five (5) business days prior to the date fixed for the meeting.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all exhibits submitted to the Department of Law in connection with the filing of the Plan on file and available for inspection without charge and copying at a reasonable charge at the office of the Selling Agent for a period of six (6) years from the date of the First Unit Closing. Sponsor will deliver to the Condominium Board a copy of all Condominium Documents filed with the appropriate recording office at the time of the First Unit Closing.

The Declaration and the By-Laws will be recorded in the Register's Office prior to or concurrently with the First Unit Closing. In addition, a set of the Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate Governmental Authority of the City of New York as conforming to the official tax lot number for each such Unit, will be filed with the Register's Office when the Declaration is recorded.

Air Rights and Development of Adjacent Parcel(s).

Sponsor reserves the rights to transfer the Air Rights of the subject Property to another Property, or may retain same for future use, sale or development or disposition. Sponsor also reserves the right to sell, develop or retain the other adjacent portion of the property which is not part of this offering. The Sponsor is in the process of selling and anticipates to conclude the sale of the adjacent parcels which consists of the parking lot and loading dock to a developer, including the Excess Air Rights of the subject Property.

The Sponsor is converting the subject Property Lot 27 to a condominium form of ownership. Part of Lot 27, the Loading Dock area, and the adjacent lots including the Parking lot are not part of this Offering. Prior to a first closing of the Condominiums, the Sponsor will subdivide Lot 27 so that it is not affected by any sale of that part of Lot 27 being sold. The Sponsor is presently negotiating with a Purchaser to purchase the adjacent parcels which include the Loading Dock area and the Parking Lot and also transferring up to 20,000 sq. ft. of Excess Development Rights to a new Purchaser from the existing Tax Lot 27 to said Purchaser, which is the subject of the Condominium Offering. As a result of such

sale, the Development Rights will include an Easement of Light and Air and shall not be available for further use by the Condominium.

The development rights which are not currently being utilized by the Building (the "Excess Development Rights") attributable to the Land will not be submitted to the condominium regime. Sponsor presently intends to convey the Excess Development Rights to the purchaser of the parcel next to the Building which will be subdivided from the existing Lot 27 (the "Development Rights Purchaser") and, when such conveyance occurs, Sponsor will retain the proceeds from such conveyance and neither the Condominium nor any Unit Owners will have any interest in the Excess Development Rights or the proceeds of the sale thereof. Other than the development rights currently utilized by the Building, there will be no further development rights available to the Condominium. In connection with the conveyance of the Excess Development Rights, Sponsor shall be entitled to merge the zoning lot of which the Land is a part with the zoning lot of which the land owned by the Development Rights Purchaser is a part (after any such merger, the "Merged Zoning Lot"), which merger (the "Merger"), is a necessary pre-requisite to the Development Rights Purchaser's ability to utilize the Excess Development Rights). In connection with the Merger, Sponsor will enter into a declaration (the "Declaration of Zoning Lot Restrictions") and a zoning lot development agreement ("ZLDA") which will be recorded against the Property and become a Permitted Encumbrance. Under the terms of the ZLDA, the Condominium Board will be required to reasonably cooperate with the Development Rights Purchaser or its designee and to execute such documentation as may be reasonably necessary to enable the Development Rights Purchaser to utilize the Excess Development Rights. No part of the Land or the Building shall be used by the Development Rights Purchaser, except that the creation of mutual easements of egress and ingress shall not be considered to violate this provision. The ZLDA shall provide that direct ingress and egress from the Condominium premises shall not be materially interfered with by or on behalf of the Development Rights Purchaser shall grant certain easements for the Condominium's mechanical room, compactor, and the Development Rights Purchaser and other areas as needed by the Condominium. No construction activities by or on behalf of the Development Rights Purchaser will take place in the Building, however, construction actually will take place immediately adjacent to the Building, or directly above the Building and the creation or maintenance, repair, replacement or other actions required with respect under the ZLDA shall not be considered to violate this provision.

After the merger, and closing of the sale of the adjacent Parcel, the Merged Zoning Lot, as an "adjacent lot" as defined in the Zoning Resolution of the City of New York, effective as of December 15, 1961, as amended (the "Zoning Resolution"), will be receiving the transfer of Development Rights.

All present and future "parties in interest" to the Property, including Sponsor, the Condominium Board, and any Unit Owner, are deemed to have (a) consented to, waived objection to and subordinated to the Declaration of Zoning Lot Restrictions, the Merger and the transfer of any Development Rights to the Merged Zoning Lot, (b) consented to and waived objection to each addition, amendment or replacement to the Declaration of Zoning Lot Restrictions and/or the ZLDA required in connection with the utilization of the Development Rights, (c) consented to and waived their right, if any, to execute the Declaration of Zoning Lot Restrictions, the ZLDA or a transfer of Development Rights and Notice of Restrictions pursuant to the applicable provisions of the Zoning Resolution required in connection with the utilization of the Development Rights, (d) consented to and waived objection to any necessary applications, agreement, declaration or document or such other action as may be required to effectuate the Merger, the Declaration of Zoning Lot Restrictions or the transfer and utilization of the Development Rights as required by the applicable provisions of the Zoning Resolution, and (e) consented to and waived objection to any other matters relating to the transfer of the Development Rights.

Sponsor, any Condominium Board and any present and future "parties in interest" to the Property (including any Unit Owner) shall be required, upon the request of Sponsor or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with the Merger, the Declaration of Zoning Lot Restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

The ZLDA may provide that in the event that the Building is destroyed by a casualty (or if both the Building and any building using the Excess Development Rights are destroyed by a casualty) and there has been a downzoning, then pursuant to the ZLDA any rebuilding of the Building will be limited to the number of floor area development rights then available (and, therefore, there is a risk that not all of the Condominium Units can be rebuilt).

No party shall be a third party beneficiary of this Amendment other than Purchasers or Unit Owners. Without limiting the generality of the foregoing, the Development Rights Purchaser shall derive no rights whatsoever from this Amendment and a grant of rights, if any, shall be included in one or more writings signed by all necessary parties as provided above.

The Sponsor has been advised by the prospective purchaser of the adjoining parcel, that it intends to build two (2) seven (7) story residential towers over a one (1) story commercial space on the first floor. The total number of residential units for both buildings is seventy one (71) units.

The proposed new building will be designated construction classification "IC" (non-combustible construction), with an occupancy classification of "J-2" (multi-family residential) and "E" (business).

The above information is presented by the Sponsor based on information furnished by the prospective purchaser of the adjoining lot. All plans are subject to change as to design, layout and scope without any prior notice.

As a result of this adjacent construction, which may or may not be completed prior to this Plan being declared effective, the height of the new building will most likely result in reduction and/or eliminate certain views, light and air benefits currently existing at the subject Property.

In addition to construction noise, and dust, it must be anticipated that there will be certain other dislocation from the adjacent construction all of which the Sponsor will have no control over. It is unclear what effect this new building will have as to further values of the Condominium apartments being offered for sale. Each purchaser will need to make his or her own evaluation as to the effect of this potential construction may have on value of a unit and the quality of life.

During and after construction, the Condominium will have an easement for emergency egress on and through the adjacent new tax lot and building, and as well as for its vent stocks and HVAC systems and trash chute currently servicing the Residential units.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to this Plan, any rider or separate agreement changing or adding provisions to such document.

Except for personal injury claims, negligence claims and other claims being handled or defended by Sponsor's insurance carriers, there are no lawsuits or other legal proceedings now pending, or any judgments outstanding against Sponsor that could materially affect this offering, the rights of Purchasers of Units, the Property, the Condominium, or the operation thereof.

In accordance with the provisions of the laws of the State and City of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person because of sex, race, creed, color, national origin, ancestry, or other ground proscribed by Applicable Law in the sale of the Units offered by Sponsor pursuant to this Plan or in the leasing of any such Units.

As of the Presentation Date, neither Sponsor nor any representative or agent thereof have, in violation of Applicable law, raised funds from, or took any deposits or advances of funds nor has it accepted funds prior to this Plan being accepted for filing or made any preliminary offering to, or binding agreement with, tenants, subtenants, or non-occupant prospective Purchasers for the sale of Units in the Building.

Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of Sponsor, Purchasers, or prospective Purchasers, without obtaining the consent of such Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided (such as in case of uncured default), nor unilaterally change the Purchase Price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to this Plan. In the case of a material revision adversely affecting in any material respect the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of Sponsor, such Purchasers will be given the right to rescind their Purchase Agreements and be refunded all monies paid thereunder, with interest earned thereon, if any, within thirty (30) days after the presentation of the amendment. However, such rescission, as to a Purchaser who first became a tenant of the Building after the Presentation Date of this Plan, will be conditioned on the cancellation of any Interim Lease and surrender of possession of his or her Unit within thirty (30) days thereafter.

All statements and representations made in this Plan with respect to items prepared by others have been made by Sponsor in reliance upon the Persons responsible for the preparation of such items and their authority as experts.

Unless the context otherwise requires, words used in the singular in Part I of this Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine, or neuter, includes the other two.

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

General

Sponsor adopts the report prepared by Berzak Gold P.C. and included as part of the "Description of Property and Building Condition" contained in Part II of this Plan. Sponsor represents that, to the best of its knowledge, said report accurately states the description and condition of the Property as of the date of the inspection. The Building does not contain Lot Line Windows.

Certificates of Occupancy

Sponsor represents that the use of the Residential Units as described in the Plan in the Section of the Plan entitled "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws" and in the Declaration and By-laws is authorized by the existing certificates of occupancy for the Building. Because of the splitting of the Tax Lots into two (2) Parcels, a new amended Certificate of Occupancy will be obtained by the Sponsor but is not needed to close the Units since the existing Certificate of Occupancy is for the same number of Units and use.

Annexed to "Description of Property and Building Condition" in Part II of the Plan are copies of violations of record affecting the Property (whether affecting the Common Elements or the Units) as of the date of the violations search. Sponsor shall not have any obligation at any time to cure such violations or any other violations (whether of record or otherwise) affecting the Property, whether affecting the Common Elements or the Units, including, without limitation, the violations referred to or set forth in the Plan. Within thirty (30) days from the date the Plan is accepted for filing by the Department of Law, Sponsor will arrange to keep on file with Selling Agent at its offices at the Building, a listing of (or copies of) all outstanding violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development, which list will be periodically updated until the First Unit Closing and which list will be made available for inspection by prospective Purchasers.

Each Unit and the Common Elements are offered in "as is" condition as of the closing of title thereto, subject to Sponsor's obligation to maintain the Common Elements until the First Unit Closing in substantially the same condition and manner as on the Presentation Date of the Plan, reasonable wear and tear excepted (subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control); provided that Sponsor shall have no obligation to cure any violations of record. If Sponsor is prevented from so maintaining the Property for any of these reasons other than fire or other casualty, Sponsor will make any repairs subsequent to the First Unit Closing that it was obligated to make prior thereto.

Notwithstanding the above, once the Plan is declared effective, Sponsor may nonetheless abandon the Plan on the terms and conditions set forth in the Section of the Plan

entitled "Effective Date," and upon such abandonment Sponsor shall have no liability to Purchasers hereunder.

Sponsor reserves the right to make, at Sponsor's expense, either before or after the First Unit Closing, certain alterations and/or improvements in some or all areas of the Main Lobbies involving, among other things, installation and/or replacement of some or all of the following: carpets, wall paneling, mirrors, planters, planter boxes, wall sconces and/or other lighting fixtures, benches and/or other seating, certain new or modified air conditioning equipment and/or systems and capping of certain window frames with polished bronze or other materials. Sponsor may decline to pursue or abandon such potential alterations and improvements and any decision with respect thereto shall not affect a Purchaser's obligation to close on the purchase of a Unit covered by a Purchase Agreement.

Except as may be expressly set forth in Part I of the Plan, Sponsor shall have no obligation to make any repairs, replacements or alterations to the Property or the Building (including without limitation, as may be reported, recommended or suggested in the Sponsor Consultants' Reports (as hereinafter defined) as contained in Part II of the Plan.

DOCUMENT NUMBER 1

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

SEE FOLLOWING PAGES

THE FOLLOWING REPORT WAS PREPARED BY THE OFFICE OF BERZAK GOLD ARCHITECTURE AND STRUCTURAL ENGINEERING, PC WITH THE AIDE OF CONSULTANTS BELOW ON SEPTEMBER 13, 2003, REVISED OCTOBER 12, 2004

ADDRESS:	560-564 State Street Aka 2/12 Times Plaza Brooklyn, New York 11217
	Block: 180 Lots: 27 Zoning: C2-4 in R7A Within Special Downtown Brooklyn District Within Atlantic Avenue Subdistrict Map: 16c
REQUESTING PARTY:	Times Plaza Development Limited Partnership Bruce Orlofsky 562 State Street Brooklyn, New York 11217
ARCHITECT:	Michael D. Berzak, R.A. 115 East 23rd Street, 8th Floor New York, NY 10010
STRUCTURAL ENGINEER:	Stuart Gold, PE 115 East 23rd Street, 8th Floor New York, NY 10010
MECHANICAL ENGINEER:	E.M.T.G. 227 West 29 Street New York, NY 10001

INTRODUCTION

This report was prepared for the Sponsor for the inclusion in an offering plan for conversion of this property to condominium units. The Report is based on (a) a visual inspection of the existing spaces, review of construction completed to date and evaluation of documentation prepared by the licensed architect and engineer for the Property. It is understood, however, that not all aspects of the physical condition of the Property can be ascertained from a visual inspection alone, and (b) information provided by the Sponsor and/or their representatives.

This report fairly describes the condition of the building and proposed improvements on the Property as of the date of the inspection with respect to those facts which could be ascertained from a visual inspection at that time, except as may be noted herein. This report provides a general description of the Property, interior spaces and mechanical equipment and a fair summary of their general condition, but it is not intended to be a complete detailed list of every piece of equipment or of their condition. Emphasis is on their condition at the time of inspection including deficiencies probably unknown to occupants, rather than a description of material make-up usually obvious to residents.

The contents of this report are correct to the best of my knowledge and belief. This Report and the conclusions stated herein are, however, limited to the actual knowledge based upon visual inspection, undertaken with due diligence, of visible portions of the Property and information voluntarily supplied by the Sponsor. No representation is made, however, as to the truth, completeness or accuracy of this information.

This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the property or as an option as to the advisability or inadvisability to purchase the property or acquire share(s) in the condominium units being offered pursuant to the Sponsor's Offering Plan.

Michael D. Berzak, RA



Description of Property, Specifications and Building Condition

(a) Location and use of property
(1) The subject property is located at 560 State Street, Brooklyn, NY (with other addresses listed as 560-564 State Street, 2-12 Times Plaza, 563-567 Atlantic Avenue, 118-126 Flatbush Avenue).
(2) It is block #180, lot #27.
(3) It is located in a C2-4 overlay within a R7A Zoning District.
(4) It is also within the Special Downtown Brooklyn District, and the Atlantic Avenue Subdistrict. The existing and proposed uses are Commercial Stores for the first floor areas, and Residential, Multiple Dwelling for the 2nd through fourth floors with an interior lobby on the first floor facing Sate Street, which are as of right permitted uses in this district.

(b) Status of construction
(1) Based on the materials and methods of construction, the buildings were originally constructed in approximately the 1880's.
(2) The buildings are built as Old Code construction, Class 3 - (Non Fireproof Structures).
(3) The current uses conform to the current Certificate of Occupancies: CO # 233839, dated June 1, 1990 for wings A,B, Lobby, and stores, and CO # 232220, dated September 14, 1989 for wings C and D. The total number of apartments conform to the current certificate of occupancies.
(4) No work is to be done under this application.
(5) The alteration application that initiated this certificate of occupancy pre-dates local law 58,1987 requirements. All subsequent alterations above the primary level are not applicable to LL58.

(c) Site
(1) The lot is an irregular shape described as follows: beginning on the northwest corner of Fourth Avenue and Atlantic Avenue running thence 110'-11" north along Fourth Avenue; thence 123'-10 ½" northwest along Flatbush Avenue: thence 60'-0" west along State Street; thence 90'-0" south: thence 70'-0" east; thence 90'-0" south; thence 97'-10" east along Atlantic Avenue.
(2) There is one building on the site, comprised of 10 combined brick buildings indicated as buildings #1 through #10. All 10 buildings are grouped into wings A, B, C, and D. Wing A consists of buildings 1, 2, and 3, ordinary and accessory storage in the cellar. Lobby, stores, and an outdoor courtyard over a portion of the commercial on the first floor. (3) Simplex units on the second floor. (6) Duplex units split between the third and fourth floors. Wing B consists of buildings 4, 5, and 6, ordinary and accessory storage in the cellar. Stores, and an outdoor courtyard over a portion of the commercial on the first floor. (3) Simplex units on the second floor. (6) Duplex units split between the third and fourth floors. Wing C consists of building 7, ordinary and accessory storage in the cellar. Stores on the first floor. (4) Simplex units on the second floor. (2) Simplex units on the third floor. (4) Duplex units split between the third and fourth floors and (2) simplex units on the fourth floor. Wing D consists of buildings 8, 9, and 10, ordinary and accessory storage in the cellar. Stores on the first floor. (3) Simplex

units on the second floor. (6) Duplex units split between the third and fourth floors.

(3) The site is on a public street, owned and maintained by the City of New York.

(I) The street paving is made of asphalt and is in good condition.

(II) The curbs are made of concrete with a steel cap and are good condition.

(III) There are no catch basins on site. Drainage is by interior cast iron piping tied into the existing street combined sewer. Street lighting is provided by New York City Department of Transportation and is their responsibility to maintain.

(IV) All these items are in conformance with local fire and municipal building codes.

(4) There is an existing concrete sidewalk, owned by the City of New York and to be maintained by the owner of the property.

(I) The curbs and sidewalks are made of concrete with a steel cap and are good condition.

(II) All these items are in conformance with local fire and municipal building codes.

(d) Utilities

Electric utilities are provided by Consolidated Edison of New York, Gas is supplied from an existing Key Span service in the street. Water usage for the entire building is monitored by a single in line meter. The meter is then split between residential and commercial usage, with commercial usage sub-metered for individual tenants. Gas usage for boiler, domestic hot water heater and unit gas appliances is monitored by individual meters for each tenant. Gas heat is provided in the common areas of the residential portion of building #7 on a separate meter. There is a separate gas meter provided for the Common laundry room in the residential portion of building #1. Electricity usage is individually metered for all commercial and residential tenants. Electricity usage for residential common areas is individually metered for each individual building. Electric usage within each unit is individually metered. There is a common storm and sewer system within the buildings, connected to the combined city sewer within the roadbeds of the public streets. Local telephone service is provided to each unit from a public utility.

(e) Sub soil conditions

(1) No uneven foundation movement or settling has occurred.

(2) There is no evidence of moisture, seepage or water infiltration through the exterior walls.

(3) There is no danger from flooding.

(f) Landscaping and enclosures - There is no landscaping.

(1) There are no grass coverings.

(2) There are no plantings

(3) There are no trees.

(4) There are no fences.

(5) There are no gates.

(6) There are no garden walls.

(7) There are no retaining walls.

(8) There are no pools or fountains.

(g) Building size

(1) The height of the building from average curb elevation to peak of roof is 50'-11".

(2) There are no crawl spaces.

(3) There are cellar spaces beneath all 10 buildings, not all commercial tenants have access to the cellar spaces.

(4) The building is comprised of cellar, and floors 1 through 4.

(5) Each commercial space has its own furnace and meters within its own cellar. Each residential unit has its own mechanical room for its hot water heater and air conditioning, except the following units which have shared mechanical rooms: 2B, 2C, 3B, 3C, 4B, 4C, 5B, 5C, 8B, 8C, 9B, 9C, 10B, 10C. There are two units for each of the shared mechanical rooms. Condensers are located on dunnage on the roof.

(6) The height of the parapet varies, with an average height of 1'-6".

(h) Structural systems

(1) Exterior of building.

(I) The exterior walls of the building are masonry and brick masonry. There are no signs of bulges, leaning, moisture penetration, or any other sign of distress. The existing foundation is stone. The side walls are load bearing. The cellar walls are masonry with a concrete floor and is in good condition. The 'R' value of the roof and wall insulations were not able to be determined at the time of the inspection. The floor framing are 3x wood joists, 16" on center spanning from masonry wall to masonry wall. The overall structural system is in good condition and there is no evidence of any defect. This building is exempt from Local Law 10 and Local Law 11 requirements.

(II) All windows are existing. At the time of inspection, the window make was unable to be determined. There is no warranty on the windows. The front windows are double hung, painted aluminum. The rear windows are aluminum double hung and sealed with caulking. All are equipped with aluminum screens. All windows were in good condition at the time of inspection, there is no evidence of any defects. Sills and lintels are existing masonry. No window guards are currently installed. There are no lot line windows.

(III) The building is not landmarked; and not located within a historic district.

(2) Parapet and copings - Existing parapets are masonry, with metal copings or coaled tar. All were inspected as part of this application. There are no signs of bulges, leaning, moisture penetration, or any other sign of distress Any required restoration and reattachment has been done.

(3) Chimney and caps - There are no operative fireplaces or chimneys.

(4) Balconies and terraces - There are no terraces, there is an interior court outdoor plaza with enclosed masonry walls at the second floor level, accessed from the State Street entry to the residential buildings, and serves as a private entry plaza to the residential portions of the buildings.

(5) Exterior entrances - All entrances are in good condition.

(I) Exterior doors and frames are made of aluminum and glass storefront.
(II) The exterior entry and vestibule doors at the State Street residential entry are aluminum storefront and glass.
(III) There are no exterior stairs.
(IV) Railings on the interior stairs are made of steel.
(V) Recessed mailboxes are located within the residential lobby.
(VI) Fluorescent fixtures are located on the ceilings of all public spaces.

(6) Entrance vestibules - Each of the residential portions of the buildings have a separate aluminum and glass vestibule accessed from the outdoor court plaza.

(7) Roof and roof structure - The existing roof is sloped from the front and the rear towards the center of the buildings. Existing tapered roof areas are built up roofing over rigid insulation. The pitched roof slopes to a roof drain tied to drain pipes located within the buildings tied to the house sewer line. The roof is in overall good condition with no evidence of any active leaks.

(I)
(a) The existing material on the roof consists of built up roofing (coaled tar) There is no warranty.

(II)
(a) Buildings 1-6, 8-10 have one central roof drain, with building 7 having two roof drains. All roof drains are tied to drain pipes located within the buildings and tied to the house sewer line.
(b) There are no gutters.

(III)
(a) There are plexiglass skylights with metal frames on the roof located over the public stairs in each building. There are two additional skylights in each of the fourth floor residential units. All skylights are in good condition.

(IV)
(a) There is one stair bulkhead on the roof located on building 7, consisting of masonry walls and built up roof with a hollow metal door and frame. There are no signs of bulges, leaning, moisture penetration, or any other sign of distress.
(b) There are no elevators.

(V) The metalwork on the roof is good condition; there is no evidence of any deterioration or any need of repair. There is no metal work in the cellars.
(a) There are no exterior stairs.
(b) All buildings (1-10) have one vertical ladder from the fourth floor through a hatch access to the roof.
(c) Exterior railings on the roof are wrought iron.
(d) There is one hatch located on the roof of each building.
(e) There is steel dunnage for all a.c. condenser units.

(VI) There are no roof top facilities.

(8) Fire escapes
(I) There are no fire escapes on this building. The secondary means of egress is by a steel ladder from the fourth floor of each building to a hatch access to the roof.

(9) Yards and Courts - There is an interior court outdoor plaza with enclosed masonry walls at the second floor level, accessed from the State Street entry to the residential buildings, and serves as a private entry plaza to the residential portions of the buildings. There are no currently identifiable defects.

(I) The paving material is brick pavers.
(II) There are several area drains throughout the plaza.
(III) There are no railings in the outdoor plaza.
(IV) There is a masonry enclosed egress stair along the south end of the outdoor court plaza, exiting out to the sidewalk along Atlantic Avenue.
(V) There is no fencing in the outdoor plaza.
(VI) There is an approximate 6'-0" tall masonry wall enclosing the outdoor plaza.

(10) Interior stairs - are in good condition.

(I) There are a total of 11 interior stairs, buildings 1-6, 8-10 have one stair, with building 7 having 2 stairs. There is one main stair located in the lobby constructed of steel and concrete finished with carpet, the railings are painted steel.
(II) The interior stair are enclosed with painted sheetrock and the stairs are finished with carpet.
(III) The stairs are made of wood
(IV) The stringers are made of wood
(V) The treads are made of wood.
(VI) The risers are made of wood.
(VII) The guardrails and handrails are made of wrought iron.
(VIII) There are no balustrades.

(11) Interior doors and frames - are in good condition.

(I) Unit entry doors and frames are insulated steel 1 1/2 hour rated fire doors with self-closing hinges. They are equipped with security chains and peep holes. Unit interior doors are 1 1/4" hollow wood doors. No rating is required for these doors. All doors and frames to common storage areas and the boiler room are 1 1/2 hour rated steel fire doors with self-closing hinges
(II) Corridor doors and frames are insulated steel 1 1/2 hour rated fire doors with self-closing hinges.
(III) Stair doors and frames are insulated steel 1 1/2 hour rated fire doors with self-closing hinges.
(IV) Roof door and frame are hollow metal with self-closing hinges.

(12) There are no elevators.

(i) Auxiliary facilities

(1) Laundry rooms

(I) There is a common laundry room located in the rear of the first floor entry lobby
(II) There are 4 washers all are commercial coin operated.
(III) There are 4 dryers all are commercial coin operated.

(2) Refuse Disposal

(I) There is no incinerator. There is a trash compactor located on the ground floor. At the time of inspection the make and model of the

trash compactor were unable to be determined. The trash compactor is in fair condition. There is a trash room located off of the outdoor court plaza that houses the trash shoot, empting into the trash compactor.

(j) Plumbing and drainage - The overall system appears to be in good condition, leaks are not frequent, there are no active leaks within the buildings. The plumbing system consists of 4" metal piping, and is in good condition. Existing plumbing behind walls was not able to be inspected at this time.

(1) Water supply - Domestic water is provided from New York City from a main in the street bed.
(2) Fire protection system
    (I) There is a sprinkler system (steel metal piping of varing sizes) in all the public stair enclosures, and in the main rooms of each unit. The system was installed under application # 540-87 (567) and approved by the department of buildings.
(3) Water storage tank - No water storage tanks are required or existing
(4) Water pressure is adequate and is maintained by static pressure in the street main.
(5) Sanitary sewage is connected to the sewer line in the street bed.
(6) Storm drainage system – the drainage system is in overall good condition and there is no evidence of any leakage.
    (I) There are no catch basins.
    (II) Buildings 1-6, 8-10 have one central roof drain, with building 7 having two roof drains. There are several area drains located on the outdoor plaza.
    (III) Cast iron drainpipes are located within the buildings, tied into the existing street combined sewer system.

(k) Heating
(1)Space heating for all units is by a gas-fired furnace. All gas piping is black iron. The furnace and hot water heater are located within the mechanical rooms of the units. All units are of York make, approximately 12 years old, and in fair condition. The remaining useful life of the furnaces is estimated to be 15 years. The model number and capacities were unable to be determined at the time of inspection. Concealed ductwork blows the hot air to all the main spaces of the units. The electric service was designed to handle all equipment provided under this application, this includes all kitchen appliances, code required receptacles, lighting, central air conditioning, and heating. The system operates reliably. The heating, hot water, and AC units are adequate for normal and usual use.

(l) Gas supply
(1) Gas is supplied from the existing Key Span service in the street. A 2" service enters the building and feeds a common header.
(2) This header feeds (4) gas meters (1) for each apartment and (1) for commercial spaces
(3) The gas lines to each apartment is for hot water heaters, furnaces, and appliances. The gas line to commercial spaces is for heating and hot water.

(m)Air conditioning

(1) Units are provided with central air conditioning (AC). Central AC is provided for each unit with a split, direct expansion system

(2) All air handlers are made by York and are in fair condition. The model numbers and capacities were unable to be determined at the time of inspection.

(3) All condensers are located on the roof and made by York.

(4) All hot water heaters are made by A.O. Smith and are in fair condition. The model numbers and capacities of the hot water heaters were unable to be determined at the time of inspection.

(n) Ventilation

There are exhaust fans located over the toilet and kitchenette with exhaust shafts venting through to the roof. There are 2" vent pipes penetrating the roof from the residential plumbing fixtures below. There are 14" boiler flues penetrating the roof. Kitchenettes are ventilated by means of interior ductwork from each space to an exhaust fan on the roof. Bathrooms are vented by the same means. The two room types each have an independent system of ducts and their own fans. The stair hall is vented by windows and a rooftop skylight. Each boiler room has an independent flue to the roof and is supplied with a ducted fresh air supply.

(o) Electrical services

BUILDING 1

Incoming Con Edison electrical service is 120/208 volts- 3 phase- 4 wire – 60 hz. Service enters into the basement of the building and terminates in the service end box, from the service end box the feeder supplies electric service to (3) apartment Con Ed meters and (1) house Con Ed meter.

Each tenant meter feeds a 100 amp – 2 pole main breaker which then feed the electrical panel located in each apartment. Feeder to each apartment is 100 amps (3 #2 awg.) The average number of active circuits per apartment is (12). The electrical service was designed to handle all equipment provided under this renovation, this includes all kitchen appliances, code required receptacles, lighting, central air conditioning, and heating. The house meter feeds a panel located in the basement with a 200 amp main. This panel feeds common area equipment. No defects were observed during the time of inspection.

BUILDINGS 2, 3, 4, 5, 6, 8, 9, & 10

Incoming Con Edison electrical service is 120/208 volts – 3 phase – 4 wires – 60 hz, service enters into the cellar of each building and terminates in the service end box. From the service end box the feeder supplies electric service to (3) apartment Con Ed meters, (1) house Con Ed meter and (1) commercial tenant Con Ed meter.

Each tenant meter feeds a 100 amp – 2 pole main breaker which then feed the electric panel located in each apartment. Feeder to each apartment is 100 amps (3#2 awg.) The average number of active circuits per apartment is (12). The electric service was designed to handle all equipment provided under this renovation, this includes, all kitchen appliances, code required receptacles, lighting, central air conditioning, and heating. The house meter feeds a panel located in the basement with a 70 amp main. This panel feeds common area equipment.

The Commercial tenant Con Ed meter feeds a 150 amp main breaker which feeds the commercial tenant panel or panels. No defects were observed during the time of inspection.

BUILDING 7

Incoming Con Edison electrical service is 120/208 – 3 phase – 4 wire – 60 hz. Services enters into the basement of the building and terminates in the service end box. From the service end box feeders supply electric service to (1) 400 amp main service switch which is for (12) apartment Con Ed meters and (1) house Con Ed meter. The (2) commercial tenants are fed via separate feeders.

Each tenant meter feeds a 100 amp main breaker which then feed the electric panel located in each apartment. Feeder to each apartment is 100 amps (3#2 awg.) The average number of active circuits per apartment is (12). The electric service was designed to handle all equipment provided under this renovation, this includes new kitchen appliances, code required receptacles, lighting, central air conditioning, and heating. The house meter feeds a panel located in the basement with a 200 amp main. This panel feeds common area equipment.

The (2) commercial tenants are fed from separate feeders. (1) feeder 400 amps feeds a current transformer cabinet with Con Ed meters and (2) 200 amp main breakers which feed power to the florist shop. The other feeder 200 amps feeds (1) 200 amp main breaker and Con Ed meter per store. No defects were observed during the time of inspection.

LIGHT FIXTURES

Fluorescent light fixtures are used primarily within the commercial areas; surface mounted fluorescent light fixtures are used throughout the lobby and common areas within the residential portions of the buildings. A variety of surface mounted and recessed, incandescent and fluorescent fixtures are used within the residential units.

(p) The building has a Leedan intercom system. The building has existing wiring for cable television. All intercom systems are in good condition.

(q) The public halls and stairs are provided with fluorescent down lights.

(r) There is no garage or parking area provided.

(s) There is no swimming pool provided.

(t) There are no tennis courts, playgrounds or other recreational facilities provided.

(u) Permits and certificates - Permits are required and were obtained from the Department of Buildings and the Bureau of Electric Control. The required inspections of construction are provided by the Architect of Record during construction, the construction and plumbing divisions of the Department of Buildings, the Bureau of Electric Control after construction is completed.

(v) Violation - There are currently nine (9) violations outstanding on this property as of the date of this report.

(w) Unit information - All (39) units were inspected. Unit designation and description are as follows:

Unit 1A: Studio located on second floor comprised of living room, kitchen, bathroom, mechanical room and closets.
Unit 1B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, mechanical room, and closets located on the fourth floor.
Unit 1C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, mechanical room, and closets located on the fourth floor.
Unit 2A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 2B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 2C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 3A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 3B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 3C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 4A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 4B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 4C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 5A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 5B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the second floor.
Unit 5C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 6A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 6B: Flat located on third floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 6C: Flat located on fourth floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 7A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, powder room, mechanical room, and closets.

Unit 7B: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, powder room, mechanical room, and closets.
Unit 7C: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 7D: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 7E: Flat located on third floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 7F: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, mechanical room, and closets located on the fourth floor.
Unit 7G: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, mechanical room, and closets located on the fourth floor.
Unit 7H: Duplex comprised of living room, kitchen, powder room, mechanical room, and closet located on third floor. (2) bedrooms, bathroom, mechanical room, and closets located on the fourth floor.
Unit 7J: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, mechanical room, and closets located on the fourth floor.
Unit 7K: Flat located on third floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 7L: Flat located on fourth floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 7M: Flat located on fourth floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 8A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 8B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 8C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 9A: Flat located on second floor comprised of living room, kitchen, bathroom, (2) bedrooms, mechanical room, and closets.
Unit 9B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 9C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 10A: Flat located on second floor comprised of living room, kitchen, bathroom, bedroom, mechanical room, and closets.
Unit 10B: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.
Unit 10C: Duplex comprised of living room, kitchen, powder room, and closet located on third floor. (2) bedrooms, bathroom, and closets located on the fourth floor.

(1)The interior finishes for all unit areas are listed on the schedule below and are in good condition.

Room	Floor	Walls	Ceiling
Living Room	Wood Strip	Painted drywall	Painted drywall
Bedrooms	Wood Strip	Painted drywall	Painted drywall
Kitchen	Ceramic/Lanoleum	Painted drywall	Painted drywall
Baths	Ceramic tile	Ceramic tile	Painted drywall

All appliances and fixtures are in good condition. There is no evidence of any leaks within the plumbing system, walls, and window system.

(1a) The following units have been renovated;
2A, 2C, 3B, 4A, 7B, 7J, 7L, 8C, 10B, 10C
-New ceramic kitchen floors, new custom cabinetry, new lighting, granite countertops, ceramic backsplashes, marble bathroom floors, new tile work new interior doors, new hardware, new outlets, new switches, new shelving, and rescraped and polyed wood floors.

-New refrigerator	Model# FRT21P6CSK	Make: Frigidaire
-New range	Model# FGF366CC	Make: Frigidaire
-New dishwasher	Model# FDB750RCC	Make: Frigidaire
-New microwave	Model# PLMC168CC	Make: Frigidaire

(2) All units have existing bathroom fixtures as listed below and are in good condition:
Toilet: "Standard" in white porcelain.
Countertop Sink: white Porcelain
Faucet: Delta in polished chrome
Bathtub faucet: Delta in polished chrome
Mirror: chrome

(3) All other units have existing kitchen fixtures as listed below and are in good condition:
Sink: Delta stainless steel
Faucet: Delta chrome finish
Refrigerator: Magic chef, white finish
Oven: magic chef, white finish
Cook Top: magic chef, white finish
Dishwasher: magic chef, white finish
Countertop: Plastic laminate
Cabinets: White wood and laminate

(x) The interior finishes for all common areas are listed on the schedule below and are in good condition:

Room	Floors	Walls	Ceiling
First Floor Entry Vestibule:	Ceramic tile	Ptd. Drywall	Ptd. Drywall
Private Entry Vestibules:	Carpet	Ptd. Drywall	Ptd. Drywall
Residential corridors:	Carpet	Ptd. Drywall	Ptd. Drywall
Exit Stair:	Concrete	Masonry	Ptd. Drywall

Cellar spaces:	Concrete	Masonry	Concrete

(y) Safety and warning devices - A hard wired smoke detector is located outside each sleeping area as required by law.

(x) (1) Separate site plan attached
(2) Condo in highly urban area. No separate area map attached.
(3) Separate floor plans for each unit attached.
(4) Floor to ceiling heights for units are as follows:

Cellar:	11'-0"
First Floor:	13'-6"
Second floor:	11'-10"
Third floor:	11'-10"
Fourth Floor:	11'-10"

(5) The approximate gross floor areas of each unit is as follows:

Approximate gross floor area	
-Unit 1A	540 sq ft
-Unit 1B	1,085 sq ft
-Unit 1C	1,100 sq ft
-Unit 2A	1,070 sq ft
-Unit 2B	1,075 sq ft
-Unit 2C	1,060 sq ft
-Unit 3A	1,065 sq ft
-Unit 3B	1,065 sq ft
-Unit 3C	1,075 sq ft
-Unit 4A	1,270 sq ft
-Unit 4B	1,365 sq ft
-Unit 4C	1,205 sq ft
-Unit 5A	1,320 sq ft
-Unit 5B	1,440 sq ft
-Unit 5C	1,225 sq ft
-Unit 6A	1,035 sq ft
-Unit 6B	1,035 sq ft
-Unit 6C	1,035 sq ft
-Unit 7A	1,130 sq ft
-Unit 7B	1,120 sq ft
-Unit 7C	1,060 sq ft
-Unit 7D	1,100 sq ft
-Unit 7E	1,070 sq ft
-Unit 7F	1,150 sq ft
-Unit 7G	1,205 sq ft
-Unit 7H	1,035 sq ft
-Unit 7J	1,110 sq ft
-Unit 7K	1,075 sq ft
-Unit 7L	1,070 sq ft
-Unit 7M	1,020 sq ft
-Unit 8A	1,045 sq ft
-Unit 8B	1,040 sq ft
-Unit 8C	1,065 sq ft
-Unit 9A	1,030 sq ft
-Unit 9B	1,030 sq ft

-Unit 9C	1,065 sq ft
-Unit 10A	1,010 sq ft
-Unit 10B	1,010 sq ft
-Unit 10C	1,045 sq ft

(6) Separate master floor plan is attached.

(aa) All areas of the building were accessible for visual examination prior to issuance of this report.

(bb) The Sponsor does not intend to add additional units to the buildings.

(cc) There is no asbestos in the building. An on site investigation was performed 11/20/03 by Anthony Nowicki, Jr, NYS/NYC Inspector/ Investigator (#94107) and NYC Certified Environmental Inspector, (#74147). Laboratory test were performed by Polarize Light Microscopy.

(dd) All previously painted surfaces have been removed. There is no lead based paint currently on site.

(ee) Based on the sponsor's representation in the offering plan as to the amount of the reserve fund, and provided that there are no material changes prior to closing, then the reserve fund is sufficient to pay for major capital improvements and replacements which are reasonably foreseeable within three years from the date of this deficiency notice.

DOCUMENT NUMBER 2

ASBESTOS REPORT

SEE FOLLOWING PAGES

AA SERVICES, LLC
36 Eagle Street
Monroe, New York 10950
845-782-4443
FAX 845-782-1872
NYC 212-243-6500

ASBESTOS SURVEY AND REPORT

FOR THE PROPERTY LOCATED AT

560 STATE STREET
BROOKLYN, NEW YORK

REPORT PREPARED FOR:

TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP
562 STATE STREET
BROOKLYN, NEW YORK 11217

DATE OF REPORT:

NOVEMBER 18, 2003

Report Prepared By:

Jean Rensink #41224

Date 10-03

Inspection Conducted by:

Anthony P. Nowicki, Jr.

Date

AA SERVICES, LLC
36 Eagle Street
Monroe, New York 10950
845-782-4443
FAX 845-782-1872
NYC 212-243-6500

November 18, 2003

Bruce Orlofsky
TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP
562 State Street
Brooklyn, NY 11217

Re: 560 State Street, Brooklyn

Dear Mr. Orlofsky:

On Friday, November 14, 2003, an inspection was conducted at the above captioned premises. Our visual inspection and testing program has been prepared as per your request and reflects the conditions that were visible in those areas where access was available on the date of our site visit. It is possible that potential asbestos-containing materials might be found in inaccessible areas and in materials that have not been sampled and analyzed by a laboratory.

The samples taken, if any, are considered to be representative of the premises' construction. Laboratory tests were performed by Polarized Light Microscopy (PLM) in accordance with EPA guidelines by an independent third party laboratory.

Respectfully submitted,

Jean Rensink
AA Services, LLC
CEI #41224

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I. EXECUTIVE SUMMARY

NO VISIBLE, FRIABLE ASBESTOS CONTAINING MATERIALS WERE OBSERVED AT THE SUBJECT PROPERTY.

NON-FRIABLE ASBESTOS ROOFING MATERIALS ARE PRESUMED TO BE PRESENT AT THE SUBJECT PROPERTY.

Our inspection and testing includes only those areas which were accessible on the date of our site visit and as detailed in Section IV, Field Survey, of this report. If material suspected of containing asbestos is discovered during renovations, alterations or repairs, it should be tested immediately. If found to contain asbestos, abatement should be performed by a licensed abatement contractor in compliance with Federal, State and local regulations.

The US Environmental Protection Agency in its publications "Managing Asbestos in Place, A Building Owner's Guide o Operations and Maintenance Programs for Asbestos Containing Materials," recommends that an Operations and Maintenance program should be established to maintain asbestos in place. In order to ensure that the material is maintained in good condition, the asbestos should be inspected at least on an annual basis. Monitoring should include an inspection of all ACM damage and deterioration, with all findings to the Owner. All monitoring should conform strictly with established guidelines.

II. SCOPE OF THE ASSESSMENT

At the request of the client, an assessment to determine the quantity and condition of asbestos-containing materials at the property located at 560 State Street, Brooklyn, was conducted. The inspection included associated buildings as listed in Section III, Description of Property. Our inspection included all accessible common areas, four apartment units, nine commercial units and the exterior of the building.

The assessment, conducted in accordance with applicable Federal, State and local regulations was performed by a qualified, licensed new York State/New YorkCity investigator, and included:

- A visual inspection to identify and quantify possible sources of ACM insulating or fireproofing materials;
- Limited sampling of suspect material, if necessary.

The basis for "suspect" determination is taken from materials listed in Appendix G of the US Environmental Protection Agency (USEPA) publication, *Managing Asbestos in Place,* (the "Green Book"). Therefore, all materials listed in the Green Book which were installed prior to 1989 are considered suspect with the exception of resilient floor tile, asbestos-cement board (transite), and roofing felt, which are considered suspect regardless of installation date.

Bulk sample preparation and analysis is performed in accordance with US EPA-600/M4-82-020, December 1982, "*Interim Methods of Determination of Asbestos in Bulk Insulation Samples.*" Samples are taken of suspect materials such as insulation, decorative coatings, floor or ceiling tiles, sheetrock, and/or radiator cover linings. Each sample is marked with a unique sample identification before being sent to the laboratory for analysis. Samples are analyzed by Polarized Light Microscopy (PLM) by an independent third party laboratory in accordance with the most recent guidelines.

The survey reflects conditions that were visible on the date of our site visit. It is possible that potential asbestos-containing materials might be found in inaccessible areas and might be found in materials that have not been sampled and analyzed by a laboratory. Destructive sampling was not performed to determine if asbestos-containing materials are present above ceilings or behind walls.

560 State Street
Brooklyn, NY
Survey Findings
Page 4

III **PROPERTY DESCRIPTION**

The subject property is a four-story mixed use building located in Brooklyn, New York. Heat for the building is provided by individual gas heating units.

The property is described as Block 180, Lot 27 by the NYC Department of Buildings Information System. The property was originally constructed in approximately 1900 and was completely renovated including installation of a new roof in the early 1990's.

The site is currently occupied by 39 residential apartment units and nine commercial units. The main entrance to the building is located at 560 State Street, and is also occupied by the following addresses:

562 State Street
564 State Street
118 Flatbush Avenue
120 Flatbush Avenue
122 Flatbush Avenue
124 Flatbush Avenue
126 Flatbush Avenue
12 Fourth Avenue
563 Atlantic Avenue
565 Atlantic Avenue
567 Atlantic Avenue

The property is also occupied by nine commercial units as follows:

560 State Street	**Lobby**
562-564 State Street	**Midtown Florist**
118 Flatbush Avenue	**National Vision Center**
120-122 Flatbush Avenue	**Radio Shack**
124-126 Flatbush Avenue	**Blinds to Go**
12 4th Avenue	**Proline Electronics**
563 Atlantic Avenue	**Schiavone Construction**
565 Atlantic Avenue	**Care Plus**
567 Atlantic Avenue	**Proline Electronics**

IV. **FIELD SURVEY**

An inspection was conducted of the property located at 560 State Street, Brooklyn, New York, by a Anthony P. Nowicki, Jr., a licensed NYS/NYC Inspector/Investigator(#94107) and Certified Environmental Inspector (#74147), to determine the quantity and condition of asbestos-containing materials.

Asbestos

The EPA has identified over 3,000 products used in construction of buildings which contain asbestos fibers. Out inspection of the premises is to determine the presence of friable asbestos, as defined by the US EPA. This is defined as a material which may be pulverized by hand pressure. This material has the potential to release asbestos fibers into the atmosphere which may become hazardous to the building occupants' health.

Accessible areas of the building were inspected as follows:

- **All common areas including but not limited to hallways, foyers, and stairwells.**
- **Residential dwelling units 2C, 3B, 4A and 8C representing 10% of the total units (39) in the building.**
- **All commercial units as listed in Section III above.**

The entire complex, built originally in about 1900, was completely renovated in the early 1990's, including installation of a new roof.

- **NO VISIBLE, FRIABLE ASBESTOS CONTAINING MATERIALS WERE OBSERVED AT THE PROPERTY.**

Sampling was conducted of three wall surfaces at the property to determine if surfacing materials. The laboratory results for these samples indicate that no asbestos was detected in these materials. These materials are considered to be representative of surfacing materials which were installed in the building in 1990.

Destructive sampling was not performed to determine if asbestos is present behind walls or above ceilings.

V. **RECOMMENDATIONS**

- **An inspection of the accessible areas of the building revealed no visible, friable asbestos containing materials present. The building was completely renovated in the early 1990's and it unlikely that ACM is present in areas which were not inspected. If construction activities are undertaken which will disturb material in areas which were not inspected we recommend that an inspection be conducted to confirm the absence of ACM.**

- **The owner indicates that a new roof was installed during the renovations in the early 1990's. Sampling was not performed of the roofing materials in order to avoid needless damage to the integrity of the roof.**

  According to EPA regulations this material must be considered asbestos unless sampling conforms that no asbestos is present. This material is non-friable and pose little threat of fiber release if left undisturbed. The material should not be subjected to sanding, grinding, drilling or other activities which would disturb the integrity of the roof.

  If the repairs or construction activities which will disturb the roofing materials are undertaken, they must be sampled to confirm the presence or absence of asbestos. If asbestos is found to be present, it must be removed by a licensed abatement contractor prior to commencement of the project.

  For further information regarding handling of non-friable materials see attached NYC Regulatory Memorandum I-87.

Document Number 3

FORM OF ASSIGNEE AFFIDAVIT

State of New York)
) : ss
County of)

_____ being duly sworn deposes and says:

1. I am the assignee under an assignment made the ___ day of _____, 200_ of that certain Purchase Agreement dated _____ made by Times Plaza Development Limited Partnership, as Seller and _____ as Purchaser for Unit _____ (the "Unit") at 560 State Street, Brooklyn, New York.

2. Neither I, nor my purchaser was procured by Times Plaza Development Limited Partnership, as Seller (the "Sponsor") or by _____or the Managing Agent or by any of the principles of either the Sponsor or the Managing Agent.

3. I intend that I or _____, who is a member of my immediate family, will personally occupy the Unit.

_____
(Signature of Assignee)

_____
(Print Name)

Sworn to before me this
_____ day of _____ 200_

_____
Notary Public

Document Number 4
PURCHASE AGREEMENT
made this _____ day of _____, 200
between

TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP, as Seller
and _____, as Purchaser

Recitals:

(A) The name of the Condominium is Times Plaza Condominium.

(B) The name of the Seller is Times Plaza Development Limited Partnership.

(C) The name of the Purchaser is _____.

(D) The address of the Property is 560 State Street, Brooklyn, New York.

(E) The Unit covered by this Purchase Agreement is Unit ___ at 560 State Street, Brooklyn, New York.

(F) Information for Non-Tenant Purchasers:

Unit Occupied: Yes _____ No _____
Date Existing Lease Expires: _____
Monthly Rent Under Existing Lease or Tenancy: $_____

(G) The Common Interest appurtenant to the Unit is _____ %

(H) The use of the Unit is (check one): _____ Residential (Apartment)

(I) The Purchaser's residence address, if an individual, or business address, if an entity, is _____, New York.

(J) The Purchasers telephone number is _____.

(K) The Purchaser's facsimile number is _____[1].

(L) The Purchaser's social security number or federal identification number is _____.

(M) If more than one Person's social security number or federal identification number is set forth above, the social security number or federal identification number of the _____

[1] If none, please so indicate.

(single) Person who will be entitled to receive the interest (if any) on the Down Payment-to which the Purchaser may be entitled (to be reported to the Bank for purposes of its required reporting to the Internal Revenue Service) is: _____.

(N) The Purchase Price is $ _____.

(O) The Down Payment payable herewith is $ _____. constituting (i) 10% of the Purchase Price plus (ii) the cost of any special work for the Unit ordered by the Purchaser.

(P) The balance of the Purchase Price (the "Balance") is $ _____.

1. **The Plan.**

The Purchaser acknowledges having received and read the Plan at least three (3) full business days prior to the Purchaser's signing this Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to be bound by the terms and conditions thereof, as well as all amendments to, the Plan duly filed by the Seller (including, without limitation, amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by the Purchaser or the section of the Plan entitled "Schedule B: Projected Budget for the First Year of Condominium Operation.") Any such amendments shall not excuse the Purchaser from performing the Purchasers obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the performance of the Purchaser's obligations hereunder, nor shall they entitle the Purchaser to any offset or credit against the Purchase Price. Any such amendments may be made by the Seller's without the Purchasers consent or approval; subject to the Purchasers right to rescind in the event of a material amendment to the Plan or the Condominium Documents which adversely affects in any material respect the Purchaser's rights hereunder or under the Plan as more specifically set forth in the Plan. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. The Purchaser acknowledges having had a full opportunity to examine all documents and investigate all statements made herein and in the Plan.

2. **Definitions.**

(a) Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Plan, unless the context otherwise requires.

(b) The terms "closing," "closing of title" and words of similar import are used synonymously and mean the settlement of the mutual obligations of the Seller and the Purchaser under this Agreement, including the payment to the Seller of the Purchase Price and the delivery to the Purchaser of the deed transferring full ownership (fee simple title) to the Unit on the terms set forth in this Agreement.

3. **Agreement to Purchase.** The Seller agrees to sell and convey, and the Purchaser agrees to purchase, the above-described unit together with the above-stated Common Interest appurtenant thereto (collectively "Unit") for the Purchase Price stated above, upon and subject to the terms and conditions set forth in this Agreement.

4. **Payment of the Purchase Price.**

(a) The Purchaser shall deliver herewith, to the Seller, the Purchaser's check made payable to the order of "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. Attorney Escrow Account for Times Plaza Condominium in the amount of the above-stated Down

Payment, subject to collection. The Balance shall be paid to the Seller by the Purchaser at the Closing.

(b) Except for the Down Payment, which is to be paid as provided above, any payments to be made by the Purchaser under this Agreement (including without limitation the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of the Seller shall be made by unendorsed certified check, or bank check, drawn in either case on a member bank of the New York Clearing House Association payable to the order of the Seller; except that at the request of the Seller made at or prior to the closing, the Purchaser shall pay the Balance to such payees as the Seller may direct.

(c) If the Down Payment check delivered by the Purchaser hereunder shall be dishonored for any reason whatsoever, it shall be deemed a material default by the Purchaser hereunder and Seller may, in that event, cancel this Agreement and declare same to be void ab initio, to the same effect as if this Agreement had never been executed and delivered. Purchaser shall have no right to cure such default; however, Seller, in its sole and absolute discretion, may permit Purchaser to substitute a bank or certified check for the same amount as the dishonored check within two business days after notification to Purchaser that the original check was dishonored.

(d) Notwithstanding the foregoing, the Balance shall be payable at the preclosing, if Seller elects to require same, except to extent otherwise provided in Paragraph 7(d) below.

5. **Agreement Contingent Upon Financing.**

(a) A Recognized Lender shall mean: (i) the Seller or its successors; (ii) (A) any bank, trust company, savings and loan association or savings bank; (B) any insurance company; (C) any real estate investment trust; or (D) any pension, retirement or welfare fund having assets in excess of $300,000,000; in each case doing business in the State of New York; (iii) any Governmental Authority including an agency of the City or State of New York; or (vii) any comparable institutional lender acceptable to the Seller.

(b) This Agreement shall be contingent upon the issuance to the Purchaser, within thirty (30) days from the later of (i) the Effective Date or (ii) the date hereof (the "Financing Contingency Period") of a mortgage loan commitment by a Recognized Lender for a loan in an amount equal to eighty (80%) percent of the Purchase Price (or such lesser sum as the Purchaser may approve), secured by a first mortgage on the Unit, bearing interest at the then prevailing rate structure charged by such Recognized Lender (a "Commitment").

(c) The Purchaser shall promptly apply for the loan and, within ten (10) business days after the Seller sends to the Purchaser a fully executed counterpart of this Purchase Agreement, the Purchaser will complete, sign and submit to a Recognized Lender a mortgage loan application (on the form provided by such Recognized Lender) consistent with the loan terms set forth in subparagraph (b)above and containing accurate

and complete financial and other information on the Purchaser and members of the Purchaser's family as required by the Recognized Lender. Thereafter, the Purchaser shall cooperate fully with such Recognized Lender and promptly furnish it with such additional information as may be required. The Purchaser shall promptly notify the Seller when the application is submitted to such Recognized Lender.

(d) The Purchaser shall promptly (i) accept any Commitment complying with the terms of subparagraph (b) above, if issued; (ii) pay any application, appraisal, commitment or other fees in respect of the loan; and (iii) comply with the requirements of the Commitment. The Purchaser shall either deliver a copy of the Commitment to the Seller within five (5) days after its issuance or notify the Seller in writing of the Purchaser's failure to obtain same within five (5) days after expiration of the thirty (30) day period within which same was to be obtained, as the case may be. In the event the Purchaser fails to obtain the Commitment within the specked time period, the Purchaser must deliver to the Seller copies of the Purchaser's loan application and the Recognized Lender's "Mortgage Disclosure Statement" along with the notice of the Purchaser's failure to obtain the Commitment.

(e) The Purchaser shall cause the Purchaser's spouse (if any) to execute jointly with the Purchaser the mortgage note or bond and such other loan documents as may be required by the Recognized Lender, unless such action is waived by the Seller. If the Purchaser is other than a natural person (such as a corporation or partnership), the Purchaser agrees to furnish at closing such guarantees from the Purchaser's officers, stockholders, partners or principals (as the case may be) as the Recognized Lender may request.

(f) If the Recognized Lender refuses or fails to issue, within the Financing Contingency Period, a Commitment in favor of the Purchaser for a loan on the terms set forth in subparagraph (b) above, then, subject to the provisions of subparagraphs (g) and h below, the Purchaser, if and only if the Purchaser has acted in good faith and complied with all of the Purchaser's obligations under subparagraphs (c), (d), and (e) of this Paragraph 5, may cancel this Agreement by notice to the Seller given within five (5) days after the expiration of the Financing Contingency Period.

(g) Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of this Agreement given pursuant to subparagraph (f) above, where the basis of such cancellation is the failure (as opposed to the refusal) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, the Seller may, but shall not be obligated to, elect by notice given to the Purchaser to extend the Financing Contingency Period for an additional period of thirty (30) days from the date such notice is given to the Purchaser.

(h) Notwithstanding the foregoing, within seven (7) business days after receiving from the Purchaser a notice of cancellation of this Agreement given pursuant to subparagraph (f) above, where the basis of such cancellation is the refusal (as opposed to the failure) of the Recognized Lender to issue a Commitment within the Financing Contingency Period, the Seller may, but shall not be obligated, to elect to endeavor to

obtain a Commitment for a loan from another Recognized Lender on Purchaser's behalf or originate such loan itself, in either case on substantially the same terms and conditions as the loan originally applied for by the Purchaser. Upon the giving by the Seller of such a notice, the Financing Contingency Period shall be deemed extended for an additional period of thirty (30) days from the date such notice is given to the Purchaser, and the Purchaser shall thereafter, in connection with any loan being made by another Recognized Lender or being originated by the Seller and in connection with obtaining a Commitment for any such loan, be required to comply with the foregoing provisions of this Paragraph 5, including but not limited to requirements with respect to applying for such loan as set forth in subparagraph (c) above and accepting a Commitment for such loan as set forth in subparagraph (d) above.

(i) If the Purchaser obtains a Commitment and it expires prior to the Closing Date, the Purchaser shall have a limited right to cancel the Purchase Agreement provided: (i) the Purchaser has made a good faith effort to extend the Commitment; (ii) the Seller is in actual receipt of the Purchasers written notice of cancellation within five (5) days after the expiration of the Commitment; (iii) within thirty (30) days from the date such notice is received by the Seller, the Seller does not elect to obtain and does not obtain a Commitment from another Recognized Lender on the Purchaser's behalf or does not elect to originate financing for a loan on substantially the same terms and conditions; and (iv) the Purchaser is not then in default under this Agreement beyond any applicable grace period.

(j) If this Agreement is canceled pursuant to subparagraph (f) or (i) above and provided the Purchaser has acted in good faith and complied with the Purchaser's obligations as set forth in this Paragraph 5, the Seller shall instruct Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. (the **"Escrow Agent"**), attorneys for the Seller, to refund to the Purchaser within thirty (30) days after such cancellation all monies deposited hereunder together with any interest thereon. Upon such refund being made, the Seller and the Purchaser shall be released and discharged of all further liabilities and obligations hereunder and under the Plan. The Purchaser's failure to comply with all of the Purchasers obligations under this Paragraph 5 shall constitute a waiver by the Purchaser of the provisions of the preceding subparagraph (b) (conditioning this Agreement upon obtaining the financing described in such subparagraph) and of the Purchaser's right to cancel hereunder.

(k) The Purchaser hereby irrevocably authorizes and instructs the Recognized Lender to pay directly to the Seller at closing of title the proceeds of the mortgage loan towards the Balance of the Purchase Price. In confirmation of such authorized payment, the Purchaser shall sign such further written authorization at closing as the Recognized Lender may request.

(l) Neither the Seller nor the Condominium shall be obligated to execute any loan documents that do not conform to the Declaration and By-Laws of the Condominium.

6. **Closing Date and Place.**

The closing of title shall occur on the date and at the time and place in the City and State of New York as the Seller shall designate to the Purchaser on not less than thirty (30) days prior written notice. The Seller shall have the right, from time to time, to adjourn such date and time for closing on written notice to the Purchaser. If the closing of title is adjourned, the Seller shall fix a new date and time for closing and shall give the Purchaser not less than three (3) business days' prior written notice of the new scheduled date and time for closing. The date scheduled for the closing of title by the Seller as same may be adjourned in accordance with the terms hereof shall be referred to as the "Closing Date."

The closing of title shall occur only after or concurrently with compliance with the prerequisites to closing of title in the section of the Plan entitled "Closing of Title to Units and Terms of Sale" in Part I of the Plan.

7. **The Deed and Power of Attorney; Pre-closing.**

(a) On the Closing Date, upon receipt by the Seller of all payments and documents required hereunder, the Seller shall deliver to the Purchaser (except as set forth in subparagraph (c) below) a bargain and sale deed with covenants against grantor's acts in substantially the form set forth in Part II of the Plan conveying the Unit to the Purchaser as provided in the Plan, subject to the exceptions referred to in the Declaration, the By-Laws, the Plan and the Exhibits. The deed shall be executed and acknowledged by the Seller and shall be in form for recording.

(b) Except as provided in subparagraph (d) below, on the Closing Date and simultaneously with the delivery of the deed conveying the Unit to the Purchaser, the Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and the Seller prepared by the Seller and substantially in the form set forth in Part II of the Plan. The Purchaser shall pay all recording or other fees in connection with the recording of the power of attorney.

(c) The deed may be delivered by the Seller to the representative of the title company insuring the Purchaser's title (or if no such representative is present, then to the Seller's attorneys or the Purchaser's attorneys). If the deed is delivered to the Seller's attorneys, then it shall be held until picked up by the Purchaser, the Purchasers attorneys or a representative of the title company insuring the Purchasers title. The deed shall be marked for return to the Purchaser or the Purchasers attorneys after recording. The power of attorney may be delivered to the Purchasers title company, if any, for recording and shall be marked for return to the Condominium Board or its attorneys after recording.

(d) Purchaser agrees that at the option of Seller, upon five (5) days' notice by Seller to Purchaser, Purchaser will attend a pre-closing of the purchase of his or her Unit at a time and place to be designated by the Seller. At that time the Purchaser shall (i) execute and deliver the power of attorney, a copy of the form of which is contained in Part II of the Plan, and other closing documents as requested by the Seller, (ii) pay the balance of the Purchase Price (other than the portion thereof to be financed by a Recognized Lender as evidenced by a bona fide mortgage commitment delivered to Seller at or before the pre-closing), (iii) pay any net adjustments in favor of Seller, Purchasers closing costs and fees and any processing fees, as provided in the Plan, and

(iv) make any deposits (including the deposit with the Condominium described in the Plan). Purchaser also agrees, upon request of the Seller, to pre-close with any prospective lender who Purchaser contemplates will make a loan to Purchaser in connection with his acquisition of his Unit, in advance of the Closing Date, so that Purchaser's attendance shall not be required at the closing under the Plan.

8. **State of Title.**

(a) On the Closing Date, the Seller shall convey to the Purchaser title in fee simple to the Unit, free and clear of all encumbrances other than the Permitted Encumbrances set forth in the Plan. Any other liens, encumbrances or conditions shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to the representative of the Purchasers title insurance company (or, if none, to the Purchaser's attorneys) for recording in the proper office, together with the requisite recording or filing fees; or (ii) the Purchaser's title insurance company or a Preferred Title Company (as hereinafter defined) will insure the Purchaser against its collection or enforcement out of the Unit.

(b) The Seller shall give, and the Purchaser shall accept, such title as any Preferred Title Company shall approve and insure, provided that the only liens, encumbrances and conditions affecting title shall be the Permitted Encumbrances set forth in Part I of the Plan. The Seller shall have no obligation to cause the Purchaser's title company, if any, to omit any exceptions to title. In the event Purchaser's title company fails or refuses to issue title insurance in accordance with the terms of this Agreement, then the Purchaser shall accept such title as any Preferred Title Company or any reputable title insurance company selected by the Seller and reasonably acceptable to the Purchaser shall approve and insure, subject to the provisions herein.

(c) Each of the Preferred Title Companies (as hereinafter defined) have agreed to insure, upon the payment by Purchaser of the premium for such insurance, that Purchaser has title to the Unit free and clear of all liens and encumbrances except those set forth in the Plan, subject to the provisions of the Condominium Declaration and By-laws and any mortgage executed or other encumbrance created by Purchaser. Notwithstanding anything to the contrary contained in this Agreement and without intending to limit or diminish any of the rights of Seller herein (including, without limitation, this paragraph 8), while the Purchaser will be free to select a title company of his or her choice, the Seller's obligation to deliver title to the Unit as provided above will be deemed satisfied if the Preferred Title Company is prepared to insure such title subject to those title exceptions permitted under the Plan. Seller has no obligation to satisfy the requests of any title insurance company or title abstract company other than the Preferred Title Company. In addition, if a Purchaser obtains title insurance from a title insurer other than from a Preferred Title Company, the Purchaser will be required to pay an additional closing fee of $750.00 to Sellers attorneys. As used in this Agreement, references to "Preferred Title Company" shall mean (A) one of the following title insurance companies: (i) Old Republic National Title Insurance Company; (ii) Chicago Title Insurance; (iii) Stewart Title Insurance Company; (iv) Ticor Title Insurance Company; and (v) Fidelity National Title Insurance Company of New York, provided that, in each case, title insurance is obtained through Lex Terrae Ltd., Title Abstract Company which is involved writing title insurance as agent for any of the above listed title insurance companies.

9. **Closing Adjustments and Fidelity National Title Insurance Company of New York.**

(a) The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit, except as otherwise provided in the Plan:

(i) If the Unit has been separately assessed as of the Closing Date, then real estate taxes and assessments against the Unit (if any) shall be adjusted on the basis of the period for which assessed;

(ii) If the Unit is not separately assessed as of the Closing Date, then the product of real estate taxes and assessments against the Property (if any) shall be apportioned on the basis of the period for which assessed multiplied by the Common Interest appurtenant to the Unit divided by the aggregate of the Common Interests of all Units at the Property as set forth more fully in the "Footnotes to Schedule A" in Part I of the Plan;

(iii) Common Charges for the month in which title closes;

(iv) Accrued rent and any other charges pursuant to the Existing Lease or Interim Lease, if any, covering the Unit; and

(v) Water charges and sewer rents, if separately assessed, on the basis of the period for which assessed.

(b) In the event that the closing of title occurs before the real estate tax rate is fixed, adjustment of taxes shall be based upon the latest real estate tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

(c) In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee (2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of the Seller. Accordingly, at the closing of title, the Purchaser shall be required to pay the full amount of the mortgage recording tax chargeable on the entire amount of mortgage financing the Purchaser has elected to obtain in connection with the purchase of the Unit and the Seller shall be reimbursed to the extent of any mortgage tax credit allowed.

(d) If the Purchaser fails to close on the Closing Date originally specified by the Seller for any reason, then the Purchaser will (a) pay (in addition to all other closing costs) a late fee equal to 0.0411 % times the unpaid balance of the Purchase Price for each day's delay, beginning with the date which is the fifteen (15) day after the date originally scheduled for the Closing to and including the day immediately preceding the actual Closing Date, (b) reimburse Seller for the Unit's carrying charges (that is, Common Charges and real estate taxes) during the period of delay, (c) pay the service fees of Seller's attorneys of $350 for each default letter sent to such Purchaser and (d) pay the adjournment fees and other closing costs to be paid by Purchaser as described as described in the Plan. The provisions of this paragraph shall not be applicable if, through no fault of the Purchaser, the Seller postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default.

(e) Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing.

(f) The "Customs in Respect of 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 herein.

10. **Closing Costs.** The Purchaser, in addition to the legal fees of the Purchasers attorneys, if any, and the amount of any net adjustments in favor of the Seller and the other payments required under this Agreement, shall pay at the pre-closing (or if there is no pre-closing, then at the closing), all closing costs specified in the Plan including, without limitation, any processing fees, and closing fees to the Seller's attorneys, and other fees and payments provided in the Plan, references to which are hereby incorporated herein by this reference.

11. **Real Property Transfer Tax.** The Purchaser shall pay all real property transfer taxes, deed stamp taxes, recording and other fees in connection with this transaction and the recording of the deed. The Seller and the Purchaser shall duly execute and swear to any transfer tax return and any other form then required by Applicable Law, all of which shall be prepared by the Seller.

12. **Down Payment to be held in Trust.** The Seller will hold all monies received by it directly or through its agents, employees or the Escrow Agent, from the Purchaser under this Agreement in trust until actually employed in connection with the closing of the transaction as described in the Plan. The Seller will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the New York State Attorney General's regulations promulgated pursuant thereto. The provisions of the Attorney General's regulations concerning escrow and trust funds, in effect on the date hereof, shall prevail over any conflicting or inconsistent provision in the Plan or in this Agreement. The Purchaser shall not be obligated to pay any legal or other expense of the Seller in connection with the handling or disposition of the Down Payment paid by the Purchaser. However, nothing in the preceding sentence shall limit the obligation of the Purchaser to pay the fees and expenses of the Sellers attorneys (to the extent such fees and expenses are expressly disclosed in the Plan) in connection with the purchase or closing of title to the Unit to be purchased by the Purchaser hereunder or upon Purchaser's default.

The Down Payment shall be deemed to have been unconditionally tendered when it is delivered to the Seller or the Selling Agent, together with this Agreement signed by the Purchaser, without any request for a change in such form or the terms of this Agreement. The Down Payment shall be placed, within five (5) business days after the date on which the Down Payment has been unconditionally tendered, in a special escrow account of the Escrow Agent, whose address is 845 Third Avenue, 8th Floor, New York, New York 10022 and whose telephone number is: (212) 752-1000. The signatories on this escrow account, who are each members of Eiseman Levine Lehrhaupt & Kakoyiannis, P.C., and any one of whom is authorized to withdraw funds, are: Jon Eiseman, Eric Levine, Wayne R. Lehrhaupt, Peter Kakoyiannis and Steve Weinstein. The name of the escrow account is "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. Attorney Escrow Account for The Times Plaza Condominium" (the "Escrow Account"). The Escrow Account is **Citibank N.A.** located at **120 Broadway, New York, New York 10271** (the "Bank"). The Bank is covered by Federal Bank Deposit Insurance generally to a maximum of $100,000 in the aggregate with respect to all funds deposited by any Person in one or more

deposit accounts (including, without limitation, amounts deposited directly by such Person and deposits held in escrow for such Person by the Escrow Agent).

No representation or guaranty is made by the Escrow Agent or the Seller that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

The Escrow Account shall be interest-bearing and, any interest earned on the Down Payment shall be delivered to the Purchaser at the closing of title to its Unit or other termination of this Agreement except if the Purchaser has defaulted hereunder beyond any applicable grace periods, in which event the Seller shall be entitled to retain such interest together with the Down Payment. The interest rate to be earned on the Down Payment will be the rate paid from time to time by the Bank. Interest will begin to accrue when the check for a Down Payment is collected, and provided there is no charge back or debit by the Bank against the amount deposited. The Seller and the Escrow Agent shall only be liable for interest earned on the Down Payment to the extent same is received by them from the Bank. No representation is made as to the rate or amount of interest that will be earned on the Down Payment. The Purchaser must indicate his or her social security or its taxpayer identification number on this Agreement. The Purchaser's failure to provide this information will be deemed a waiver of his, her or its right to receive interest on the Down Payment. If more than one Person's social security number or federal identification number is set forth in this Agreement, the social security number or federal identification number of the (single) Person who will be entitled to receive the interest (if any) on the Down Payment to which the Purchaser may be entitled (to be reported to the Bank for purposes of its required reporting to the Internal Revenue Service) shall be set forth by Purchaser in the blank provided in this Agreement for such purpose. If such blank is not completed by Purchaser (or if more than one social security number or federal identification number is listed in this Agreement), then Seller or Escrow Agent shall have the right, in Seller's or Escrow Agent's sole discretion, to report to the Bank any of the social security number(s) or federal identification number(s) listed in this Agreement as the social security-number(s) or federal identification number(s) of the party to receive interest on the Down Payment.

The Escrow Agent may from time to time, upon notice to the Seller and the Purchaser, change the depository in which the Down Payment is held to another lending institution located in New York City.

13. **Duties of Escrow Agent**.

(a) Within ten business days after unconditional tender and delivery by the Purchaser to the Seller or the Selling Agent of a check for the Down Payment submitted with this Agreement on account of the Purchase Price hereunder, the Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account and will provide the account number and the initial interest rate. Subject to the provisions of the next sentence, if the Purchaser does not receive notice of such deposit within fifteen (15) business days after unconditional tender and delivery to the Seller or the Selling Agent of such Down Payment, then the Purchaser may cancel such purchase and rescind this Agreement so long as such right to rescind is exercised within ninety (90) days after the Purchasers unconditional tender and delivery of the Down Payment to the Seller or the Selling Agent. However, the Purchaser shall not be entitled either to rescind this Agreement or

to receive a refund of the Down Payment where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited and notice as provided above was timely mailed to the Purchaser in conformity with the Attorney General's regulations. The Purchaser acknowledges that receipt of the Down Payment by the Escrow Agent and deposit in the Escrow Account shall not be deemed acceptance of this Agreement by the Seller, which acceptance can only occur in the manner provided in Paragraph 32.

(b) The Escrow Agent shall hold the Down Payment in escrow until:

(i) otherwise directed in one or more writings signed by the Seller and the Purchaser; or

(ii) otherwise directed in 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 permits or requires the release of such Down Payment; or

(iv) the Down Payment is paid by the Escrow Agent into a court of competent jurisdiction; or

(v) the Down Payment is paid to the Seller as provided below in this paragraph; or

(vi) the Down Payment is paid to the Purchaser as provided below

(c) If there is no written agreement between the Seller and the Purchaser to release the Down Payment, the Escrow Agent will not pay the Down Payment to the Seller until after ten (10) business days following the date that the Escrow Agent has given the Purchaser written notice that the Escrow Agent intends to pay the Down Payment to the Seller. Thereafter, the Down Payment may be paid to the Seller unless the Purchaser has already made application to the Attorney General pursuant to the dispute resolution provisions of the Attorney General regulations and the Escrow Agent has received, within such ten-(10)-business day period, notice from the Purchaser that such application has been made.

(d) The Seller shall not object to the release of the Down Payment to the Purchaser, provided the Purchaser has not defaulted and has timely and validly rescinded this Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

(e) The Down Payment shall be delivered to the Seller at the closing unless disbursed as liquidated damages or returned to the Purchaser as herein provided. In the event the Plan is abandoned or withdrawn, the Down Payment shall be returned to the Purchaser together with interest, if any, earned thereon, except as otherwise provided in the next sentence. If at the time the Plan is abandoned or withdrawn the Purchaser is in default hereunder and has failed to cure such default within the applicable grace period (or if this Agreement had previously been canceled due to the Purchaser's uncured default), then the Seller shall retain, as and for liquidated damages, the Down Payment, together with any interest earned thereon plus the cost of any

special work in the Unit ordered by the Purchaser (together with interest on the cost thereof from when expended at the same interest rate as earned on the Down Payment) (herein collectively called the "Liquidated Sum"), and any sums in excess thereof (together with any interest earned thereon) shall be returned to the Purchaser within fifteen (15) days after the date of such abandonment or withdrawal.

(f) The Purchaser or the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Down Payment. The Seller must avail itself of this procedure if there is a dispute which needs to be resolved between the Seller and the Purchaser relating to the Down Payment and, in the case of the Purchaser, the Purchaser has given notice of objection to the Escrow Agent within the ten (10-business-day period described above. A form for this purpose is attached as Exhibit A to this Agreement. The party applying for a determination must send all other parties a copy of the application.

(g) Included in Part II of the Plan is a copy of the escrow agreement between the Escrow Agent and the Seller which is subject to the terms of the Attorney Escrow Agreement General's regulations (the **"Escrow Agreement"**). In the event of any conflict between the Escrow Agreement and either any other provision of the Plan or this Agreement, the Escrow Agreement shall control.

(h) The Escrow Agent will maintain all records concerning the Escrow Account for seven (7) years after the closing of the Escrow Account.

(i) Notices given by the Escrow Agent, the Seller, or its agents pursuant hereto shall be deemed given (i) upon delivery if personally delivered or (ii) upon the fifth (5th) day after the date of mailing, if mailed; or (iii) on the next business day if delivered by overnight courier.

14. **Agreement Subject to Mortgage.** No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, the Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage against the Unit or the Property, or any part thereof or any interest therein, heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by the Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with any schedule of payments or accelerated by virtue of the right of the holder of any such mortgage to make advances before they become due in accordance with the schedule of payments. The Seller shall, at its option, either satisfy such mortgages or obtain a release of the Unit from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit shall not constitute an objection to title or excuse the Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, the Seller, provided that the Unit is released from, or not subject to, the lien of any such mortgage.

15. **Events of Default.**

(a) Each of the following shall constitute an "**Event of Default**" hereunder:

(i) The Purchaser's failure to pay any installment of the Purchase Price or any other payment when due as herein provided (including, without limitation, if any check made or delivered by the Purchaser hereunder is dishonored);

(ii) The Purchaser's failure to execute and deliver to the Seller in recordable form the power of attorney, New York City and New York State real property transfer tax returns or any other documents when and as required herein to be executed and delivered by the Purchaser;

(iii) The Purchaser's failure to pay any closing costs or other payments due and payable pursuant to this Agreement; or

(iv) The Purchaser's failure to pay, perform or observe any of his, her or its other obligations hereunder.

(b) Upon the occurrence of an Event of Default, the Seller's sole right shall be to cancel this Agreement by sending the Purchaser thirty (30) days' prior written notice of its intention to do so, such notice to be sent via certified mail, return receipt requested and via first class mail. If Seller elects to cancel, the Purchaser shall have thirty (30) days from the giving of the cancellation notice within which the Purchaser must cure the specked default. **TIME SHALL BE OF THE ESSENCE** to remedy the specified default within the thirty (30)-day period. If the specified default is not timely cured, then (i) the Seller shall have the right to retain, as liquidated damages, the Liquidated Sum; (ii) the Seller shall have the right to sell the Unit to others as though this Agreement had never been made; and (iii) the Purchaser shall not have any further rights against or obligations to the Seller, the Condominium, the Condominium Board or any subsequent purchaser of the Unit. Whether or not the Seller has canceled this Agreement as provided above, if the Seller has not collected the proceeds of any check for any payments due under this Agreement, then the Seller may take such actions at law and in equity as may be required in order to collect such payments and any and all costs of collection, including without limitation all attorneys' fees and expenses incurred by the Seller in connection therewith.

(c) Notwithstanding the occurrence of an Event of Default, the Seller may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing the Seller's right to recover from the Purchaser damages, losses, costs, expenses and all other lawful sums to which the Seller is entitled (including, but not limited to, legal fees and the costs of collection).

(d) If the Purchaser is or becomes a tenant at the Property and the Purchaser shall fail to pay rent or otherwise comply with the Purchaser's lease or tenancy obligations (which failure results in the Purchaser's eviction from the Unit, by court order or voluntary removal), or the Purchaser vacates or abandons the Unit, then such failure, vacating or abandonment (as the case may be) shall constitute a default under this Agreement, entitling the Seller, at its sole option to cancel this Agreement. If this Agreement is not canceled and any default under the Existing Lease or the Interim Lease, as applicable, exists as of the Closing Date, then the Seller shall not be

obligated to close title with the Purchaser unless and until such default is cured, and the Seller shall have a lien on the Unit as security therefor.

16. **Obligation of Tenant to Pay Rent.**

(a) A Purchaser who is or becomes a tenant or occupant of the Property must continue to pay rent under its Existing or Interim Lease, and the Purchaser specifically waives any right of offset with respect to such rent. In no event shall the Purchaser be released or excused from paying and performing the Purchaser's lease or tenancy obligations, and nothing contained in this Agreement shall limit or be deemed to limit any rights or remedies at law or in equity or under the Purchaser's Existing Lease or Interim Lease, as the case may be, which the Seller, or any other party may have by reason of a default under the Purchaser's Existing Lease or Interim Lease, as the case may be, including without limitation, the Seller's right to collect from the Purchaser all damages, losses, costs, expenses, and all other lawful sums to which the Seller is entitled (including, but not limited to, legal fees and costs of collection) due to the Purchaser's failure to pay rent or otherwise comply with the Purchaser's lease or tenancy obligations. The right is reserved to the Seller to apply any rent security against rent arrearages or other default and in addition to sue any tenant to the extent such rent security is insufficient.

(b) In no event shall either the Purchaser's failure to pay rent as due or the pendency of eviction proceedings or vacating or abandonment of the Unit give the Purchaser any rights to any extension under this Agreement.

17. **Termination of Existing Leases of Tenant Purchasers.**

If the Purchaser is currently the tenant (a **"Tenant Purchaser"**) under an Existing Lease of the Unit being purchased, the Purchaser agrees that the Existing Lease shall be terminated and canceled upon closing of the title to the Unit on the Closing Date. The Seller shall have no obligation to close title with a Tenant Purchaser unless all rent and other charges due under such Tenant Purchaser's Existing Lease have been paid through the Closing Date.

18. **Agreement Subject to Plan Being Declared Effective.**

The performance by the Seller of its obligations under this Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned at any time prior to its becoming effective as provided in the Plan and thereafter upon certain terms and conditions as provided in the Plan. If the Plan is abandoned or does not become effective or if after being declared effective the Plan shall not be consummated for any reason, then this Agreement shall be deemed canceled and the Plan terminated on the date specified in a notice thereof by the Seller to the Purchaser. Within fifteen (15) days thereafter the Purchaser shall receive a refund in full of all moneys paid by it hereunder with interest earned thereon, if any (except as provided in Paragraph 15 hereof), and, upon such refund neither party shall have any further rights, obligations, or liability to or against the other or the Condominium under this Agreement and the Plan.

19. **The Sellers Inability to Convey Title.**

If the Seller is unable to deliver title to the Unit to the Purchaser subject to the Permitted Exceptions set forth in the Plan in accordance with the provisions of this Agreement and the Plan, the Seller shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If the Seller elects to attempt to cure such inability then it shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete such cure. However, the Seller may notify the Purchaser at any time of its refusal either to cure or to continue to cure, as the case may be, such inability and if the Purchaser is then not in default hereunder beyond any applicable grace period, then the Purchaser's sole right and remedy shall be either: (a) to take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against the Seller for damages or otherwise); or (b) to terminate this Agreement. If the Purchaser so elects to terminate this Agreement, the Seller shall, within fifteen (15) days after receipt of notice of termination from the Purchaser, return to the Purchaser all sums deposited by the Purchaser hereunder, together with interest earned thereon, if any, and 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 under this Agreement and the Plan. The foregoing option must be exercised by notice of the Purchaser in writing to the Seller within ten (10) days after the giving of the Seller's notice of refusal to cure such inability. If the Purchaser fails to give such notice to the Seller within said ten (10) day period, with **TIME BEING OF THE ESSENCE**, it shall be conclusively deemed that the Purchaser has elected to acquire title to the Unit subject to such inability as aforesaid.

20. **Sale Subject to Existing Tenancy:**
Rights and Duties of Non-Occupant Purchasers.

The following provisions are applicable only if, at the time of signing this Purchase Agreement, the Unit is occupied by, or under lease to, one other than the Purchaser.

(a) The Purchaser understands that the Purchaser is purchasing the Unit subject to the rights of the Existing Tenants thereof, as explained more fully in the Plan under the Section entitled **"Rights of Existing Tenants."**

(b) The Purchaser acknowledges that no representation or statement has been made (and if made, the Purchaser knows it is unauthorized and has not relied thereon) as to the length of time that may elapse before the Purchaser gains possession of the Unit or that the Purchaser, in fact, will obtain possession of the Unit.

(c) Upon acquiring title to a Unit occupied by another, the Purchaser shall become the landlord of the tenant or occupant thereof and the latter shall become such Purchaser's tenant. The Purchaser alone shall bear the entire costs and expenses of owning the Unit (including but not limited to, any legal fees and litigation expenses for enforcing the Existing Lease and obtaining possession of the Unit). The relationship between the two parties will be governed primarily by the terms, covenants and conditions contained in the Existing Lease or the statutory and/or implied covenants of any month-to-month tenancy. Further, the Purchaser will be subject to any rights and duties required pursuant to Section 352eeee of the GBL and the Rent Laws. The Purchaser will

succeed to and assume all of the Seller's rights and obligations as the landlord of such tenant or occupant, including, but not limited to, the Seller's right to receive the rents reserved in the Existing Lease and the Seller's obligation to perform all of the duties of the landlord under such Existing Lease or month-to-month tenancy. Such duties may include, but are not limited to, the obligation to maintain, repair and replace any plumbing fixtures, refrigerator, dishwasher, lighting fixtures and other fixtures, equipment and appliances in his, her or its Unit and to paint the Unit periodically. The Purchaser will be obligated to perform these duties as the landlord of such tenant or occupant even though the rents reserved under the Existing Lease or month-to-month tenancy maybe insufficient to pay the cost of such performance. In addition, the Purchaser will be required to pay all Common Charges assessed against him, her or it by the Condominium Board, regardless of whether such Common Charges are more or less than the rent payable by the tenant or occupant and regardless of whether such rent is received. Various of these rights and duties are summarized in the Plan in the section entitled "Obligations of Owners of Units Occupied by Non-Purchasing Tenants." At closing, the Seller and the Purchaser will sign and deliver to each other an agreement (in form and substance satisfactory to the Seller) in which the Seller assigns to the Purchaser all of its rights as landlord under the then Existing Lease or month-to-month tenancy and the Purchaser assumes full responsibility for, and indemnifies and holds the Seller harmless from and against all obligations under such Existing Lease or month-to-month tenancy to be performed from and after the closing.

(d) The Purchaser shall be required upon obtaining title to the Unit to irrevocably appoint the Condominium's Managing Agent and its successors (or the Condominium Board if no Managing Agent is employed by the Condominium) as his, her or its agent to provide to the Existing Tenants of the Unit all services and facilities required Applicable Law.

(e) The Purchaser agrees to deposit with the Managing Agent (or Condominium Board if no managing agent is employed) at the closing an amount not less than two-months' common charges and real estate taxes to be used as working capital to furnish services required under the Existing Lease for the Unit and pursuant to Applicable Law. Upon notice from the Managing Agent (or Condominium Board) that the deposit has been diminished, the fund shall be replenished by the Unit Owner within thirty (30) days of such notice. The failure of the Unit Owner to replenish the fund in a timely fashion will result in the Condominium having a lien against the Unit. Interest, if any, earned on the fund shall be the property of the Unit Owner.

(f) If after the Purchaser signs this Agreement the Existing Tenant timely exercises such Existing Tenant's exclusive right to purchase the Unit during the period granted under the Plan or at such later date as may be permitted under Applicable Law (or an administrative or judicial interpretation thereof), then this Agreement will be deemed canceled and within thirty (30) days thereafter, all monies deposited with the Seller shall be returned to the Purchaser, with interest, if any, earned thereon. Upon such refund being made, the Purchaser, the Seller, the Selling Agent, and all other Persons involved in the Plan will be (and hereby are) released and discharged of all liabilities and obligations hereunder and under the Plan.

21. **Fixtures, Appliances and Personal Property.**

(a) At closing, the Unit will contain only those appliances, countertops, cabinets, sinks, vanities (if any), air-conditioning units (if any), hardware and other fixtures and equipment currently installed therein which are owned by the Seller. The Unit is being sold unfurnished. Any appliances, air conditioning units, furnishings, equipment, fixtures, and other personal property owned by any Existing Tenant of a Unit are not included in this sale. However, if a Unit is presently occupied by other than the Purchaser and the Existing Tenant removes a stove or refrigerator belonging to him or her, then the Seller agrees to supply a replacement, which need not be new, but will be in working order and similar in size and quality to the stoves and refrigerators owned by the Seller that are contained in comparable Units in the Building on the Presentation Date of the Plan.

(b) Furniture, wall coverings, furnishings, decorations and the like in or about any model apartment are for display purposes only and are not included in the sale. Purchaser acknowledges that any floor plans contained in Part II of the Plan and any other floor plan or sketch shown to Purchaser by Seller, Selling Agent or any other party is only an approximation of the dimensions and layout of typical Units in the Building and the Purchaser confirms that Purchaser has not relied thereon as accurate with respect to the Unit which is the subject of this Agreement. The actual layout of the Unit which is the subject of this Agreement may vary from such floor plans and may have been altered. Purchaser confirms that Purchaser has inspected the Unit to determine its useable dimensions, layout and physical condition.

(c) There shall be no modifications or extras unless agreed to in writing by both the Purchaser and the Seller. All modifications, alterations and additions to the Unit must be approved by the Seller in writing and, if approved, shall be performed by the Seller at the Purchaser's expense (payable in the manner to be set forth in an addendum to this Agreement or in a separate agreement).

22. **Acceptance of Condition of Property and Unit.**

The signing of this Purchase Agreement by the Purchaser signifies the Purchaser's acceptance of the conditions of the Property, including the Building, the Unit, and all fixtures, machinery, equipment, furnishings, appliances, installations and any other personal property contained therein (hereinafter collectively called "Installations"), in their respective existing conditions, subject to reasonable use, wear and tear and natural deterioration between the date Purchaser signs this Agreement and delivery of the deed to the Purchaser. The Purchaser acknowledges having read, or having had ample opportunity to read, the Description of Property and Building Condition set forth as Document Number 1 in Part II of the Plan, which sets forth a description and then existing physical condition of the Building. The Purchaser understands that the Seller has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations except as set forth in the Plan. However, the Seller has agreed in the Plan to maintain the Building in substantially the same condition it is in on the Presentation Date, unless prevented from so doing by reason of acts or events beyond the Seller's control, as more particularly set forth in the Plan.

Purchaser shall be given a reasonable opportunity to examine the Unit prior to closing and is advised to make a careful examination at such time.

23. **Lead-Based Paint and/or Lead-Based Paint Hazards.**

The Purchaser understands that under applicable Federal regulations (namely, 24 CFR Part 35 and 40 CFR Part 745), before Purchaser becomes obligated under this Purchase Agreement, the Purchaser must be permitted a 10-day period to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead based paint hazards (the, **"Lead-Based Paint Inspection"**), unless the Purchaser elects in writing to waive same. At or prior to signing and submitting this Purchase Agreement to the Seller, the Purchaser shall indicate (where appropriate) and sign a certain form entitled **"Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards"** (the **"Lead-Based Paint Disclosure Form"**), indicating, among other things, whether the Purchaser has waived the right to conduct the Lead-Based Paint Inspection or has been given the opportunity to conduct same. A copy of the Lead-Based Paint Disclosure Form is included in Part II of the Plan. The Purchaser hereby repeats and affirms all of the Purchaser's acknowledgments on the Purchasers signed Lead-Paint Disclosure Form, which by this reference are hereby made a part of this Purchase Agreement. Notwithstanding anything to the contrary contained herein, the Seller shall have no obligation to accept any Purchase Agreement submitted by the Purchaser unless accompanied by the Lead-Based Paint Disclosure Form completed and executed by the Purchaser.

24. **Security Deposit.**

(a) If the Purchaser is or hereafter becomes a tenant of the Unit, the Purchaser's unapplied rent security deposit, if any, shall be refunded to the Purchaser, together with any interest earned thereon, within thirty (30) days following the closing, provided that the Purchaser is not in default under the Purchasers Existing Lease, Interim Lease or this Agreement.

(b) If the Unit is occupied by other than the Purchaser, then the unapplied security deposit (if any) of the tenant or occupant of the Unit (or the Purchasers pro rata share thereof) shall be transferred at closing to the Purchaser, who shall, upon receipt, sign and deliver to the Seller an agreement acknowledging the amount received, indemnifying and holding the Seller harmless from and against all liability in connection therewith and agreeing to hold such security deposit as required under the Existing or Interim Lease and Applicable Law. If the Existing Tenant is in arrears with respect to the payment of rent or other charges, if any, the Purchaser understands that it will be obligated to pay to the Seller any such arrearages out of the first amounts collected by the Purchaser from such tenant. In either event, the Seller will have the right to deduct from any Existing Tenant's security deposit the amount of any rent arrearage owing to the Seller and to sue the Existing Tenant to the extent such rent security is insufficient.

25. **Damage to the Unit.**

(a) Unless the Purchaser now occupies the Unit, the Purchaser shall not be entitled to occupy the Unit until the deed is delivered to the Purchaser at closing, unless the Seller, in its discretion, grants possession of the Unit to Purchaser under an Interim Lease as provided in the Plan. If the Purchaser is an Existing Tenant of the Unit or if the Purchaser is given possession of the Unit prior to closing under an Interim Lease or otherwise, then the Purchaser shall assume the risk of loss and the obligation to repair and shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from casualty, the Purchaser's use and occupancy or from the acts or negligence of the Purchaser's guests, contractors, subcontractors, licensees,

agents, employees or other invitees or otherwise and the Seller shall not be obligated to make any repairs to the Unit or its Installations. If the Purchaser is obligated to repair the damage, then the Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance of the Purchase Price and accepting delivery of the deed. Notwithstanding the foregoing, until closing, the Seller shall remain responsible to make those repairs required of it as landlord under any Existing or Interim Lease and, after closing, the Condominium Board shall be responsible to make those repairs required of it under the Condominium Documents.

(b) Except as provided in subparagraph (a), all other risk of loss prior to closing shall be assumed by the Seller, but without any obligation or liability of the Seller to repair the damage or restore the Unit. If the Seller or (in the event the Declaration is filed) the Unit Owners elect, pursuant to the Condominium Documents, to repair or replace the loss or damage, in the event of a fire or other casualty, this Agreement shall continue in full force and effect, the Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement of, the Purchase Price, and Seller shall be entitled to a reasonable period of time to complete (or to permit the Condominium Board to complete) such repairs or replacements. The Purchaser shall not be required to pay the Balance of the Purchase Price unless and until (i) the Unit has been substantially repaired to as near as reasonably possible its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall belong entirely to the Seller (subject to the rights, if any, of the Condominium Board or of other Unit Owners in the event the Declaration is filed) and if such proceeds are paid to the Purchaser, the Purchaser shall promptly upon receipt turn them over to the Seller.

(c) In the event the Seller notifies the Purchaser that it does not elect to repair or restore the Unit or (in the event the Declaration is filed) if the Unit Owners do not resolve to make such repairs or restore the Unit pursuant to the Condominium Documents, this Agreement will be deemed canceled and of no further force or effect and the Seller will instruct the Escrow Agent to return to the Purchaser all sums deposited hereunder (with interest, if any, earned thereon) whereupon the parties will be released and discharged from all obligations and liability hereunder and under the Plan, except that if the Purchaser is then in default hereunder (beyond any applicable grace period), the Seller will retain the Liquidated Sum pursuant to Paragraph 15 above.

(d) If the Purchaser is a tenant under an Existing Lease at the Property, the provisions of this Agreement shall supersede and replace any conflicting provisions in such Purchaser's Existing Lease.

(e) The Purchaser expressly waives the provisions of Section 227 of the Real Property Law and agrees that the provisions of this Paragraph 25 shall govern and control in lieu thereof.

26. **No Representations.**

Except as set forth in the Plan, the Seller has not made, does not make and is unwilling to make any representations as to the condition, income, expenses, Existing Leases, tenants, use, operation or any other matter or thing affecting or relating to the Property or title thereto or the transactions contemplated hereby. The Purchaser acknowledges and represents that, except as expressly set forth in the Plan or in this Agreement, the Seller has not made and the Purchaser has not relied upon any representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by the Seller, whether consisting of or contained in any architect's plans, sales plans, selling brochures, advertisements or otherwise, including, but not limited to, any relating to: (a) the description or physical condition of the Property or the Unit, or the size or the dimensions of the Unit, or any other physical characteristics thereof; (b) the services to be provided to Unit Owners; (c) the estimated Common Charges allocable to the Unit; (d) the right to any income tax deduction for any real estate taxes or mortgage interest paid by the Purchaser, (e) the current or future real estate tax liability, assessment or valuation of the Property or the Unit; (f) the potential qualification of the Property or the Unit for any and all benefits conferred by federal, state or municipal laws, whether for subsidies, special real estate tax treatment, insurance, mortgages, or any other benefits, whether similar of dissimilar to those enumerated; (g) the compliance of the Unit or the Property, in its current or any future state with applicable zoning ordinances and the ability to obtain a variance in respect to any non-compliance, if any, with said zoning ordinances; (h) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Unit or the Property from any source, including but not limited to the state, city or federal government or any institutional lender; (i) the current or future use of the Unit or the Property; (j) the current or future condition and operating state of any and all machinery or equipment in the Unit or on the Property and the current or future structural and physical condition of the Unit, the Building or any other improvements to the Property or their suitability for rehabilitation or renovation; (k) the state of title to the Unit; and (I) the presence or absence of violations of Applicable Law; the Purchaser having relied solely on its 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 the Seller except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. The Purchaser agrees that the Seller and its agents and contractors will have no liability to the Purchaser nor shall the Purchaser be relieved of any of its obligations hereunder if there is a minor error or inaccuracy in the layout or dimensions of the Unit or of the Common Elements or any Limited Common Elements of the Condominium as shown on the Floor Plans.

27. **Broker.**

The Purchaser represents to the Seller that the Purchaser has not dealt with any broker other than the Selling Agent in connection with this transaction. The Purchaser agrees that should any claim be made against the Seller for commissions by anyone other than the Selling Agent based on alleged dealings with the Purchaser or the Purchaser's representatives, the Purchaser shall (i) give testimony to such effect in any case, action or proceeding by any broker other than the Selling Agent, and (ii) indemnify and hold the Seller harmless from and against any and all liabilities, claims, damages, costs and expenses (including but not limited to

reasonable attorneys' fees and expenses) arising out of or in connection with any claim for commissions or other compensation with respect to this transaction or with respect to the Purchaser.

28. **Assignment.**

The Seller may assign this Agreement without limitation. The Purchaser shall not have the right to assign this Agreement without the prior written consent of the Seller except as might otherwise be expressly provided in the Plan.

(a) If the Seller consents to an assignment of this Agreement by the Purchaser, then any such consent shall be conditioned on the following:

(i) The assignee executing and delivering to the Seller, within five (5) days after the making of such assignment, an assumption of this Agreement in form and substance satisfactory to the Seller;

(ii) The Purchaser executing and delivering to the Seller a guarantee of the assignee's obligations under this Agreement and any instruments or agreements made pursuant to the provisions of this Agreement on or before or in connection with the closing hereunder, in form and substance satisfactory to the Seller;

(iii) The Purchaser and the assignee completing, executing and delivering any transfer tax returns required by Applicable Law to be filed in connection with such assignment and paying any transfer taxes due thereon at the closing hereunder; and

(iv) The Purchaser paying such additional fees as are specified in the Plan in connection with an assignment of this Agreement.

(b) Notwithstanding any such consent or assignment, the Purchaser shall not be released from any liability under this Agreement.

29. **The Purchaser's Representations.**

(a) The Purchaser represents to the Seller and the Condominium as follows:

(i) If the Purchaser is an individual, the Purchaser is over 18 years of age and resides in the State of New York.

(ii) If the Purchaser is an entity, it is legally authorized to acquire the Unit and has an office for the conduct of its business in New York.

(iii) The Purchaser is not purchasing for the purpose of resale, subletting, assigning, or as an accommodation to, or solely for the account or benefit of the Seller or its principals.

(b) The Purchaser certifies that (i) if he or she is a tenant who was in occupancy on the date the Plan was filed, the Purchaser has agreed in good faith to

purchase the Unit with no discriminatory repurchase agreement or other discriminatory inducement and that he or she is a bona fide tenant in occupancy, or that (ii) the Purchaser is a bona fide purchaser and he or she or a member of his or her immediate family intends to occupy the Unit when it becomes vacant.

30. **Possession of Unit and the Purchaser's Work.**

Except pursuant to an Interim Lease, the Purchaser shall not be entitled to have access to the Unit prior to the closing of title thereto without obtaining the Seller's prior written consent. Unless otherwise agreed in writing by the Seller, such access shall be for the limited purpose of inspection and taking measurements. If the Purchaser is permitted such access, the Purchaser shall release the Seller from any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from any injuries sustained by any person or damage to any property resulting from such access, even if such injury results from the negligence of the Seller, the Selling Agent, or any of their respective agents, employees, contractors or representatives. In addition, the Purchaser shall indemnify and hold the Seller, the Selling Agent and their respective agents, employees, contractors and representatives harmless from and against any and all liability, loss, cost, expense or damage, foreseen or unforeseen, resulting from such access, including without limitation reasonable attorneys' fees and expenses.

31. **Liability of the Seller.**

(a) The Seller shall not have any liability to the Purchaser or others with respect to any of the Seller's obligations under this Agreement, under the Plan, or otherwise in excess of the net proceeds paid to the Seller from the sale of the Units after payment of, or reserve for, any liabilities, costs or expenses of the Seller 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.

(b) The Seller 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, lock-out, action of labor unions or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of the Seller. The Seller's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

32. **Acceptance of the Purchase Agreement.**

(a) If the Purchaser is an Existing Tenant, this Agreement will be accepted by the Seller on condition that: (i) the Purchaser signs and returns this Agreement, together with the requisite Down Payment, within ninety (90) days from the Presentation Date of the Plan; (ii) the Purchase Price is in accordance with the price for the Unit set forth in the Plan; and (iii) the Purchaser has the exclusive right to purchase the Unit under the Plan.

(b) If the Purchaser is not an Existing Tenant of the Property or the conditions set forth in subparagraph (a) (have not been met), the submission to the Seller of this Agreement shall not constitute a binding obligation on either the Purchaser or the Seller. No such binding

obligation will arise until this Agreement is executed by both the Purchaser and the Seller (or the Seller's duly authorized agent) and one fully-executed copy has been delivered to the Purchaser and two fully-executed copies have been delivered to the Seller together with the Lead-Based Paint Disclosure Form in accordance with subparagraph (c) below. If within twenty (20) days after the Selling Agent receives this Agreement signed by the Purchaser a copy of this Agreement signed by the Seller of its authorized agent is not sent or delivered to the Purchaser, then it will be deemed rejected and of no force or effect, and all monies paid by the Purchaser shall be refunded, without interest, within ten (10) days thereafter. Upon such refund being made, neither party will have any further rights, obligations or liabilities hereunder with respect to the other or any other party connected with the Plan. This Agreement may not be rejected due to the Purchasers sex, race, creed, color, national origin, ancestry or other ground proscribed by law. The Seller has the right, without incurring any liability, to reject this Agreement without cause or explanation to the Purchaser.

(c) Notwithstanding anything to the contrary contained in subparagraph (a) above, the Seller shall have no obligation to accept this Agreement unless at the time this Agreement is submitted to the Seller, the Purchaser also delivers to the Seller the Lead-Based Paint Disclosure Form fully completed and signed by the Purchaser in triplicate.

33. **Notices.**

Notices hereunder shall be in writing and shall be either (i) personally delivered (with receipt acknowledged) or (ii) mailed by registered or certified mail, return receipt requested or (iii) sent by overnight courier (with receipt acknowledged) or (iv) sent by facsimile transmission, if available, provided and so long as a copy of such notice is sent the same day by any of the methods set forth in clauses (i), (ii) or (iii)), to the parties as follows: to the Purchaser, at the address and facsimile number (if any) first stated in this Agreement and to the Seller c/o Heron LLC, 820 2nd Avenue, New York, New York 10017 (Fax No.: (212) 490-1540), Attention: Richard Grossman, with a copy in like manner to Eiseman Levine Lehrhaupt & Kakoyiannis, P.C., 845 Third Avenue, 8th Floor, New York, New York 10016, Attention: Peter Kakoyiannis, Esq. (Fax No.: 212-355-4608). Any of the parties noted in this Paragraph may change his, her or its address and/or facsimile numbers for purposes of this Paragraph by giving notice thereof to the other parties in the manner provided above. Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. may give notices on behalf of the Seller. Notices shall be deemed given on the same day if personally delivered or sent by facsimile transmission, the next business day if sent by overnight courier or five (5) days after mailing if sent by registered or certified mail, return receipt requested. Notwithstanding the foregoing, no notice of change of address shall be deemed given until actually received.

34. **Joint Purchasers.**

The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

35. **Survival of the Seller's and the Purchaser's Obligations.**

All of the obligations of the Seller under this Agreement shall be deemed satisfied upon delivery of the deed to the Unit and the closing of title hereunder and no obligations of the Seller shall survive delivery of the deed except as otherwise expressly provided in this Agreement or the Plan. Except where the context otherwise requires, all the representations, warranties, and obligations of the Purchaser under this Agreement shall survive delivery of the deed and the closing of title hereunder, whether or not specifically so stated in any particular provision.

36. **Further Assurances.**

The Purchaser shall execute, acknowledge and deliver to the Seller such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as the Seller may reasonably request in order to effectuate the provisions of this Agreement or any transaction contemplated herein or to confirm any of the obligations of the Purchaser hereunder or any right to be created or transferred hereunder or pursuant to any such transaction.

37. **Severability.**

If any provision of this Agreement or the Plan is invalid or unenforceable either 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 Applicable Law.

38. **Strict Compliance.**

Any failure by the Seller to insist upon the strict performance by the Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the Seller, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the Purchaser of any and all of the provisions of this Agreement to be performed by the Purchaser.

39. **Governing Law.**

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

40. **Waiver of Jury.**

Except as prohibited by Applicable Law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties 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.

41. **No Recordation.**

This Agreement shall not be recorded by the Purchaser without the Seller's prior written consent. Any purported recordation thereof by the Purchaser shall be void and constitute an Event of Default by the Purchaser hereunder.

42. **Entire Agreement.**

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties hereto and constitutes the entire agreement between them. The Purchaser acknowledges and agrees that the Plan may be amended by the Seller from time to time as provided in the Plan and that this Agreement may be amended by the Seller to conform to the provisions of any such amendment by delivering to the Purchaser a notice thereof, subject however to any rights which the Purchaser may have to rescind this Agreement as provided in the Plan.

43. **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 term **"herein"**, **"hereof"** or **"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 the context otherwise requires. The term "including" shall be deemed to mean "including without limitation" whether or not so stated in the text.

44. **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.

45. **Successors and Assigns.**

Without limiting the provisions of Paragraph 28, the provisions of this Agreement shall bind The Purchaser and its heirs, legal representatives, successors and assigns and inure to the benefit of The Purchaser's heirs, legal representatives and permitted assigns and shall bind and inure to the benefit of the Seller and its successors and assigns.

46. **No Oral Changes.**

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereof at the time of execution hereof, in a separate written agreement signed by the parties.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

Seller: TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP

By: TIMES PLAZA DEVELOPMENT CORP.,
General Partner

By: _____
Name: Bruce Orlofsky
Title: President

Purchaser(s): _____

_____

EXHIBIT A
TO PURCHASE AGREEMENT

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: Times Plaza Condominium
560 State Street
Brooklyn, New York _____
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:_____
   _____

4. 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 time share.
   [ ] 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: _____

(c) 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) 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 the Purchasers affected by this application:

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____

_____

_____

15. I am contemporaneously sending a copy of this application to the following persons:

_____

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature:_____ Date:_____

Name (Printed):_____

Telephone: (Home)_____ (Business)_____

Mailing Address:_____

Document Number 5 —
LEAD-BASED PAINT DISCLOSURE FORM

THIS DISCLOSURE IS PART OF, AND INCORPORATED IN, THE CONTRACT OF SALE BEING SIGNED BY SELLER AND PURCHASER SIMULTANEOUSLY HEREWITH

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD BASED PAINT HAZARDS

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. 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 seller 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.

Seller (✓): (a)(i) or (ii)

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i)_____ Known lead-based paint and/or lead-based paint hazards are present in the housing: (explain)

_____

_____

(ii) _X_ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

Seller (✓): (b)(i) or (ii)

(b) Records and reports available to Seller (check (i) or (ii) below):

(i)_____ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint hazards in the housing (list documents below).

_____

_____

(ii) _X_ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

Purchaser Initial: (c),(d) and (e)

(c)_____ Purchaser has received copies of all information listed above.

(d)_____ Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e)_____ Purchaser has (check (i) or (ii) below):

Purchaser (✓): (i) or (ii)

(i)_____ 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

(ii)_____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

Agent Initial: (f)

(f)_____ Agent has informed Seller of Seller's obligations 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 they have provided is true and accurate.

[sign and date]

SELLER:	PURCHASER:	AGENT:
Times Plaza Development Limited Partnership		
By: _____	_____	By: _____
	_____	
_____ Date:____	_____ Date:___	_____ Date:___

Document Number 6

PRE-CONTRACT SIGNING INSPECTION AGREEMENT

"Date": _____, 200__

"Party or Parties": **"I"** am the Party signing below as "Prospective Purchaser" of the subject Unit.

My address for notices and telephone numbers are:

_____

_____

_____

[Street]

_____

[City] **[State]** **[Zip Code]**

Telephone Nos.: (___)_____ (___)_____

Business **Home**

"You" are the Party signing below as the "Prospective Seller" of the subject Unit.

Your address for notices and telephone number are:

c/o Heron LLC
820 2nd Avenue
New York, New York 10017
Attention: Richard Grossman
Telephone No.: (212) 490-4900

"Unit": Unit ____ at _____ Brooklyn, New York

"Building": 560 State Street
Brooklyn, New York 11217

1. **Definitions**

1.1 The meanings stated for the words within quotation marks on the first page and elsewhere in this Agreement apply wherever these words appear in this Agreement.

2. **Election for Risk Assessment or Inspection**

2.1 I have elected to conduct a risk assessment or inspection (collectively, **"Test/ Inspection"**) for the presence of lead-based paint and/or lead-based paint hazards in accordance with my rights under applicable Federal regulations ("Regulations"), namely: 24 CFR Part 35 and 40 CFR Part 745.

2.2 I understand that I am to conduct the Test/Inspection within 10 full calendar days after I receive this Agreement signed by, or on behalf of, you. Thereafter, all of my rights under this Agreement to conduct the Test/Inspection will end and I will be deemed conclusively to have waived my rights under the mentioned Regulations to conduct a Test/Inspection.

2.3 Promptly after being received by me, I will give you, without any kind of fee or charge, a written report of the results of the Test/Inspection, including a copy of a report (if any) issued by my "Consultant" (defined in Provision "3.1") and a copy of the laboratory or other report (if any) analyzing samples (if any) taken during the Test/Inspection.

3. **Access**

3.1 In order to conduct the Test/Inspection, I and my contractor, engineer or other consultant (collectively, **"Consultant"**) will be given reasonable access to the Unit and public areas of the Building in accordance with this Agreement.

3.2 A. The Test/Inspection will be held at a mutually convenient time and date.

B. Unless otherwise agreed, the Test/Inspection will occur between 9:00 a.m. and 5:00 p.m. on a day ("business day") that is not a Saturday, Sunday or legal holiday of the State of New York or the U.S. government.

C. I will give you or (if you designate someone to represent you) your designated representative at least two (2) full business days' advance notice of my proposed date of the Test/Inspection.

3.3 I and my Consultant will conduct the Test/Inspection in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Building or the units therein.

3.4 Unless waived in writing by you (in your sole and absolute discretion), you or your designated representative (as applicable) will have the right to accompany me and my Consultant (if any) during the Test/Inspection and the Test/Inspection will not be made without you or such representative (as applicable) being present.

4. **Liability for Damages, Injuries and Litigation**

4.1 I will be liable, and reimburse you upon demand, for any damages (to the Unit or elsewhere), injuries and all claims and lawsuits (collectively "litigation") caused by me or my Consultant while conducting the Inspection.

4.2 My liability and obligation for reimbursement include:

- all reasonable costs and expenses you pay or incur to restore the applicable damaged area to the condition existing immediately before the Inspection;
- all judgments, awards, losses, damages, penalties and fines resulting from such damages or injuries;

  and

- all **"reasonable litigation costs and expenses"** (that is, reasonable legal fees and disbursements, court costs and all related litigation expenses) to defend any such litigation against you as well as to enforce your rights to collect monies I may owe you under this Agreement.

4.3 You will have the exclusive right at my cost and expense:

- to repair the damage to and make all repair decisions (including the selection of all materials, suppliers and manufacturers, as well as all contractors, professionals and workers engaged to perform the work);

  and

- to defend, conduct and control the litigation and to make all litigation decisions (including the selection of the attorneys).

5. **No Invasive Test/Inspection**

5.1 I and my Consultant (if any) will not perform an "Invasive Test/Inspection" (defined below) without first obtaining your written approval.

5.2 You are not obligated to give such approval. If you elect to approve, then any such approval is conditioned upon my escrowing with your attorneys, under a separate agreement to be entered into, a mutually agreeable amount to secure my liability for damages under Provisions "4.1" and "4.2" above.

5.3 An **"Invasive Test/Inspection"** is any kind of probe, penetration or disturbance of a painted or :red surface.

6. **No Obligation to Buy or Sell the Unit**

6.1 This is **NOT** a reservation, option, commitment or agreement for the purchase or sale of the Unit and you are not in any way bound or obligated to sell the Unit to me.

6.2 You are **NOT** obligated to reserve or withhold the Unit from sale for me and are free to offer and contract to sell the Unit to others without any kind whatsoever of recourse by me against you.

6.3 You are **NOT** obligated to abate, contain, remove or make any corrections in the event of the existence of lead-based paint or lead-based paint hazards unless and except to the extent required by applicable law.

6.4 This Agreement is **NOT** a lien against the Unit.

6.5 I will not record this Agreement and I will violate a substantial obligation to you if I try to record this Agreement. In the event of such violation, I will be liable, and will reimburse you upon demand, for all damages, losses, costs and expenses (including all reasonable litigation costs and expenses) you may pay or incur as a result of such violation as well as to enforce your rights and to collect monies due you under this Provision "6".

6.6 My agreements, obligations and liabilities under these Provisions are binding, enforceable and independent, and are NOT conditional upon my entering into a purchase agreement for the Unit.

7. **Notices**

7.1 Unless otherwise expressly provided elsewhere in this Agreement, any notice, request, consent, election, waiver, designation, demand or other communication (collectively, **"notice"**) to be given or made to or by the Parties in connection with this Agreement must be in writing and either:

(a) delivered by hand, telecopier (with electronic confirmation followed by mail confirmation given within one business day thereafter) or overnight delivery by Federal Express or other recognized carrier guaranteeing the next day delivery;

or

(b) sent by certified or registered mail, return receipt requested, postage prepaid.

7.2 Each notice to a Party will be addressed to the Parry at its address given in the preamble on the first (signature) page.

7.3 A copy of each notice shall be sent simultaneously and in like manner to the person and address (if any) specified by a Party in a notice to the other Party.

7.4 Each Party may, by notice to the other, change the address to which future notices are to be sent or change or add a person to whom a notice or a copy of a notice is to be sent.

7.5 Unless otherwise provided elsewhere in this Agreement, each notice shall be considered to be given on:

(a) the date delivered by hand or sent by telecopier (unless it is not a business day or is not received before 5:30 p.m., in which case the notice shall be considered given on the first business day after being so delivered or sent);

(b) the next business day after being given to a recognized carrier for overnight delivery;

(c) the second full business day following the date of mailing in the City and State of New York;

or

(d) the third full business day following the date of mailing outside the City and State of New York.

However, a notice of a change of address or person pursuant to Provision "7.4", shall not be deemed given until received.

7.6 A notice that is mailed shall be deposited into a branch office or an official mail depository maintained by the United States Postal Service.

7.7 Failure to accept a notice is deemed receipt of it and does not invalidate the notice or excuse the performance of an obligation.

8. **No Negative Construction Against Drafting Party**

8.1 The Parties agree that the normal rules of construction to resolve ambiguities against the Party whose counsel drafted this Agreement shall not be followed in the interpretation of this Agreement. Consequently, no negative inference or interpretation shall be made by a court in enforcing the Provisions of this Agreement against the Party whose attorney drafted this Agreement.

9. **Governing Law; Venue; and Service of Lawsuits**

9.1 Venue and Service

Any lawsuit or proceeding arising out of this Agreement:

(a) must be brought in the Supreme Court of the State of New York;

(b) must be brought in the County in which the Unit or Prospective Seller is - located; and

(c) may be commenced by serving the summons and/or complaint by certified or registered mail (return receipt requested), postage prepaid, deposited in an official mail depository maintained by the U.S. Postal Service, and sent to the Party at the Party's address for notices set forth in Provision "7.2" or any other

address of which the Party has given notice in accordance with Provision "7.4."

10. **Invalid Provisions Severed**

10.1 The invalidity or unenforceability of all or part of a Provision of this Agreement shall not affect the validity of the other Provisions of the unaffected other parts of such Provision, which shall be enforced to the fullest extent permitted by law.

11. **Binding Effect; Seal and Notarization Not Required, Successors, Assignment Prohibited**

11.1 This Agreement binds, benefits and is enforceable by and against each Party and each Party's successors. A reference in this Agreement to a Party includes such Party's successors.

11.2 This Agreement is effective, binding and enforceable without the seal of a corporate Party or the acknowledgment or notarization of a signature.

11.3 I may not assign this Agreement or my rights or interests under this Agreement and any purported assignment thereof shall be null and void and shall constitute a substantial violation of this Agreement by me.

12. **Merger**

12.1 All prior or contemporaneous statements, representations, promises, negotiations, discussions, projections, opinions, estimates, understanding and agreements of any kind whatsoever not set forth herein, whether oral or written, are merged in, and superseded by, this Agreement and have no effect unless they are expressly contained in this Agreement.

13. **Changes and Waivers**

13.1 A Provision of this Agreement may be changed or waived only in writing signed by the Party to be charged.

13.2 The failure to enforce or insist on strict performance of any Provision will not mean or infer that the Provision has been waived or that the right to enforce or insist thereafter on strict performance of that or any other Provision has been waived. A waiver of any breach or violation of any Provision is not, and shall not be construed as, a waiver of any other or subsequent breach or violation thereof.

14. **Broker**

14.1 I represent to you that I have not dealt with any broker, agent or salesperson (collectively, "broker") in connection with this Unit other than the broker (if any) identified on the signature page hereof.

14.2 I agree that such broker (if any) is NOT entitled to receive from you, and you are NOT liable or obligated to pay to any such broker, any fee, commission or compensation

in connection with this Agreement. I also agree that your obligations (if any) to any such broker is to be governed by a separate brokerage agreement if you elect (at your sole and absolute option and discretion) to enter into such agreement with the broker.

14.3 I agree to indemnify and hold you harmless, and to promptly upon demand reimburse you, for all losses, damages, costs and expenses (including all reasonable litigation costs and expenses) you may pay or incur as a result of representation and agreements in this Provision "14".

15. **Table of Contents and Captions, References, and Grammar**

15.1 The Table of Contents and captions used herein are for convenience only and do not control or affect the meaning or interpretation of any Provision.

15.2 All references in this Agreement to a Provision, paragraph, clause or page refers to the Provisions, paragraphs, clauses and pages of this Agreement.

15.3 The use of the singular includes the plural and the use of any gender or tense (past, present or future) includes any other gender or tense whenever required by the sense of this Agreement.

We evidence our agreement to be bound by the foregoing provisions of this Agreement by signing this Agreement below.

PROSPECTIVE SELLER:

PROSPECTIVE PURCHASER:

Times Plaza Development Limited Partnership
By: TIMES PLAZA DEVELOPMENT CORP., General Partner

By:_____
Name: Bruce Orlofsky
Title: President

NO FEE, COMMISSION OR COMPENSATION IS EARNED, DUE OR PAYABLE TO THE UNDERSIGNED BROKER IN CONNECTION WITH THIS AGREEMENT:

Name of Broker:

By:_____
Name:
Title:

Dated: _____, 200__

Document Number 7
ESCROW AGREEMENT

AGREEMENT made this 16th day of November, 2004, between Times Plaza Development Limited Partnership ("SPONSOR") as SPONSOR of the offering plan to the extent described below, and Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. ("ESCROW AGENT"), as ESCROW AGENT.

WHEREAS, SPONSOR is the sponsor of a condominium offering plan for the sale of Condominium Units in a condominium to be known as Times Plaza Condominium located at 560 State Street Brooklyn, New York 11217-1412 (the "Premises") (such plan being called the "Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an ESCROW AGENT hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as ESCROW AGENT for deposits by purchasers on account of the purchase price of units in such Condominium (collectively, "Units" and each a "Unit") under the Plan, together with all accrued interest thereon (collectively the "Deposits"), pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. **ESTABLISHMENT OF THE ESCROW ACCOUNT.**

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers on account of the purchase price of Units under the Plan. The escrow account has been opened with **Citibank N.A.** at its branch located at **120 Broadway, New York, New York 10271**.

1.2 The name of the account is "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. as escrow agent under the Plan for Times Plaza Condominium."

1.3 Partners of the ESCROW AGENT are the sole signatories on such account (the "escrow account").

1.4 The sub-escrow account into which the Deposit, once cleared, shall be deposited shall be an interest-bearing account, provided, however, that Escrow Agent shall not be responsible for transferring the Deposit from the escrow account to the sub-escrow account, and the Deposit shall not earn interest, unless and until Escrow Agent receives a completed and signed Form W-9 (Request for Taxpayer Information) or W-8 (Certificate of Foreign Status), as the case may be, from Purchaser.

2. **DEPOSITS INTO THE ESCROW ACCOUNT.**

2.1 All Deposits received by ESCROW AGENT from each prospective purchaser of a Unit under the Plan, on account of the purchase price thereunder, prior to closing of such Unit, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of "Eiseman Levine Lehrhaupt & Kakoyiannis, P.C. as escrow agent under the Plan for Times Plaza Condominium." Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser promptly after receipt by ESCROW AGENT of such instrument following any attempts to deposit it; but, in any event, following such unsuccessful attempts to deposit it, ESCROW AGENT shall mail or otherwise send such instrument to such prospective purchaser within five business days of such receipt of such instrument by ESCROW AGENT. In the event of such return of such instrument, then such instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 For purposes of this Section 2.2, an unconditional tender and delivery of a Down Payment shall be deemed to have been made if a Down Payment is delivered together with a Purchase Agreement in the form agreed to by SPONSOR without any request for a change in such form or the terms of such Purchase Agreement (together with such other documents executed by the purchaser which are to accompany delivery of the Purchase Agreement in accordance with the Plan). Within 10 business days after unconditional tender and delivery to the Selling Agent of the Down Payment required to be submitted by a purchaser on account of the purchase of a unit under the Plan, together with the Purchase Agreement for the purchase of such unit, ESCROW AGENT shall notify such purchaser of the deposit of such funds in the bank indicated in the Plan, provide the account number of the escrow account, and disclose the initial interest rate. Subject to the provisions of the next sentence, if such purchaser does not receive notice of such deposit within fifteen (15) business days after unconditional tender and delivery to the Selling Agent of such Down Payment, then such purchaser may cancel the purchase and rescind such purchaser's Purchase Agreement so long as such right to rescind is exercised within ninety (90) days after such purchaser's unconditional tender and delivery of such Down Payment to the Selling Agent, if any, or such purchaser may apply to the Attorney General for relief. However, a purchaser shall not be entitled either to rescind such purchaser's Purchase Agreement or to receive a refund of such purchasers Deposit where proof satisfactory to the Attorney General is submitted establishing that such Deposit was timely deposited and notice as provided above was timely mailed to such purchaser in accordance with all regulations of the Attorney General.

3. **RELEASE OF FUNDS.**

3.1 **CONSUMMATION OF THE PLAN** shall mean the first closing of title for the sale of a Unit under the Plan and in accordance with its requirements.

3.2 **ESCROW AGENT** shall continue to hold a purchasers Deposit in escrow until: (a) otherwise directed in one or more writings signed (whether on the same or separate counterparts) by each of SPONSOR and such purchaser, or (b) otherwise directed in a determination of the Attorney General, pursuant to the dispute resolution procedures contained in the Attorney General's regulations, or (c) a judgment or order of a court of competent jurisdiction permits or requires the release of such Deposit, or (d) such Deposit is paid by ESCROW AGENT into a court of competent jurisdiction, or (e) such Deposit is paid to SPONSOR as provided below, or (f) such Deposit is paid to such purchaser as provided below.

3.3 **SPONSOR** shall not object to the release of the Deposit of any purchaser to such purchaser, provided such purchaser has not defaulted and has timely and validly rescinded such purchaser's Purchase Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

3.4 If there is no written agreement between SPONSOR and a purchaser to release the Deposit paid by such purchaser, ESCROW AGENT shall not pay such Deposit to SPONSOR until after 10 business days following the date that ESCROW AGENT has given such purchaser written notice that ESCROW AGENT intends to pay to SPONSOR such Deposit. Thereafter, such Deposit may be paid to SPONSOR unless such purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and ESCROW AGENT has received, within such 10 business day period, notice from such purchaser that such application has been made.

4. **RECORD KEEPING.**

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. **GENERAL RIGHTS AND OBLIGATIONS OF ESCROW AGENT.**

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship, pursuant to this Agreement, shall exist between ESCROW AGENT and purchasers who have paid Deposits which are held by ESCROW AGENT, and ESCROW AGENT acknowledges such fiduciary obligations.

5.3 ESCROW AGENT undertakes to perform only such duties as are expressly set forth herein. If there is any conflict or inconsistency between the provisions of this Agreement and either the Plan or any Purchase Agreement (as defined in the Plan), the provisions of this Agreement shall be controlling.

5.4 If conflicting demands are made or notices are served upon ESCROW AGENT with respect to this Agreement, or if ESCROW AGENT shall hold a good faith belief that the rights of a claimant to any Deposit are not absolutely clear, the signatories hereto agree that ESCROW AGENT may refuse to comply with any such claim or demand and, except as hereinafter set forth in this Agreement, may withhold and stop all further proceedings in the performance of this Agreement so long as such disagreement shall continue. In so doing, ESCROW AGENT shall not be or become liable for damages or interest to any of the signatories hereto or to any other person for its failure to comply with such conflicting or adverse demands or notices. ESCROW AGENT may continue to so refrain and so refuse to act until (i) the rights of the adverse claimants have been finally adjudicated in a court having and assuming jurisdiction of the parties and/or the Deposit, as the case may be, or (ii) all differences, with respect to any Deposit, shall have been resolved by mutual agreement of SPONSOR and the purchaser who paid such Deposit, and ESCROW AGENT shall have been notified thereof in writing signed by both of said parties. In the alternative, ESCROW AGENT may, but shall not be obligated to, file a suit in interpleader for a declaratory judgment for the purpose of having the respective rights of the claimants adjudicated, and/or may deposit any Deposit with a court of competent jurisdiction, in which event SPONSOR agrees to pay all costs, expenses and attorneys' fees incurred by ESCROW AGENT in connection therewith. If ESCROW AGENT shall deposit any Deposit with such court, the ESCROW AGENT shall be fully released and discharged from any and all further duties and obligations hereunder with respect to such Deposit.

5.5 ESCROW AGENT shall not be responsible for any interest on any Deposit except for such as is actually received by ESCROW AGENT.

5.6 SPONSOR hereby agrees to indemnify ESCROW AGENT from, and to hold it harmless against, any loss, liability or expense (including, without limitation, attorneys' fees and expenses) incurred without gross negligence, willful default, or bad faith on the part of ESCROW AGENT, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim or liability.

5.7 In any action or proceeding, ESCROW AGENT may represent SPONSOR, even if such action or proceeding relates to or involves any Deposit, at the same time as ESCROW AGENT is holding such Deposit pursuant to this Agreement.

6. **RESPONSIBILITIES OF SPONSOR.**

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver to ESCROW AGENT each Deposit on account of the sale of a unit under the Plan which has been received by SPONSOR or such agents prior to closing of the sale of such unit within one business day of receipt thereof. Sponsor also agrees to obtain or cause its agents to obtain a completed and signed Form W-9 (Request for Taxpayer Information) or W-8 (Certificate of Foreign Status), as applicable, from each Purchaser and deliver same to ESCROW AGENT together with the Purchaser's Deposit.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. **TERMINATION OF AGREEMENT.**

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor ESCROW AGENT; or

(c) All Deposits held by ESCROW AGENT have been paid by ESCROW AGENT from the escrow account as provided in this Agreement.

ESCROW AGENT shall not be responsible for any delay between either i) any such cancellation by SPONSOR of the designation of ESCROW AGENT or ii) the resignation of ESCROW AGENT, and, in either such case, the date on which an amendment to the Plan appointing a successor ESCROW AGENT has been filed by the Department of Law and notice thereof has been given to ESCROW AGENT. Once any such cancellation of the designation of ESCROW AGENT has been given to ESCROW AGENT, or once ESCROW AGENT has given to SPONSOR notice of resignation as ESCROW AGENT, then in either case ESCROW AGENT shall not be obligated to accept thereafter any new Deposits in the escrow account.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all Deposits held by it in escrow to the new successor ESCROW AGENT set forth in such amendment to the Plan, provided ESCROW AGENT has received a copy of such amendment.

8. **SUCCESSORS AND ASSIGNS.**

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. **GOVERNING LAW.**

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. **ESCROW AGENT'S COMPENSATION.**

10.1 SPONSOR agrees that ESCROW AGENT'S compensation shall not be paid from the Deposits nor from any interest accruing thereon (unless and to the extent SPONSOR is entitled to be paid such Deposits pursuant to this Agreement) and that compensation to ESCROW AGENT, if any, shall not be deducted from the Deposits (unless and to the extent SPONSOR is entitled to be paid such Deposits pursuant to this Agreement) by any financial institution under any circumstance. SPONSOR shall reimburse to ESCROW AGENT any fees or charges incurred in connection with the establishment and maintenance of the escrow account.

11. **SEVERABILITY.**

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. **ENTIRE AGREEMENT.**

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

13. **NOTICE.**

13.1 All notices and communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or sent by regular, certified or registered mail, with or without return receipt requested, postage prepaid, addressed as follows:

To SPONSOR: Times Plaza Development Limited Partnership
c/o Bruce Orlofsky
562 State Street
Brooklyn, New York 11217-1412

To ESCROW AGENT:

Eiseman Levine Lehrhaupt
Kakoyiannis, P.C.
845 Third Avenue, 8th Floor
New York, New York 10022
Attn: Peter Kakoyiannis, Esq.

or at such other address as any of the above may have furnished, as the address of such party, to the other parties in a notice given in accordance with the provisions of this Section. All notices sent in accordance with this Section shall be deemed given upon personal delivery or five days after the date of mailing, as the case may be.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT: EISEMAN LEVINE LEHRHAUPT & KAKOYIANNIS, P.C.

By: _____
Peter Kakoyiannis, Partner

SPONSOR: TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP

By: TIMES PLAZA DEVELOPMENT CORP.,
General Partner

By: _____
Name: Bruce Orlofsky
Title: President

Document Number 8 –
UNIT OWNER'S POWER OF ATTORNEY

Times Plaza Condominium

All terms used in this Unit Owner's Power of Attorney that are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as and by the street number 560 State Street, Brooklyn, New York (the "Property") under Article 9-B of the Real Property Law of the State of New York, dated , 200_, and recorded in the Office of the Register of the City of New York, County of Kings, on , 200_, in Reel _____, Page, or (b) in the by-laws of the Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned residing as the owner of the Residential Condominium Unit (the "Undersigned's Unit") known as Unit No. ___at the street address 560 State Street, Brooklyn, New York, New York in Times Plaza Condominium (the "Condominium"), known by the street address as 560 State Street, Brooklyn, New York and consisting of the real property and improvements thereon as more particularly described on Schedule A annexed hereto and made a part hereof, such Unit being also designated as Tax Lot , in Block of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans, (does)(do)' hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-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 Residential Unit Owners, in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner so desiring to sell, convey, transfer, assign or lease, (b) to acquire any Residential Unit, together with its Appurtenant Interests, whose owner elects to surrender such Residential Unit pursuant to the terms of Article V, Section 7 of the By-Laws, and (c) to acquire any Residential Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and, with respect to any transfer pursuant to the terms of subdivision (1)(a) or (1)(c) of this paragraph at such price or at such rental, as the case may be, as such attorneys-in-fact deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, on such terms as such attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in such premises which the undersigned could do if the undersigned were personally present, and (2) to execute, acknowledge and deliver (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 New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other Governmental Authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or

the Property (including, without limitation, the Common Elements), that the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board, from time to time, shall constitute the acts of said attorneys-in-fact.

The undersigned (does)(do)** hereby irrevocably nominate, constitute and appoint Times Plaza Development Limited Partnership (the "Declarant"), each Sponsor Successor and each Commercial Unit Owner, as the undersigned's true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with full power of substitution, acting severally, to:

(A) to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant deems necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, or any other Governmental Authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof; and

(B) amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of such documents, when such amendment (i) shall be required to reflect any changes in the Commercial Units or the Unsold Residential Units and/or the reapportionment of the Common Interests of the affected Commercial Units or Unsold Residential Units resulting therefrom, as the case may be, made by Sponsor, any Sponsor Successor or any Commercial Unit Owner in accordance with the Declaration and By-laws (including without limitation under Sections 9 and 11 of the Declaration), (ii) shall, under the terms of the Declaration and/or Bylaws, be permitted to be filed by Sponsor, a Sponsor Successor or a Commercial Unit Owner without the consent of the undersigned or that of the Condominium Board or (iii) will 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 subdivisions (i), (ii) or (iii) of this paragraph will not (x) change the Common Interest of the undersigned's Unit, (y) require a material, physical modification to the undersigned's Unit, or (z) 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 subdivisions (x) or (y) of this paragraph) or the holder of such mortgage (in the event described in (z) 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 will remain in full force and effect until (1) in the case of powers granted to Sponsor or a Sponsor Successor, the later of (i) such time as no Sponsor or Sponsor Successor owns any Units in the Condominium and (ii) there shall cease to be any

** Delete inapplicable parenthetical(s).

Unsold Residential Units in the Condominium and (2) in the case of powers granted to a Commercial Unit Owner, there shall cease to be any Commercial Units in the Condominium.

(C) The undersigned do(es) hereby further irrevocably nominate, constitute and appoint Declarant as attorney-in-fact coupled with an interest for the undersigned, with power of substitution to consent on behalf of the undersigned, to the extent the undersigned may be deemed a party in interest or necessary signatory, to any declaration or other agreement relating or effecting a merger or division (the "Merger") of the zoning lot, on which the Property (as that term is defined in the Declaration) is located with any other adjacent tax lots to form a single zoning lot, for the purpose of transferring (pursuant to applicable provisions of the Zoning Resolution of the City of New York, effective as of December 15, 1961, as amended (the "Zoning Resolution")) to the owner of any such other tax lot(s) (the "Development Rights Purchaser"), the unused floor area development rights attributable the to Property as agreed to, (ii) permitting the Declarant or Development Rights Purchaser, once the Merger of the tax lot has occurred), to acquire and utilize development rights from other tax or zoning lots (including, without limitation, development rights located in blocks neighboring the block in which the Property is located, in accordance with applicable provisions of the Zoning Resolution. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until the time that the Declarant its successors or assigns no longer any own any Units in the Condominium.

Terms not otherwise defined herein shall the meanings ascribed thereto in the Declaration. This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned (has) (have)* executed this Unit Owner's Power of Attorney as of the ___ day _____, 200__.

_____

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

On the _____ day of _____ in the year 2004, 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 person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

Document Number 9 –
FORM OF UNIT DEED

THIS INDENTURE, made the _____ day of _____, 200__, between **TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP** ("Grantor"), a Connecticut limited partnership, having offices c/o Bruce Orlofsky, 562 State Street, Brooklyn, New York 11217-1412 and _____, a _____ with offices/ residing at _____, New York ("Grantee").

WITNESSETH

That the Grantor, in consideration of Ten Dollars ($10.00) and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit _____ (the "Unit") at the street address 560 State Street, Brooklyn, New York 11217-1412 in the condominium known as Times Plaza Condominium ("Condominium") in the buildings known as and by the street numbers 560 State Street, Brooklyn, New York 11217-1412 (collectively, "Building"), and designated and described as such in the Declaration ("Declaration") establishing a plan for condominium ownership of the Building and the parcel of land on which it is situated (such land and the Building being collectively referred to as "Property"), made by the Grantor under Article 9-B of the Real Property Law of the State of New York, dated , 200_, and recorded in the Office of the Register of the City of New York, Kings County on the day of , 200_ in Reel , Page and designated as Tax Lot No. in Block on the Tax Map of the City of New York for the Borough of Brooklyn and on the floor plans of the Building ("Floor Plans"), certified by , on the day of , 200, and filed in the Office of the City Register, Kings County, on the day of , 200_.

The Property is described as follows:

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, Kings County, City, and State of New York, as more particularly described on Schedule A annexed hereto and made a part hereof bounded and described as follows:

PARCEL I

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

TOGETHER with ____% interest in the Common Elements;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with and subject to the rights, obligations, easements, restrictions and other provisions of the Declaration and of the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) as such Declaration and By Laws may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, New York County, all of which rights, obligations, easements, restrictions and other provisions, shall constitute covenants running with the land and shall bind any and all persons having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; and subject to any other matters of record as of the date hereof;

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

Grantee by accepting delivery of this deed covenants and agrees to be bound by and to comply with the provisions of the Declaration and the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, New York County.

(Delete if inapplicable) If the Unit is a Residential Unit (as defined in the Declaration) then such Unit shall be used solely for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law.

(Delete if inapplicable)If the Unit is a Commercial Unit (as defined in the Declaration) then such Unit may be used for any lawful purpose except that the Unit may not be used for (i) the sale or display of pornographic photographs, magazines, movies or videotapes or as a so-called rubber goods shop or (ii) any nude or semi-nude live performances or nude modeling or as a sex club or massage parlor.

The Grantor covenants that the Grantor has not done or suffered anything to be done whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the Condominium By-Laws (and any Rules and Regulations adopted under the Condominium By-Laws). This covenant is for the personal benefit of the Grantee only and cannot be assigned to or exercised by, and shall not inure to the benefit of, any other person or entity, including, but not limited to, any insurer of the Grantee's title or any successor to the 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 cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purpose.

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

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

WITNESS

GRANTOR:

TIMES PLAZA DEVELOMENT LIMITED PARTNERSHIP
By: TIMES PLAZA DEVELOPMENT CORP.,
General Partner

_____

By: _____
Name: Bruce Orlofsky
Title: President

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

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 person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A

BEGINNING at the corner formed by the intersection of the northerly side of Atlantic Avenue and the westerly side of 4th Avenue;

RUNNING THENCE northerly along the westerly side of 4th Avenue 110 feet 11 inches to the southwesterly side of Flatbush Avenue;

THENCE northwesterly along the southwesterly side of Flatbush Avenue 123 feet 10-1/2 inches to the southerly side of State Street;

THENCE westerly along the southerly side of State Street 66 feet 6 inches;

THENCE southerly parallel with the westerly side of 4th Avenue 121 feet 1-7/8 inches;

THENCE easterly and parallel with the northerly side of Atlantic Avenue 57 feet 6 inches;

THENCE southerly and parallel with the westerly side of 4th Avenue 59 feet to the northerly side of Atlantic Avenue;

THENCE easterly along the northerly side of Atlantic Avenue, 111 feet 11-1/2 inches to the point or place of BEGINNING.

Document Number 10

DECLARATION AND BY-LAWS OF THE TIMES PLAZA CONDOMINIUM

DECLARATION

ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP OF THE PREMISES KNOWN AS AND BY THE STREET NUMBERS 560 STATE STREET, BROOKLYN, NEW YORK

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

Name: **TIMES PLAZA CONDOMINIUM**

Declarant: **Times Plaza Development Limited Partnership**

Date of Declaration , 2005

The land affected by the within instrument lies in Section __, Block ____, Lot __ and Section __, Block ____, Lot __ on the Tax Map of the Borough of Brooklyn, City of New York.

EISEMAN LEVINE LEHRHAUPT
& KAKOYIANNIS, P.C.
845 Third Avenue, 8th Floor
New York, New York 10022
Attention: Peter Kakoyiannis, Esq.

DECLARATION OF THE TIMES PLAZA CONDOMINIUM

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

TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP, a Connecticut limited partnership, having an office at c/o Bruce Orlfosky, 562 State Street, Brooklyn, New York 11217-1412 (herein referred to as the "Record Owner"), does hereby declare as follows:

1. **Submission of the Property.**

The "Declarant" hereby submit the Land (hereinafter defined) and Building (hereinafter defined) and all other property, real, personal or mixed, intended for use in connection therewith (collectively the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), and pursuant thereto do hereby establish a condominium to be known as "TIMES PLAZA CONDOMINIUM" (sometimes herein referred to as the "Condominium"). This instrument is sometimes referred to herein as this "Declaration" or the "Declaration." Excluded from the Property are that portion of the unused floor area development rights now owned, subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights") which shall be initially retained by Declarant, which Development Rights may be utilized by Declarant or any party acquiring same from Declarant (the Development Rights Purchaser") and merged into a zoning lot pursuant to the terms of a zoning lot development agreement ("ZLDA").

2. **The Land.**

The Property consists, in part, of all that certain tract, plot, piece and parcel of land situate, lying and being in the County of Kings, City and State of New York, more particularly described in Schedule A annexed hereto and made a part hereof, together with all easements, rights, privileges and hereditaments appurtenant thereto (collectively sometimes herein referred to as the "Land"). The Land is owned by the Record Owner in fee simple. The Land consists of one (1) parcel. The Record Owner is the owner in fee simple of the Property.

3. **The Building.**

Included in the Property is one building located at 560 State Street, Brooklyn, New York 11217-1412. The Building is constructed of reinforced concrete on masonry foundation walls with brick exterior walls. The floors in the Building are listed, from bottom to top, as follows: Cellar, First, Second, Third and Fourth Floor of the building.

The Building consists of commercial units located on the First Floor and Cellar (the "Commercial Unit") and 39 residential units (collectively, the "Residential Units" and, individually, a "Residential Unit"). The Commercial Unit(s), the Residential Units are sometimes hereinafter collectively referred to as the "Units"and individually as a "Unit." The

Residential Units and the Residential Limited Common Elements (as hereinafter defined) are collectively referred to herein as the "Residential Section". The Commercial Units together with the Commercial Limited Common Elements and any Individual Commercial Limited Common Elements are collectively referred to herein as the "Commercial Section." The owner of a Residential Unit is herein called a "Residential Unit Owner" and all owners of the Residential Units are herein collectively called the "Residential Unit Owners". The owner of a Commercial Unit at any time is herein called a "Commercial Unit Owner" and if there shall be more than one Commercial Unit, all of the owners of the Commercial Units are herein collectively called the "Commercial Unit Owners" and, individually, a "Commercial Unit Owner." The Residential Unit Owners and the Commercial Unit Owners are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner".

The Commercial Unit, which is subject to permitted subdivision into more than one unit, in accordance with Section 9 hereof (such Unit as same may be subdivided, the "Commercial Units"), comprises portions of the Cellar and such additional space in such buildings or at the Property which are a part of the Commercial Unit(s) as may be set forth in this Declaration or as identified as such in the Floor Plans (hereinafter defined). References herein to "Commercial Units" at such times as there may be only one such Unit shall be deemed to refer to the Commercial Unit.

4. **The Units.**

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each unit of the Condominium necessary for the proper identification thereof: unit designation, tax lot number, approximate square foot area, Common Elements (hereinafter defined) to which the unit has immediate access and percentage interest of each unit in the Common Elements (sometimes herein referred to as the "Common Interest"). The location of each unit is shown on the floor plans of the Building certified by Berzak Gold Architects, P.C. and intended to be filed in the office of the Register of the City of New York in Kings County contemporaneously with the recording of the Declaration (herein referred to as the "Floor Plans").

Each Unit includes, and each Unit Owner will be responsible for, the doors and windows opening from the Unit, flooring, wallcoverings, cabinets including, without limitation, kitchen and bathroom cabinetry, countertops, interior walls and partitions installed by the Unit Owner, smoke detectors, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment which are combined units, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliance and equipment to which they are attached and any special pipes or equipment which a Unit Owner may install within a wall or ceiling or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the

Unit, to the extent located within a Unit and serving or benefiting only that Unit. Each Commercial Unit will include, without limitation, (1) all related Facilities located within the Commercial Unit exclusively serving the Commercial Unit and (2) where any portion of a Commercial Unit includes more than one story in height, any mezzanine levels within such space.

Each Unit Owner shall be responsible for the maintenance, repairs, replacement of each of their HVAC Units. The air handlers are located in or adjacent to each unit and the condensers are located on the roof of the building.

The Units were measured: (1) vertically from the top of the concrete slab below the Unit to the bottom of the concrete slab above the Unit; and (2) horizontally by (a) the exterior face of the brickwork constituting the exterior walls of the Building bounding the Unit, (b) the exterior face of interior walls and partitions separating the Unit from Common Elements and (c) the center line of walls separating the Unit from other Units. References in this paragraph to the exterior face are from the perspective of a person standing within the Unit.

Each of the Units is subject to such encroachments as are described in Section 10 of this Declaration.

5. **Common Elements**.

(a) The common elements of the Condominium (the "Common Elements") consist of the General Common Elements and the Limited Common Elements (as hereinafter defined). The General Common Elements include, but are not limited to, the Land and all parts of the Building and improvements thereon other than the Units and the Limited Common Elements and include those rooms, areas, corridors, spaces and other parts of the Building and improvements therein for the common use of all Units and all 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 that serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners (in which event they are called "Residential Limited Common Elements"), (b) the Commercial Units or the Commercial Unit Owners (in which event they are called "Commercial Limited Common Elements") and (c) from and after any subdivision of the Commercial Unit into more than one Unit, those Commercial Limited Common Elements which serve one or more but not all of the Commercial Units or the Commercial Unit Owners (in which event they shall be referred to herein as "Individual Commercial Limited Common Elements"). The General Common Elements are for the common use of all Unit Owners. The Residential Limited Common Elements are restricted for use only by Residential Unit Owners and their tenants, guests and invitees only, subject to certain easements and other rights in favor of Declarant, its designees, the Commercial Unit Owners and the Condominium Board as set forth this Declaration and the By-laws, including, without limitation, Sections 9 and 11 of this Declaration. The Commercial Limited Common Elements are restricted for use only by Commercial Unit Owners, their tenants and the guests and invitees of such owners and tenants, subject to such easements and other rights in favor of the Residential Unit Owners

and the Condominium Board as may be expressly set forth in this Declaration and the By-laws, including, without limitation, Section 11 of this Declaration.

(b) As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, converter, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer,' trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, um, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

(c) The General Common Elements consist of the following (even if within the dimensions of a Unit):

(i) The Land.

(ii) Any and all of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams and supports, columns and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed structural members of those walls.

(iii) to the extent not located within or specifically made a part of a Unit or a Limited Common Element, the roofs, staircases (and their landings and stairs), hallways and corridors of the Building.

(iv) the outdoor plaza located on the second floor of the Residential Unit.

(v) electric meters, gas meters, water meters, electric panels, electric closets (excluding those serving only the Residential Section or only the Commercial Section (but not both)), and electric, gas and water feeders and risers, the sprinkler system and other electric, gas and water Facilities.

(vii) Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of both the Commercial Section (or portions thereof) and the Residential Section (or portions thereof) and are not a part of any Unit or any Limited Common Element.

(viii) all Units which may hereafter be acquired and held by the Condominium Board on behalf of all Unit Owners, but only while so held.

(d) The Residential Limited Common Elements consist of the following:

(i) the lobby on the first floor, as more particularly identified as Residential Limited Common Elements on the Floor Plans, including, without limitation, but excluding any lobbies within the Commercial Unit(s) or the Commercial Section.

(ii) the outdoor plaza, playgrounds and sitting areas located on the second floor, as more particularly identified as Residential Limited Common Elements on the Floor Plans (collectively, the "Residential Plaza").

(iii) Kitchen, bathroom exhaust ducts, corridor and Residential Unit supply air ducts and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section.

(v) The rooms and Facilities located as follows: (1) residential compactor rooms located on the ground floor and the chutes serving same and (2) residential mailboxes located on the ground floor.

(vi) all windows in the Residential Section other than windows which are part of a Residential Unit.

(vii) electric closets serving only the Residential Section.

(viii) all passages, hallways and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Residential Units, or part of the Commercial Units, Commercial Limited Common Elements, Individual Commercial Limited Common Elements or General Common Elements.

(x) All other Facilities exclusively serving the Residential Section, excluding the Residential Units, the Commercial Units, the Commercial Limited Common Elements, any Individual Commercial Limited Common Elements and the General Common Elements and which are necessary or convenient for the existence, maintenance, operation or safety of the Residential Section.

(e) The Commercial Limited Common Elements consist of the following:

(i) ductwork, including exhaust ducts, corridor and Commercial Unit supply air ducts and all other HVAC and electric and similar Facilities serving or benefitting exclusively the Commercial Section.

(ii) all windows in the Commercial Section other than windows which are part of a Commercial Unit.

(iii) electric closets serving only the Commercial Section.

(iv) all passages, hallways and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Commercial Units, the Residential Units, the Residential Limited Common Elements or the General Common Elements.

(v) All remaining Facilities exclusively serving the Commercial Section, excluding the Commercial Units, the Residential Units, the Residential Limited Common Elements and the General Common Elements, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Commercial Section.

Notwithstanding anything to the contrary in this Declaration, if a Commercial Limited Common Element benefits only certain Commercial Unit Owners and not Commercial Unit Owners (that is, it is an Individual Commercial Limited Common Element), then the Commercial Unit Owners' costs of alteration, addition, repair, replacement and restoration thereof shall, to the extent they are the obligation of the Commercial Unit Owners as provided herein or in the By-Laws (excluding, for example, the costs of repairs and replacements arising out or in connection with a casualty or condemnation) shall be borne solely by those Commercial Unit Owners who benefit from such Commercial Limited Common Element in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. In addition, except as otherwise may be provided in the Bylaws, such Commercial Unit Owners shall be responsible for the normal operation, maintenance and repair, including, but not limited to the cost of staff necessary for such operation, maintenance and repair, of any such Commercial Limited Common Element at their sole cost and expense.

6. **Determination of Common Interest in the Common Elements.**

The Common Interest of each Unit in the Common Elements is set forth in Schedule B and has been determined by the Declarant in accordance with Real Property Law Section 339-i. subdivision 1., subparagraph (iv), based upon floor space, subject to the location of such space and additional factors of relative value of such space 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 Unit.

7. **Use of the Building and Units.**

The Building is presently used or will be used as a class A multiple dwelling, with commercial space located within the Commercial Unit and Commercial Limited Common Elements, as described above.

The Residential Units may be used solely for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law.

The Commercial Units may be used for any lawful purpose permitted under the Zoning Resolution of the City of New York and other applicable law except that the Commercial Units may not be used for (i) the sale or display of pornographic photographs, magazines, movies or videotapes or as a so-called rubber goods shop or (ii) any nude or semi-nude live performances or nude modeling or as a sex club or massage parlor.

The Declarant and its designees shall have the right to maintain a general office or sales office in any Unit owned by any of them and to use any Unit owned by any of

them as a model and for other promotional purposes in connection with the sale or lease of Units in the Condominium.

8. **Person to Receive Service.**

The Secretary of State of the State of New York is designated as agent of the board of managers of the Condominium (the "Condominium Board" or the "Board") upon whom process against it may be served at the Office of the New York State Department of State in the manner provided by applicable law. The Condominium Board shall file with the Secretary of State the name and post office address of the Condominium for purposes of receiving copies of any process served against the Condominium Board.

9. **Right to Alter, Combine, Subdivide or Realign Units.**

Notwithstanding any other provision of the Declaration or By-Laws (hereinafter defined), Declarant, its designees and each Commercial Unit Owner (to the extent applicable to such Commercial Unit Owner's Unit(s), as the case may be), shall have the right, without the consent of any of the other Unit Owners, or the Condominium Board or the mortgagee of any Unit, from time to time, to (a) decorate or make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon its Unit(s) (Commercial Units, Residential Units, as the case may be) and, in the case of a Commercial Unit Owner, the Commercial Limited Common Elements and any Individual Commercial Limited Common Elements, (b) change its Unit(s) or any part thereof by changing the layout, number of rooms, or size or number of such Unit(s), by subdividing one or more Units into any desired number of condominium units; (c) create and designate a Limited Common Element for the exclusive use of newly created Units; (d) convert space or constituents of its Unit(s) into a newly designated Limited Common Element and/or convert and designate a Limited Common Element as a part of the newly created Unit(s); (e) combine Units with the consent only of the owners of such Units to be combined; (f) reapportion among any newly created condominium unit(s) resulting from any subdivision (or combination) as provided above, the Common Interest appurtenant to the Units; (g) in the case of a Commercial Unit, construct, install, maintain, repair, replace or alter a storefront or building facade adjacent to such Commercial Unit; (h) dedicate any or all utility, sewer, telecommunications or cable television and drainage easements in any portion of the Property to any governmental body, public benefit corporation, telecommunications or cable television company or utility company if such Commercial Unit Owner, Declarant or designee of Declarant shall deem it necessary or desirable for the proper operation and maintenance of its Units or (as to Declarant) the Property, (i) amend the certificate(s) of occupancy of the Building and/or obtain one or more new certificates of occupancy therefor in connection with the exercise of any of its rights under this Section 9, including, without limitation, to reflect the combining or subdividing of Units (j) in the case of a Commercial Unit or Commercial Section space, apply for and obtain from time to time, at the expense of the owner(s) thereof, and whether in the name of such owner(s), in the name of the Condominium Board or otherwise, (1) one or more zoning variances as pertaining to the use or occupancy of such Commercial Unit or Commercial Section space and/or (2) one more amendments to the certificate(s) of occupancy of the Building and/or one or more new certificates of occupancy, so as to reflect existing or desired use and/or occupancy of such Commercial Unit or Commercial Section space, as shall be permitted by law from time to

time, but not in conflict with any specific prohibition on use applicable to Commercial Units as may be contained in this Declaration or the By-laws and (k) the Condominium Board shall be authorized to, and, upon the request of Declarant or the Development Rights Purchaser, each Board shall be obligated, to execute and deliver any documents or applications reasonably required in connection with (i) a Merger, any declaration of zoning lot restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser. However, by reason of the foregoing, the Common Interest of the other Units shall not be enlarged unless the affected Unit Owner consents thereto, except that Limited Common Elements may be created for the exclusive use of any or all of the aforesaid subdivided (or combined) condominium units as provided above, in which event the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided (or combined) Condominium Units. The Commercial Unit Owners, Declarant and/or its designees, as the case may be, shall each have the right to reflect any of the matters described above in a duly recorded amendment to the Declaration (and the obligation to do so in case clause (b) above applies), the By-Laws and/or the Floor Plans. In making any additions, alterations, or improvements pursuant to this Section 9, such Commercial Unit Owner, Declarant or its designees, as the case may be, shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conduct in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction and (iii) hold the Condominium Board and the other Unit Owners harmless from any liability arising therefrom.

The owners of Commercial Units having an aggregate Common Interest of 66-2/3% or more of the aggregate of the Common Interests appurtenant to all of the Commercial Units (a" Commercial Amendment Majority") shall have the right, without the consent of the Condominium Board, any other Unit Owner (including, without limitation, the Residential Unit Owners) or the holder(s) of any mortgage on a Unit, to cause this Declaration, the By-Laws and the Rules and Regulations to be amended, modified, added to or deleted from in such manner as they may determine in their sole discretion shall be necessary, appropriate or desirable in connection with the operation of the Commercial Section or the subdivision of any Commercial Unit into separate Commercial Units, the combining of Commercial Units and/or the offering for sale or lease of all or any portion of the Commercial Units, including, without limitation, an amendment providing for the governance of the affairs of the Commercial Section and the Commercial Unit Owners and the relationship thereof and the sharing of costs pertaining to the Commercial Section, provided only that such amendment modification, addition or deletion, as the case may be, does not unreasonably materially adversely encroach upon the Residential Section or the Residential Unit Owners. Such amendment, modification, addition or deletion (collectively, a "Commercial Affairs Amendment") may include, without limitation, the creation of a commercial board of managers (a "Commercial Board") with jurisdiction over the Commercial Units, the Commercial Limited Common Elements, Individual Commercial Limited Common Elements and the Commercial Unit Owners, such amendment or modification to provide for the election of such Commercial Board by the Commercial Unit Owners in such manner and to provide for the granting to such Commercial Board of such powers pertaining to the Commercial Unit Owners, the Commercial Units, the Commercial Limited Common Elements, the Individual Commercial Limited Common

Elements and related matters, as may be determined by Commercial Amendment Majority in its sole discretion, including, without limitation (i) the power to set, collect and enforce the obligation to pay Commercial Common Charges (as defined in the By-laws), (ii) powers over and with respect to the Commercial Limited Common Elements and any Individual Commercial Limited Common Elements, including, without limitation, powers comparable to the powers of the Condominium Board over the General Common Elements and (iii) all of the powers of a Commercial Majority in Interest (as hereinafter defined) acting in concert, under the Declaration, the By-laws and the Rules and Regulations, prior to the adoption of such amendment). The establishment of a Commercial Board shall not affect the right of the Commercial Unit Owners to designate members of the Condominium Board as provided in the By-laws. In the case of any such amendment, modification, addition or deletion which does not materially adversely affect the Residential Section or the Residential Unit Owners, the Declarant or its designee shall be the attorney-in-fact for the Residential Unit Owners and all other Unit Owners and the Condominium Board, coupled with an interest and granted for a valuable consideration, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. As used herein, the term "Commercial Majority In Interest" shall mean the owners of Commercial Units having an aggregate Common Interest of more than 50.0% of the aggregate of the Common Interests appurtenant to all of the Commercial Units.

Each of Declarant, its designees and the Commercial Unit Owners shall have the right, without the consent of the Condominium Board, any Unit Owner or the holder of any mortgage encumbering a Unit, to seek to amend one or more certificates of occupancy for the Building and/or obtain any required special permit, other permit, zoning variance or other variance, in order to permit changes to the permitted use(s) of the Commercial Units or to eliminate restrictions on such use and such change of use, permit, variance or amendment to certificate(s) of occupancy, as the case may be, shall not require the consent of the Condominium Board, any Unit Owner or the holder of any mortgage encumbering a Unit and the Condominium Board shall cooperate in all respects with Declarant, its designees and the Commercial Unit Owners in connection with the foregoing.

The consent of the Condominium Board, any other Unit Owners and/or the holder of any mortgage on a Unit, shall not be required for the exercise by any Commercial Unit Owner, Declarant or its designees, as the case may be, of the rights and powers set forth in this Section 9 or in Section 11 below. Neither the provisions of this Section 9 (or of Section 11 below) nor any of the other rights and powers of a Commercial Unit Owner, Declarant or its designees, as the case may be, under this Declaration or the By-Laws, including without limitation the authority of any Commercial Unit Owner, Declarant or its designees, as the case may be, to record an amendment of the Declaration or By-Laws or the Floor Plans pursuant to this Section 9, may be modified or deleted by amendment of the Declaration or By-Laws or otherwise. The signatures of any of the other Unit Owners or Condominium Board shall not be required in connection with any amendment to the Declaration or By-Laws or Floor Plans permitted above or to any application or other document necessary or convenient to the exercise by a Commercial Unit Owner, the Declarant or its designees, as the case may be, of any of their rights or powers under this Section 9 or under Section 11 below, including but not limited to any application or

document required by the Department of Buildings, the Real Property Assessment Bureau of the City of New York or any other governmental agency in connection with an amendment to the certificate of occupancy of the Building or the establishment of separate tax lots for any newly created condominium units and reapportionment of assessed valuation by reason thereof. Nevertheless, the Unit Owners and the Condominium Board shall, upon request, execute any such amendments, applications or other documents referred to or described above and they hereby grant to each Commercial Unit Owner, the Declarant and its designees, an irrevocable power of attorney coupled with an interest and granted for a valuable consideration, and with full power of substitution, to execute, deliver and/or record any and all such amendments, applications or other documents on behalf of the Condominium Board and the Unit Owners, and any such execution, delivery and/or recording shall not require the consent of the Condominium Board or the Unit Owners.

10. **Encroachments.**

If any portion of the Common Elements presently encroaches upon any Unit or if any Unit presently encroaches upon any other Unit or upon any portion of the Common Elements or, if as a result of the manner in which the Building was constructed or as a result of settling or shifting of or as a result of the repair, restoration, and/or alteration of the Building, the Common Elements or a Unit owned by Declarant or its designees, such encroachment shall occur, then a valid easement for the encroachment and for the maintenance of the same, so long as the Building stands, shall exist. If the Building or any Unit therein or any Common Element shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, then in such event, encroachments of parts of the Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements due to such rebuilding shall be permitted and valid easements for such encroachments and the maintenance thereof shall exist so long as the Building shall stand.

11. **Certain Easements and Right of Entry.**

Each Unit Owner shall have an easement in common with the other Unit Owners for the use, maintenance, repair and replacement of all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units or elsewhere in the Property and serving his or her Unit. Each Unit shall be subject to an easement in favor of the other Unit Owners for the use, maintenance, repair and replacement of all pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit.

Each Unit with a vertical chase, a raised floor or dropped ceiling shall be subject to an easement in favor of the Declarant, its designees, the Condominium Board and each Commercial Unit Owner for the installation, maintenance, repair and replacement of wires, conduits, ducts, wires and similar installations within any such vertical chase, raised floor and/or dropped ceiling.

Each Unit Owner shall have, in the case of fire or other emergency, an easement for the use, for egress purposes only, of all egress stairs and through such portions of any Unit and Limited Common Elements as may be required for egress.

The Condominium Board shall have a right of access to each Residential Unit to inspect the same, to prevent damage thereto, to remove violations therefrom and to maintain, repair or replace the General Common Elements and Residential Limited Common Elements contained therein or elsewhere in the Property, subject to any restrictions on such right as may from time to time be provided in the By-Laws.

The Condominium Board shall also have a right of access, from time to time, to each Unit containing equipment or wiring pertaining to any master television antennae at the Building or other Common Elements, as the Condominium Board may determine to be necessary or advisable, to inspect, repair and/or replace such equipment and/or wiring or other Common Elements. The owners of all Units will be required to provide access to such Units to the Condominium Board and its representatives and contractors for the foregoing purposes and shall at all times provide the Condominium Board with copies of all keys as may be required from time to time to permit access to such Units for such purposes.

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

Each Residential Unit Owner shall have a non-exclusive easement of ingress and egress through portions of the Commercial Unit, the Commercial Limited Common Elements and any Individual Commercial Limited Common Elements, as may be reasonably necessary, in such locations as the Commercial Unit Owner may designate, for purposes of obtaining access to those parts of the Building in connection with moving in and out of the Building; provided that such easement and right on part of such Residential Unit Owners shall be subject to such rules and regulations as the affected Commercial Unit Owner(s) may establish in its discretion, provided that such rules and regulations are reasonably designed (y) to protect the interests of such Commercial Unit Owner(s), including, without limitation, with respect to security and otherwise and (z) to limit the level of traffic within such areas, including, without limitation, by way of limiting the number of Residential Unit Owners who may obtain such access at any particular time (including, without limitation, by way of establishing a reservation system) and limiting the hours of use. Subject to all of the above provisos, including without limitation, the right of the affected Commercial Unit Owners to establish rules and regulations of similar type and purpose as referred to above in this paragraph, Residential Unit Owners may, solely for purposes of obtaining access to those parts of the Building in connection with moving in or out of the Building on the above terms and conditions.

Except as expressly provided above or as may otherwise be expressly provided in the Declaration, no Residential Unit Owner or other person shall, without the prior express written consent of the owner of the affected Commercial Unit(s), be permitted to use any part of the Commercial Elements, or Commercial Limited Common Element for access to any

portion of a Commercial Limited Common Elements or any Individual Commercial Limited Common Elements.

The Condominium Board and its representatives and invitees shall have a non-exclusive easement of ingress and egress over the Commercial Units, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements, to the extent necessary and limited to such locations as the affected Commercial Unit Owner(s) may designate, for purposes of (i) obtaining access to General Common Elements and Residential Limited Common Elements in connection with the operation, repair, maintenance, inspection, alteration or improvement thereof or the reading of utility meters and (ii) transporting, in a secure, safe and sanitary manner, refuse from the applicable compactor machine rooms located in the Residential Section for disposal in the refuse receptacles and containers located in the vicinity of the Building; provided that (y) such easement shall be subject to such rules and regulations, including, without limitation, restrictions on the hours of access and rules designed to avoid dropping or spilling of refuse or debris, as the affected Commercial Unit Owner(s) may establish in its discretion, provided that such rules and regulations are reasonably designed to protect the interests of such Commercial Unit Owner(s), including, without limitation, with respect to security, safety, health, sanitation, avoidance of property damage and personal injury and to prevent damage to and interference with the operation of such Commercial Unit(s) and (z) the Condominium Board promptly repairs any resulting damage to a Commercial Unit, Commercial Limited Common Elements or Individual Commercial Limited Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry. The Condominium Board shall cause any dropped or spilled refuse to be immediately cleaned up in a manner satisfactory to the affected Commercial Unit Owner(s).

The Condominium Board and its representatives and invitees shall have a non-exclusive easement of ingress and egress over the Residential Units and the Residential Limited Common Elements for purposes of obtaining access to General Common Elements and Residential Limited Common Elements in connection with the repair, maintenance, inspection, alteration or improvement of the General Common Elements and the Residential Limited Common Elements and/or the reading of utility meters.

The Condominium Board and each of the Residential Unit Owners using any of the easements or exercising any of the rights of ingress, egress or other rights granted to them by the Commercial Unit Owners or Declarant under this Section 11 shall indemnify and hold harmless the Commercial Unit Owners, Declarant and its designees from and against all claims, liabilities, costs and expenses (including, without limitation, liability for reasonable attorneys' fees and disbursements) arising out or relating to their respective use of such easement(s) or exercise of such rights.

Declarant and its designees shall have an exclusive easement comprised of two feet surrounding the perimeter of any vertical or horizontal shaft or other shaft in the Property (whether constituting or located within a Residential Unit, Commercial Unit, a General Common Element, Residential Limited Common Element, other Limited Common Element or otherwise), for the entire length and extent of such shaft, in each case, for use for the installation, continued existence, maintenance, repair and replacement from time to time,

of risers, lines, conduits, shafts, and similar vertical or horizontal facilities and other Facilities and equipment, including, without limitation, telecommunications lines and equipment. Without limiting Declarant's rights under the preceding sentence, Declarant reserves for itself and for any Unit Owner so designated by Declarant from time to time in writing to the Condominium Board by Declarant (which designee may also be granted a power of re-designation), an easement for the installation, maintenance, repair and replacement from time to time, of risers, lines, conduits, shafts, and similar vertical or horizontal facilities, other Facilities and equipment through the Common Elements and through the mechanical shafts going through or comprising part of a Commercial Unit, the Commercial Limited Common Elements or any Individual Commercial Limited Common Elements.

The Declarant, each Commercial Unit Owner and their respective affiliates, designees, successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across all areas of the Property (including, without limitation, each Unit, the General Common Elements and the Residential Limited Common Elements), for (i) the use of, obtaining access to and the inspection, maintenance and performance of alterations, replacements, and repairs of, to, in or about Units owned by such Declarant or such Commercial Unit Owner (and, in the case of a Commercial Unit, the Commercial Limited Common Elements and the Individual Commercial Limited Common Elements as well), as the case may be, together with all personal property, equipment and Facilities located therein, including, without limitation, for access to any portion of the Commercial Unit(s), if any, as may be used by the laundry facilities and for repair and replacement of equipment therein, (ii) fulfilling the Declarant's obligations under the condominium offering plan promulgated by the Declarant for the Property (the "Plan") and (iii) any other lawful purpose, including access to the roof to utilize, operate, maintain, repair, alter, rebuild, restore and replace their HVAC units; provided (y) Declarant, such Commercial Unit Owner or their respective designees, as the case may be, repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry and (z) Declarant, such Commercial Unit Owner or their respective designees, as the case may be, provides reasonable prior notice to the Owner of the Unit to which access is required (or the Condominium Board in the case of the General Common Elements or Residential Limited Common Elements).

Declarant, and each Commercial Unit Owner (to the extent applicable to such Commercial Unit) and their respective designees shall each have an easement, without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering a Unit, (1) over the Property, including each Unit and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, storefront, exterior facade, lobby or any other public portion of the Property or on the exterior portion of any Commercial Unit) for the purposes of advertising the sale of Units, the leasing of the Commercial Units or of space in any of the Units and/or advertising any of the services, products, merchandise, wares and/or facilities of the owner of a Commercial Unit or of any tenant occupying all or any portion of a Commercial Unit; (2) of ingress and egress over the Property, including each Unit and the

Common Elements in connection with the sales and/or leasing of Units; (3) over the Property, including each Unit and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time a storefront, facade or other exterior portion of the Building adjacent to a Commercial Unit; (4) over any part of the Property, including each Unit and the Common Elements (including, without limitation, the stairways, walkways, vestibules and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation (whether on Common Elements or within its Unit), inspection, maintenance, repair, operation, alteration, improvement or use of any of the following serving a Commercial Unit (or inuring to the benefit of Declarant or its designees under this Declaration or the By-laws): the Service Equipment (as hereinafter defined), Facilities, flues and/or ducts, security system, and any and all cables, conduits, electrical lines and similar equipment as may be desirable in connection with the installation, maintenance, repair and/or replacement of (A) telecommunications or similar equipment on any portion of the roofs of the Building and (B) alarms, gates, electric eyes or video cameras, smokestacks, heating, air-conditioning systems and devices and exhaust and ventilation fans, systems and devices, in each case, located anywhere on the Property.

The Common Elements shall be subject to non-exclusive easements in favor of such telecommunications firm(s) selected by Declarant as may be (a) necessary to provide such telecommunications services and satellite dish services and similar communication services as may be described in such written agreements as may be entered into by Declarant for the installation, maintenance, repair, replacement and removal of a satellite dish and antennas and any and all similar or dissimilar communication and/or telecommunications equipment and facilities including, without limitation, cables, wires, conduits, horizontal and vertical risers, shafts, terminals, multiplexes and other equipment and apparatus. In addition, such telecommunications firms shall have an easement for access to each Unit for the maintenance, repair and replacement of any of the foregoing equipment, if situated within such Unit.

Without any requirement of obtaining the consent of the Condominium Board, any Unit Owner or any holder of any mortgage encumbering any Unit, but subject to compliance with the applicable requirements of all governmental authorities, Declarant, its designees and the Commercial Unit Owners shall each have the right and an easement, and shall have all necessary or convenient access, to install, erect, construct, inspect, operate, use, maintain, repair and replace or alter antennas, cellular telephone, cellular communications, telecommunications and similar equipment on any and all parts of the roof(s) and/or parapets of the Building (in such locations as they may determine from time to time) and, shall have an easement through the Common Elements to install, erect, construct, inspect, operate, use, maintain, repair and replace or alter such wires, conduits, cables and similar equipment servicing or otherwise required or convenient in connection with the installation, existence, servicing, maintenance, repair and/or replacement of any such antennas, cellular communications, telecommunications or similar equipment (collectively, the "Commercial Units' Telecommunications Rights"or "Declarant's Telecommunication Rights", as the case may be). The owner of a Commercial Unit or Declarant (or its designee), as the case may be, shall be entitled to collect and retain all revenues of any type whatsoever derived from the Commercial Units' Telecommunication Rights or Declarant's Telecommunication Rights, as the case may be, and such equipment. The owner of a

Commercial Unit and Declarant (or its designee) shall each have the right to grant to any party (whether or not a Unit Owner) the foregoing Commercial Units' Telecommunications Rights or Declarant's Telecommunications Rights, as the case may be, whether on an exclusive or non-exclusive basis, as the owner of such Commercial Unit or Declarant, as the case may be, may elect and such grantee(s) (and their successors and assigns) may, in turn, assign such Commercial Units' Telecommunications Rights or Declarant's Telecommunication Rights, as the case may be. The Commercial Units' Telecommunications Rights and Declarant's Telecommunication Rights, are in addition to any telecommunications systems serving the Unit Owners. All telecommunications rights granted to Declarant (including, without limitation, the Declarant's Telecommunications Rights) shall have priority over any similar rights of, and installations that may be made by, either the owner of any Commercial Unit or the Condominium Board, and all telecommunications rights granted to an owner of a Commercial Unit (including, without limitation, the Commercial Unit's Telecommunication Rights) shall have priority over any similar rights of, and installations that may be made by, the Condominium Board. Without limiting any of Declarant's rights as set forth in this Section 11, any license agreement or other agreement permitting the maintenance on any part of the roof(s) and/or parapets of the Building of one or more antennas, cellular telephone, cellular communications, telecommunications and similar equipment, which has been entered into prior to the later of the recording of this Declaration or (as defined in the By-laws) the First Unit Closing (an "Existing Telecommunications Agreement"), shall inure to the benefit of the Declarant and its designees and Declarant (and its designees) shall be entitled to all rents, license fees and other payments of any kind or nature due under such agreements. Declarant (and its designees) shall have the right, from time to time and in its sole discretion, to modify, extend, renew and replace any Existing Telecommunications Agreement. If the Condominium Board receives any offer or solicitation of any type whatsoever from any entity interested in, or that would otherwise entail the use of telecommunications rights, the Condominium Board shall notify the Declarant, and Declarant shall have the right for thirty days following notice from the Condominium Board, to notify the Condominium Board that it (i.e., the Declarant) intends to enter into an agreement with the offeror. The Declarant shall thereafter have a period of one hundred twenty (120) days to consummate such agreement, failing which the Condominium Board may consummate an agreement with the offeror. In no event shall the Condominium Board approve the installation of any telecommunications equipment of the type described herein, on any Common Element or in any location that would interfere with any installation and operation of any such equipment by the Commercial Unit Owner or the Declarant or their respective successors assignees, lessees or licensees. Each of the foregoing easements shall be exercised in such manner as not to unreasonably disrupt the use by any Unit Owners of their respective Units.

Subject to compliance with all applicable laws and regulations, Sponsor, its designees and the owner(s) of the Commercial Units shall have the right in their discretion and from time to time to make holes in and remove sections of the concrete slabs, columns, supports and related General Common Elements bordering upon or lying within a Unit owned by them, including, without limitation, in connection with converting a Unit into a duplex unit, for purposes of connecting by internal stairway(s), elevator(s), escalator(s) or otherwise two or more levels of such Unit, or for purposes of increasing ceiling height within

the Unit; provided that none of such actions shall compromise the structural integrity of the Building.

Each Commercial Unit Owner shall have the right to install and maintain, on any floor in which a Commercial Unit (or any portion thereof) is occupied (by such Commercial Unit Owner or any non-residential tenants thereof), a directory board or sign listing such or similar information with respect to such Commercial Unit Owner and such tenants, including, without limitation on Common Elements and to install and maintain signs on the facade or roof of the Residential Common Areas or Limited Common Areas.

The Declarant and its designees, as the case may be (without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering any Unit) and the Condominium Board (without the necessity of obtaining the consent of any Unit Owner other than Declarant, its designees and the Commercial Unit Owners), shall each have the right to establish, grant and create easements for any additional electric, transformer, amplifier, gas, cable television, telephone, water, sewer or other utility lines, flues, ducts and appurtenances (including such equipment rooms as may be required in connection with any of the foregoing) in, under and through the Property including, without limitation, within the Common Elements and any of the Units, and to relocate any existing utility, sewer and drainage easements in any portion of the Property including, without limitation, within any of the Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of a Unit or any Limited Common Elements appurtenant thereto, unless the owner of such Unit consents thereto.

As used in this Section 11 and elsewhere in this Declaration, the following terms shall have the respective meanings set forth below:

"Building roof antennas" shall mean any antennas or other communications devices (including, without limitation, a telephone repeater or other communication antennae or device for cellular telephones, internet equipment or other communications equipment) and any ancillary electrical equipment now or hereafter installed on a Building roof by an owner of the Commercial Units' Telecommunication Rights or Declarant's Telecommunication Rights.

"Service Equipment" shall mean all of the following now or hereafter installed in the Building, serving one or more Units or the Common Elements, if any, appurtenant thereon (i) pipes, wires, ducts, risers, cables, conduits and (ii) mechanical, electrical and other equipment, including supplemental air-conditioning systems, antennas and other communications devices.

"Signs" means any sign, advertisement, banner, notice or other lettering.

12. **Power of Attorney to Declarant and to Condominium Board.**

Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney coupled with an interest and granted for a valuable consideration to (a) acquire title to or an interest in any Unit

which a Unit Owner decides to surrender, sell or lease, in the name of the Condominium Board or its designees, corporate or otherwise, on behalf of all Unit Owners, (b) convey, sell, lease, mortgage, or otherwise deal with (but not to cast the votes appurtenant to) any Units acquired by the Condominium Board, (c) execute, acknowledge and deliver (i) any application, declaration or other document which the Condominium Board or a Unit Owner deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any Governmental Authority (including without limitation, the New York City Department of Buildings, the City Planning Commission and the Board of Standards and Appeals), applicable to the maintenance, demolition, construction, alteration, repair, improvement or restoration of the Property or combination of Units or subdivision of a Unit permitted hereunder or (ii) any application, consent, covenant, restriction, easement, declaration, or other document affecting the Condominium or the Property (including, without limitation the Common Elements) as may be required or permitted under this Declaration. As used herein, the term "Governmental Authority" shall mean any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction, (iii) a merger or division of the Zoning Lot (the "Merger") for the purposes of transferring to or from Declarant, or its successor or assignee all or any part of the Development Rights.

In addition, each Unit Owner shall grant to Declarant an irrevocable power of attorney coupled with an interest and granted for valuable consideration, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other Governmental Authority applicable to the rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof. Without intending to limit the generality of the foregoing, each Board and Unit Owner shall be required upon the request of the Declarant of the Development Rights Purchaser to execute and deliver any documents or application reasonably required in connection with any merger, declaration of Zoning Lot restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

13. **Acquisition of Units by Condominium Board.**

If a Unit Owner shall surrender his or her Unit together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units acquired by the Condominium Board or its designees on behalf of the other Unit Owners or the proceeds of the sale or lease thereof if any, and (iii) the interest of such Unit Owner in any other asset of the Condominium (hereinafter collectively referred to as the "Appurtenant Interest") pursuant to the provisions of the Real Property Law of the State of New York, or in the event the Condominium Board shall purchase a Unit together with its Appurtenant Interest pursuant to Article VI of the By-Laws or otherwise, or if the Condominium Board shall acquire, at a foreclosure or other sale, a Unit together with its Appurtenant Interest, then and in such event, title to any such Unit together with the Appurtenant Interest shall be held by the Condominium Board or its designees, corporate or

otherwise, on behalf of all Unit Owners in accordance with the respective Common Interests of their respective Units.

14. **By-Laws and Persons Subject to Declaration and By-Laws.**

Attached to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the Condominium. The By-Laws (including the Rules and Regulations thereunder) as they may be amended from time to time are referred to in this Declaration as "By-Laws." All capitalized terms in this Declaration which are not defined herein shall have the meanings given to those terms in the By-Laws.

All present and future Unit Owners, tenants, visitors and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and the By-Laws, as the same may be amended from time to time. Acceptance of a deed or other conveyance or the entering into of a lease or other occupancy of any Unit shall constitute an agreement that the provisions of this Declaration and By-Laws, as the same may be amended from time to time, are accepted and ratified by such Unit Owner or such other party having an interest in the Unit or by such tenant or other occupant. All of the provisions of this Declaration and By-Laws shall be deemed and taken to be covenants running with the land and shall bind any persons having at any time any interest or estate in any Unit as though such provisions were recited and stipulated at length in each and every deed, conveyance, lease or occupancy thereof. However, the provisions of this Declaration and the By-Laws, as the same may be amended from time to time, are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public.

15. **Covenant of Further Assurances.**

Any party which is subject to the terms of the Declaration, 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 Condominium Board, or otherwise, shall 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 this Declaration or the By-Laws or of any transaction contemplated by this Declaration or the By-Laws or to confirm or perfect any right to be created or transferred pursuant to this Declaration or the By-Laws or pursuant to any such transaction.

If any Unit Owner or any other party which is subject to the terms of this Declaration fails or refuses within five (5) days after request therefor to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or other party is required to execute, acknowledge and deliver or to take pursuant to this Declaration or the By-Laws, then the Condominium Board is hereby authorized as attorney- in-fact for such Unit Owner and other party, coupled with an interest and granted for a valuable consideration, to execute, acknowledge and deliver such instrument and to take such action, in the name of such Unit Owner or other party.

If any Unit Owner, the Condominium Board or any other party which is subject to the terms of this Declaration fails or refuses within five (5) days after request therefore to execute, acknowledge or deliver any instrument or to take any action which such Unit Owner, the Condominium Board, or other party is required to execute, acknowledge and deliver or to take pursuant to this Declaration or By-Laws at the request of the Declarant or its designees, as the case may be, then the Declarant or its designees, as the case may be, is hereby authorized as attorney-in-fact for such Unit Owner, the Condominium Board and other party, coupled with an interest and granted for a valuable consideration, to execute, acknowledge and deliver such instrument and to take such action in the name of such Unit Owners, the Condominium Board and/or other party.

16. **Amendment of Declaration.**

Except as otherwise provided in the By-Laws or this Declaration with respect to a Commercial Unit Owner, Declarant or its designees, as the case may be (including without limitation, their rights, under certain circumstances, to amend this Declaration and the By-laws without the consent of the Condominium Board or its Unit Owners), this Declaration may be amended by vote of not less than 80% in number and in Common Interest of all Unit Owners cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, provided, however (i) any such amendment shall not be effective against a holder of a mortgage of record affecting a Unit if Mortgage Representatives (as defined in the By-Laws) shall have been designated in accordance with the By-laws (and the Condominium shall have received written notice of such designation as provided therein) and a majority of such Mortgage Representatives shall not consent thereto in writing, which consent shall not be unreasonably withheld or delayed; (ii) if the Declarant or its designees or any Commercial Unit Owner shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendment shall not decrease the rights of such Commercial Unit Owner, the Declarant or its designees or increase the obligations of such Commercial Unit Owner, the Declarant or its designees and (iii) an amendment to this Declaration or the By-laws which constitutes a Commercial Affairs Amendment may be adopted solely by the written consent or approval of a Commercial Amendment Majority, without any requirement of obtaining the consent of any Unit Owner, the Condominium Board or any holder of a mortgage encumbering a Unit. Any such amendment shall be executed by the Condominium Board as attorneys-in-fact for the Unit Owners, coupled with an interest and granted for a valuable consideration, and the Condominium Board is hereby authorized by the Unit Owners so as to act as their attorney-in-fact; provided that nothing contained herein is intended to limited the rights of the Declarant, its designees and the Commercial Unit Owners, as provided in this Declaration or the By-laws, to execute certain amendments to the Declaration and the By-laws without the execution thereof by the Condominium Board. Notwithstanding anything to the contrary contained herein, no provision of this Declaration relating to the use of the Units or appurtenant Common Interests may be amended without the consent of every Unit Owner affected by such amendment except as expressly provided in Section 9 or Section 11 of this Declaration.

The provisions of this Section 16 and Section 9 of this Declaration may not be amended without the unanimous consent of all the Unit Owners. The terms "amend," "amended" or "amendment" as used in this Declaration shall also be deemed to mean deleting a provision of this Declaration or adopting a new provision.

17. **Termination of Condominium.**

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent of a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with the By-Laws and the Condominium Board shall have received written notice thereof). In the event said withdrawal is authorized as aforesaid, the Property shall be subject to any 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 accordance with the respective Common Interests of their respective Units, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his or her share of such net proceeds, all liens on his or her Unit, in the order of priority of such liens.

18. **Invalidity.**

The invalidity of any provisions of this Declaration or any portion thereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

19. **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.

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 or the intent of any provision hereof.

21. **Certain References.**

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural and vice versa whenever the context so requires.

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

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed as of this _____ day of _____, 2005.

DECLARANT:
TIMES PLAZA DEVELOPMENT LIMITED PARTNERSHIP
By: TIMES PLAZA DEVELOPMENT CORP.,
General Partner

By:_____
Name: Bruce Orlofsky
Its: President

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

On the_____ day of_____ in the year 2005, 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 person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A
Description of Land

BEGINNING at the corner formed by the intersection of the northerly side of Atlantic Avenue and the westerly side of 4th Avenue;

RUNNING THENCE northerly along the westerly side of 4th Avenue 110 feet 11 inches to the southwesterly side of Flatbush Avenue;

THENCE northwesterly along the southwesterly side of Flatbush Avenue 123 feet 10-1/2 inches to the southerly side of State Street;

THENCE westerly along the southerly side of State Street 66 feet 6 inches;

THENCE southerly parallel with the westerly side of 4th Avenue 121 feet 1-7/8 inches;

THENCE easterly and parallel with the northerly side of Atlantic Avenue 57 feet 6 inches;

THENCE southerly and parallel with the westerly side of 4th Avenue 59 feet to the northerly side of Atlantic Avenue;

THENCE easterly along the northerly side of Atlantic Avenue, 111 feet 11-1/2 inches to the point or place of BEGINNING.

BY-LAWS
Of
TIMES PLAZA CONDOMINIUM

Article 1.
General

Section 1. **Purpose and Definition of Terms**. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the TIMES PLAZA CONDOMINIUM, as well as certain obligations of the Unit Owners therein. All terms used in these By-Laws which are capitalized and are not defined herein shall have the same definition as in the Declaration of which these By-Laws are a part (such Declaration as-amended from time to time being herein referred to as the "Declaration").

Section 2. **Applicability of By-Laws**. The provisions of these By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 3. **Application**. All present and future Unit Owners, mortgagees, lessees and occupants of Units and their employees or guests, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws and the Declaration.

The acceptance of a deed or conveyance of, or the succeeding to title to, or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that these By-Laws and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. **Principal Office**. The principal office of the Condominium and of the Condominium Board (as hereinafter defined) shall be located at 560 State Street, Brooklyn, New York, or at such other place within the Borough of Kings reasonably convenient thereto, as may be designated from time to time by the Condominium Board.

Article II
Condominium Board

Section 1. **Number and Term of Office**. As more particularly set forth in these By-Laws and the Declaration, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and after the first meeting of the Unit Owners following the First Unit Closing (as defined below), the Condominium Board shall be composed of five (5) members. Until such first meeting of the Unit Owners, the members of the Condominium Board shall consist of three (3) persons appointed by the Sponsor (as defined below) of the Plan (as defined below). Each member of the Condominium Board shall serve for a term of one (1) year or until his or her respective successors shall have been duly appointed or elected, except as provided in Section 1 of Article III. Each member may be re-elected any number of times. The number of members of the Condominium Board may not be increased without the consent of all Commercial Unit Owners and, so long as there remains at least one Unsold Residential Unit, all Unsold Residential Unit Owners (including Sponsor and all Sponsor Successors).

Section 2. **Powers and Duties**. The Condominium Board shall have the powers and duties necessary for administration of the affairs of the Condominium, as agent for the Unit Owners, and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Condominium Board by the Unit Owners. Such powers and duties of the Condominium Board shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep, maintenance, repair, improvement and alteration of the General Common Elements and the Residential Limited Common Elements.

(b) Determination of the General Common Charges and Residential Limited Common Charges (as hereinafter defined).

(c) Collection of the General Common Charges and Residential Limited Common Charges from the Unit Owners and Residential Unit Owners, respectively.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the General Common Elements and Residential Limited Common Elements (which shall be determined by the Condominium Board, in its sole discretion).

(e) Adoption of an amendment and additions to the Rules and Regulations subject to the limitations hereinafter set forth in these By-Laws.

(f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) Accepting the conveyance of Units surrendered by Unit Owners to the Condominium Board, or purchasing Units at a foreclosure sale pursuant to Section 7 of Article V, in the name of the Condominium Board, or its designee, corporate or otherwise, on behalf of all Unit Owners (or on behalf of the Unit Owners for whom such Unit was conveyed).

(h) Selling, leasing, mortgaging, or otherwise dealing with Units acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners (or on behalf of the Unit Owners for whom such Unit was conveyed), including, without limitation, any Unit acquired by the Condominium for use by the Superintendent or building employee (collectively, the "Superintendent's Unit"), if any, but not casting the votes appurtenant to such Units.

(i) Organizing corporations to act as designees of the Condominium Board in acquiring title to Units on behalf of all Unit Owners (or on behalf of the Unit Owners for whom such Unit was conveyed).

(j) Obtaining insurance for the Property, including the Units, pursuant to the provisions of Article V, Section 2 hereof, and adjusting and settling any insurance claims thereunder (including executing and delivering releases in connection therewith).

(k) Making of repairs, restorations, additions and improvements to or alterations of the Common Elements or any part thereof, damaged or destroyed by fire or other casualty, or necessitated as a result of condemnation or eminent domain proceedings.

(l) Enforcing obligations of Unit Owners, including, without limitation, levying reasonable fines against Unit Owners for violation of the Rules and Regulations.

(m) Granting of licenses with respect to the General Common Elements or the Residential Limited Common Elements.

(n) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, maintenance and alteration of, or the making of repairs, replacements, restorations or additions to the General Common Elements and the Residential Limited Common Elements (and, in the case of casualty or condemnation where insurance proceeds shall be insufficient to pay the cost of restoration, the Commercial Limited Common Elements and Individual Commercial Limited Common Elements), provided that (i) the consent of two-thirds (2/3) in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $350,000.00 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, except as expressly permitted in Section 339-jj of the Real Property Law, its Appurtenant Interest in the Common Elements without the consent of the owner of such Unit and (iii) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (n) is not repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion thereof as his or her Common Interest bears to the Common Interests of all the Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or shall have the right to file against such Unit Owner's Unit.

(o) Executing, acknowledging and delivering of any declaration or other instrument affecting the Property (i) which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any governmental authorities (including without limitation the New York City Department of Buildings, City Planning Commission, and Board of Standards and Appeals) applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property, permitted hereunder or under the Declaration or (ii) upon request of a Unit Owner.

(p) Preparing, executing and recording on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest (i) amendments of the Declaration and/or these By-Laws, whenever requested by a Commercial Unit Owner, the Sponsor or any of its designees, as provided in the Declaration or these By-Laws, or (ii) a restatement of the Declaration and/or By-Laws whenever in the judgment of the Condominium Board it is advisable to consolidate and restate all amendments theretofore made to the Declaration and/or By-Laws.

(q) Granting utilities or other easements as may, from time to time, be required for the benefit of the Condominium and Unit Owners and controlling power shut-offs and other interruptions of the normal functioning of the Condominium, to facilitate repairs to and renovations of particular Units and/or of the Common Elements. In making determinations in this area, the Condominium Board will make all reasonable efforts to disrupt the business operations of the Unit Owners as little as possible under the circumstances then prevailing.

(r) Investing any excess funds in savings accounts, treasury bills, certificates of deposit or other such money market instruments and funds which invest in any such instruments.

(s) Acting as an agent of each Residential Unit Owner, except only those Residential Unit Owners who timely notify the Condominium Board (in the manner provided below) that they do not want the Condominium Board to act as their agent, to complain or apply to the local and county real estate tax assessment agency or board of review by filing a single complaint on behalf of each such Residential Unit Owner pursuant to the applicable sections of the Real Property Tax Law. The Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and assess as a Common Charge against all such Unit Owners a pro rata share of expenses, disbursements, and legal fees paid or incurred in connection with any such complaint or application. A Residential Unit Owner will be deemed to have authorized the Condominium Board to act as such owners agent for the foregoing purposes unless the Condominium Board shall have received, not later than fifteen (15) days after the assessed valuation for such Unit Owners Unit shall first be set (whether on a tentative or official basis) by the applicable real estate tax assessment agency or applicable Governmental Authority, written notice from such Residential Unit Owner that such owner does not wish the Condominium Board to act as such owners agent for the foregoing purposes.

Section 3. **Managing Agent and Manager**. The Condominium Board may employ for the Condominium a managing agent and/or a manager, at a compensation to be determined by the Condominium Board in its discretion, to perform such duties and services as the Condominium Board shall authorize, including but not limited to the duties listed in subdivisions (a), (c), (d), (j) and (k) of Section 2 of this Article II. However, in no event may the Condominium Board delegate to the manager or managing agent, the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (I), (m), (n), (o), (p), (q), (r) and (s) of Section 2 of this Article II. The Condominium Board may retain such attorneys, accountants and other professionals as it deems advisable in exercising any of the powers enumerated in Section 2 of this Article II.

Section 4. **Removal**. Any member of the Condominium Board may be removed with or without cause by a Majority in Common Interest of Unit Owners (inclusive of the Unit Owners who elected or designated such member), except that if such member was elected by or is a designee of (y) the Commercial Unit Owner(s) or (z) Sponsor, its designees or the Unsold Residential Unit Owne(s), as the case may be, such member may not be removed other than for cause except by the written consent of such (y) Commercial Unit Owners (acting by a

Commercial Majority In Interest, if more than one Commercial Unit Owner), and (z) Sponsor, its designees and Unsold Residential Unit Owner(s) (acting by a majority in Common Interest of the foregoing), as the case may be. Any member of the Condominium Board whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting of the Unit Owners at which the removal of the Condominium Board member is to be voted on.

Section 5. **Vacancies**. Vacancies in the Condominium Board caused by any reason other than as provided in Sections 1 or 8 of Article III, (i) in the case of a member of the Condominium Board elected or designated by Sponsor, its designees or Unsold Residential Unit Owner(s), shall be filled by the written consent of the Unit Owners owning a majority of the Common Interest appurtenant to all of the Units owned by Sponsor, its designees and the Unsold Residential Unit Owners, (ii) in the case of a member of the Condominium Board elected or designated by the Commercial Unit Owners, shall be filled by the written consent of the Commercial Majority In Interest and (iii) in the case of any other members of the Condominium Board, shall be filled by vote of a majority of the remaining members of the Condominium Board at a special meeting of the Condominium 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 each person so elected shall be a member of the Condominium Board, until a successor shall be designated or elected at or in connection with the next annual meeting of the Unit Owners or at a special meeting held for that purpose.

Section 6. **First Meeting of Condominium Board**. The first meeting of the Condominium Board shall be held immediately following the first meeting of the Unit Owners and no notice shall be necessary to the newly elected members of the Condominium Board legally to constitute such meeting, provided that a majority of the members of the Condominium Board shall be present at such first meeting.

Section 7. **Regular Meetings**. Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Condominium Board but at least four (4) such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings of the Condominium Board shall be given to each member of the Condominium Board by personal delivery, mail or telegram at least five (5) business days prior to the day named for such meeting.

Section 8. **Special Meetings.** Special meetings of the Condominium Board may be called by the President by giving three (3) business days' prior notice to each member of the Condominium Board by personal delivery, mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Condominium Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least one (1) member of the Condominium Board.

Section 9. **Waiver of Notice.** Any member of the Condominium Board may at any time waive notice of any meeting of the Condominium Board in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Condominium Board at any meeting of the Condominium Board shall constitute a waiver of notice by him of the

time and place thereof. If all members of the Condominium Board are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. **Quorum of Condominium Board.** At all meetings of the Condominium Board a majority of the members thereof shall constitute a quorum for the transaction of business.

Section 11. **Decision of the Condominium Board.** The votes of a majority of the members of the Condominium Board present at the meeting at which a quorum is present shall constitute the decision of the Condominium Board. Any one or more members of the Condominium Board or any committee thereof may participate in a meeting of the Condominium Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Condominium Board are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting. Any action required or permitted to be taken by the Condominium Board or any committee thereof, as the case may be, may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Condominium Board or the committee, as the case may be.

Section 12. **Adjournment of Meeting.** If at any meeting of the Condominium Board, the members present shall be less than a quorum, a majority of those present may adjourn the meeting from time to time. At the next meeting at which a quorum is present following such adjourned meeting, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. **Fidelity Bonds.** The Condominium Board may obtain fidelity bonds concerning any or all officers and employees of the Condominium and its managing agent, if any, handling or responsible for funds, and the premium on such bonds shall constitute a General Common Expense (as hereinafter defined).

Section 14. **Compensation.** No member of the Condominium Board shall receive any compensation from the Condominium for acting as such member.

Section 15. **Liability of Condominium Board and Officers.** No member of the Condominium Board or any officer of the Condominium shall have any personal liability with respect to (1) any contract, act or omission of the Condominium Board (except with respect to the Unit Owners as provided below) or any managing agent, manager, or officer in connection with the affairs or operations 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, or (2) any mistake of judgment, negligence or otherwise except with respect to the Unit Owners for such member's own individual willful misconduct or bad faith. Every contract made by the Condominium Board or by any managing agent, manager or officer thereof shall state that it is made by such Condominium Board, managing agent, manager, or officer as

agent for all Unit Owners, that such members of the Condominium Board or managing agent, manager or officer shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also provide that the liability of any Unit Owner with respect to any contract 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, unless expressly stated to the contrary in any such contract (as determined by the Condominium Board in its sole and absolute discretion), shall be limited to such Unit Owners interest in his or her Unit so that such Unit Owner shall have no personal liability for such contract. Nothing in the preceding sentence shall limit a Unit Owners liability for the payment of Common Charges. Any such contract may also provide that it covers the assets, if any, of the Condominium on whose behalf the contract is made. The Unit Owners, including those who are members of the Condominium Board, to the extent provided below, shall indemnify and hold harmless each of the members of the Condominium Board and the officers of the Condominium against all claims, liabilities, costs and expenses (including, without limitation, liability for reasonable attorneys' fees and any contractual liability to others arising out of contracts made by the Condominium Board or officers on behalf of the Condominium) arising out or relating to the performance of his or her duties as a member of the Condominium Board or officer except for those arising out of such members or officers' bad faith or willful misconduct. Each Unit Owners liability to indemnify a member of the Condominium Board or officer, as provided above, shall be limited to an amount which is in the same proportion to the total liability of such members or officers to be indemnified by all the Unit Owners hereunder as each such Unit Owners Common Interest bears to the aggregate Common Interests of all Unit Owners. It is intended that the members of the Condominium Board and officers shall have no personal liability with respect to any contract made by them on behalf of the Condominium except as Unit Owners. It is understood that the Condominium Board, which may consist of principals and/or of employees of the Sponsor, may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, officer or Sponsor or any of their affiliates, without incurring any liability for self-dealing, provided that either (i) any compensation paid to Sponsor or its affiliates is, if material, disclosed in the Condominium Offering Plan with respect to the Property filed with the New York State Department of Law (the "Plan") by Times Plaza Development Limited Partnership ("Sponsor') or (ii) is commercially reasonable.

Section 16. **Executive Committee.** The Condominium Board may, by resolution duly adopted, appoint an executive committee to consist of one or more members of the Condominium Board with at least one of the members of such executive committee being the member of the Condominium Board elected by the Sponsor, if any. Such executive committee shall have and may exercise all the powers of the Condominium Board in the management of the business affairs of the Condominium during the intervals between the meetings of the Condominium Board insofar as may be permitted by law.

Article III
Unit Owners

Section 1. **Annual Meetings.** Within ninety (90) days after the date the Sponsor conveys title to the first Residential Unit pursuant to the Plan, the first meeting of Unit Owners shall be held, subject to one or more reasonable extensions of such period as Sponsor may determine. At

such meeting the incumbent Condominium Board shall resign and a new Condominium Board shall be elected by the Unit Owners as provided in the By-Laws. Thereafter, annual meetings shall be held in November of each succeeding year or such other month or day as the Board shall determine. At such meetings the Unit Owners shall elect members of the Condominium Board to fill vacancies or to succeed retiring members of the Condominium Board as provided in Article II of these By-Laws and shall also transact such other business of the Condominium as may properly come before the meeting.

Section 2. **Place of Meeting**. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place Owners as may be designated by the Condominium Board.

Section 3. **Special Meetings.** It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary by not less than twenty five (25%) percent in Common Interest of all the Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice. If the President fails so to call such special meeting, then any Unit Owner may so call such meeting by complying with the notice requirements of Section 4 hereof (except that such notice need not be given by the Secretary).

Section 4. **Notice of Meeting.** It shall be the duty of the Secretary to give a notice to each Unit Owner of record of each annual or special meeting stating the purpose thereof and the time and place where it is to be held, which notice shall be given (by personal delivery or mailing in the manner hereinafter set forth) not later than five (5) business days prior to the date fixed for the meeting. Such notice shall be personally delivered or mailed to the Unit Owner at the address of such Unit Owner at the Property or such other address as such Unit Owner shall have designated by notice in writing delivered to the Secretary at least ten (10) days prior to the giving of such notice of meeting by the Secretary. The giving of a notice in the manner provided in these By-Laws shall be considered notice property served.

Section 5. **Quorum of Unit Owners**. The presence in person or by proxy of Unit Owners owning in the aggregate more than twenty-five (25.0%) percent of the Common Interests of all Unit Owners (as modified by the provisions of Section 5 of this Article II shall constitute a quorum at all meetings of the Unit Owners.

Section 6. **Adjournment of Meetings**. If any meetings of Unit Owners cannot be held because a quorum is not present, a Majority in Common Interest of Unit Owners present either in person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

Section 7. **Order of Business**. The order of business at all annual meetings of the Unit Owners shall be as follows:

(a) Roll call.
(b) Proof of notice of meeting.
(c) Reading of minutes of preceding meeting.

(d) Reports of officers.
(e) Report of Condominium Board.
(f) Report of committees.
(g) Report of Managing Agent.
(h) Election of inspectors of election.
(i) Election of members of the Condominium Board.
(j) Unfinished business.
(k) New business.

The order of business of all special meetings of the Unit Owners shall conform to the foregoing to the extent practicable.

Section 8. Voting.

(a) The Unit Owner of each Unit or a person designated by such Unit owner to act as proxy on his or her behalf and who need not be a Unit Owner shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating. Subject to the provisions of paragraphs "(d)" and "(e)" below, each Unit Owner shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each one-hundredth (100th) of one (1 %) percent of the Common Interest applicable to the Unit of such Unit Owner. A fiduciary shall cast the votes appurtenant to any Unit owned in a fiduciary capacity.

(b) When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state, among other things, the name of the Unit Owner voting and the Common Interest appurtenant to his or her Unit and in addition the name of the proxy if such ballot is cast by a proxy.

(c) A Unit Owner shall be entitled to cast as many votes as shall equal the number of votes appurtenant to his or her Unit for each Member of the Condominium Board to be elected; however no Unit Owner may cumulate his or her votes.

(d) Subject to the terms of this subparagraph (d) and subparagraph (e) below, all elections of members of the Condominium Board shall be determined by a plurality vote, and shall be balloted all at the same time. The Commercial Unit Owners shall, at all times, have the right, as a group, to designate one (1) member of the Condominium Board to represent them on the Condominium Board and shall set forth such designation in a writing executed by all Commercial Unit Owners at or before a meeting at which a quorum of all Unit Owners is present. The balance of the members of the Condominium Board (the "Residential Members")shall be elected by the Residential Unit Owners.

In the case where there shall be more than one Commercial Unit Owner, the allocation among the Commercial Unit Owners of the right to designate the one (1) member of the Condominium Board which may be designated by the Commercial Unit Owners as a group, as provided above, will be determined by one or more agreements among the

Commercial Unit Owners, which shall have been consented to in writing by the holder(s) of record of any and all mortgages of record on the affected Commercial Unit(s) (collectively, "Applicable Commercial Unit Mortgagee Consent"), but the Condominium will not be bound thereby unless such agreements are in writing and a copy thereof and of the Applicable Commercial Unit Mortgagee Consent shall have been delivered to the Condominium Board no later than that date which is one (1) day prior to the date of the particular duly called meeting of the Unit Owners at which the members of the Condominium Board are to be elected or selected. A Commercial Unit Owner which has obtained any Applicable Commercial Unit Mortgagee Consent and which transfers one or more Commercial Units, whether or not such owner retains one or more Commercial Units, may transfer with such Commercial Unit(s) the right to designate up to the lesser of the following (such lesser number, the "Commercial Unit Transferor Designation Number"): (A) the number of members of the Condominium Board which all Commercial Unit Owners as a group may designate, as provided above and (B) the number of members of the Condominium Board that the transferring Commercial Unit Owner had the right to designate immediately prior to such transfer. Any such transferring Commercial Unit Owner retaining one or more Commercial Units retain the right to designate a number of the Board members equal to the difference between the Commercial Unit Transferor Designation Number applicable to such transferor and the number of Board members which such transferor assigned the right to designate to the transferee. Once a transferee of a Commercial Unit has received from the transferor of such Unit the right to designate one or more members of the Condominium Board, then neither the consent nor the approval of the transferor, any of the transferors successor or assigns nor the Condominium Board shall be required for such transferee's further assignment of such right to designate member(s) of the Condominium Board to any new transferee of a Commercial Unit from such original transferee (but subject to compliance by such original transferee with the foregoing provisions of this paragraph pertaining to transfer by such original transferee of the right to designate members of the Condominium Board). A purchaser at foreclosure or deed in lieu of foreclosure with respect to a Commercial Unit shall automatically acquire the rights of the (former) owner of such Commercial Unit to designate members of the Condominium Board.

The number of members of the Condominium Board may not be increased without the consent of all Commercial Unit Owners and, so long as there remains at least one Unsold Residential Unit, all Unsold Residential Unit Owners (including Sponsor and all Sponsor Successors). All Residential Members who are not designated or elected by Unsold Residential Unit Owners (including Sponsor) shall be required to own a Residential Unit for so long as they are Residential Members.

(e) During the Initial Control Period, the Unsold Residential Unit Owners (including Sponsor) shall have the right, as a group, to designate three (3) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Residential Unit Owners (including Sponsor) may (or may not be) related to or affiliated with Sponsor or other Unsold Residential Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the provisions of this Section 8 above) of the Residential Unit Owners (including Sponsor and other Unsold Residential Unit Owners) from among the candidates nominated by one or more Residential Unit Owners not related to or

affiliated with Sponsor or other Unsold Residential Unit Owners (each a "Non-Sponsor Owner"). There shall be no restriction on the right of Sponsor and other Unsold Residential Unit Owners to vote for Residential Members who are nominated by Non-Sponsor Owners. After the Initial Control Period, the Unsold Residential Unit Owners (including Sponsor), as a group, shall have the right to designate the following number of members of the Condominium Board: (a) one (1) Residential Member of the Condominium Board for so long as the Common Interests attributable to the Unsold Residential Units equals, in the aggregate, more than ten (10%) percent of the Common Interests of all Residential Units and (b) one (1) Residential Member of the Condominium Board, for so long as there are at least two (2) Unsold Residential Units. Accordingly, after the Initial Control Period, Unsold Residential Unit Owners (including Sponsor) shall have the right, as a group, to designate not more than one (1) Residential Member of the Condominium Board who, in the sole discretion of the Unsold Residential Unit Owners (including Sponsor) may (or may not be) related to or affiliated with Sponsor or other Unsold Residential Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the provisions of this Section 8 above) of the Residential Unit Owners (including Sponsor and other Unsold Residential Unit Owners) from the candidates nominated by one or more Non-Sponsor Owners.

After the expiration of the Initial Control Period, so many of those Residential Members who are related to or affiliated with Sponsor or other Unsold Residential Unit Owners as shall exceed the following applicable number shall resign from the Condominium Board: (x) one (1), so long as the Common Interests attributable to the Unsold Residential Units equals more than ten (10.0%) percent of the Common Interests of all Residential Units, (y) one (1), so long as the Common Interests attributable to any Unsold Residential Units equals ten (10.0%) percent or less of the Common Interests of all Residential Units, but there are not less than two (2) Unsold Residential Units and (z) zero, once the number of Unsold Residential Units falls below two (2) units.

In the case where there shall be more than one Unsold Residential Unit Owner, the allocation among the Unsold Residential Unit Owners (including Sponsor) of the right of the Unsold Residential Unit Owners, as a group, to designate Residential Members of the Condominium Board, as provided above, will be determined by one or more agreements among the Unsold Residential Unit Owners, which shall have been consented to in writing by the holder(s) of record of any and all mortgages of record on the affected Unsold Residential Unit(s) (collectively, "Applicable Unsold Residential Unit Mortgagee Consent"), but the Condominium will not be bound thereby unless such agreements are in writing and a copy thereof and of the Applicable Unsold Residential Unit Mortgagee Consent shall have been delivered to the Condominium Board no later than that date which is one (1) day prior to the date of the particular duly called meeting of the Unit Owners at which the members of the Condominium Board are to be elected or selected. An Unsold Residential Unit Owner (including Sponsor) which has obtained any Applicable Unsold Residential Unit Mortgagee Consent and which transfers one or more Unsold Residential Units, whether or not such owner retains one or more Unsold Residential Units, may transfer with such Unsold Residential Unit(s) the right to designate up to the lesser of the following (such lesser number, the "Unsold Residential Unit Transferor Designation Number"): (A) the number of Residential Members of the Condominium Board which all Unsold Residential Unit Owners

(including Sponsor) as a group may designate, as provided above and (B) the number of Residential Members of the Condominium Board that the transferring Unsold Residential Unit Owner had the right to designate immediately prior to such transfer. Any such transferring Unsold Residential Unit Owner retaining one or more Unsold Residential Units may retain the right to designate a number of the Residential Members of the Condominium Board equal to the difference between the Unsold Residential Unit Transferor Designation Number applicable to such transferor and the number of Residential Members of the Condominium Board which such transferor assigned the right to designate to the transferee. Once a transferee of an Unsold Residential Unit has received from the transferor of such Unit the right to designate one or more Residential Members of the Condominium Board, then neither the consent nor the approval of the transferor, any of the transferor's successor or assigns nor the Condominium Board shall be required for such transferee's further assignment of such right to designate member(s) of the Condominium Board to any new transferee of an Unsold Residential Unit from such original transferee (but subject to compliance by such original transferee with the foregoing provisions of this paragraph pertaining to transfer by such original transferee of the right to designate Residential Members of the Condominium Board). A purchaser at foreclosure or deed in lieu of foreclosure with respect to an Unsold Residential Unit shall automatically acquire the rights of the (former) owner of such Unsold Residential Unit to designate Residential Members of the Condominium Board.

(f) As long as Unsold Residential Unit Owners (including Sponsor) continue to own at least twenty-five percent (25%) of the Residential Units during the five (5) years following the First Unit Closing, the Condominium Board will not be permitted, without the prior written consent of a Majority in Common Interest of Unsold Residential Unit Owners to:

(1) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

(2) assess any Common Charges or special assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of the lesser of (i) five percent (5%) in the aggregate *of* the estimated General Common Expenses and Residential Limited Common Expenses for any one (1) fiscal year *of* operation or (ii) the maximum assessment permitted under Applicable Law;

(3) increase the number or change the type *of* employees from that described in the First Year Budget;

(4) enter into any service or maintenance contracts for work not covered in the First Year Budget;

(5) borrow money on behalf of the Condominium; or a Unit.

(6) exercise a right *of* first refusal to lease or purchase

Notwithstanding the foregoing, the Unsold Residential Unit Owners (including Sponsor) may not may exercise a veto over expenditures which: (i) conform to the First Year Budget and are for the period covered by the First Year Budget; or (ii) are required to comply with Applicable Law, including expenditures required to cure any notices of violations; or (iii) are necessary to remedy any work order by an insurer which is the responsibility of the Condominium Board to remedy.

(g) As used in these By-laws, the following terms shall have the respective meanings given to them below:

(1) "Applicable Land" means all applicable laws, statutes, treaties, rules, codes, ordinances, regulations of any Governmental Authority and, to the extent the Property, any Unit, any Unit Owner, Sponsor, any Sponsor Successor and/or the Condominium Board, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any Governmental Authority, court, arbitrator or other administrative, judicial or quasi judicial tribunal or agency of competent jurisdiction.

(2) "Family Members" means and includes a spouse, child (by blood, marriage or adoption), parents (including step-parents or parents-in-law), grandchildren, siblings and grandparents.

(3) "First Unit Closing" shall mean the first date upon which title to a Unit is conveyed to a Purchaser pursuant to the terms of the Plan.

(4) "First Year Budget" means the projection of receipts and expenses of the Property for the first 12 months following the projected date of the First Unit Closing contained in the Section of the Plan entitled "Schedule B: Projected Budget for First Year of Condominium Operation."

(5) "Initial Control Period" shall mean the period commencing on the date of the First Unit Closing and ending on the earlier of (i) the closing of title with Purchasers under the Plan to Residential Units having more than fifty percent (50%) of the aggregate Common Interests appurtenant to all Residential Units or (ii) the fifth (5th) anniversary of the First Unit Closing.

(6) "Governmental Authority" means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

(7) "Majority in Common Interest of Unsold Residential Unit Owners" shall mean those Unsold Residential Unit Owners whose Unsold Residential Units have, in the aggregate, more than 50% of the aggregate of the Common Interests allocated to all Unsold Residential Units, from time to time.

(8) "Person" means any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, limited liability company, organization, government or any department or agency thereof, or any other entity.

(9) "Purchaser" shall mean a Person or Persons buying a Unit under the Plan, whether for personal occupancy or use of the Purchaser or a Family Member or for rental or other investment purposes.

(10) "Sponsor Successor" means (i) any corporation or other entity which, through amalgamation, consolidation, or other legal succession becomes invested with the rights and assumes the burdens of Sponsor or (ii) any Person, who, at any time, (a) purchases from Sponsor or otherwise succeeds to (x) three or more Units or (y) twenty percent (20%) or more of all Units in the Condominium or (z) all remaining Units then owned by Sponsor, and is designated as a Sponsor Successor by Sponsor and (b) is not purchasing such Units for his, her or its own occupancy or for occupancy by one or more of such Person's Family Members, and, in any case, shall also include any nominee holding any Unit for the account of the Person referred to in clause (i) or (ii) above. The phrase "owned by" shall include owned by any such nominee.

(11) "Unsold Residential Unit" or "Unsold Residential Units" means any Residential Unit or Residential Units owned at the time in question by Sponsor or any Sponsor Successor. Any Unsold Residential Unit shall retain its status and character as an Unsold Residential Unit until: (i) it is no longer owned by Sponsor or any Sponsor Successor; (ii) it is occupied by a Unit Owner or a Family Member of a Unit Owner; or (iii) it is conveyed to a bona fide Purchaser for personal occupancy (by the Purchaser or a Family Member of the Purchaser). Further, a Residential Unit that is conveyed to Sponsor by a Purchaser who has elected to rescind his or her purchase of the Unit and receive a refund of the purchase price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Residential Unit.

(12) "Unsold Residential Unit Owner" means the owner of an Unsold Residential Unit.

Section 9. Decisions of Unit Owners. The vote of a Majority in Common Interest of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except as otherwise provided in the Declaration or these By-Laws.

Section 10. Majority in Common Interest of Unit Owners. As used in these By-Laws the term "Majority in Common Interest of Unit Owners" shall mean those Unit Owners having more than fifty (50%) percent of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of Unit Owners determined in accordance with the provisions of Sections 8 and 11 of this Article III.

Section 11. Exclusion from Computation of Common Interests. For purposes of Section 5, 8, 9 and 10 of this Article III, the Common Interest of a Unit owned by the Condominium Board or its designee and the votes appurtenant thereto shall be excluded from any computation of the Common Interests of all Unit Owners, Unit Owners present at a meeting, or the total authorized votes of all Unit Owners.

Article IV
Officers

Section 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officer as in its judgment may be necessary. Any single person may hold any combination of offices except that the office of President and Vice President shall be held by different persons.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Condominium Board at its annual meetings except upon removal as provided below.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Condominium Board, an 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.

Section 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and the Condominium Board. He shall have all of the general powers and duties which are incident to the office of President, including but not limited to the power to appoint committees from amongst the Unit Owners from time to time as he may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Condominium. The President shall be a member of the Condominium Board.

Section 5. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Condominium Board shall appoint some other member of the Condominium Board to act in place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Condominium Board or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board; he shall have charge of such books and papers as the Condominium Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

Section 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and

books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Condominium Board, or the managing agent, in such depositories as may from time to time be designated by the Condominium Board, and he shall, in general, perform all the duties incident to the office of Treasurer.

Section 8. **Agreements. Contracts. Deeds. Checks, etc**. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer of the Condominium or by such other person or persons as may be designated from time to time by the Condominium Board.

Section 9. **Compensation of Officers.** No officer shall receive any compensation from the Condominium for acting as an officer of the Condominium.

ARTICLE V
Operation of the Property

Section 1. Determination of Common Expenses and Fixing of Common Charges.

(a) Except as otherwise provided in this Article V or elsewhere in these By-laws, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements, including, without limiting, accounting, legal, architectural, engineering or other professional or services fees (collectively, "General Common Expenses") shall be determined by the Condominium Board as set forth below, and shall be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units. General Common Expenses shall also include all such other items provided for in the Declaration or these By-laws to be General Common Expenses. General Common Expenses shall 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. The Condominium Board shall from time to time and at least annually prepare a budget to meet General Common Expenses and shall allocate and assess to all Unit Owners, pro rata in accordance with the respective Common Interests (except as may otherwise provided in the Declaration or these By-Laws) charges ("General Common Charges") to meet General Common Expenses. A Unit Owner shall be obligated to pay the General Common Charges assessed by the Condominium Board against such Unit Owner at such time or times as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, the General Common Charges assessed by the Condominium Board to meet General Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year. From time to time the Condominium Board may increase or decrease the amount of General Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of General Common Expenses for such fiscal year or any portion thereof. General Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

(b) Except as otherwise provided in this Article V or elsewhere in these By-laws, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Residential Limited Common Elements (the "Residential Common Expenses") shall be determined by the Condominium Board and shall be borne solely by the Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units. Residential Common Expenses shall include, without limitation, (i) the cost of staff necessary for the operating, repair and maintenance of the Residential Limited Common Elements and the cost of all other employees of the Condominium except only the cost of one non-resident superintendent and such other staff as the Board may determine, the cost of which are part of the General Common Expenses as provided in Article V, Section 20 below, (ii) 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 Residential Limited Common Elements, (iii) The Condominium Board shall from time to time and at least

annually prepare a budget to meet Residential Common Expenses and shall allocate and assess to the Residential Unit Owners, in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units (except as otherwise provided in the Declaration or these By-Laws) charges ("Residential Common Charges"), to meet Residential Common Expenses. Such budgets shall include such amounts for reserves as the Condominium Board deems appropriate. A Residential Unit Owner shall be obligated to pay the Residential Common Charges assessed by the Condominium Board against such Unit Owner at such time or times as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, the Residential Common Charges assessed by the Condominium Board to meet Residential Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year. From time to time the Condominium Board may increase or decrease the amount of Residential Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Residential Common Expenses for such fiscal year or any portion thereof. As used in these By-Laws, "Percentage of Residential Common Interest" means, as applied to each Residential Unit, as the case may be, the Common Interest attributable to such Residential Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Residential Units.

(c) Except as otherwise provided in this Article V and elsewhere in these By-laws, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Commercial Limited Common Elements ("Commercial Common Expenses") shall be determined by (1) the Commercial Unit Owner, if there shall be only one Commercial Unit or (2) if there shall be more than one Commercial Unit Owner, then by the Commercial Board, if one shall then exist, or, if no Commercial Board shall then exist, by a Commercial Majority In Interest. The Commercial Common Expenses shall be borne solely by the Commercial Unit Owners in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units (except to the extent payable from insurance proceeds or condemnation award(s) in accordance with these By-laws or as otherwise provided in the Declaration or these By-Laws). Notwithstanding anything to the contrary in this subparagraph (c), if a Commercial Limited Common Element or an Individual Commercial Limited Common Element benefits only certain Commercial Unit Owners and not all Commercial Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except to the extent paid from insurance proceeds or condemnation award(s) in accordance with these By-laws) shall be borne solely by those Commercial Unit Owners who benefit from the Commercial Limited Common Element or Individual Commercial Limited Common Element, as the case may be, in the proportion that the Common Interest of each benefiting Commercial Unit Owner bears to the Common Interest of all benefiting Commercial Unit Owners. Commercial Common Expenses shall also include such amounts as the Commercial Board or a Commercial Majority in Interest, as the case may be, may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Commercial Limited Common Elements. Commercial Common Expenses shall also include all such other times provided for in the Declaration or these By-Laws to be Commercial Common Expenses. The Commercial Board or Commercial Majority in Interest, as the case may be, shall from time

to time and at least annually prepare a budget to meet Commercial Common Expenses and shall allocate and assess to the Commercial Unit Owners, in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units, except as otherwise may be provided in the Declaration or these By-Laws, charges ("Commercial Common Charges") to meet Commercial Common Expenses. Such budgets shall include such amounts for reserves as the Commercial Board or Commercial Majority In Interest, as the case may be, deems appropriate. A Commercial Unit Owner shall be obligated to pay the Commercial Common Charges assessed by the Commercial Board or Commercial Majority In Interest, as the case may be, against such Unit Owner at such time or times as the Commercial Board or Commercial Majority In Interest, as the case may be, shall determine. From time to time the Commercial Board or Commercial Majority In Interest, as the case may be, may increase or decrease the amount of Commercial Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Commercial Common Expenses for such fiscal year or any portion thereof. As used in these By-laws, the term "Percentage of Commercial Common Interest" means, as applied to each Commercial Unit, the Common Interest attributable to such Commercial Unit divided by the aggregate of the Common Interests attributable to all Commercial Units.

As used herein, the term "Common Expenses" refers to, collectively, the General Common Expenses, the Residential Common Expenses and the Commercial Common Expenses. As used in these By-laws, the term "Common Charges" refers to, collectively, the General Common Charges, the Residential Common Charges and the Commercial Common Charges.

(d) The Condominium Board shall be obligated to inspect, maintain, repair and, as and when reasonably necessary, replace, the Residential Plaza (including, without limitation, the roof materials thereon) so that they are at all times free from leaks, in a condition that does not interfere with or adversely impact upon the use of the Commercial Units or any of them, and otherwise in good working order and condition (collectively, the "Required Residential Plaza Roof Condition"). The costs to maintain, repair and replace the Residential Plaza shall be a Residential Common Expense. The Condominium Board shall indemnify and hold the Commercial Unit Owners harmless from and against an claim, liability, damage, cost or expense incurred by the Commercial Unit Owners or any of them by reason of the failure of the Condominium Board to maintain the Residential Plaza in the Required Residential Plaza Roof Condition (including, without limitation, arising from leaking of water from the Residential Plaza into any Commercial Unit below a Residential Plaza) or the failure of the Condominium Board or the Residential Unit Owners to comply with any of its obligations under this subparagraph (d). Without limiting the foregoing obligations, the Condominium Board shall be obligated to promptly comply with the requirements of the insurance company or companies providing insurance for the Condominium and the Commercial Units as well as all requirements of applicable law with respect to the Residential Plaza, shall promptly cure all notices of violation, if any, issued by any Governmental Authority with respect to the Residential Plaza or any portion thereof and shall promptly comply with all work orders of any such insurance companies with respect therewith. The Commercial Unit Owners shall have the right to inspect the Residential Plaza from time to time to verify that the Residential Plaza are being maintained in the required

condition. If the Condominium Board fails to comply with any of its obligations under these By-laws or the Declaration with respect to the Residential Plaza or fails to maintain one or more Residential Plaza in the Required Residential Plaza Roof Condition, the Commercial Unit Owners shall be authorized, upon thirty (30) days written notice to cure by the Commercial Unit Owners to the Condominium Board and the failure of the Condominium Board to cure the condition within such period (except that no such notice shall be required in an emergency) to (but shall have no obligation to) enter upon the Residential Plaza and cure the condition which is the basis for such default and/or restore such Residential Plaza(s) to the Required Residential Plaza Roof Condition, including, without limitation, taking such temporary and emergency measures as such Commercial Unit Owners may deem necessary (collectively, the "Commercial Unit Owners' Self Help Remedy"). If there shall be a dispute as to (i) whether the Condominium Board has maintained the Roof Plaza in the Required Residential Plaza Roof Condition or has otherwise failed to comply with its obligations to the Commercial Unit Owners under this paragraph and/or (ii) whether the Commercial Unit Owners were entitled to exercise the Commercial Unit Owners' Self Help Remedy as provided above, such disputes shall be resolved by a court of competent jurisdiction. The cost of all repairs to and replacements of the Residential Plaza performed by the Commercial Unit Owners, together with interest thereon from the date incurred at the rate of 2.0% per month (but in no event in excess of the maximum rate permitted by law), shall be payable by the Condominium Board and assessed against Residential Unit Owners as a Residential Common Expense and if the Condominium Board shall fail to pay to the Commercial Unit Owners such monies, the Commercial Unit Owners paying for such repairs and replacements shall be entitled to offset against Common Charges otherwise payable by such Commercial Unit Owners to the Condominium Board, the cost of such repairs and replacements and interest thereon as provided above. The Commercial Unit Owners shall be entitled to obtain injunctive relief (including, without limitation the remedy of speck performance) against the Condominium Board if the Condominium Board shall fail to comply with its obligations under this paragraph (d). The cost of compliance with all of the obligations of the Condominium Board with respect to the Residential Plaza and otherwise under this subparagraph (d) (including, without limitation, under the indemnification provisions hereof in favor of the Commercial Unit Owner(s)) shall be borne solely by the Residential Unit Owners as a Residential Common Expense and no Commercial Unit Owner shall have any obligation or liability with respect thereto.

(e) 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 remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. 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 Residential Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Residential Unit Owners. 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 Commercial Limited Common Element (as opposed to an Individual Commercial Limited Common Element) remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be

collected by the Commercial Board or Commercial Majority In Interest, as the case may be, as agent for and on behalf of the Commercial Unit Owners.

Section 2. **Insurance.** The Condominium Board shall be required to obtain and maintain, to the extent obtainable at reasonable rates, and to the extent determined by the Condominium Board to be appropriate, the insurance set forth below, and the premiums for such insurance shall be a General Common Expense except as otherwise may be provided in the Rules and Regulations and except that the premiums for worker's compensation and disability insurance for employees of the Condominium Board shall be allocated in accordance with the allocation of labor expenses pursuant to Article V, Sections 1(b) and 18 of these By-laws: (1) fire insurance with all risks extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units but excluding machinery, appliances, fixtures, furniture, furnishings or other personal property within a Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to at least 80% of the full replacement value of the Building (exclusive of foundations and footings), without deduction for depreciation, and each of such policies of insurance shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee hereinafter set forth; (2) worker's compensation insurance and New York State disability benefits insurance (if applicable); (3) comprehensive general liability coverage; (4) water damage insurance to the extent if any determined by the Condominium Board; (5) fidelity bond for managing agent to the extent if any determined by the Condominium Board; (6) errors and omissions insurance for members of the Condominium Board and officers to the extent if any determined by the Condominium Board; and (7) such other insurance as the Condominium Board may determine (including, without limitation, rent insurance in an amount equal to six months General Common Charges and six months Residential Common Charges, boiler and machinery insurance, plate glass insurance and elevator liability and collision insurance). To the extent not specified above, all such insurance shall be in such amount as the Condominium Board shall from time to time determine to be reasonable. All of such policies shall provide that adjustment of loss shall be made by the Condominium Board and all policies of physical damage insurance shall provide that the proceeds thereof, if $500,000.00 or less, shall be paid to the Condominium Board, and if in excess of $500,000.00 shall be paid to the Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense of the Condominium.

All policies of physical damage insurance shall contain, if obtainable at reasonable rates, waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured or of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least thirty (30) days prior to expiration of the then current policies. Prior to obtaining any

policy of casualty insurance or any renewal thereof, the Condominium Board shall obtain an appraisal from a casualty insurance company or otherwise of the full replacement value of the Building (exclusive of foundations and footings), without deduction for depreciation, for the purpose of determining-the amount of casualty insurance to be obtained pursuant to this Section.

Each Unit Owner may carry supplemental or additional insurance for his or her own benefit, 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 shall not be affected or diminished by reason of any such supplemental or additional insurance.

The liability insurance coverage required to be obtained by the Condominium Board as set forth above shall cover, to the extent possible, liability claims arising out of the Property, in such limits as the Condominium Board may from time to time determine, covering each member of the Condominium Board, the officers, the managing agent, *if* any, and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Condominium Board shall review such limits at least once each year.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines from time to time.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless 75% or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not, within sixty (60) days from the date of such damage or destruction, duly resolve to proceed with repair or restoration), the Condominium Board shall arrange for the prompt repair and restoration *of* the Building including the Units but excluding any machinery, appliances, furniture, furnishings (including wall, ceiling and floor decorations and coverings), fixtures or equipment in the Units, and the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the proceeds of the applicable insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost *of* such repair and restoration in excess of the insurance proceeds shall constitute a General Common Expense. In the event the insurance proceeds exceed the cost of repair or restoration, such excess shall be divided by the Condominium Board or the Insurance Trustee, as the case may be, among the Unit Owners in accordance with the respective Common Interests of their respective Units after first paying to the Permitted Mortgagees of a Unit and any other holders of liens against the Unit (including the Condominium Board) out of the share of the Owner of such Unit, the amount of any unpaid liens on his or her Unit, in the order of their priority.

If 75% or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not within sixty (60) days from the date of such damage or destruction, duly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned

in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided by the Condominium Board or the Insurance Trustee, as the case may be, among all of the Unit Owners in accordance with the respective Common Interests of their respective Units, after first paying to the Permitted Mortgagees of a Unit and any other holders of liens against the Unit (including the Condominium Board) out of the share of the owner of such Unit, the amount of any unpaid liens on his or her Unit, in the order of priority of such liens.

Section 4. **Collection of Common Charges.** The Condominium Board shall assess General Common Charges against the Unit Owners from time to time, but at least monthly, and in an amount sufficient to cover its cash requirements for General Common Expenses for such period as it shall determine, but not less than the ensuing month, and shall take prompt action to collect any General Common Charges due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. The Condominium Board shall assess Residential Common Charges against the Residential Unit Owners from time to time, but at least monthly, and in an amount sufficient to cover its cash requirements for Residential Common Expenses for such period as it shall determine, but not less than the ensuing month, and shall take prompt action to collect any Residential Common Charges due from any Residential Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. Notwithstanding anything to the contrary set forth herein, if a Unit Owner owns more than one Unit, such Unit Owner shall have the right to designate, by notice to the Condominium Board or its Managing Agent, how a payment of Common Charges or a special assessment (or installment thereof), as the case may be, shall be allocated and credited as among the Units owned by such Unit Owner, which designation shall be binding upon the Condominium Board, provided that notice of such designation is received by the Condominium Board or its managing agent either with such payment or by separate notice received no later than fifteen (15) days after receipt of payment.

Section 5. **Default in Payment of Common Charges.** In the event any Unit Owner fails to make payment of any General Common Charges, Residential Common Charges or Commercial Common Charges, as the case may be, within fifteen (15) days of its due date (although nothing herein shall be deemed to extend the period within which such General Common Charges, Residential Common Charges or Commercial Common Charges, as the case may be, are to be paid), such Unit Owner shall be obligated to pay to the Condominium Board (in the case of General Common Charges or Residential Common Charges) and to the Commercial Board or Commercial Majority In Interest, as the case may be (in the case of Commercial Common Charges) (a) a late charge at the rate of $.02 per dollar per month or any part thereof for all such overdue General Common Charges, Residential Common Charges or Commercial Common Charges, as the case may be, from the due date of such General Common Charges, Residential Common Charge or Commercial Common Charges, as the case may be, until paid, and (b) all costs and expenses, including, without limitation, reasonable attorneys' fees paid or incurred by the Condominium Board or Commercial Board (or Commercial Majority In Interest), as the case may be and/or another Unit Owner (or Commercial Unit Owner, in the case of Commercial Common Charges), in any proceeding brought to collect such unpaid General Common Charges, Residential Common Charges or Commercial Common Charges, as the case may be, in an action to foreclose the lien on such Unit arising from said unpaid General Common Charges, Residential Common Charges or Commercial Common Charges, as the case may be, as

provided in Section 339-z of the Condominium Act, in the manner provided in Section 339-aa thereof, or in any other manner permitted by law. All such late charges and costs and expenses shall be added to, and shall constitute, General Common Charges, Residential Common Charges or Commercial Common Charges, as the case may be, payable by such Unit Owner. In addition, the Condominium Board shall have the right to levy against Unit Owners such just and appropriate fines as it deems advisable for noncompliance with any of the provisions of the Declaration, these By-Laws or the Rules and Regulations. All such fines shall be added to and shall constitute General Common Charges payable by such Unit Owner. In addition, the Commercial Board (or Commercial Majority In Interest, as the case may be) shall have the right to levy against Commercial Unit Owners such just and appropriate fines as it deems advisable for noncompliance with any of the provisions of the Declaration, these By-Laws or the Rules and Regulations, in each case, as pertaining solely to the Commercial Units or Commercial Limited Common Elements and all of such fines shall be added to and shall constitute Commercial Common Charges payable by such Commercial Unit Owner.

Section 6. Foreclosure of Liens for Unpaid Common Charges. In any action by the Condominium Board to foreclose a lien on a Unit for unpaid General Common Charges or Residential Common Charges, as the case may be, or by the Commercial Board (or Commercial Majority In Interest, as the case may be), to foreclose a lien on a Commercial Unit for unpaid Commercial Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. A suit to recover a money judgment for unpaid General Common Charges or Residential Common Charges, as the case may be, in the case of a suit by the Condominium Board, or a suit to recover a money judgment for unpaid Commercial Common Charges, in the case of a suit by the Commercial Board (or Commercial Majority In Interest, as the case may be) shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure (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 Owners obligations, such Unit Owner shall remain liable for the deficiency. The Commercial Board or the Commercial Majority In Interest, as the case may be, shall have, on account of the failure of a Commercial Unit Owner to timely pay Commercial Common Charges, all of the rights and remedies against a defaulting Commercial Unit Owner as the Condominium Board has herein against a Unit Owner on account of such Unit Owners failure to pay General Common Charges or Residential Limited Common Charges, as the case may be. At its sole option and election, the Commercial Board or Commercial Majority In Interest, as the case may be, may at any time and from time to time, request (which request may be revoked at any time) that the Condominium Board act as its agent to collect Commercial Common Charges and/or enforce the remedies of the Commercial Board (or the Commercial Majority In Interest as the case may be) against a defaulting Commercial Unit Owner, in which event, the Condominium Board shall have the power (and shall be obligated to exercise such power at the direction of the Commercial Board or Commercial Majority In Interest, as the case may be, until such time as such power may be revoked in the discretion of the Commercial Board or Commercial Majority in Interest, as the case may be) to exercise on behalf of the Commercial Board or Commercial Majority In Interest, as the case may be (but at no cost or expense to the Commercial Unit Owners or to the Commercial Board) all of the rights and remedies of the

Commercial Board or Commercial Majority In Interest, as the case may be, against a defaulting Commercial Unit Owner by reason of its failure to timely pay Commercial Common Charges, including, without limitation, the power to foreclose the lien for unpaid Commercial Common Charges.

No Unit Owner shall be liable for the payment of any part of the Common Charges against his or her Unit accruing subsequent to a sale or other conveyance by him of such Unit, together with its Appurtenant Interest, provided that no violation of any provision of the Declaration or these By-Laws then exists with respect to such Unit. Any Unit Owner may, by conveying his or her Unit and its Appurtenant Interest to the Condominium Board, or its designee, corporate or otherwise, exempt himself from the liability for Common Charges accruing after such conveyance, subject to the terms and conditions of these By-Laws, provided that at the time of such conveyance (a) such Unit is free and clear of liens and encumbrances other than a Permitted Mortgage and the statutory lien for Common Charges and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit. A Purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except as hereinafter provided. A purchaser of a Unit at a foreclosure sale with respect to a Permitted Mortgage against such Unit shall not be liable, and such Unit shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. In addition, a Unit conveyed by deed in lieu of foreclosure to a Permitted Mortgagee or its nominee shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to such acquisition of such Unit. However, the owner of such Unit prior to the foreclosure sale (or deed in lieu of foreclosure, as the case may be) shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

Section 7. **Statement of Common Charges**. The Condominium Board shall promptly provide any Unit Owner, so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 8. **Maintenance and Repairs**.

(a) Each Unit Owner shall maintain his or her Unit in good working order and condition, ordinary wear and tear excepted. All maintenance, repairs and replacements in or to any Unit (other than maintenance of and repairs to any General Common Elements or Limited Common Elements contained in the Unit), any installations to the exterior of the Building made by any Unit Owner, and any electrical, plumbing, heating and air conditioning fixtures in the Unit (other than those constituting General Common Elements or Residential Limited Common Elements), whether structural or nonstructural, ordinary or extraordinary (including, without limitation, painting and decoration of the Unit), shall be performed by the Unit Owner of such Unit, at the Unit Owner's sole cost and expense, except as provided in Section 12 hereof and except as set forth below. All repairs and replacements shall be of a quality or class equal to the original work or construction. Each Unit Owner shall give the Condominium Board prompt notice of any defect in the plumbing, heating and electrical systems in his or her Unit after actual notice thereof by such Unit Owner. Each Unit Owner shall perform such construction, alterations or improvements

to its Unit and the Common Elements as from time to time shall be necessary to render its occupancy of such Unit lawful. The exterior surface of all windows deemed a part of a Unit shall be washed and cleaned by the owner thereof.

(b) Subject to the rights of the Commercial Unit Owner(s) and Declarant as set forth in the Declaration and these By-laws, all maintenance of, replacement of and repairs to the exterior walls of the Building and the General Common Elements shall be performed by the Condominium Board and charged as a General Common Expense, as provided in these By-laws. Notwithstanding the foregoing (but without limiting a Commercial Unit Owners rights under the Declaration and the By-Laws to make repairs, alterations and replacements to its Unit and to the storefronts adjacent thereto), prior to commencement of any work, repair, maintenance or replacement of exterior walls by the Condominium Board, the Commercial Unit Owners shall be notified by the Board of Managers and, to the extent that such proposed work shall affect the storefronts adjacent to a Commercial Unit, the Condominium Board shall not, without the prior written consent of the owner of such Commercial Unit, alter the appearance of such storefronts and, in the event that any such storefronts shall be damaged in the course of such work by the Condominium Board, the Condominium Board shall restore such storefronts to their appearance as existing prior to the commencement of such work. All maintenance of, replacement of and repairs to the Residential Limited Common Elements shall be performed by the Condominium Board and charged as a Residential Common Expense, as provided in these By-laws. In making such repairs or replacements, the Condominium Board or its designee shall make all reasonable efforts (i) to minimize any interference with the Unit Owners use and enjoyment of and business conducted in their Units and (ii) to conceal in the walls, floors or ceilings, or if not feasible, box in without materially reducing usable areas of the affected Unit or its ceiling height, any pipes or conduits installed by the Condominium Board.

(c) All maintenance of, replacement of and repairs to the Commercial Limited Common Elements shall be performed by the Commercial Unit Owners (or the Commercial Board if one shall then exist) and charged as a Commercial Common Expense as provided in these By-Laws. In making such repairs or replacements, the Commercial Unit Owners (or Commercial Board, as the case may be) or their designee shall make all reasonable efforts (i) to minimize any interference with the Unit Owners' use and enjoyment of and business conducted in their Units and (ii) to conceal in the walls, floors or ceilings, or if not feasible, box in without materially reducing usable areas of the affected Unit or its ceiling height, any pipes or conduits installed by the Commercial Unit Owners (or Commercial Board) or their designees.

(d) If any maintenance of, replacement of or repairs to the Property or any part thereof are necessitated by the negligence of (i) any Unit Owner, his or her tenants or visitors or occupants of the Unit, then the entire cost thereof shall be borne by such Unit Owner and shall be assessed by the Condominium Board against such Unit Owner as a Common Charge or (ii) the Condominium Board, then the entire cost thereof shall be a General Common Expense.

Section 9. Performance of Unit Owners' Obligations and Injunctive Relief. If any Unit Owner defaults in any of his or her obligations under the Declaration, these By-Laws or the Rules and Regulations other than the obligation to pay Common Charges, then in such event the Condominium Board may send to such Unit Owner a notice specifying the default. If within thirty (30) days after the date of sending such notice upon the Unit Owner, such Unit Owner fails to cure such default or, in the case of a default not reasonably susceptible to cure within such period, fails to commence to cure such default within such thirty (30) day period and thereafter prosecute such cure to completion with due diligence, then the Condominium Board or its designee may enter the Unit and cure such default and the Condominium Board shall be entitled to seek injunctive relief against such defaulting Unit Owner. All sums expended and all costs and expenses incurred in connection with the curing of such default 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 added to and shall constitute a Common Charge against such Unit Owner.

Section 10. Additions. Alterations or Improvements by the Condominium Board. Except as otherwise provided in the Declaration or these By-Laws, (x) all alterations, additions, improvements or repairs in or to any General Common Elements shall be made by the Condominium Board and the costs and expenses thereof shall be charged to all Units Owners as a General Common Expense, (y) all alterations, additions, improvements or repairs in or to the Commercial Limited Common Elements shall be made by the Commercial Board (or Commercial Majority In Interest) and the costs and expenses thereof shall be charged to all Commercial Unit Owners accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units and (z) all alterations, additions, improvements or repairs in or to the Residential Limited Common Elements shall be made by the Condominium Board and the costs and expenses thereof shall be charged to all Residential Unit Owners as a Residential Common Expense, that is, in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units. Whenever in the judgment of the Condominium Board, the General Common Elements shall require additions, alterations or improvements costing in excess of $500,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Unit Owners owning Units having an aggregate Common Interest of in excess of 66 2/3 percent of the Common Interests of all the Units and a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof); provided that no such approval shall be required for(l)facade repair and/or alteration work in the interests of safety (as determined by the Condominium Board) or in compliance with Local Law 11 of 1998 (or any successor or replacement law or statute), (2) roof replacements or (3) any addition, alteration or improvement paid for by Sponsor. Any additions, alterations or improvements to the General Common Elements costing in the aggregate $500,000.00 or less in any fiscal year may be made by the Condominium Board without the approval of the Unit Owners provided same are reasonably necessary to the operations of the Property as a first class building and to the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the General Common Elements shall, except as otherwise provided in the Declaration and these By-Laws, including without limitation the Rules and Regulations thereunder, constitute part of

the General Common Expenses. Whenever in the judgment of the Condominium Board, the Residential Limited Common Elements shall require additions, alterations or improvements costing in excess of $500,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Residential Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Residential Units and a majority of the Mortgage Representatives with respect to the Residential Units (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof); provided that no such approval shall be required for (1) replacement of any roofs which are a part of the Residential Limited Common Elements (including the Residential Plaza) or (2) any addition, alteration or improvements paid for by Sponsor.. Any additions, alterations or improvements to the Residential Limited Common Elements costing in the aggregate $500,000.00 or less in any fiscal year may be made by the Condominium Board without the approval of the Residential Unit Owners provided same are reasonably necessary to the operations of the Residential Limited Common Elements as part of a first class building and to the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the Residential Limited Common Elements shall, except as otherwise provided in the Declaration and these By-Laws, including without limitation the Rules and Regulations thereunder, constitute part of the Residential Common Expenses. Whenever in the judgment of the Commercial Board or Commercial Majority In Interest, as the case may be, the Commercial Limited Common Elements shall require additions, alterations or improvements costing in excess of $150,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Commercial Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Commercial Units and a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof) with respect to the Commercial Units. Any additions, alterations or improvements to the Commercial Limited Common Elements costing in the aggregate $150,000.00 or less in any fiscal year may be made by the Commercial Board or Commercial Majority In Interest, as the case may be, without the approval of the Commercial Unit Owners provided same are reasonably necessary to the operations of the Commercial Limited Common Elements as part of a first class commercial and residential building and to the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the Commercial Limited Common Elements shall, except as otherwise provided in the Declaration and these By-Laws, including without limitation, the Rules and Regulations thereunder, constitute part of the Commercial Common Expenses. In making any of the foregoing described additions, alterations and improvements, the Condominium Board or Commercial Board (or Commercial Majority In Interest), as the case may be, shall make all reasonable efforts (i) to minimize any interference with the Unit Owners' use and enjoyment of and any business conducted in their Units and (ii) to conceal in the walls, floors or ceilings or if not feasible, box in without materially reducing usable areas of the affected Unit or its ceiling height, any pipes or conduits installed by the Condominium Board or Commercial Board (or Commercial Majority In Interest), as the case may be.

Section 11. Additions, Alterations or Improvements by Unit Owners. Except as permitted in the Declaration:

(a) No Residential Unit Owner (other than Sponsor, any Unsold Residential Unit Owner or any of their respective designees) shall make any structural addition, alteration or improvement (or non-structural addition, alteration or improvement affecting a Common Element) in or to his or her Residential Unit, without the prior written consent thereto of the Condominium Board, which consent shall not be unreasonably withheld. In no event shall such addition, alteration or improvement be performed in violation of the certificate(s) of occupancy for the Building or otherwise in violation of law. The Condominium Board shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Condominium Board to the proposed addition, alteration or improvement. Any application to any department of the City of New York or to any other Governmental Authority for a permit to make an addition, alteration or improvement in or to any Unit permitted hereunder shall be executed by the Condominium Board, without, however, incurring any liability on the part of the Condominium Board to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

(b) Subject to the provisions of subparagraph (d) below, no Residential Unit Owner (other than Sponsor, any Unsold Residential Unit Owner or any of their designees) shall, without obtaining the prior written consent of the Condominium Board construct any additions to the exterior of his or her Unit (including the exterior walls of the Building encompassing the Unit), make structural changes to any of the Common Elements, or excavate or otherwise alter Common Elements, whether such Common Elements be located in, under or adjacent to the Building.

(c) Notwithstanding anything to the contrary contained in these Bylaws, each of the Commercial Unit Owners, shall have the right, without the consent of the Condominium Board or any Unit Owner (but if there shall then be more than one Commercial Unit in the Building, with the consent only of the Commercial Board (or a Commercial Majority in interest, as the case may be), which consent shall not be unreasonably withheld), to make alterations, additions and improvements whether structural or non-structural, interior or exterior, ordinary or extraordinary, in and to or upon its Commercial Unit, the storefronts as part of such Commercial Unit, the section of the building facade on the exterior of the portion of such Commercial Unit at any level(s) of the Building and the Commercial Limited Common Elements.

(d) Notwithstanding anything to the contrary contained in these Bylaws, Sponsor, Unsold Residential Unit Owners and their respective designees shall have the right, without the consent of the Condominium Board or any Unit Owner to make alterations, additions and improvements whether structural or non-structural, interior or exterior, ordinary or extraordinary, in and to or upon Unsold Residential Units or Commercial Unit.

(e) If, as a result of a Unit Owner (including, without limitation, Sponsor, any Sponsor Successor or a Commercial Unit Owner) making alterations, additions and improvements to such Unit Owner's Unit, Common Elements that the Condominium Board is responsible to maintain shall be damaged, such Unit Owner shall be obligated to repair such damage as soon as reasonably practicable following demand by the Condominium Board, failing which the Condominium Board may repair same and charge such Unit Owner for expenses incurred therefor as a Common Charge. Any dispute concerning the obligation of a Unit Owner to repair such damage or its liability to the Condominium Board for expenses incurred therefor shall be resolved by a court of competent jurisdiction.

(f) Nothing contained in this Section 11 is intended to limit the rights of the Commercial Unit Owners, Sponsor, its designees or the Unsold Residential Unit Owners under Section 9 of the Declaration.

Section 12. **Right of Access.** A Unit Owner shall give access to his or her Unit to the Condominium Board, the manager and/or the managing agent and/or any other person(s) authorized by the Condominium Board, the manager or the managing agent, for the purpose of (i) making inspections or for the purpose of correcting any condition originating in his or her Unit and threatening another Unit or a Common Element, (ii) performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his or her Unit or elsewhere on the Property, (iii) correcting any condition which violates the provisions of any mortgage covering another Unit, (iv) removing violations of governmental laws or regulations against any part of the Property, and (v) curing any defaults under the Declaration and the By-Laws, provided that in each case, except as provided below, the requests for entry are made at least one (1) day in advance. Such right of access shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business in or use of the Unit. In the case of an emergency, such right of access shall be immediate, without advance notice and may occur whether the Unit Owner is present at the time or not. The foregoing shall not be deemed as prohibiting a Unit Owner from having a representative present when such access is given to the Condominium Board.

Section 13. **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Units and the Common Elements (such rules and regulations as amended from time to time are sometimes herein referred to as the "Rules and Regulations"). Except as provided in the Declaration, the Condominium Board (acting by a majority vote of its members) may from time to time amend such Rules and Regulations in such manner as shall be reasonably necessary for the proper operation of the Building, except that (i) a Majority in Common Interest of Unit Owners may overrule the Condominium Board with respect to any such amendment and (ii) no such amendment may be made without the prior written consent of any (x) a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof), which consent shall not be unreasonably withheld or delayed, and (iii) no amendment may be made which may have an adverse affect on the Commercial Unit Owners, Sponsor, any Unsold Residential Unit Owner or their designees, or the Units owned by any of them, unless approved in writing by such Commercial Unit Owners, the Sponsor, such Unsold Residential Unit Owner or their its designees, as the case may be. Copies of

such Rules and Regulations as amended shall be furnished by the Condominium Board to each Unit Owner not less than thirty (30) days prior to the effective date thereof. The terms "amend," "amended" or "amendment," as used in this Section, shall also mean deleting or adopting a rule or regulation.

Section 14. **Real Estate Taxes.** Except as provided below, until the Units are separately assessed for real estate tax purposes, the Condominium Board as agent of the Unit Owners shall promptly pay all real estate taxes levied with respect to the Property as a General Common Expense and the General Common Charges collected from Unit Owners to meet this General Common Expense shall be earmarked for this purpose. The fact that a Unit Owner may have established escrow deposit(s) with such Unit Owners mortgage lender for the payment of real estate taxes by such mortgage lender with respect to such Unit Owners Unit, shall not release such Unit Owner from such Unit Owners responsibility to timely pay (or cause its mortgage lender to pay), by such date as may be determined by the Condominium Board, such Unit's pro rata portion (based upon such Unit's Common Interest) of such portion of the General Common Charges assessed for the purpose of payment of real estate taxes. If, prior to the separate assessment of the Units for real estate tax purposes, the Condominium Board shall fail to timely pay all or any portion of the real estate taxes levied with respect to the Property, Sponsor and each other Unsold Residential Unit Owner shall have the right (but not the obligation) to pay such taxes not timely paid and the Condominium Board shall reimburse Sponsor or other Unsold Residential Unit Owner, as the case may be, upon demand, for the amount of such taxes so paid, plus interest thereon until paid in full, at a rate of interest equal to prime rate as announced from time to time by Citibank, N.A.

Section 15. **Utilities.**

(a) The Condominium Board shall promptly pay all of the cost of electricity, gas and water (and appurtenant sewer charges) (collectively, the "Utilities" and, individually, a "Utility") consumed at the Property, exclusive of any Direct Metered Utility Consumption (the "Non-Direct Metered Consumption). Except as otherwise specifically provided in this Section and regardless of any submetering or direct metering that may exist from time to time (except as otherwise specifically provided in this Section), (A) the cost of such Utilities (exclusive of the Direct Metered Utility Consumption, as defined below) shall be a General Common Expense and borne by all Unit Owners in accordance with the respective Common Interests of their respective Units and (B) the cost of all Direct Metered Utility Consumption (i) with respect to a particular Unit shall be paid by the owner of such Unit directly to the applicable supplier(s) of the Utility or Governmental Authority payee, as the case may be, (ii) with respect to the Residential Limited Common Elements, if any, shall be a Residential Common Expense and paid by the Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units and (iii) with respect to the Commercial Limited Common Elements, if any, shall be a Commercial Common Expense and paid by the Commercial Unit Owners in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units.

(c) Notwithstanding the foregoing, from and after the time that the Commercial/Residential Utilities Severance Condition shall be satisfied.

(1) All Unit Owners shall pay, to the Condominium Board within fifteen (15) days after billed, in accordance with the respective Common Interests of their respective Units, the cost of the Utilities consumed within the General Common Elements;

(2) The Residential Unit Owners shall pay, to the Condominium Board within fifteen (15) days after billed, in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units and the cost of the Residential Section Utilities Consumption, exclusive of any Direct Metered Utility Consumption of the Residential Units (and each Residential Unit Owner shall pay, if applicable, the cost of any Direct Metered Utility Consumption consumed within such owner's Residential Unit directly to the applicable supplier(s) of the Utility or Governmental Authority payee, as the case may be); provided, however, that if and when the Individual Residential Metered Condition shall be met with respect to all of the Utilities,

(ii) the Residential Section Utilities Consumption of each Utility within each Residential Unit shall be paid for solely by the owner of such Residential Unit in accordance with actual submetered (or direct metered) consumption of such Unit, such payment to be made to the Condominium Board (within fifteen (15) days after billed) or directly to the applicable supplier of such Utility (or Governmental Authority payee), as the case may be; and

(iii) the cost of such Utility consumed within the Residential Limited Common Elements shall be paid by all Residential Unit Owners in accordance with the respective Percentages of Residential Common Interests of their respective Residential Units.

(3) The Commercial Unit Owners shall pay, in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units, the cost of the Commercial Section Utilities Consumption, exclusive of any Direct Metered Utility Consumption of the Commercial Units (and each Commercial Unit Owner shall pay, if applicable, the cost of any Direct Metered Utility Consumption consumed within its Commercial Unit directly to the applicable supplier(s) of the Utility or Governmental Authority payee, as the case may be); provided, however, that if and when the Individual Commercial Metered Condition shall be met with respect to a particular Utility,

(i) the Commercial Section Utilities Consumption of such Utility within each Commercial Unit shall be paid for solely by the owner of such Commercial Unit in accordance with actual submetered (or direct metered) consumption of such Unit, such payment to be made to the Condominium Board (within fifteen (15) days after billed) or directly to the applicable supplier of such Utility (or Governmental Authority payee), as the case may be; and

(ii) the cost of such Utility consumed within the Commercial Limited Common Elements shall be paid by all Commercial Unit Owners in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units.

(c)As used herein, the following terms shall have the respective meanings given them below:

(1) "Direct Metered Utility Consumption" shall mean the consumption of a Utility within a Unit, Residential Limited Common Elements or Commercial Limited Common Elements, as the case may be, the consumption of which is directly metered and billed by the utility supplier (or Governmental Authority payee) to the owners) of such Unit or the party (including, without limitation, a tenant) consuming such Utility, as the case may be.

(2) "Commercial/Residential Utilities Severance Condition" shall mean the separate metering by submetering and/or direct metering of all of the Utilities with respect to each of the following as a group (1) the entire Residential Section, (2) the entire Commercial Section and (3) the General Common Elements. Any further submetering or direct metering within any of the foregoing groups (for example, individual metering of Residential Units) shall not mean or imply that the Commercial/Residential Utilities Severance Condition has not been met; provided, however, that unless all Utilities shall be separately metered (submetered and/or direct metered) as to each of the foregoing groups, the Commercial/Residential Utilities Severance Condition shall not be deemed to have been met. Surveys of utility usage by any utility consumption expert or otherwise shall not be accepted as a substitute for actual metering and shall have no affect on the allocation of the costs of Utilities.

(3) "Commercial Section Utilities Consumption" shall mean the amount of one or more Utilities (as the context requires) consumed within the Commercial Section.

(4) "Residential Section Utilities Consumption"shall mean the amount of one or more Utilities (as the context requires) consumed within the Residential Section.

(5) "Individual Commercial Metered Condition"shall mean the separate and complete metering by submetering and/or direct metering, with respect to a particular Utility, of each of the respective Commercial Units. The Individual Commercial Metered Condition may be satisfied as to one or more Utilities but will not be deemed satisfied unless the Commercial/Residential Utilities Severance Condition shall also be satisfied (as to all Utilities). Surveys of utility usage by any utility consumption expert or otherwise shall not be accepted as a substitute for actual metering and shall have no affect on the allocation of the costs of Utilities.

(6) "Individual Residential Metered Condition"shall mean the separate and complete metering by submetering and/or direct metering of each of the respective Residential Units, (if applicable) with respect to all of the Utilities. The Individual Residential Metered Condition will not be deemed satisfied unless the Commercial/Residential Utilities Severance Condition shall also be satisfied. Surveys of utility usage by any utility consumption expert or otherwise shall not be accepted as a substitute for actual metering and shall have no affect on the allocation of the costs of Utilities. Whenever reference is made in this Section to payment of costs of Utilities, such costs shall be deemed to include, without limitation all utility taxes, surcharges and other taxes and charges relating thereto, including, without limitation, the costs of the utility commodity and all additional fees and charges for delivery, distribution or transport of the utility commodity.

(d) The Condominium Board shall have the right, power and authority to (1) effect submetering (or direct metering) of the Utilities as required to meet the Commercial/Residential Utilities Severance Condition and the cost of such submetering (and/or direct metering) shall be a General Common Expense, to be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units, (2) effect submetering (and/or direct metering) as required to meet the Individual Residential Metered Condition with respect to the Utilities and the cost of such submetering (and/or direct metering) shall be a Residential Common Expense, to be borne by all Residential Unit Owners in accordance with the respective Percentages of Residential Common Interest of their respective Residential Units and (3) at the request of a Commercial Majority in Interest or the Commercial Board, as the case may be, effect submetering (and/or direct metering) as required to meet the Individual Commercial Metered Condition with respect to one or more Utilities and the cost of such submetering (and/or direct metering) shall be a Commercial Common Expense, to be borne by all Commercial Unit Owners in accordance with the respective Percentages of Commercial Common Interest of their respective Commercial Units. No Residential Unit Owner shall have the right, without the prior written consent of the Condominium Board, to cause his or her Residential Unit to be submetered or directly metered as to any Utility. The Commercial Majority in Interest (or Commercial Board, as the case may be) shall have the full right, power and authority, without the consent of the Condominium Board or any Unit Owner, to effect submetering and/or direct metering of one or more Utilities (including, without limitation, electricity) with respect to all or any portion of the Commercial Section; provided, however, that (i) such submetering (and/or direct metering) unless done at the request of the Condominium Board or in connection with effecting the Commercial/Residential Utilities Severance Condition, shall be a Commercial Common Expense and (ii) such submetering (and/or direct metering) shall not affect the allocation of the costs of Utilities except as expressly provided in this Section 16. Each Commercial Unit Owner shall have the right, at its sole cost and expense, to effect submetering and/or direct metering of its Commercial Unit or any portion thereof) without the consent of the Condominium Board or any Unit Owner and any difference in cost between the

cost paid by a Commercial Unit Owner for a Utility and the cost therefor charged to any tenant or occupant of any portion of such Commercial Unit shall be the property of such Commercial Unit Owner and neither the Condominium Board nor any other Unit Owner shall have any right to share in any such profit or difference in cost.

(e) A Unit Owner shall not exceed the capacity of existing electrical feeders, risers or wiring installations and shall not use any electrical equipment which, in the reasonable opinion of the Condominium Board, will overload such feeders, risers or installations. Notwithstanding the foregoing, one or more Commercial Unit Owners shall have the right to install additional electric feeders, risers, wiring installations, equipment and/or Facilities so as bring additional electrical capacity or power to their respective Commercial Units and/or the Commercial Limited Common Elements; provided that (i) the cost of such feeders, risers, installations, equipment and Facilities shall be borne solely by such Commercial Unit Owners and (ii) all electricity delivered by such feeders, risers, installations, equipment and/or Facilities shall be separately metered and the costs thereof shall be borne by such respective Commercial Unit Owners. The Condominium Board may also elect to bring additional electrical capacity or power to the Building (including, without limitation, by the installation of additional electric feeders, risers, wiring installations, equipment and/or Facilities) to service the Residential Section, in which case (i) the cost of the installation of such additional capacity, feeders, risers, installations, equipment and Facilities shall be borne by the Residential Unit Owners as a Residential Common Expense and (ii) the cost of all electricity delivered by such feeders, risers, installations, equipment and/or Facilities shall be borne by the Residential Unit Owners in accordance with their respective Percentages of Residential Common Interest of their respective Residential Units; subject, however, to the provisions of this Section 16 which apply from and after the satisfaction of the Individual Residential Metered Condition.

(f) Prior to the satisfaction of the Commercial/Residential Severance Condition, adjustments to a Commercial Unit Owners share of the cost of all Utilities consumed at the Building for a particular period may be made in the manner provided below.

(1) Notwithstanding anything to the contrary contained in this Section 14, if, based upon the results of surveys of consumption of not less than all the Utilities as conducted by a qualified independent expert for each Utility retained by the Condominium Board (collectively, the "Condominium Board Utility Expert"), the sum of:

(A) the total cost of all Utilities as a whole consumed during a Reassessment Period (defined below) within a particular Commercial Unit, but excluding, however, all Direct Metered Utility Consumption with respect to such Commercial Unit and

(B) the pro rata share (based on such Commercial Unit's Percentage of Commercial Common Interest) of the total cost of all Utilities consumed within the Commercial

Limited Common Elements during such Reassessment Period (the sum of the total costs under clause "(A)" above and this clause "(B)," the "Total Commercial Unit's Utilities Cost") shall exceed the total amount required to be paid to the Condominium Board with respect to such Commercial Unit (based upon its Common Interest percentage as provided above) on account of all Utilities with respect to such Reassessment Period (the "Total Utilities Payment"), the difference shall be payable by the owner of such Commercial Unit within 60 days after demand by the Condominium Board therefor (a "Board Utilities Payment Demand"), which demand shall include all survey results, supporting documentation and such other documentation as such owner may reasonably request, unless the Commercial Unit Owner shall, prior to the expiration of such 60 day period, give notice to the Condominium Board of a Commercial Unit Owner Utilities Cost Challenge (defined below) and provides the determination of the Commercial Unit Owner Utility Expert (defined below) as to Total Commercial Unit's Utilities Cost for the applicable Reassessment Period not more than120 days after the giving of the Board Utilities Payment Demand. However, if the Total Utilities Payment with respect to a Commercial Unit for a Reassessment Period shall exceed the Total Commercial Unit's Utilities Cost for such Unit for such period (whether on the basis of the determination of the Condominium Board Utility Expert or as otherwise determined in the manner set forth in subparagraph's (2) and (3) below), the Condominium Board shall pay to the Commercial Unit Owner the amount of the difference not more than 60 days after receiving notice of the determination of the Total Commercial Unit's Utilities Costs in the manner set forth in subparagraphs (2) and (3) below and if such payment shall not be made, the Commercial Unit Owner may offset such amounts due against all General Common Charges payable by such owner on account of the Commercial Unit and any and all other sums due and owing by such Commercial Unit Owner to the Condominium Board. As used herein, the term "Reassessment Period" shall mean (i) initially, the period commencing on the date of the first closing of the sale of a Residential Unit pursuant to the Condominium Offering Plan with respect to the Property and ended on the last day of the calendar year in which such closing occurs and (ii) thereafter, each period coinciding with each succeeding calendar year, but, in each case, exclusive of any period commencing on or after the date, if any, that the Commercial/Residential Utilities Severance Condition shall be satisfied. The Condominium Board need not pursue the obtaining of determinations available under this Section 16(f) as to whether or not a Commercial Unit Owner shall have paid to the Condominium Board on account of Utilities with respect to a Commercial Unit not less than the Total Commercial Unit's Utilities Cost with respect to such Unit or to retain a Condominium Board Utility Expert to make any such determination, the decision to obtain such determinations being in the sole and absolute discretion of the Condominium Board. If, however, the Condominium Board shall fail to give a Board Utilities Payment Demand with respect to a Commercial Unit, for a particular Reassessment Period, within 180 days after the end of such Reassessment Period, the Condominium Board shall have no right to make a Board Utilities Payment Demand with respect such Commercial Unit as pertaining to such Reassessment Period or to challenge the amount paid by the owner of such Commercial Unit for Utilities with respect to such Unit for such Reassessment Period.

(2) Notwithstanding the foregoing, if a Commercial Unit Owner believes that (i) the Total Commercial Unit's Utilities Cost for a Commercial Unit owned by such owner, as determined by the Condominium Board Utility Expert for a particular Reassessment Period, is or may be too high and wishes to challenge such determination by the Condominium Board Utility Expert (such a challenge, in the manner hereinafter provided, a "Commercial Unit Owner Utilities Cost Challenge") and/or (ii) the Total Utilities Payment, with respect to such owner's Commercial Unit for a Reassessment Period, for which a Condominium Board Utility Expert shall not have yet issued a determination of Total Commercial Unit's Utilities Cost, exceeds the Total Commercial Unit's Utilities Cost for such period with respect to such Unit, such owner shall, in each case, have the right to retain a qualified independent expert for each Utility (collectively, "Commercial Unit Owner Utility Expert") to conduct surveys of consumption of all the Utilities with respect to such Unit (and the Commercial Limited Common Elements) for the particular Reassessment Period and the determination of the Commercial Unit Owner Utility Expert as to Total Commercial Unit's Utilities Costs for such period shall be provided to the Condominium Board together with all supporting documentation, whereupon the Total Commercial Unit's Utilities Cost shall be determined in the manner hereinafter provided. If there shall then be no determination by a Condominium Board Utility Expert on Total Commercial Unit's Utilities Costs for the Commercial Unit for the Reassessment Period that is the subject of a determination by the Commercial Unit Owner Utility Expert, the Condominium Board shall have the right to challenge the determination of the Commercial Unit Owner Utility Expert as to Total Commercial Unit's Utilities Cost ("Condominium Board Utilities Cost Challenge") by both giving notice to the applicable Commercial Unit Owner of the Board's intent to so challenge, within 60 days after notice of the determination of the Commercial Unit Owner Utility Expert, and providing the determination of the Condominium Board Utility Expert with respect thereto not more than 120 days after receipt by the Condominium Board of notice of such determination of the Commercial Unit Owner Utility Expert. Failure by the Condominium Board to both send such a notice of a Condominium Board Utilities Cost Challenge and provide such determination of the Condominium Board Utility Expert, within the applicable respective time periods set forth above, shall be deemed acceptance of the determination of the Commercial Unit Owner Utility Expert, which determination shall be binding upon the Condominium Board.

If a party accepts the determination of the other party's expert as to the portion of the Total Commercial Unit's Utilities Costs pertaining to one or more Utilities for the applicable Reassessment Period, such parry may, accordingly, limit its Commercial Unit Owner Utilities Costs Challenge or Condominium Board Utilities Cost Challenge, as the case may be, to the portion of the Total Commercial Unit's Utilities Costs as pertains to the balance of the Utilities.

(3) If the Condominium Board Utility Expert and the Commercial Unit Owner Utility Expert can not agree as to amount of the Total Commercial Unit's Utilities Cost as

pertains to a Utility for a particular Reassessment Period, then, upon notice by either the Condominium Board or the Commercial Unit Owner to the other party, the Condominium Board Utility Expert for such Utility and the Commercial Unit Owner Utility Expert for such Utility shall designate a third qualified independent expert for such Utility ("Third Utility Expert") whose determination shall be conclusive and binding upon the Condominium Board and the Commercial Unit Owner as to the portion of the Total Commercial Unit's Utilities Costs as pertains to that Utility; provided that only the determination of Total Commercial Unit's Utilities Costs i.e. for all Utilities as a whole and not on an individual Utility basis) shall determine whether there has been an overpayment or underpayment by the Commercial Unit Owner on account of Utilities. Notwithstanding the foregoing, if the determination by the Third Party Expert of the portion of the Total Commercial Unit's Utilities Costs, as pertaining to a particular Utility, shall be either greater or less than both (i) the portion of the Total Commercial Unit's Utilities Costs, as pertaining to such Utility, as determined by the Condominium Board Utility Expert and (ii) the portion of the Total Commercial Unit's Utilities Costs, as pertaining to such Utility, as determined by the Commercial Unit Owner Utility Expert, such determination by the Third Utility Expert shall be disregarded and in its place the average of (i) portion of the Total Commercial Unit's Utilities Costs as pertaining to such Utility as determined by the Condominium Board Utility Expert and (ii) portion of the Total Commercial Unit's Utilities Costs as pertaining to such Utility as determined by the Commercial Unit Owner Utility Expert shall be deemed the portion of the Total Commercial Unit's Utilities Costs as pertaining to such Utility and shall be deemed conclusive and binding upon the Condominium Board and the Commercial Unit Owner, provided that only the determination of Total Commercial Unit's Utilities Costs i.e. for all Utilities as a whole and not on an individual Utility basis) shall determine whether there has been an overpayment or underpayment by the Commercial Unit Owner on account of Utilities. Upon final determination of Total Commercial Unit's Utilities Costs in the manner provided above, the party entitled to payment may send to the other demand for payment, which payment shall be made not more than 60 days after the making of such demand.

(4) The fees of and other costs and expenses associated with the Third Utility Expert shall be paid one-half by the Condominium Board and one-half by the Commercial Unit Owner. The fees and other costs of the Condominium Board Utility Expert shall be paid solely by the Condominium Board and the fees and other costs of the Commercial Unit Owner Utility Expert shall be paid solely by the particular Commercial Unit Owner retaining such expert. The Condominium Board and the Commercial Unit Owner shall fully cooperate with each other in connection with any Condominium Board Utilities Costs Challenges and Commercial Unit Owners Utilities Costs Challenges and all surveys and related activities involved in the determination of Total Commercial Unit's Utilities Costs by the Condominium Board Utility Expert and the Commercial Unit Owner Utility Expert, including, without limitation affording access to the Building and the Commercial Unit for such purposes.

(5) Nothing contained in this Section 16(f) is intended to govern the determination of whether or not there has been an overpayment or underpayment by a Commercial

Unit Owner with respect to the costs of Utilities with respect to such owners Commercial Unit with respect to any period commencing on or after the satisfaction of the Commercial/Residential Utilities Severance Condition.

Section 16. **Vault Charges.** All license fees and all periodic taxes and charges for vaults or other protrusions beyond the Building line assessed against the Property shall be fairly and equitably apportioned by the Condominium Board between or among the Units having the right to use such vault or other protruding space.

Section 17. **Interruption in Utilities.** The Condominium Board shall have the right to interrupt all utilities for the purposes of dealing with accidents, strikes and repairs, alterations, improvements, and the like. The Condominium Board shall have no liability to any Unit Owner for any such interruption. However, the Condominium Board shall make all reasonable efforts to minimize the extent of such interference.

Section 18. **Labor Expenses.** Notwithstanding anything to the contrary contained in these By-Laws, the Commercial Unit Owners shall not bear any share of the cost of any employee of the Condominium except only that they shall bear a pro rata share (in accordance with the respective Common Interests of their respective Commercial Units) of the cost of only one non-resident superintendent and the cost of which shall be part of the General Common Expenses.

Article VI
Selling, Leasing and Mortgaging of Units

Section 1. **Notice to Condominium Board.** A Unit Owner who mortgages his or her Unit shall notify the Condominium Board of the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Subject to the priority of the lien of a Permitted Mortgage with respect to all unpaid sums due under such Permitted Mortgage and such other rights, if any as may appertain to a Permitted Mortgagee under Sections 339-z of the Real Property Law of the State of New York, the rights of any mortgagee of a Unit shall be subordinate to the terms and provisions of the Declaration, By-Laws and Rules and Regulations, including, without limitation, the provisions of Section 9 of the Declaration, and any such mortgage that fails to provide for such subordination shall nonetheless be deemed to provide for such subordination; provided that no revocation or amendment to Section 339-z of the Real Property Law of New York shall affect such lien priority. Although no further instrument shall be required to effectuate such subordination, each mortgagee of a Unit, by accepting such mortgage, agrees to execute and deliver any instruments and documents requested to be executed and delivered by the Condominium Board in connection with the confirmation of such subordination, and, in the event such mortgagee fails to execute and deliver any such instruments or documents, its acceptance of such mortgage shall be deemed to constitute its appointment of the Condominium Board as its true and lawful attorney-in-fact in its name, place and stead to execute and deliver any such instruments and documents, such power being coupled with an interest. A Unit Owner who satisfies a mortgage covering his or her Unit shall also notify the Condominium Board thereof and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board.

Section 2. **Notice of Default and Unpaid Common Charges**. Whenever so requested in writing by the mortgagee of a Unit, the Condominium 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 the provisions of the Declaration or these By-Laws, which default may to the Condominium Board's knowledge then exist. The Condominium Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to each holder of a mortgage covering such Unit whose name and address shall have theretofore been furnished to the Condominium Board.

Section 3. **Performance by Mortgagees**. The Condominium Board shall accept payment of any sum or performance of any obligation 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 By-Laws or the Rules and Regulations with the same force and effect as though paid or performed by such Unit Owner.

Section 4. **Examination of Books.** Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

Section 5. **Selling and Leasing.** Except as provided in Section ___ of this Article VI no Residential Unit Owner may sell or lease his or her Residential Unit without complying with the following provisions (the "Right of First Refusal Provisions"):

Any such Residential Unit Owner who receives a bona fide offer to (a) purchase his or her Unit covered by the provisions of this Section 5 ("Offeree Unit") together with its Appurtenant Interest or (b) lease his or her Offeree Unit (such offer to purchase or lease an Offeree Unit, as the case may be, is called an "Offer", the party making any such Offer is called an "Offeror" and the owner of the Offeree Unit to whom the Offer is made is called an "Offeree"), which he intends to accept such Offer shall give notice by certified or registered mail to the Condominium Board of the receipt of such Offer. Said notice shall also state the name and address of the Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or the intended occupancy date in the event of a lease) and such other information as the Condominium Board may reasonably require. The giving of such notice to the Condominium Board shall constitute an offer by such Unit Owner to sell (or lease, as the case may be) his or her Offeree Unit to the Condominium Board, or its designee, on behalf of all other Unit Owners, upon the same terms and conditions as contained in such Offer and shall also constitute a representation and warranty by the Offeree who has received such Offer, to the Condominium Board on behalf of all Unit Owners, that such Offeree believes the Offer to be bona fide in all respects. The Offeree shall submit in writing such further information with respect thereto as the Condominium Board may reasonably request. Not later than fifteen (15) business days after receipt of such notice together with such further information as may have been requested, the Condominium Board may elect, by sending written notice to such Offeree before the expiration of said fifteen (15) day period, by certified or registered mail, to purchase such Offeree Unit together with its Appurtenant Interest or to lease such Offeree Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Offer and as stated in the notice from the Offeree.

If the Condominium Board shall timely elect to purchase such Offeree Unit together with its Appurtenant Interest or to lease such Offeree Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Condominium Board, in accordance with the terms of the Offer, within sixty (60) days after the giving of notice by the Condominium Board of its election to accept the aforesaid Offer, and the Condominium Board shall then be required to perform or cause to be performed all of the terms of the Offer (except as otherwise expressly set forth in this Article VI) including, but not limited to, payment of a Down Payment 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 notice to the Condominium Board referred to in this Section 5 of Article VI as the intended closing date or commencement date, as the case may be. If pursuant to such Offer, the Offeror was to assume, or take title to the Offeree Unit subject to, the Offeree's existing mortgage or mortgages, the Condominium Board may purchase the Offeree Unit and assume, or take title to the Offeree Unit subject to, said existing mortgage or mortgages, as the case may be. At the closing, the Offeree, if such Offeree Unit together with its Appurtenant Interest is to be sold, shall convey the same to the Condominium Board or its designee, corporate or otherwise, on behalf of all other Unit Owners, by deed in the form required by Section 339-0 of the Real Property Law of the State of New York with all tax and/or documentary stamps affixed at the expense of such Offeree, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree and the Condominium Board, or its designee, corporate or otherwise, as of the closing date. In the event such Offeree Unit is to be leased, the Offeree shall execute and deliver to the Condominium Board, or its designee, a lease between the Offeree, as landlord, and the Condominium Board, or its designee, as tenant, covering such Offeree Unit, for the rental and term contained in such Offer.

If the Condominium Board, or its designee shall fail to accept such Offer within fifteen (15) business days after receipt of notice, as aforesaid, the Offeree shall have an additional ninety (90) days (immediately following such fifteen 15 day period) to accept the Offer by executing and delivering a contract or lease, as the case may be. If the Offeree shall not, within such ninety (90) day period, accept in writing the Offer or if the Offeree shall accept the Offer within such ninety (90) day period but such sale or lease, as the case may be, shall not be consummated on or before the intended closing date or commencement date of the term of the lease, as the case may be, which is set forth in the notice to the Condominium Board referred to in this Section 5 of Article VI, then, should such Offeree thereafter elect to sell or lease such Offeree Unit, as the case may be, the Offeree shall be required to comply again with all the terms and provisions of this Section.

Any deed to an Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

Any lease executed in connection with the acceptance by an Offeree of any Offer to lease an Offeree Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of

the Condominium Board, that the tenant shall not assign his or her interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board and that the Condominium 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 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.

Any lease executed by the Condominium Board as tenant shall provide that the Condominium Board may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of an Offeree Unit in violation of this Section 5 of Article VI shall be voidable at the election of the Condominium Board and if the Condominium Board shall so elect, the Offeree shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Offeree as the purported landlord. Said Offeree shall reimburse the Condominium Board for all expenses (including, without limitation, attorneys' fees and disbursements) incurred in connection with such proceedings.

Without limiting, the Condominium Board's right to lease a Unit from a Unit Owner in accordance with the above Right of First Refusal Provisions, any lease offered to the Condominium Board pursuant to such provisions shall comply with the Minimum Lease Term Requirement (as defined below).

Section 6. **One Year Minimum Lease Term For Residential Units.** Unless approved by the Condominium Board in its sole discretion, no Residential Unit Owner, other than Sponsor or its designee, may enter into a lease for a Residential Unit or any other agreement or arrangement (involving the payment of money or other consideration) for the occupancy or permitting the occupancy of a Residential Unit, in each case, for a term or period of less than one (1) year, not including any renewal terms or renewal periods that maybe provided for. The foregoing one year requirement is referred to herein as the "Minimum Lease Term Requirement."

Section 7. **Consent of Unit Owners to Purchase or Lease of Offeree Units by Condominium Board Not Required.** The Condominium Board may, in its discretion, exercise any option herein above set forth to purchase or lease any Offeree Unit without the prior approval of a Majority in Common Interest of Unit Owners. and shall have the right to release or waive such option without the prior approval of a Majority in Common Interest of Unit Owners.

Section 8. **No Severance of Ownership.** No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his or her 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 Common Interest appurtenant to 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 interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

Section 9. Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. If any Unit shall be acquired by the Condominium Board, or its designee, 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.

Section 10. Financing of Purchase of Offeree Units by Condominium Board. The purchase of any Offeree 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 Condominium Board.

If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner, in accordance with the respective Common Interests of their respective Units, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Offeree Unit, provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Offeree Unit to be purchased together with its Appurtenant Interest.

Section 11. Exceptions: Notice of Transfer of Unit Occupied by NonPurchasing Tenant. The provisions of Section 5 of Article VI shall not apply to (A) any Commercial Unit or any condominium units created by subdivision or combination of a Commercial Unit from time to time, or any part thereof, (B) any Unsold Residential Unit or any owned by Sponsor or any Sponsor Successor, (C) any Unit transferred by a Unit Owner by gift, devise, will or intestacy, or (D) any lease, sale or conveyance of any Offeree Unit together with its Appurtenant Interest by (1) the Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof; (2) any Commercial Unit Owner, Sponsor, any Unsold Residential Unit Owner or any of their respective designees; (3) the Condominium Board; or (4) the sale, transfer or lease of a Unit by or to a mortgagee or its nominee (including, without limitation, a foreclosure sale); provided, however, that each succeeding Offeree shall be bound by, and his or her Offeree Unit subject to, the provision of this Article VI. The term "affiliate", when used with respect to any Unit Owner, means an individual who (or entity which) owns more than 50% of the legal or beneficial interest in such Unit Owner, or any entity in which such Unit Owner owns more than a 50% interest, legal or beneficial. The owner of a Residential Unit occupied by a Non-Purchasing Tenant who transfers ownership to such Unit will cause such Non-Purchasing Tenant and the Condominium Board to receive prompt notification of such transfer of ownership (other than in the case of a transfer to the Non-Purchasing Tenant with respect to such Unit) and the Condominium Board will retain

and make available such information to affected NonPurchasing Tenants. As used herein, the term "Non-Purchasing Tenant" has the same meaning as given such term in the Plan.

Section 12. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article VI.

Section 13. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his or her Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed by said Condominium Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his or her Unit, other than any mortgages.

Section 14. Mortgage of Units. Each Unit Owner shall have the right to mortgage his or her Unit without restriction. However, the Unit Owner shall comply with the provisions of Section 1 of this Article VI.

Section 15. Permitted Mortgage. The term "Permitted Mortgagee" shall mean a holder of a Permitted Mortgage. The term "Permitted Mortgage" shall mean any first mortgage of record against a Unit.

Section 16. Mortgage Representatives. The term "Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of "Institutional Mortgages" (defined below) in accordance with the terms of this Article VI, Section 16.

Except as otherwise provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his or her mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any, designated pursuant to the terms of this Section 16 of Article VI, shall be deemed binding on the holders of all mortgages encumbering Units.

The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect designate not more than three Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this Article VI, Section 16, shall not be effective unless and until written notice of such designation shall have been given to the Condominium Board; provided that any such designation with respect to which such notice shall have been given shall be effective until any successor Mortgage

Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by law, no holders of mortgages encumbering Units other than holders of Institutional Mortgages shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

The term "Institutional Mortgage" shall mean a Permitted Mortgage covering one or more Units and the initial holder of which is either the Sponsor, an Unsold Residential Unit Owner or an Institutional Lender (as hereinafter defined). The term "Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust or (ii) a federal, state, municipal, teachers' or union employee, welfare, pension or retirement fund or system having assets in excess of $300,000,000, in each case doing business in the State of New York; or (iii) any Governmental Authority including an agency of the City or State of New York.

Section 17. Non-Disturbance Agreement. The Condominium Board, at the request of the owner of a Commercial Unit, will enter into one or more nondisturbance, subordination and attornment agreements, each with a tenant of such owner (each, a "Non-Disturbance Agreement"), each of which agreements shall provide, among other things, that (i) the tenant acknowledges that its lease is subordinate to the Declaration, (ii) the Condominium Board agrees that the rights of the tenant under such tenant's lease, including its rights to possession of the premises covered by the lease, will not be disturbed by the Condominium Board if there shall be a default by such Unit Owner under these Bylaws or the Declaration and that such tenant's lease will continue in effect in such event, provided, however, that such tenant is not in default of its obligations under its lease, (iii) the Condominium Board shall accept payment of any sum or performance of any obligation required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration or these By-Laws from or by such tenant with the same force and effect as though paid or performed by such Unit Owner and (iv) such other terms as may be requested by such Unit Owner provided that they are reasonable or customary in subordination, non-disturbance and attornment agreements generally. Notwithstanding the foregoing, the Condominium Board shall have no obligation to enter into or deliver a Non-Disturbance Agreement unless (1) the owner of such Commercial Unit is not in default in the payment of any Common Charges payable to the Condominium Board and is not otherwise in breach of its obligations to the Condominium Board under the Declaration and By-Laws and (2) the owner of such Commercial Unit shall pay all reasonable costs and expenses of the Condominium Board, including reasonable attorneys' fees and expenses, incurred in connection with any request for a Non-Disturbance Agreement pursuant to this Section 17.

Article VII
Eminent Domain

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Condominium Board if such award amounts to $1,000,000.00 or less, and to the Insurance Trustee if such award amounts to more than $1,000,000.00. If 75% or more in Common interest of all Unit Owners duly and promptly approve the repair and

restoration of such Common Elements, the Condominium Board shall arrange for the repair and restoration of such Common Elements, and the Condominium Board, or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. If the net proceeds of any such award are insufficient to cover the cost of any repairs or restorations, the deficit will be a General Common Expense. If 75% or more in Common Interest of all Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, or if there are excess proceeds remaining after such repair or restoration, then in such event the Condominium Board, or the Insurance Trustee, as the case may be, shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of these By-Laws. In the event of a partial taking by condemnation or by eminent domain which results in a disproportionate taking of the space of each Unit so that one Unit is left with proportionately less space compared to the other Unit than was the case prior to such taking, then the Common Interests of the Unit Owners shall be equitably adjusted by the Condominium Board.

Section 2. **Awards for Trade Fixtures and Relocation Allowances.** Where all or a part of the Condominium is taken in condemnation or by eminent domain, each Unit Owner shall have the exclusive right to claim all of the award made for trade fixtures installed by such Unit Owner, and any relocation, moving expense or other allowance of a similar nature designed to facilitate relocation of a displaced business concern.

Article VII
Records

Section 1. **Records and Audits.** The Condominium Board or the managing agent shall keep detailed records of the actions of the Condominium Board and the managing agent, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against each Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. An annual financial statement prepared in accordance with generally accepted accounting principles, certified by an independent certified public accountant, shall be rendered by the Condominium Board to all Unit Owners and to all mortgagees of Units who have requested the same, within four (4) months after the end of each fiscal year. The cost of such report shall be paid by the Condominium Board as a General Common Expense.

Article IX
Miscellaneous

Section 1. **Notices.** All notices hereunder shall be sent by registered or certified mail to the Condominium Board c/o the managing agent, or if there be no managing agent, to the office of the Condominium Board or to such other address as the Condominium Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered certified or

first class mail or in such other manner as the Condominium Board or a Managing Agent shall decide provided same is reasonably acceptable to the Property or to such other address as may have been designated by him from time to time, in writing, to the Condominium Board. All notices shall be deemed to have been given or served when sent as provided above as of the date of mailing, except notices of change of address which shall be deemed to have been given when received.

Section 2. **Severability.** If any provision of these By-Laws is invalid or unenforceable against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

Section 3. **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision hereof.

Section 4. **Gender.** The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. **Waiver.** No restriction, condition, obligation or provision contained in these By-Laws including without limitation the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. **Title to Units.** Title to Units may be taken in the name of an individual, the names of two or more persons as tenants in common, joint tenants or tenants by the entireties, in the name of a corporation, partnership, limited liability company, association, trustee or other legal entity, or any combination of any of the foregoing.

Section 7. **Successors and Assigns.** The rights and/or obligations of the Unit Owners as set forth in these By-Laws and the Declaration shall inure to the benefit of and be binding upon the Condominium Board and the Unit Owners and their successors and assigns.

Section 8. **Insurance Trustee.** A bank or trust company in the State of New York, designated by the Condominium Board and having a capital, surplus and undivided profits of $100,000,000.00 or more shall be the Insurance Trustee. In the event the Insurance Trustee resigns or is replaced by the Condominium Board, the Condominium Board shall appoint a new Insurance Trustee in the Board's discretion and satisfaction to it in all respects not withstanding the capital requirements set forth herein. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the New York Real Property Law.

Section 9. **Consents.** Wherever in this Declaration or these By-Laws the consent of the Condominium Board is provided, such consent shall be sufficient and effective if given by the Condominium Board and the consent of the Unit Owners shall, unless otherwise provided in the Declaration or these By-Laws, not be required.

Article X
Amendments to By-Laws

Section 1. **Amendments to By-Laws.**

Except as otherwise provided in these By-Laws or the Declaration with respect to a Commercial Unit Owner, Sponsor or its designees, as the case may be (including without limitation, their rights, under certain circumstances, to amend these By-Laws and the Declaration without the consent of the Condominium Board or its Unit Owners), these By-Laws may be amended by vote of not less than 80% in number and in Common Interest of all Unit Owners cast in person or by proxy at a meeting duly held in accordance with the provisions of these By-Laws, provided, however (i) any such amendment shall not be effective against a holder of a mortgage of record affecting a Unit if Mortgage Representatives shall have been designated in accordance with these By-laws (and the Condominium shall have received written notice of such designation as provided herein) and a majority of such Mortgage Representatives shall not consent thereto in writing, which consent shall not be unreasonably withheld or delayed; (ii) if the Sponsor or its designees or any Commercial Unit Owner shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendment shall not decrease the rights of such Commercial Unit Owner, the Sponsor or its designees or increase the obligations of such Commercial Unit Owner, the Sponsor or its designees and (iii) an amendment to the Declaration or these By-laws which constitutes a Commercial Affairs Amendment may be adopted solely by the written consent or approval of a Commercial Amendment Majority, without any requirement of obtaining the consent of any Unit Owner, the Condominium Board or any holder of a mortgage encumbering a Unit. Any such amendment shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest and granted for a valuable consideration, and the Condominium Board is hereby authorized by the Unit Owners so as to act as their attorney-in-fact; provided that nothing contained herein is intended to limited the rights of the Sponsor, its designees and the Commercial Unit Owners, as provided in the Declaration or these By-laws, to execute certain amendments to the Declaration and the By-laws without the execution thereof by the Condominium Board. Notwithstanding anything to the contrary contained herein, no provision of the Declaration or these By-Laws relating to the use of the Units or appurtenant Common Interests may be amended without the consent of every Unit Owner affected by such amendment except as expressly provided in Section 9 or Section 11 of this Declaration. The provisions of this Article X may not be amended without the unanimous consent of all the Unit Owners.

Article XI
Conflicts

These By-Laws (including without limitation the Rules and Regulations) are intended to comply with the requirements of Article 9B of the Real Property Law of the State of New York and all other applicable laws. In case any of these By-Laws or any provision of the Rules and Regulations shall conflict with the provisions of said statute, the Declaration or any other applicable law, then the provisions of said statute, the Declaration or such other applicable law, as the case may be, shall control.

Article XII
Arbitration

An arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, 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. If 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 the Supreme Court of the State of New York, in the Kings County. Each party to any such arbitration shall bear his or her own legal fees and expenses and other fees and expenses in prosecuting and/or defending, as the case may be, the arbitration. However the cost of the arbitrator shall be paid by the losing party. All costs and expenses of the Condominium Board in any such arbitration hereunder, including the fees and expenses of counsel and experts, shall be a General Common Expense.

SCHEDULE A

OF THE BY-LAWS
RULES AND REGULATIONS OF THE CONDOMINIUM

(1) Each Unit Owner shall keep his or her unit in a good state of preservation and cleanliness. He shall not allow anything whatever to fall from the windows or doors of the Building, nor shall he sweep or throw from the Building any dirt or other substance into any of the corridors or halls, elevators, ventilators or elsewhere in the Building. The Unit Owners shall place their refuse in containers in such manner, at such times and in such places as the Condominium Board or its agent may direct. The Unit Owners shall obtain extermination services for the Units at such intervals as shall be necessary to maintain the Units free of rats, mice, roaches and other vermin.

(2) Except as otherwise expressly provided in the Declaration or the By-Laws (including, without limitation, the provisions thereof pertaining to the rights and prerogatives of the Sponsor, its designees, Unsold Residential Unit Owners and the Commercial Unit Owner(s)), the sidewalks, entrances, corridors, exits and other General Common Elements and Residential Limited Common Elements shall not be obstructed or encumbered by refuse or otherwise.

(3) Employees of the Unit Owners' may not gather or lounge in the Common Elements.

(4) Supplies, goods and packages of every kind for the Residential Units are to be delivered in such manner as the Condominium Board or its agent may reasonably prescribe and the said Condominium Board is not responsible for loss of or damage to any such property, including loss or damage that may occur through the carelessness or negligence of the employees of the Building.

(5) No disturbing noises or objectionable odors may be produced upon or emanate from any Residential Unit including, without limitation, from any musical instrument, phonograph, radio, television, receiver or similar instrument if the same shall disturb or annoy any other Unit Owner. Corridor doors shall be kept closed at all times except when in actual use for ingress and egress.

(6) Residential Unit Owners shall not permit or keep in their Residential Units or in any other area of the Condominium any inflammable, combustible or explosive material, chemical or substance.

(7) Water closets and other water apparatus in the Residential Units shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish bags or other articles be thrown into same. Any damage resulting from misuse of any water closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Unit.

(8) No vehicle belonging to a Residential Unit Owner or to an employee, or visitor of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building or Common Elements by any vehicle of any kind whatsoever.

(9) Except as may be provided in Section 9 of the Declaration, no Residential Unit Owner shall (i) do or permit any act or thing to be done in or to his or her Unit which will invalidate or be in conflict with any public liability, fire, casualty or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (ii) keep anything in his or her Unit which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (iii) permit a Residential Unit to be used in any manner (other than the use in effect on the date of the Declaration) which will increase the insurance rate for the Property over that in effect as of the date of the Declaration unless such Unit Owner pays the additional cost thereof as provided below.

Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a Unit Owner's default hereunder or any increase in the premium charged for insurance carried by the Condominium Board resulting from a change in the insurance rate for the Property attributable to a use of a Residential Unit which is different from the use of the Unit in effect on the date of the Declaration, shall be assessed as a Common Charge against the Unit Owner. In any action or proceeding relating to the foregoing, a schedule or "makeup" of rate for the Property issued by the New York Fire Insurance Exchange or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

Each Unit Owner may obtain other insurance for his or her own benefit, provided that all such policies shall contain waivers of subrogation, and further provided that the liability of the carvers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by such Unit Owner.

(10) No Unit Owner shall place a load upon any floor of his or her Unit exceeding the floor load per square foot area which it was designed to carry and which is allowed by law.

(11) If any key or keys are entrusted by a Unit Owner or occupant or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium Board, whether for such Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner or occupant, and the Condominium Board shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting there from or connected therewith.

(12) No Residential Unit Owner shall alter, impair or otherwise affect the Common Elements without the prior written consent of the Condominium Board, except as expressly permitted herein or in the Declaration or the By-Laws.

(13) Each Residential Unit Owner shall:

(a) obtain and keep in full force and effect any governmental license or permit required for the proper and lawful conduct *of* any business carried on in his or her Unit, and shall submit same for inspection by the Condominium Board;

(b) Keep clean at all times the interior and exterior of windows and doors (including in each case, the frames thereof) in his or her Unit, with all such work to be done in conformity with law;

(c) not store any possessions of such Unit Owner, including, without limitation, bicycles and carriages in or on any hallways, stairwells, roofs or plaza at the Building.

(d) Promptly replace any and all broken or damaged glass (including in windows) in his or her Unit and the frames for such glass, regardless of the cause of such damage, including the negligence of the Condominium Board, its agents or employees without waiving any claims which such Unit Owner may have by reason of any of the foregoing;

(e) Not at any time, either directly or indirectly, use any contractors and/or labor and/or materials in connection with alterations or improvements to his or her Residential Unit, not approved by the Condominium Board, or if the use of such contractors and/or labor and/ or materials would or will create any difficulty with other contractors and/or labor engaged by the Condominium Board and/or the other Unit Owners in the maintenance and/or operation of the Building and/or the other Units;

(14) Any amounts assessed against a Unit as Common Charges which are in addition to the regular monthly installments of Common Charges due and payable as provided in the By-Laws shall be paid to the Condominium Board upon demand or *if* not demanded then with the next monthly installment of Common Charges due and payable as provided in the By-Laws.

(15) No servant or employee of the Condominium Board or its managing agent shall be sent out of the Building by any Unit Owner at any time for any purpose.

(16) Complaints regarding services or operation of the Building shall be made in writing to the Condominium Board or its managing agent.

(17) Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Condominium Board, except that, where a consent or approval may not be unreasonably withheld as herein elsewhere provided, then such consent may be added to, amended or repealed as set forth above provided such addition, amendment or repeal is not unreasonably made. A Unit Owner may apply to the Condominium Board for a temporary waiver *of* one or more of the foregoing Rules. Such temporary waiver may be granted by the Condominium Board, for good cause shown, if, in the Board's judgment, such temporary waiver will not interfere with the purposes for which the Condominium was formed.

(18) The fiscal year of the Condominium shall begin on the first day of January in each year or on such other date as the Condominium Board shall establish from time to time.

(19) Except as provided in the Declaration no sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed attached from any Residential Unit on any part of the outside of the Building, hung from windows or placed on window sills in or on any Residential Unit, without the prior written consent of the Condominium Board, except that such restriction shall not apply to an Unsold Residential Unit Owner, Sponsor or Commercial Unit Owner, or as to any signs permitted or required under any lease of the Commercial Unit(s) its designees.

(20) No pets (including without limitation, a dog, cat or bird) may be kept in a Residential Unit without the consent of the Board or the Managing Agent; provided that a dog, cat or bird, as the case may be, may be kept in a Residential Unit if a dog, cat or bird, as the case may be, was previously permitted by Sponsor under the express terms of a lease or lease renewal (or rider thereto) covering such Residential Unit entered into or which went into effect prior to the First Unit Closing (as defined in the Plan). Each Residential Unit Owner who keeps any type of pet in his or her Unit will be required to (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium adopted with respect thereto. The Condominium Board may require that pet owners enter into an agreement with the Board confirming such owners' obligations with respect to their pets and, in any event, the Condominium Board may require the removal of a pet which causes a nuisance, health hazard or unsanitary condition.

(21) No awnings, radio, television aerials, satellite dishes or other projections shall be attached from any Residential Unit to the outside walls of the Building, and no blinds, shades or screens shall be attached to, hung or used on the exterior of any window or door of any Residential Unit, without the prior written consent of the Condominium Board, which consent shall not be unreasonably withheld or delayed. No blinds, shades, screens, draperies or drapery backing that are visible through the exterior windows shall be hung or used in any Residential Unit without the prior written consent of the Condominium Board.

(22) There shall be no barbequing, cooking of any sort, or storage of any of the same or flammable liquids or substances on the plaza, or furniture storage of or personal property on the plaza and no parties, gathering, of the Unit Owner or their guests are permitted on said plaza without the written consent of the Board of Managers.

DOCUMENT NUMBER 11

GENERAL BUSINESS LAW SECTION 352-eeee

§ 352-eeee. Conversions to cooperative or condominium ownership in the city of New York [Eff. until June 15, 1997. See note below.]

1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan". Every offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan". A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan". A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant". A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(f) "Eligible senior citizens". Non-purchasing tenants who are sixty-two years of age or older on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

DOCUMENT NUMBER 12

CHAPTER 8 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK

CHAPTER 8

COOPERATIVE AND CONDOMINIUM CONVERSIONS

§ 26-701 Application. The provisions of this chapter shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state department of law pursuant to section three hundred fifty-two-eeee of the general business law.

§ 26-702 Definitions. As used in this chapter the following words shall mean:

a. "Building" any building, group of buildings or development.

b. "Total price" (1) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made; (2) with respect to condominium conversions, the sum of the cost of all units in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made.

c. "Capital replacement" a building-wide replacement of a major component of any of the following systems:

(1) elevator;
(2) heating, ventilation and air conditioning;
(3) plumbing;
(4) wiring;
(5) window;

or, a major structural replacement to the building; provided, however, that replacements made to cure code violations of record shall not be included.

d. "Offeror" the offeror, his or her nominees, assignees and successors in interest.

§ 26-703 Establishment of reserve fund. a. Within thirty days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or condominium board of managers, a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve fund shall be exclusive of any other funds required to be reserved under the plan or applicable law or regulation of the state attorney general, except a fund for capital repairs, replacements and improvements substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such fund shall be established in an amount equal to either (i) three per cent of the total price or, (ii) (A) three per cent of the actual sales price of all cooperative shares or condominium units sold by the offeror at the time the plan is declared effective, provided, however, that if such amount is less than one per cent of the total price, then the fund shall be established as a minimum of one per cent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three per cent of the actual sales price of cooperative shares or condominium units for each unit or its allocable shares held by the offeror and sold to bona fide purchasers subsequent to the effective date of the plan and within five years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three per cent of the total price; and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three per cent of the total price the offeror shall pay the difference between the amount contributed and three per cent of the total price. Supplemental contributions shall be made within thirty days of each sale.

c. The contributions required pursuant to this section may be made earlier or in an amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he or she has begun after the plan is submitted for filing to the state department of law and before the plan is declared effective; provided, however, that any such replacements must be set forth in the plan together with their actual or estimated costs and further provided, that such credit shall not exceed the lesser of the actual cost of the capital replacements or one per cent of the total price.

d. Any building, construction of which was completed within three years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

§ 26–704 Report on status of reserve fund. The cooperative corporation or condominium board of managers shall report to shareholders and unit owners on a semi-annual basis with respect to all deposits into and withdrawals from the reserve fund mandated by section 26-703 of this chapter.

§ 26–705 Posting of violations. The offeror, not later than the thirtieth day following the acceptance of a plan for filing by the state department of law pursuant to section three hundred fifty-two-eeee of the general business law and until the closing of the conversion pursuant to such plan, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the plan, a listing of all violations of record against such buildings as determined by the department of buildings and the department of housing preservation and development. All newly issued violations shall be posted within forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent

on the premises with whom such listing shall be made available for inspection by the tenants.

§ 26-706 Report on condition of premises. Where, pursuant to law or regulation of the state attorney general, an offeror is required to file a report with the state department of law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood, a copy of such report shall be submitted simultaneously to the commissioner of buildings.

§ 26-707 No waiver of rights. Any provision purporting to waive the provisions of this chapter in any contract to purchase or agreement between an offeror and the cooperative corporation or the condominium board of managers pursuant to a conversion plan shall be void as against public policy.

§ 26-708 Criminal and civil penalties; enforcement. a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates or assists in the violation of any section of this chapter shall be subject to a civil penalty of one hundred dollars per day per unit for each day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per unit.

b. Any person who knowingly violates or assists in the violation of section 26-703 of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section 26-703 of this chapter which was not so reserved. Any person who violates or assists in the violation of section 26-703 of this chapter shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section 26-703 of this chapter is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section 26-703 of this chapter.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this chapter may be brought in the name of the city, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this chapter, mandating compliance with the provisions of this chapter or for such other relief as may be appropriate. In any such action or proceeding the city may apply to any court of competent jurisdiction, or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this chapter, mandating compliance with the provisions of this chapter, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized forthwith to make any or all of the orders above specified, as may be required in such application, with or without notice, and to make such other or further orders or directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

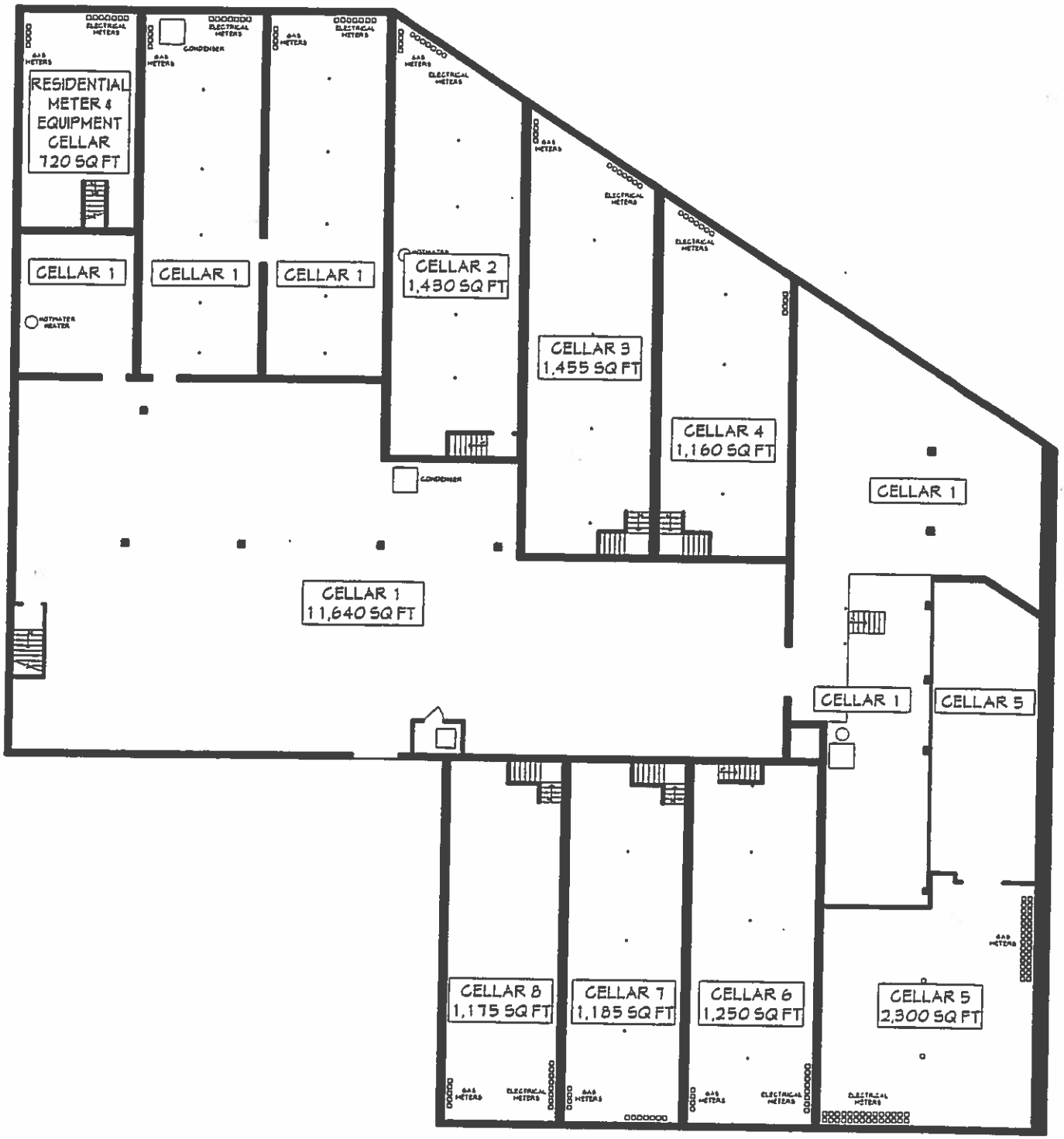
d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium units.

e. The department of housing preservation and development is empowered to enforce the provisions of this chapter.

DOCUMENT NUMBER 13

FLOOR PLANS

SEE FOLLOWING PAGES



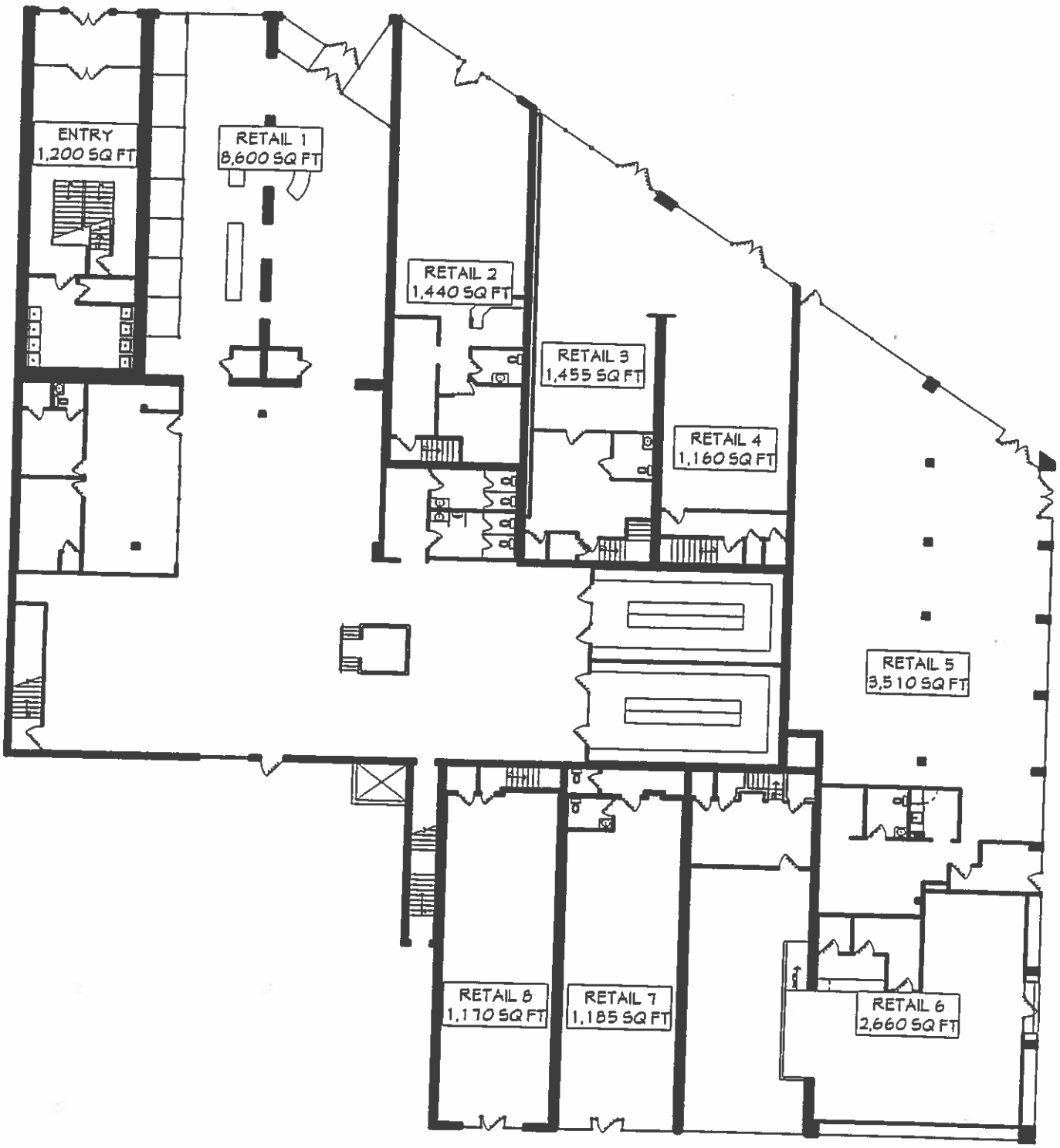
CELLAR FLOOR

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e 23rd st 8th fl ny ny 10010
tel 212 505 3350 fax 212 505 3734

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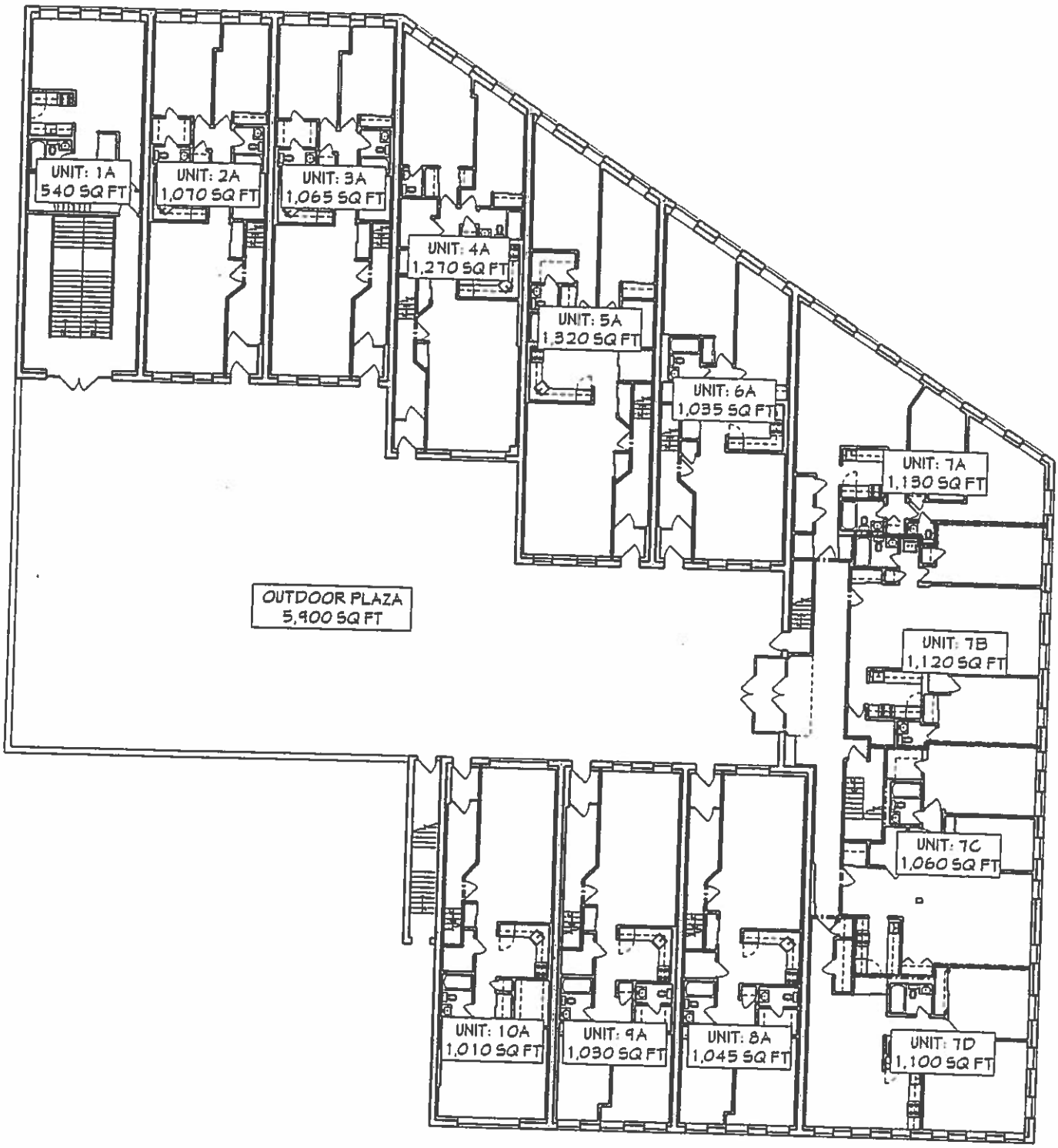
FIRST FLOOR

TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture, engineering
115 e 23rd st. 8th fl. ny ny 10010
tel 212.505.3350 fax 212 505 3734

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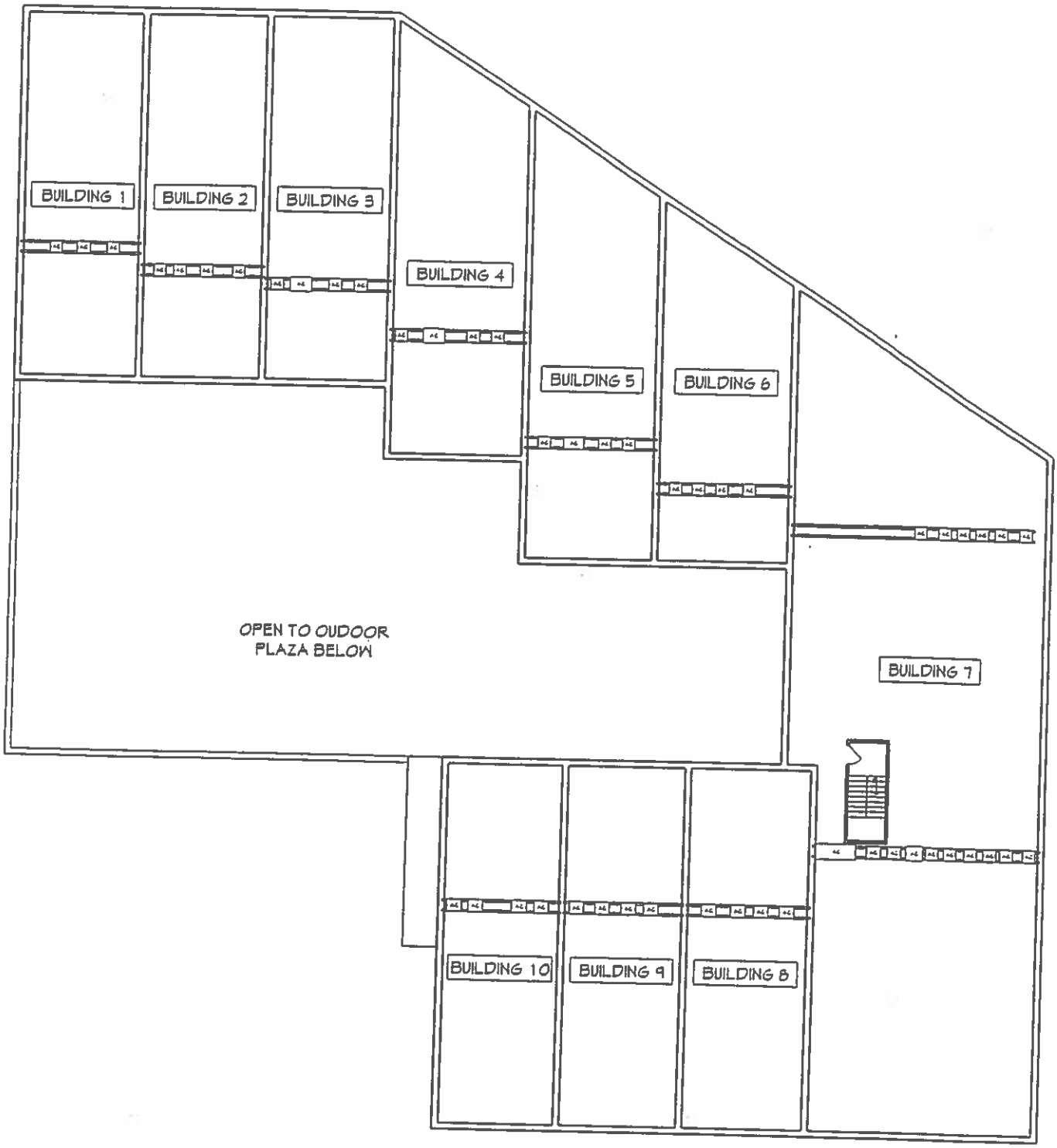
SECOND FLOOR

TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e 25th st 8th fl ny ny 10010
tel 212 505 3350 fax 212 505 3734

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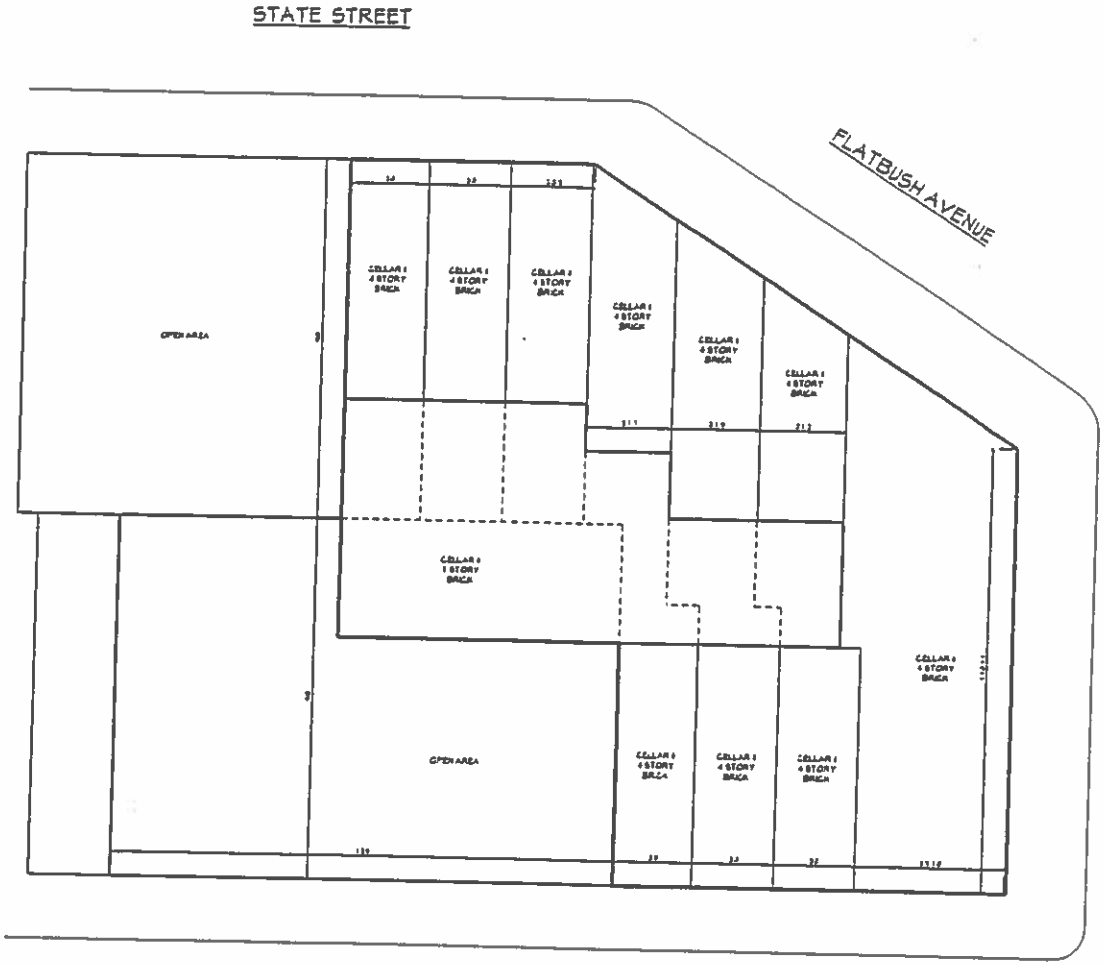


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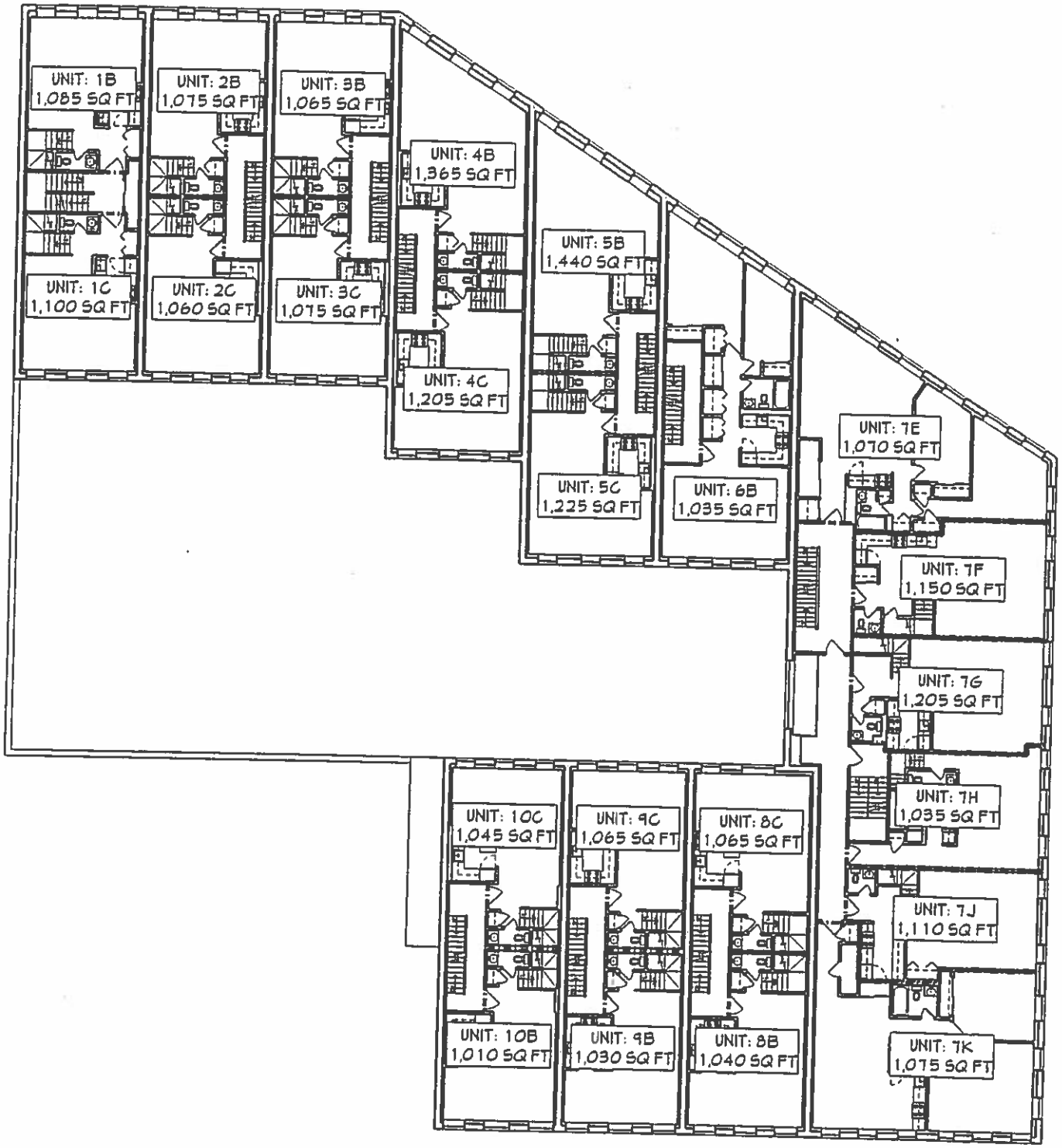
TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e 28th st 8th fl ny ny 10010
tel 212 505 3350 fax 212 505 3734

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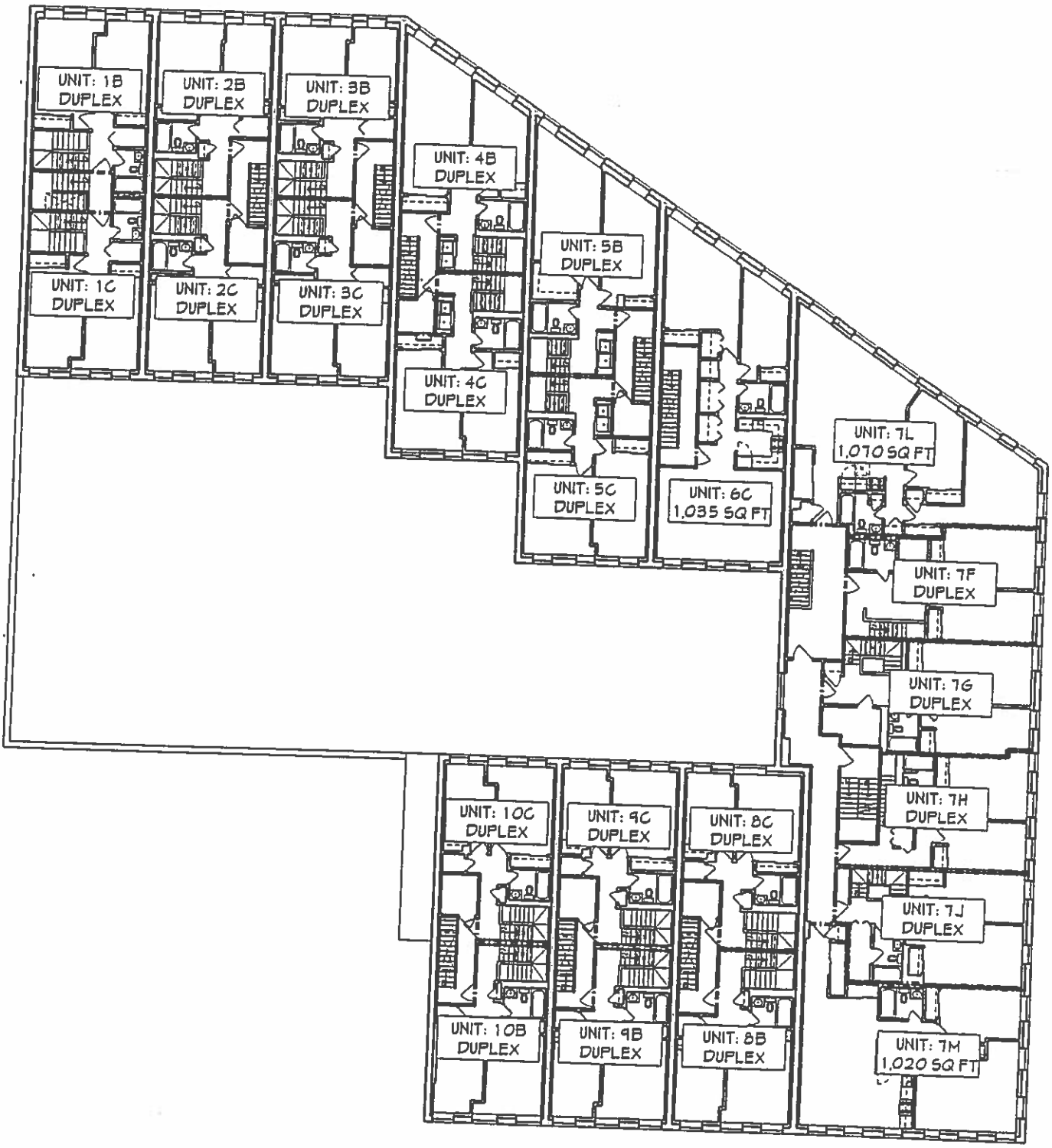
THIRD FLOOR

TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e23rd st. 8th fl. ny ny 10010
tel 212.505.3350 fax 212.505.3734

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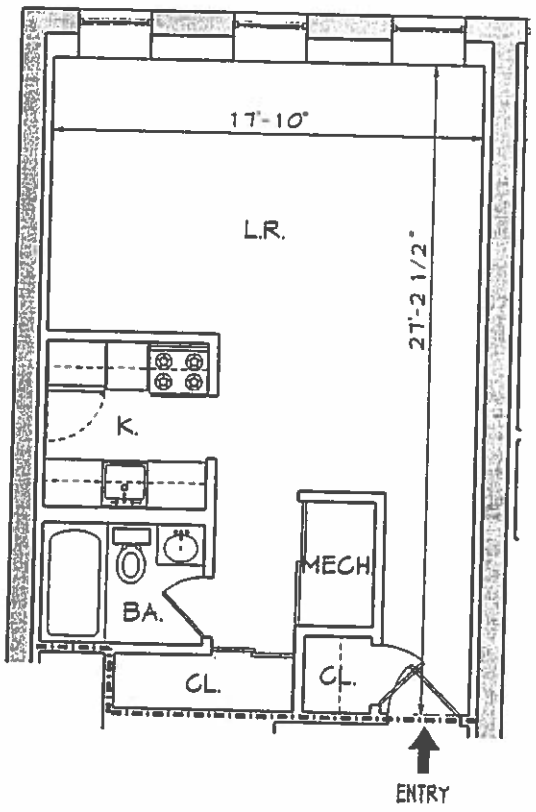
FOURTH FLOOR

TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
ny ny 10010
tel 212 505 3850 fax 212 505 3734

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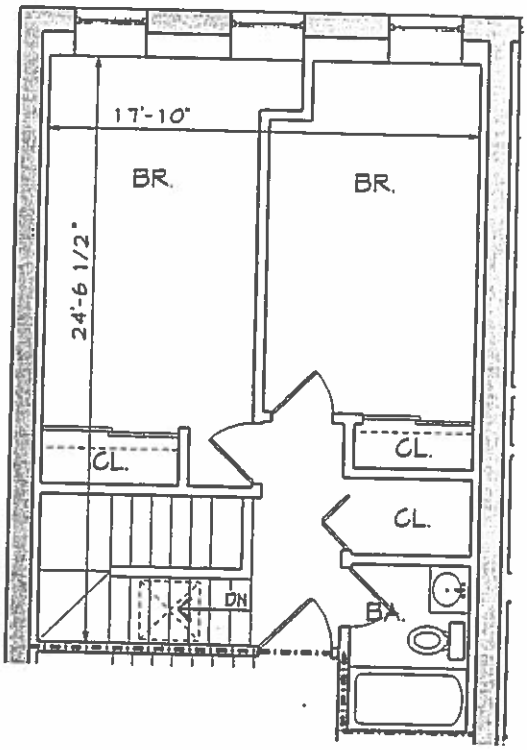


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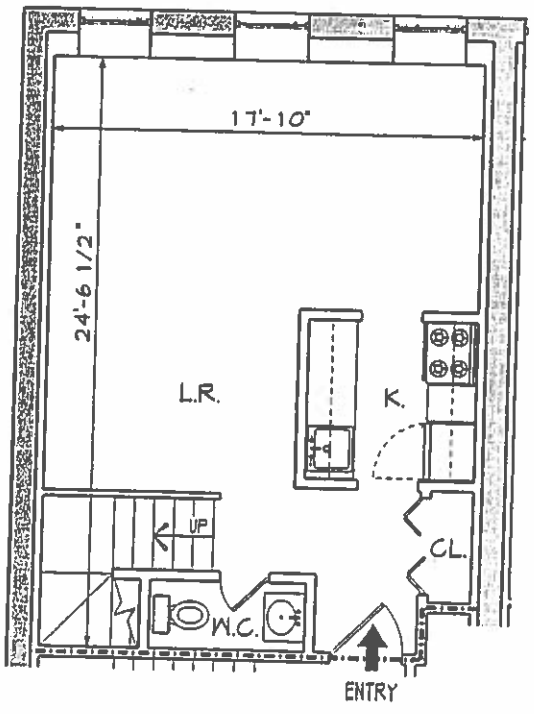
LEGEND

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L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 1A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e23rd st. 8th fl. ny ny 10010 tel 212 505 3350 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
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FOURTH FLOOR



THIRD FLOOR

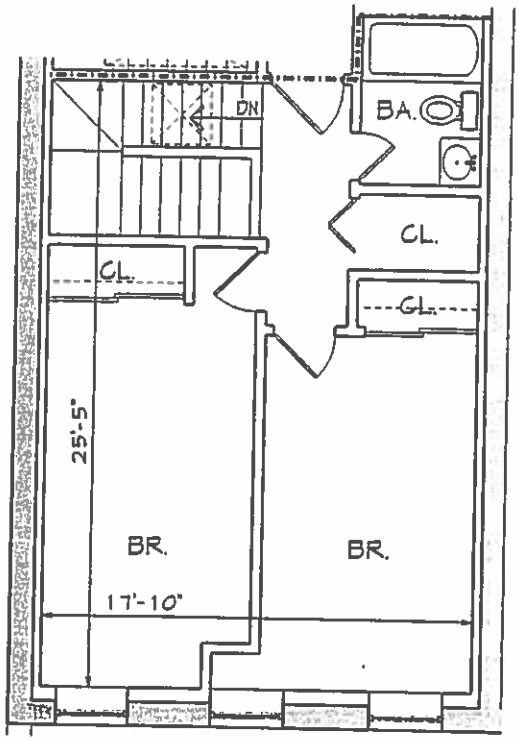
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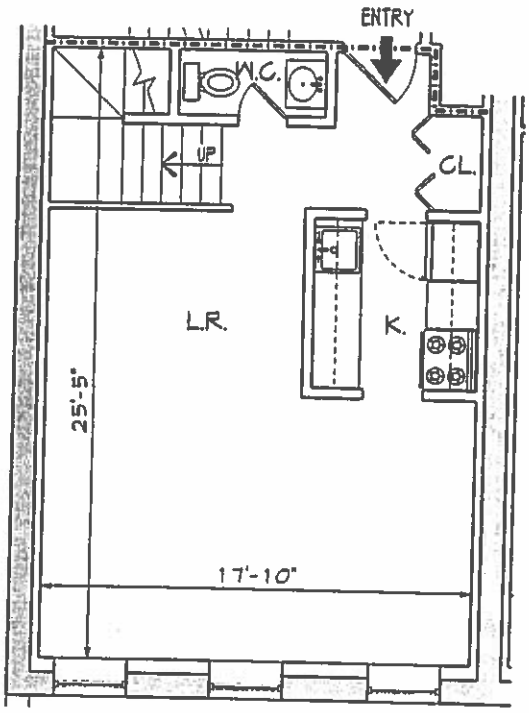
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L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 1B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st fl. ny ny 10010 tel: 212 505 3350 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/26/04
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FOURTH FLOOR



THIRD FLOOR

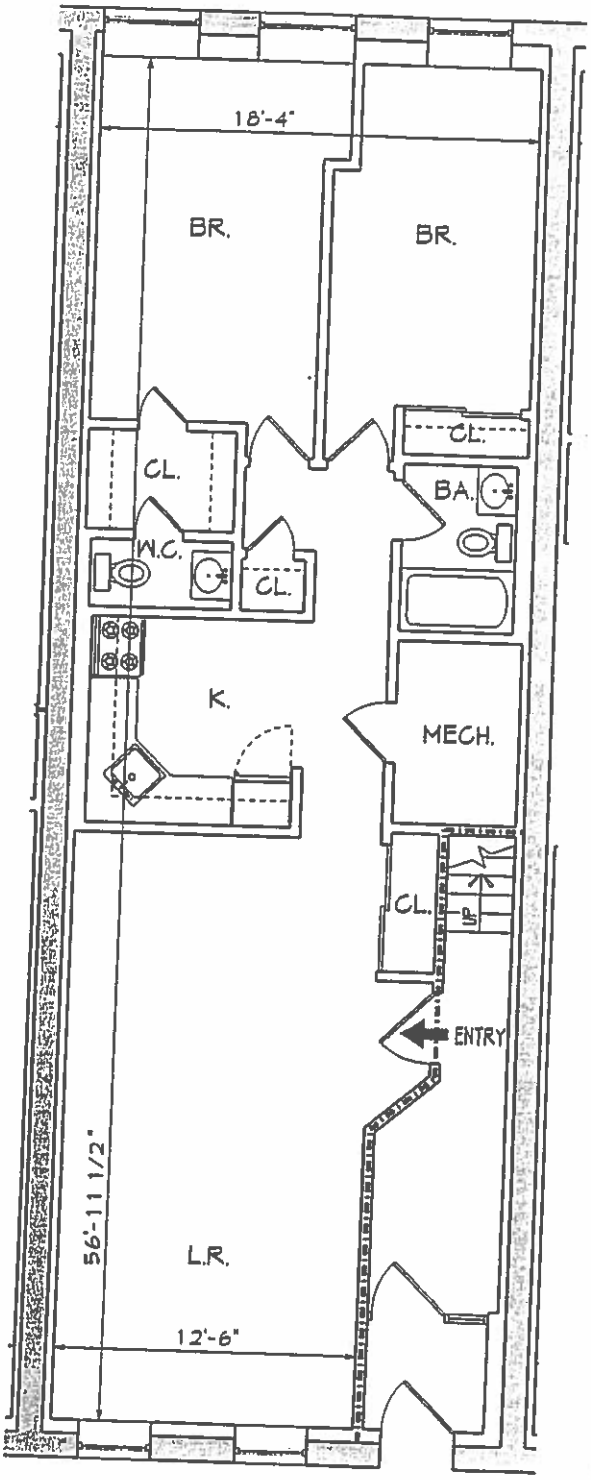
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LEGEND

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K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 1C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e23rd st. 6th fl. ny ny 10010 tel: 212.505.3380 fax 212.505.3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	1C
		DRAWN BY: PDP GO	

12/01/2004 11:13:45 ...#3rd-4th-units-state.dgn



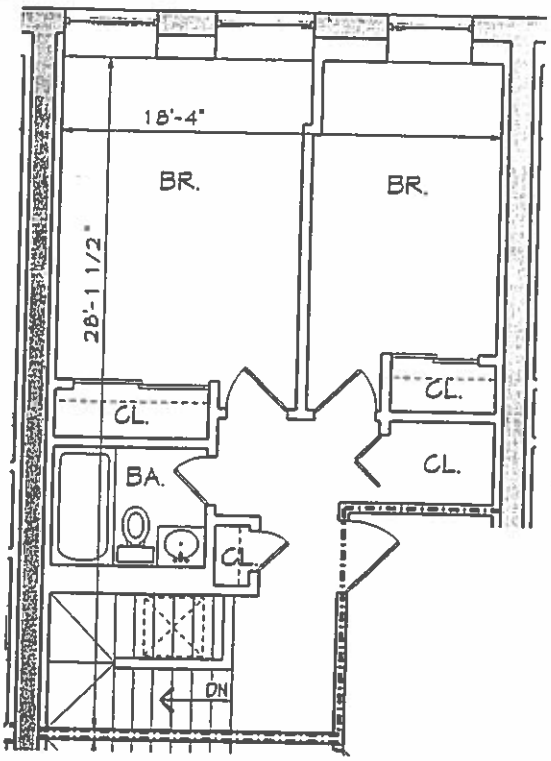
UNIT: 2A
1,070 SQ FT

LEGEND

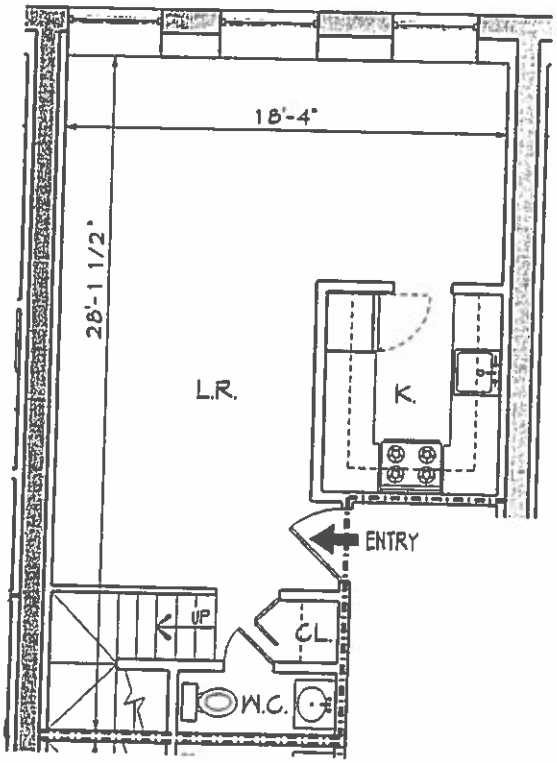
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 2A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e 23rd st. 8th fl. ny ny 10010 tel. 212.505.3360 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	2A
		DRAWN BY: PDP GO	

302(k)



FOURTH FLOOR



THIRD FLOOR

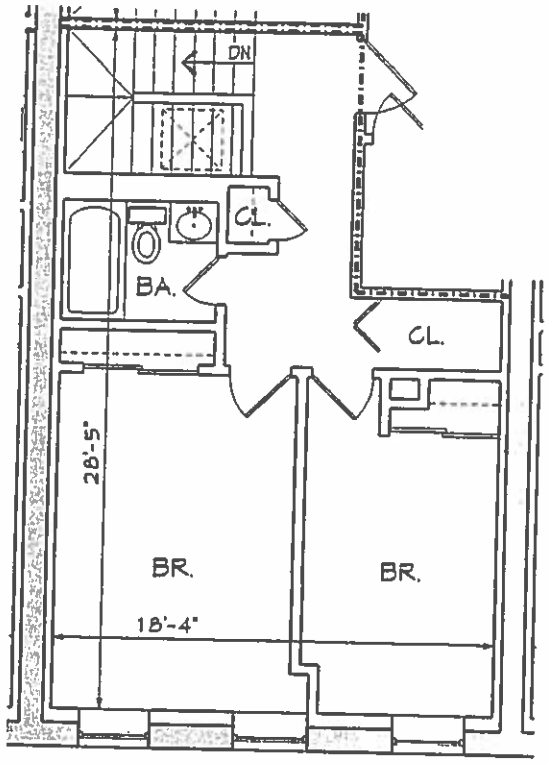
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LEGEND

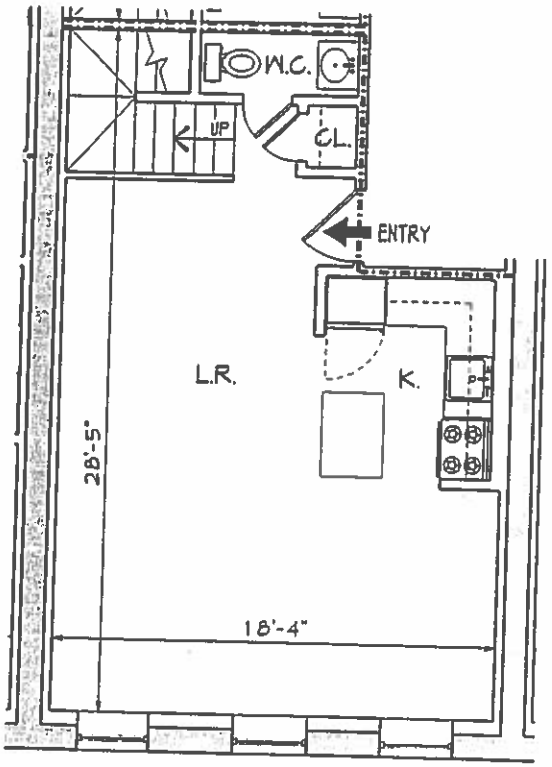
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 2B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BIERZAK·GOLD P.C. engineering 115 [illegible] ny ny 10010 tel (212) 505 3390 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	2B
		DRAWN BY: PDP GO	

10 Oct 2003 16:12 ...ezra-41-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

UNIT: 2C
1,060 SQ FT

LEGEND

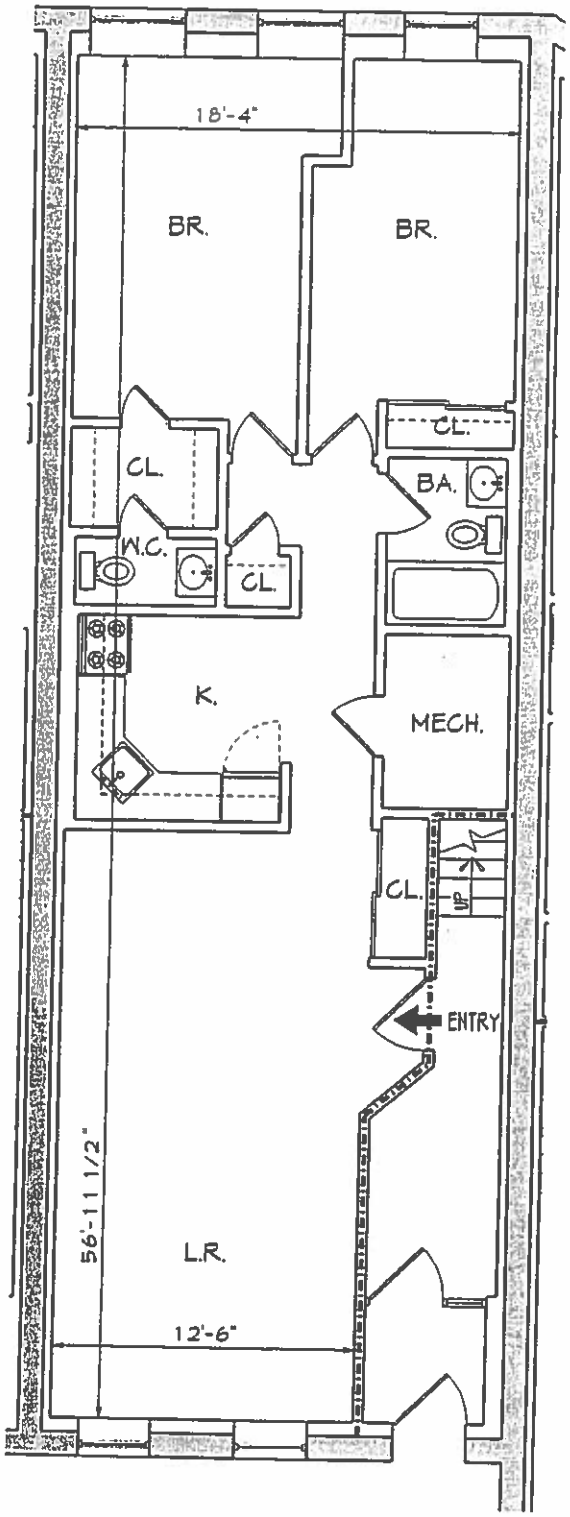
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 2C

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BERZAK · GOLD PC
architecture engineering
115 e23rd st. 8th fl. ny ny 10010
tel. 212 505 3360 fax 212 505 3734

SCALE: 1/8"=1'-0" | DATE: 01/26/04
JOB NO: 0303134 | 2C
DRAWN BY: PDP GO

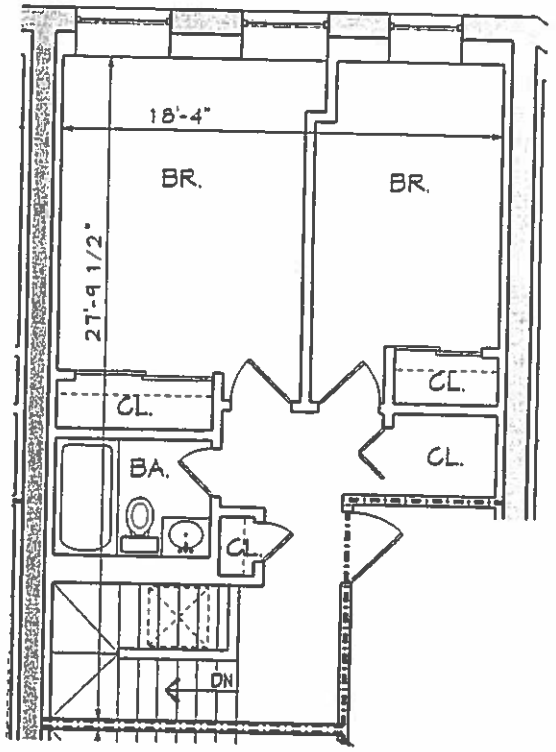


UNIT: 3A
1,065 SQ FT

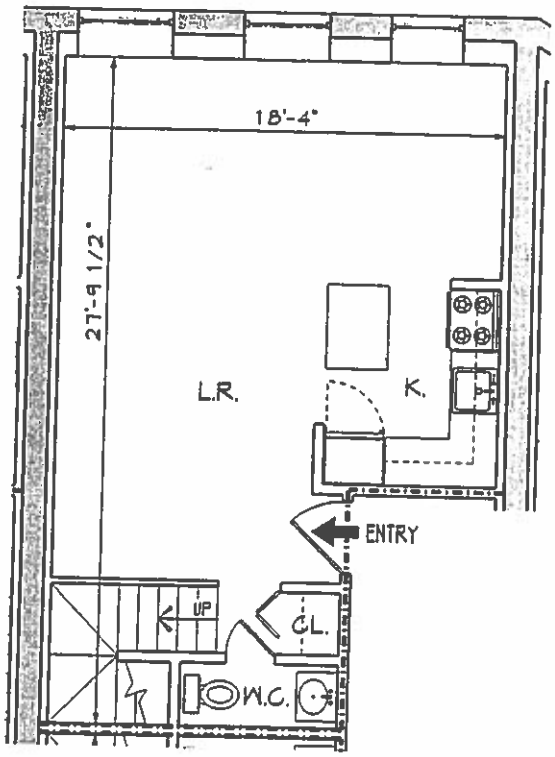
LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 3A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e 23rd st 8th fl ny ny 10010 tel 212 505 3390 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	3A
		DRAWN BY: PDP GO	



FOURTH FLOOR



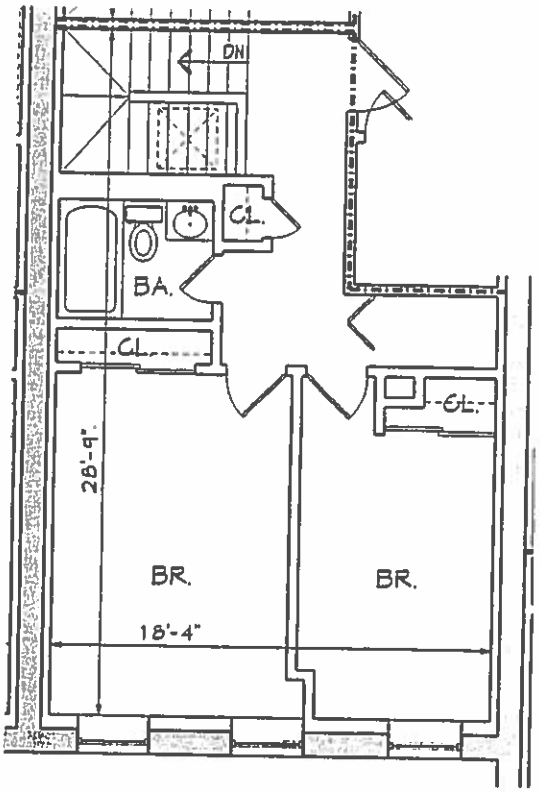
THIRD FLOOR

UNIT: 3B
1,065 SQ FT

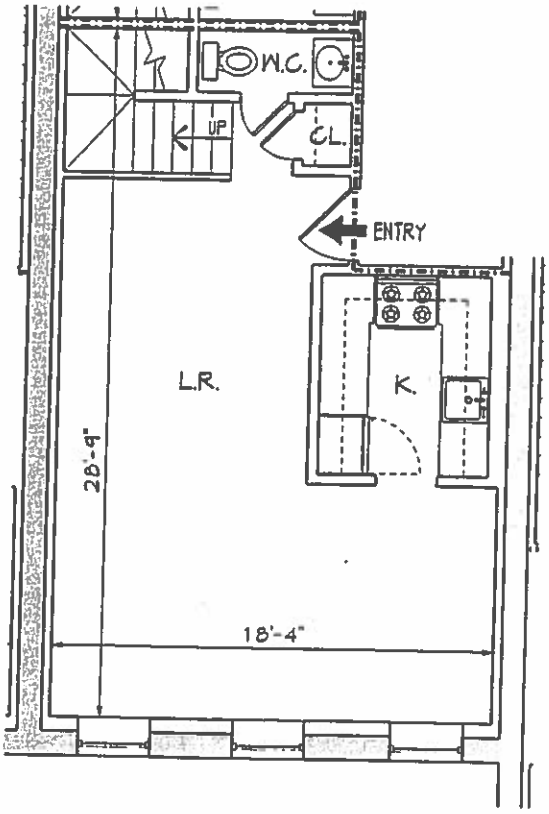
LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT:3B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture, engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0505134	3B
		DRAWN BY: PDP GO	



FOURTH FLOOR



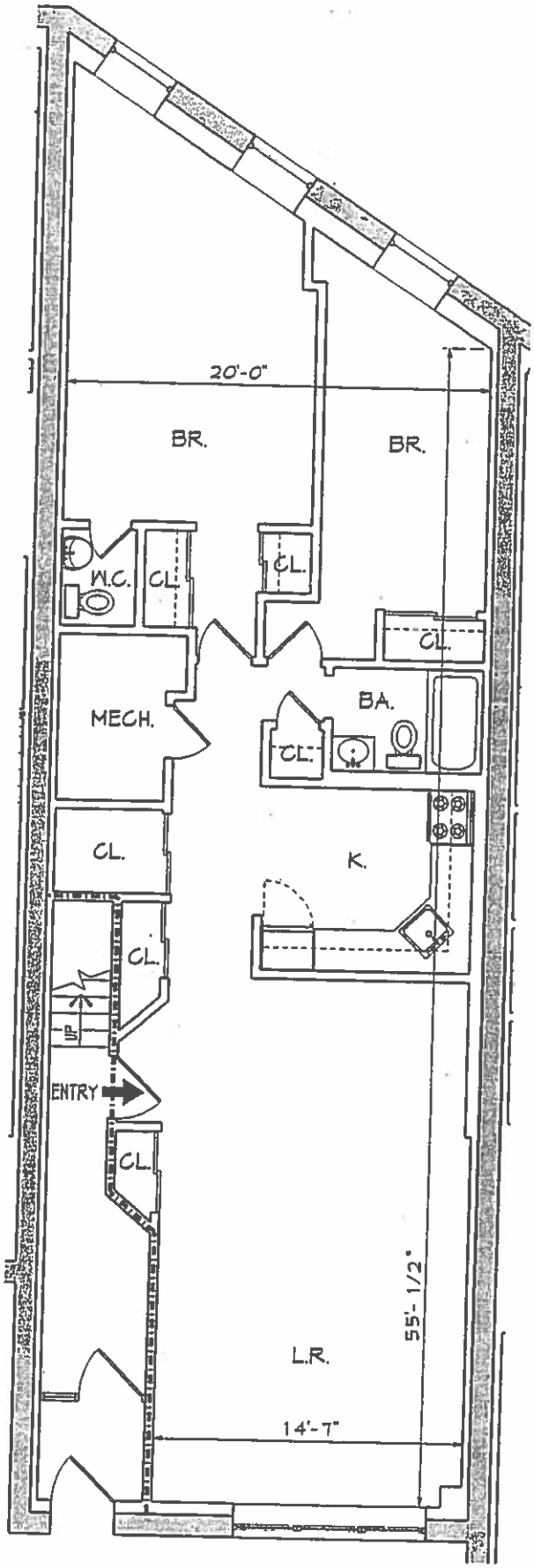
THIRD FLOOR

UNIT: 3C
1,075 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT:3C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e23rd st, 8th fl. ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	3C
		DRAWN BY: PDP GO	



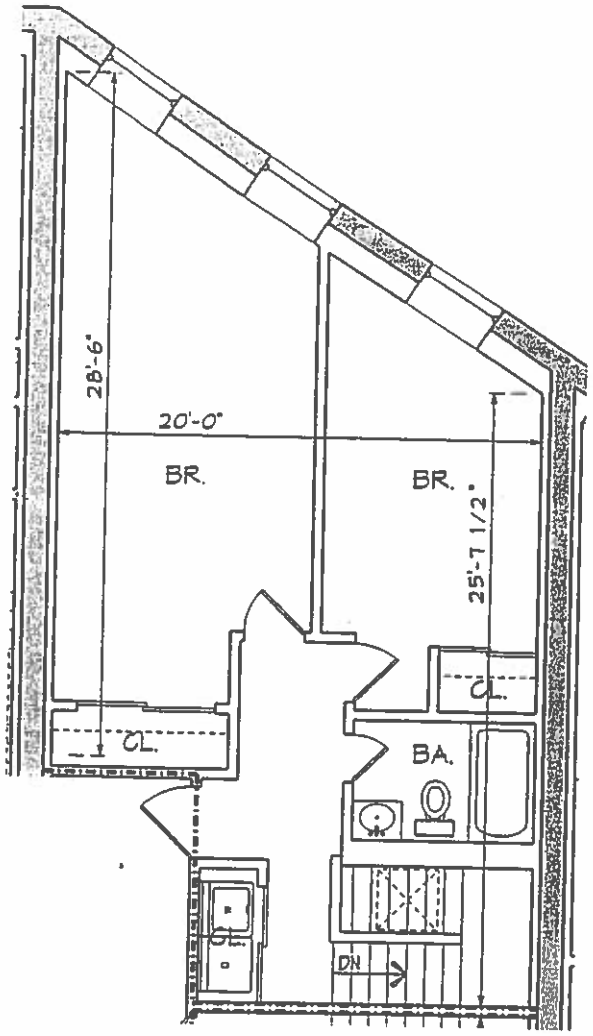
UNIT: 4A
1,270 SQ FT

LEGEND

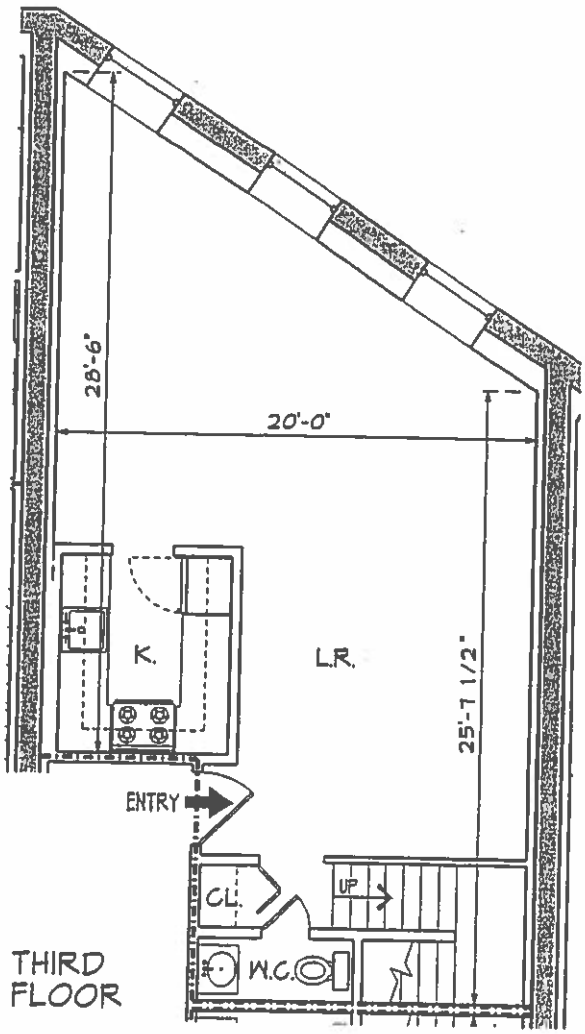
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:14:00 ...e2nd-ff-units-state.dgn

SECOND FLOOR UNIT: 4A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 135 e 23rd st 8th fl ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	4A
		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

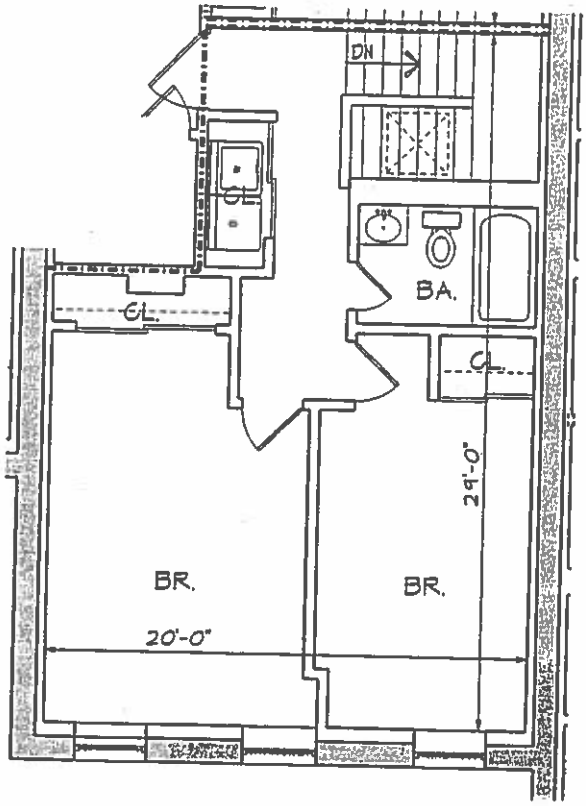
UNIT: 4B
1,365 SQ FT

LEGEND

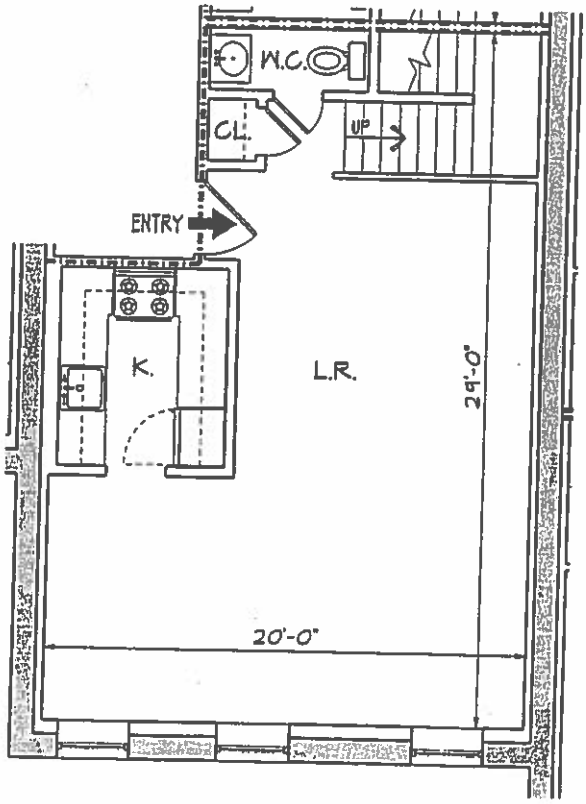
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 4B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 tel 212 505 3350 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	4B
		DRAWN BY: PDP GO	

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FOURTH FLOOR



THIRD FLOOR

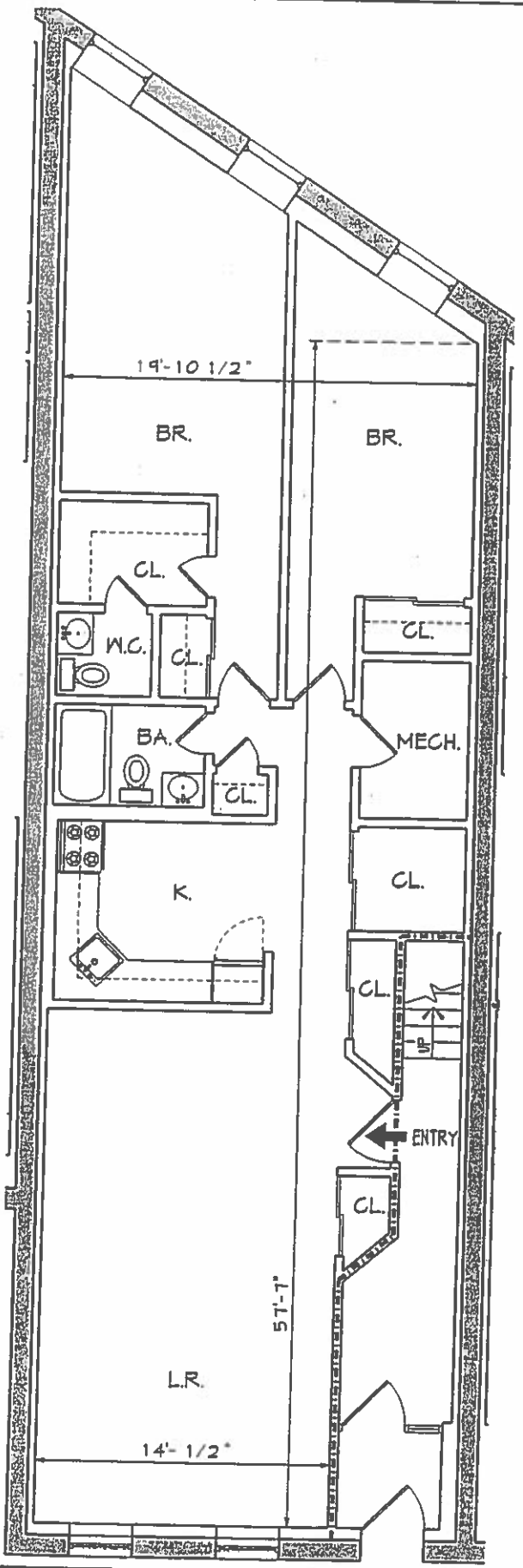
UNIT: 4C
1,205 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 4C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C architecture engineering 118-629 [illegible] ny ny 10010 tel: 212 505 3350 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	4C
		DRAWN BY: PDP GO	

15 OCT 2004 11:16:40 ...\3rd-fl-units-stair.dgn



UNIT: 5A
1,320 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

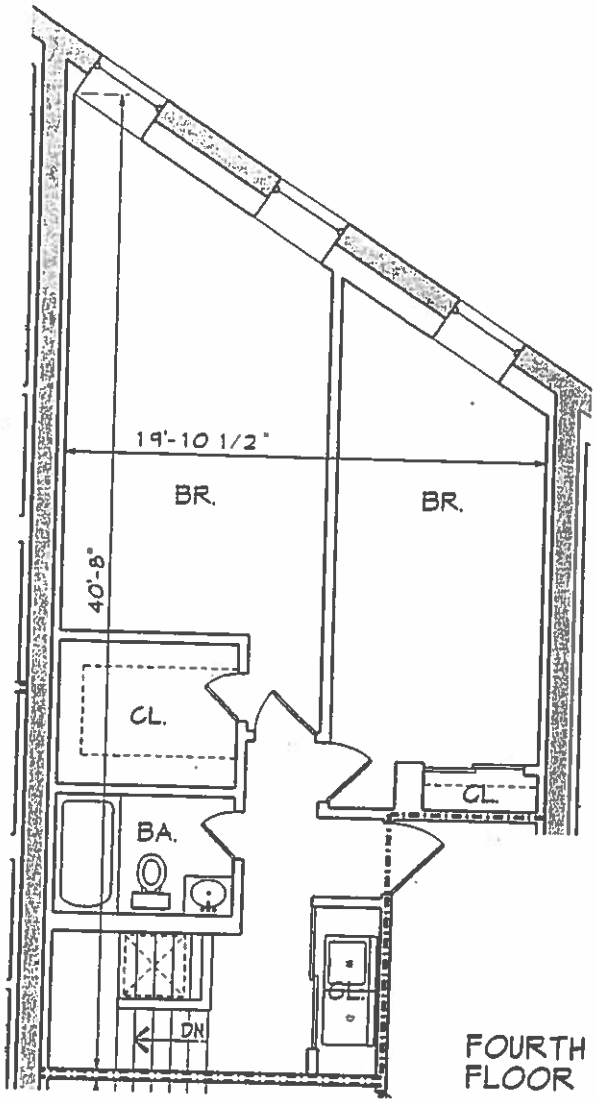
SECOND FLOOR UNIT: 5A

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

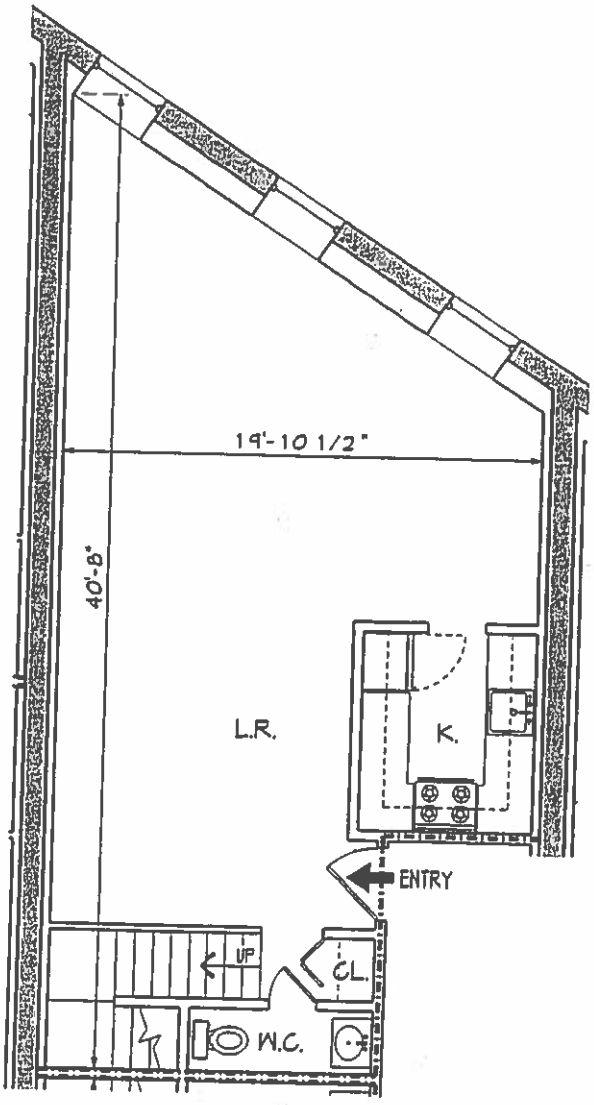
BERZAK·GOLD P.C.
architecture engineering
ny ny 10010
tel: 212.505.3734 fax 212.505.3734

SCALE: 1/8"=1'-0"	DATE: 01/28/04
JOB NO: 0303134	5A
DRAWN BY: PDP GO	

15 OCT 2004 11:14:10 ...\2nd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

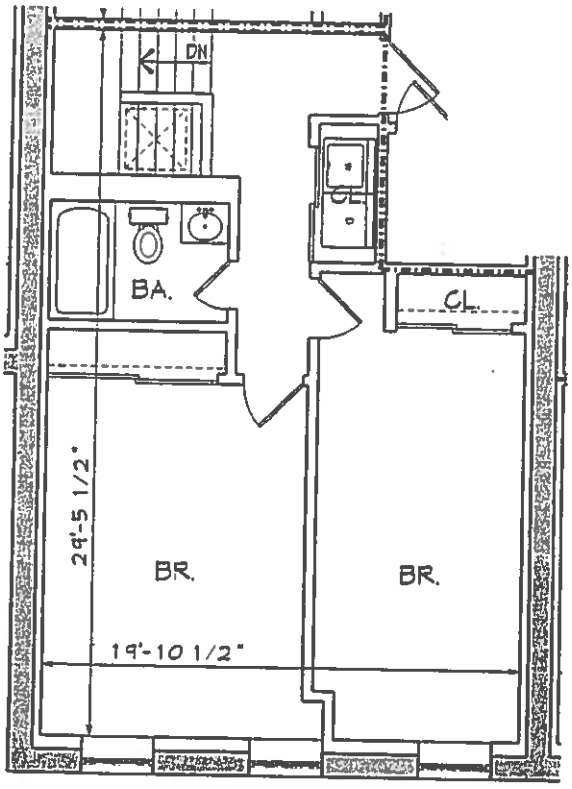
UNIT: 5B
1,440 SQ FT

LEGEND

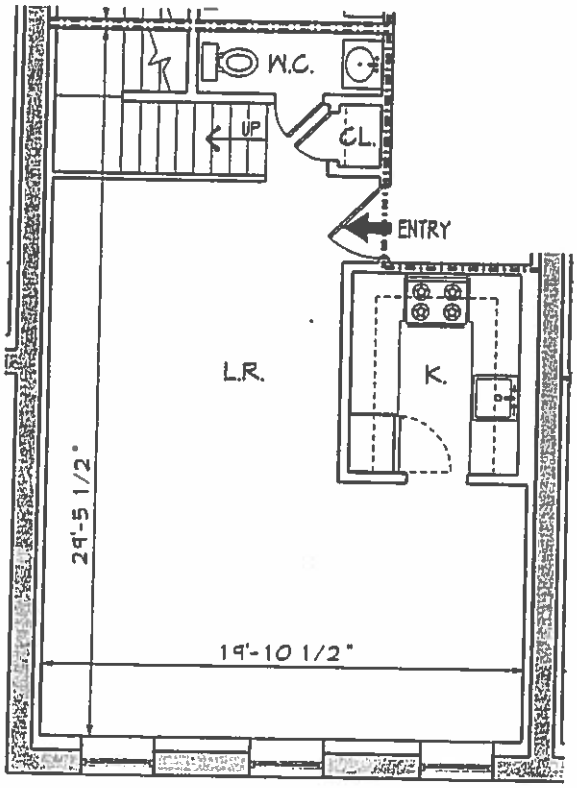
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT:5B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 tel 212 505 3350 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0309134	5B
		DRAWN BY: PDP GO	

15 OCT 2004 11:17:03 ...\3rd-fl-units-5108.dgn



FOURTH FLOOR



THIRD FLOOR

UNIT: 5C
1,225 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

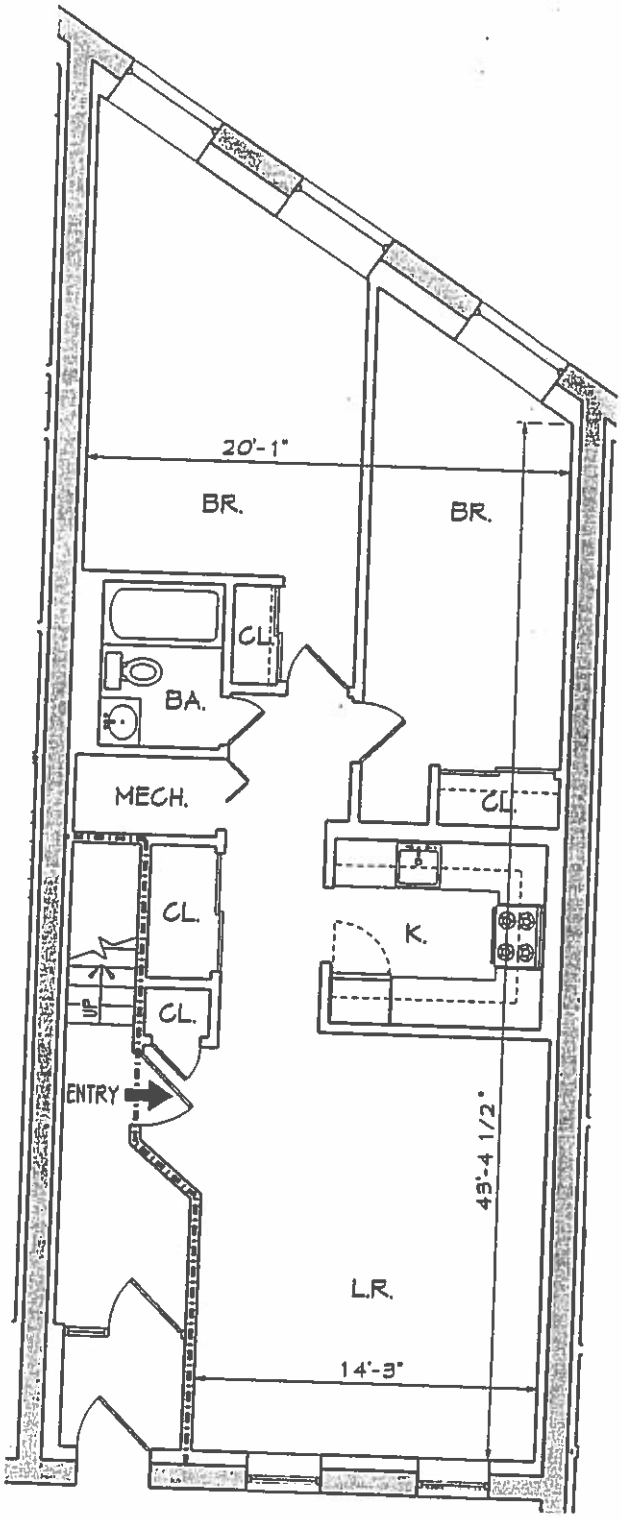
3RD & 4TH FL DUPLEX UNIT: 5C

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BIERZAK·GOLD P.C.
architecture engineering
116 East 27th st. 8th fl. ny ny 10010
tel. 212/505-3580 fax 212 505 3734

SCALE:	1/8"-1'-0"	DATE:	01/28/04
JOB NO:	0303134		5C
DRAWN BY:	PDF GO		

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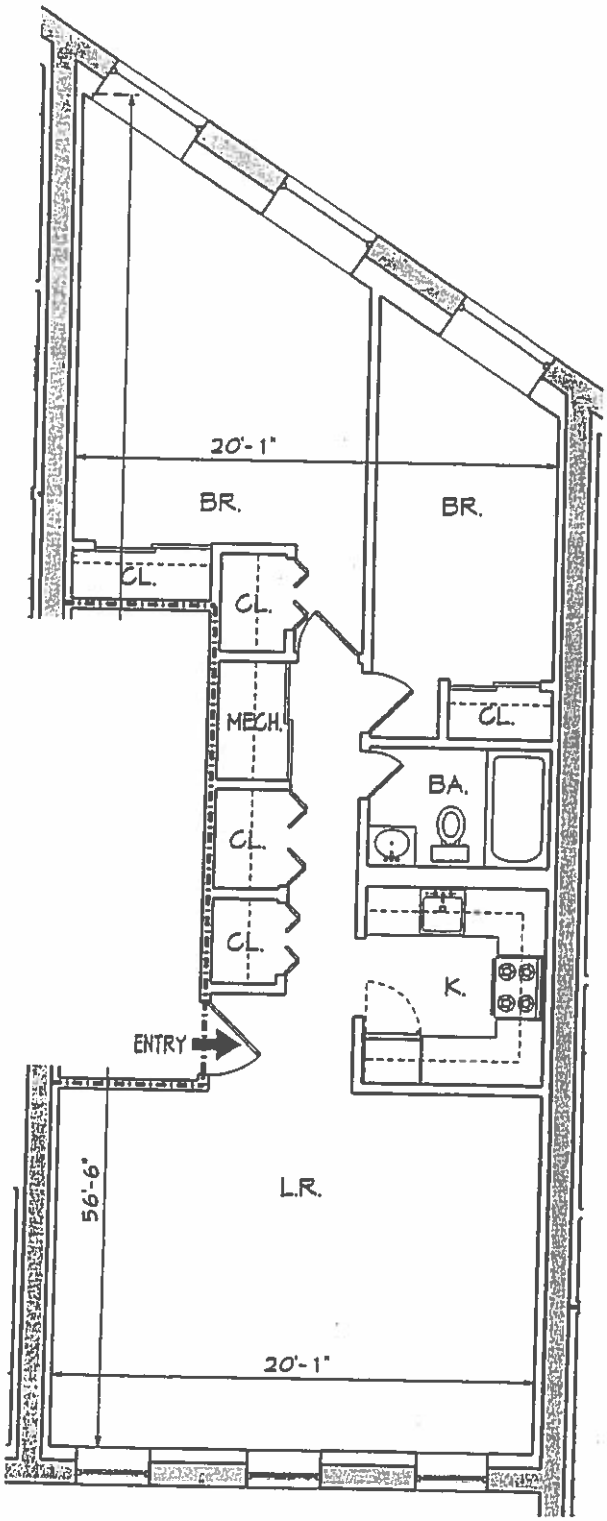
UNIT: 6A
1,035 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:14:19 ... #2nd-fl-units-state.dgn

SECOND FLOOR UNIT: 6A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st 8th fl. ny ny 10010 tel: 212.505.3360 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	6A
		DRAWN BY: PDP GO	



UNIT: 6B
1,035 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

THIRD FLOOR UNIT: 6B

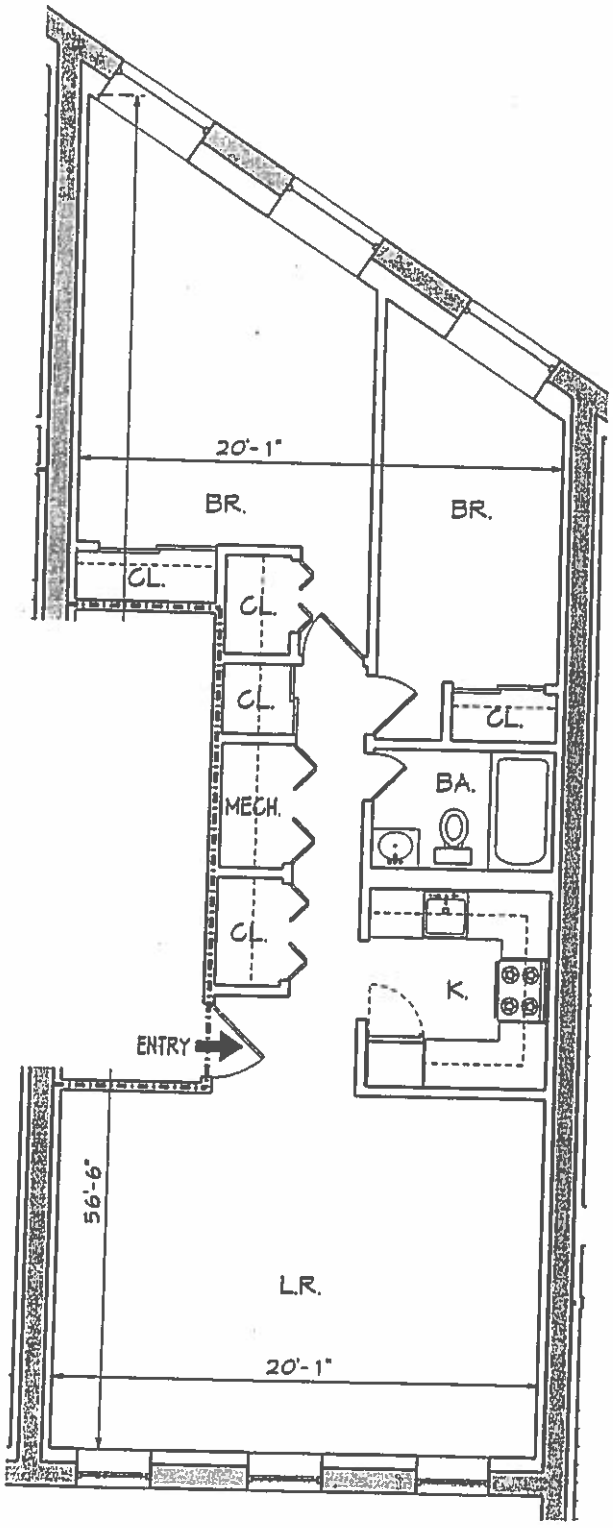
TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BIERZAK·GOLD PC
architecture engineering
115 623rd St, 8th fl. ny ny 10010
tel. 212.505.3380 fax 212 505 3734

SCALE: 1/8"-1'-0" DATE: 01/28/04
JOB NO: 0303134
DRAWN BY: PDP GO

6B

15 OCT 2004 11:17:11 ...\3rd-fl-units-state.dgn



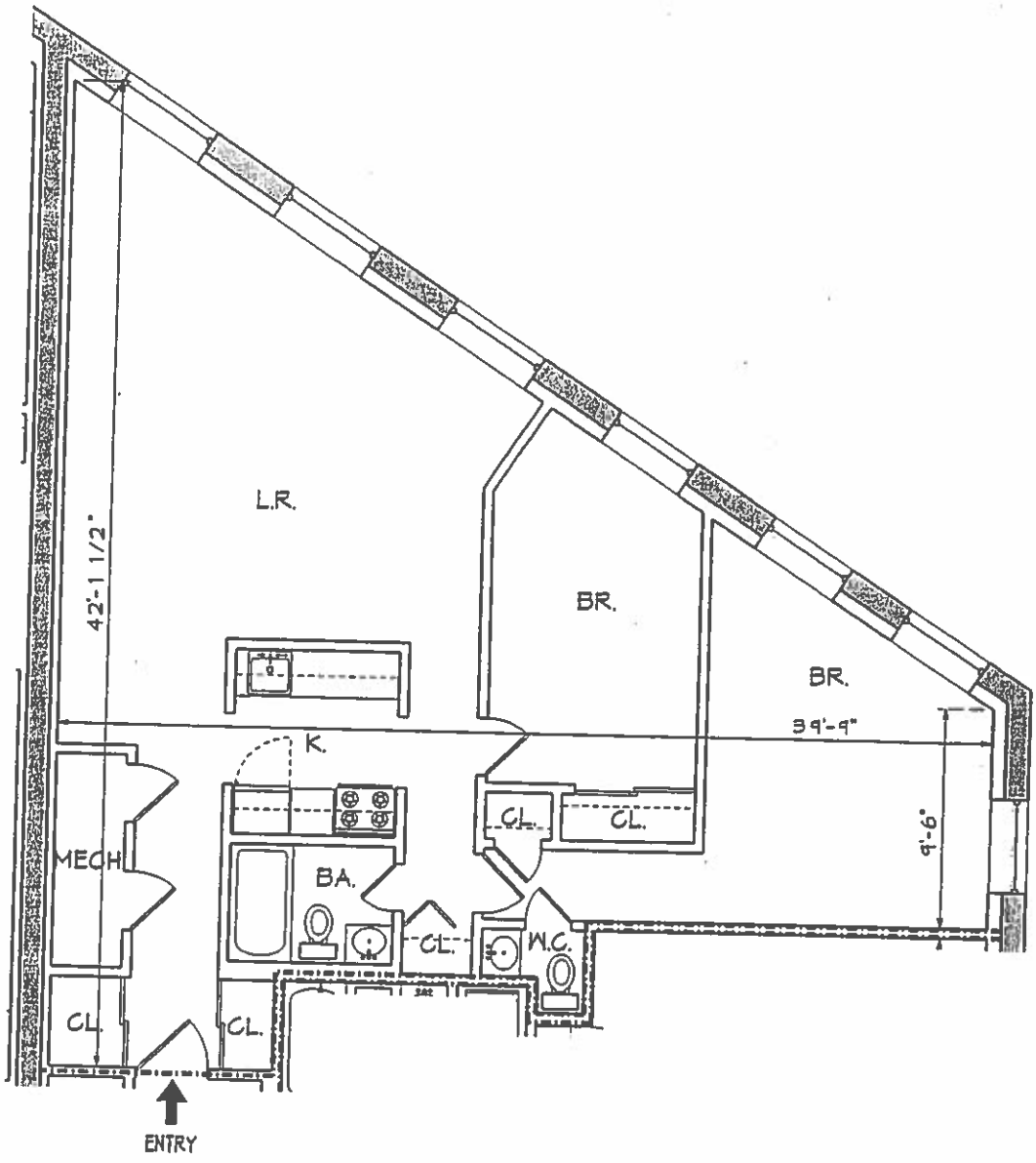
UNIT: 6C
1,035 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:19:07 ...\3rd-fl-units-state.dgn

FOURTH FLOOR UNIT: 6C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 tel 212 505 3390 fax 212 605 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	6C
		DRAWN BY: PDP GO	



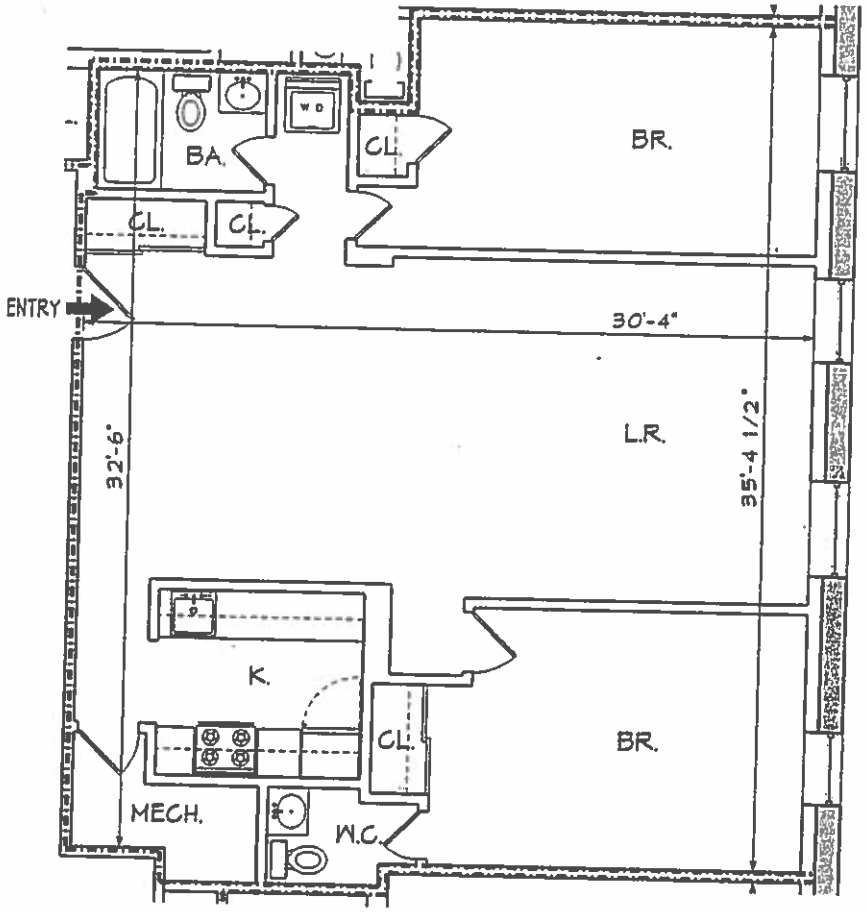
UNIT: 7A
1,130 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st 8th fl ny ny 10010 t 212 505 3550 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7A
		DRAWN BY: PDP GO	

15 OCT 2004 11:14:28 ...\2nd-fl-units-stats.dgn



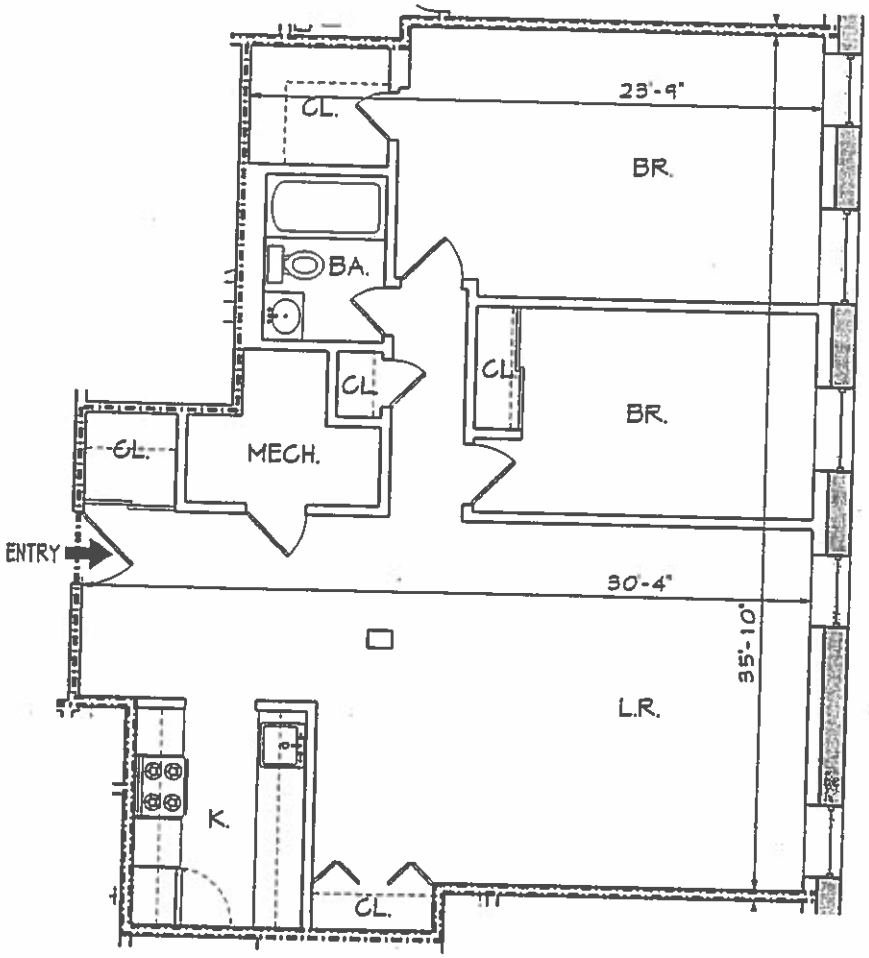
UNIT: 7B
1,120 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e23rd st 8th fl ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7B
		DRAWN BY: PDP GO	

15 OCT 2004 11:14:36 ...\2nd-fl-units-state.dgn



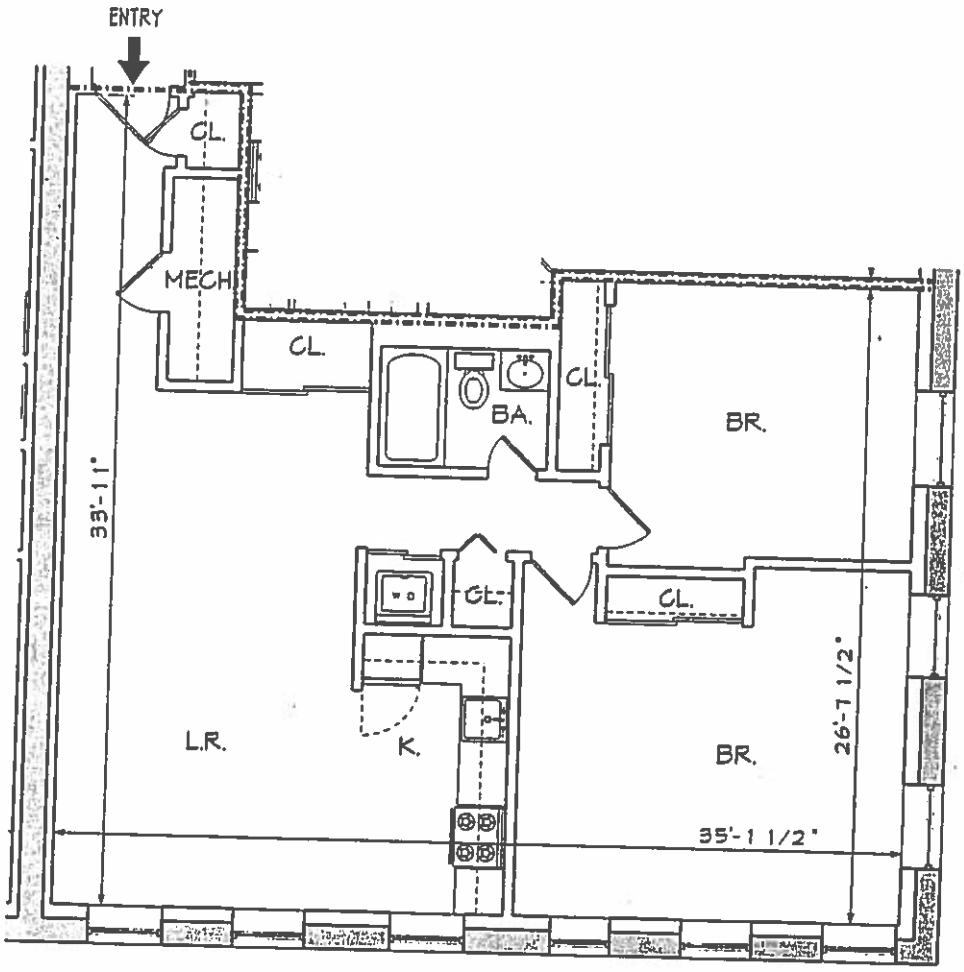
UNIT: 7C
1,060 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e23rd st 8fl ny ny 10010 tel. 212.505.3350 fax 212.505.3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7C
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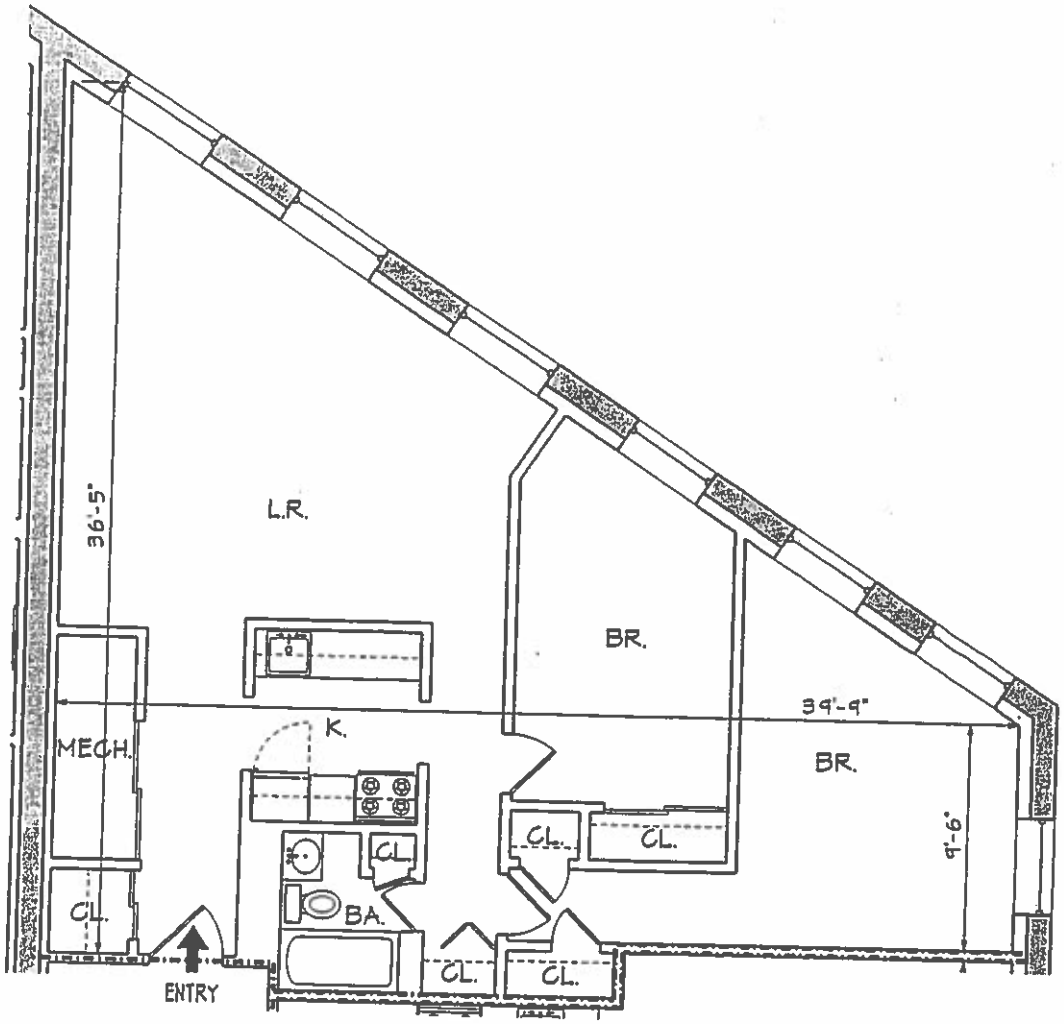
UNIT: 7D
1,100 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7D TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 [illegible] ny ny 10010 tel 212.505.3380 fax 212.505.3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7D
		DRAWN BY: PDP GO	

15 OCT 2004 11:14:54 ...\2nd-fl-units-state.dgn



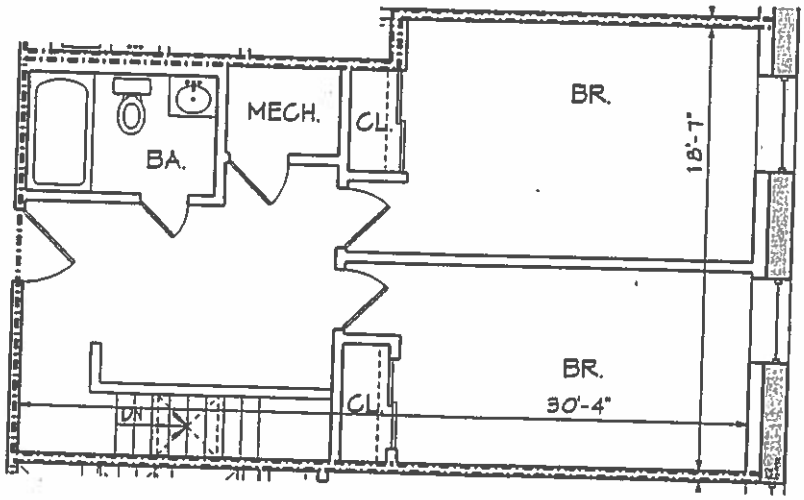
UNIT: 7E
1,070 SQ FT

LEGEND

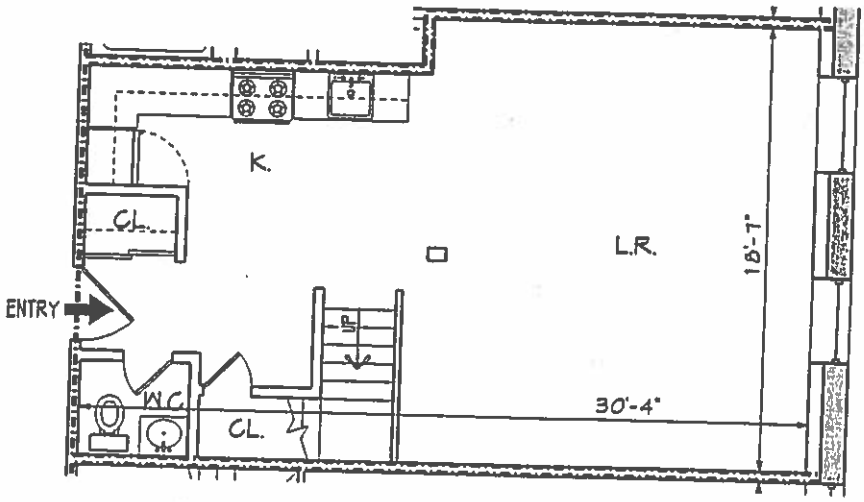
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

THIRD FLOOR UNIT: 7E TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 tel 212.505.3330 fax 212.505.3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7E
		DRAWN BY: PDP GO	

15 OCT 2004 11:17:21 ....\3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

UNIT: 7F
1,150 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

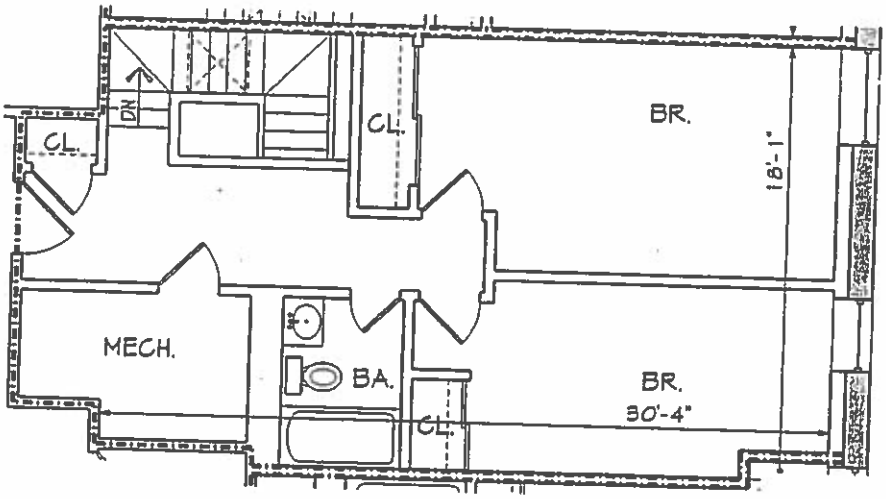
3RD & 4TH FL DUPLEX UNIT: 7F

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

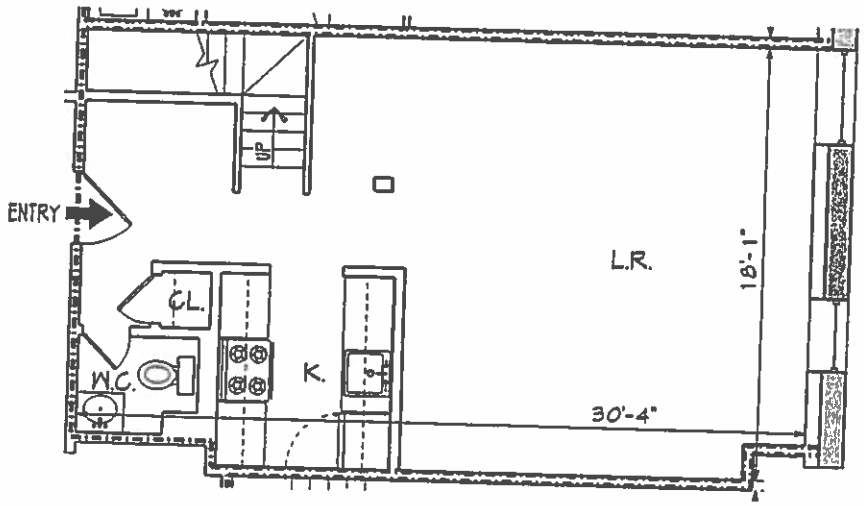
BERZAK·GOLD PC
architecture, engineering
ny ny 10010
tel 212.505.3734

SCALE: 1/8"=1'-0" | DATE: 01/28/04
JOB NO: 0303134 | 7F
DRAWN BY: PDP GO

15 OCT 2004 11:17:30 ... *3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

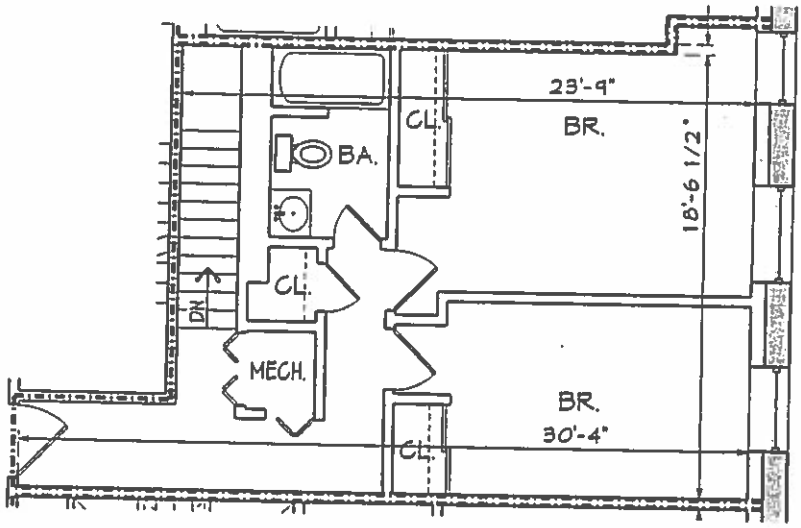
UNIT: 7G
1,205 SQ FT

LEGEND

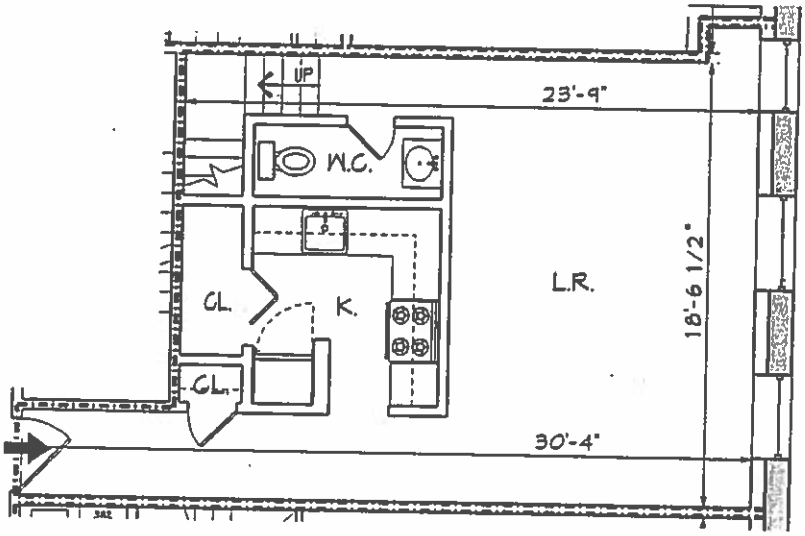
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 7G TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7G
		DRAWN BY: PDP GO	

15 OCT 2004 11:17:39 ....\3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

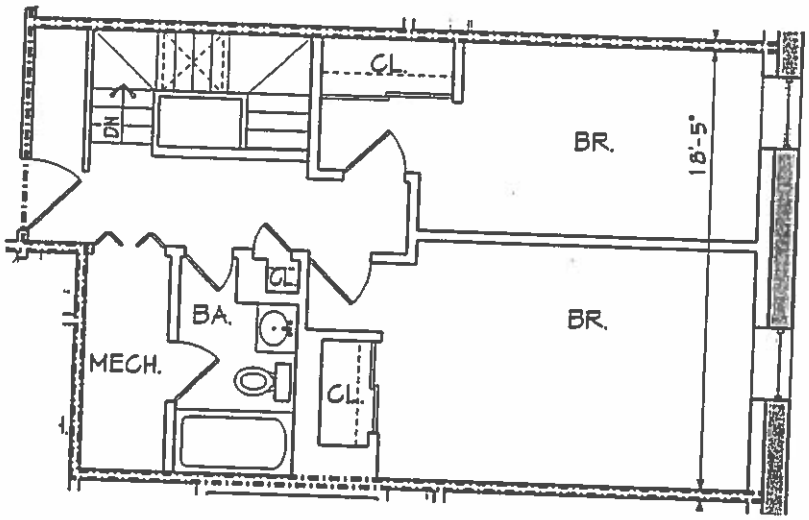
UNIT: 7H
1,035 SQ FT

LEGEND

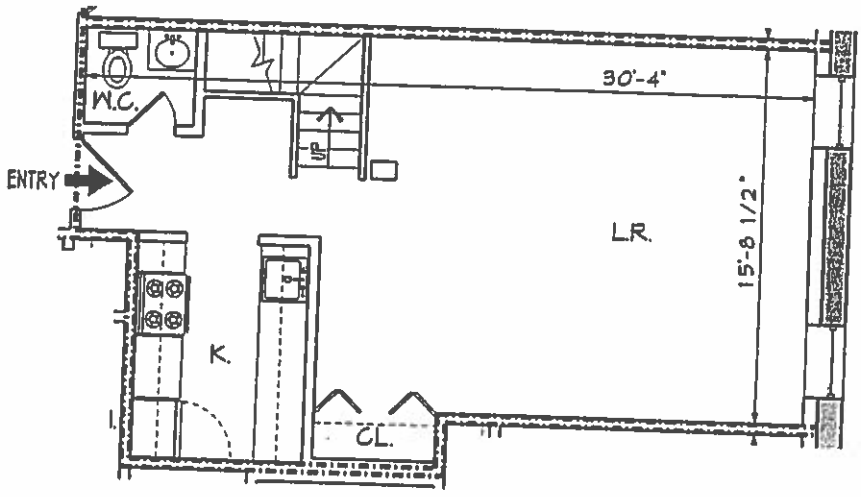
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 7H TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 116-025 st. 8th fl. ny ny 10010 tel. 212.505.3360 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7H
		DRAWN BY: PDP GO	

15 OCT 2004 11:17:47 ....\3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

UNIT: 7J
1,110 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 7J

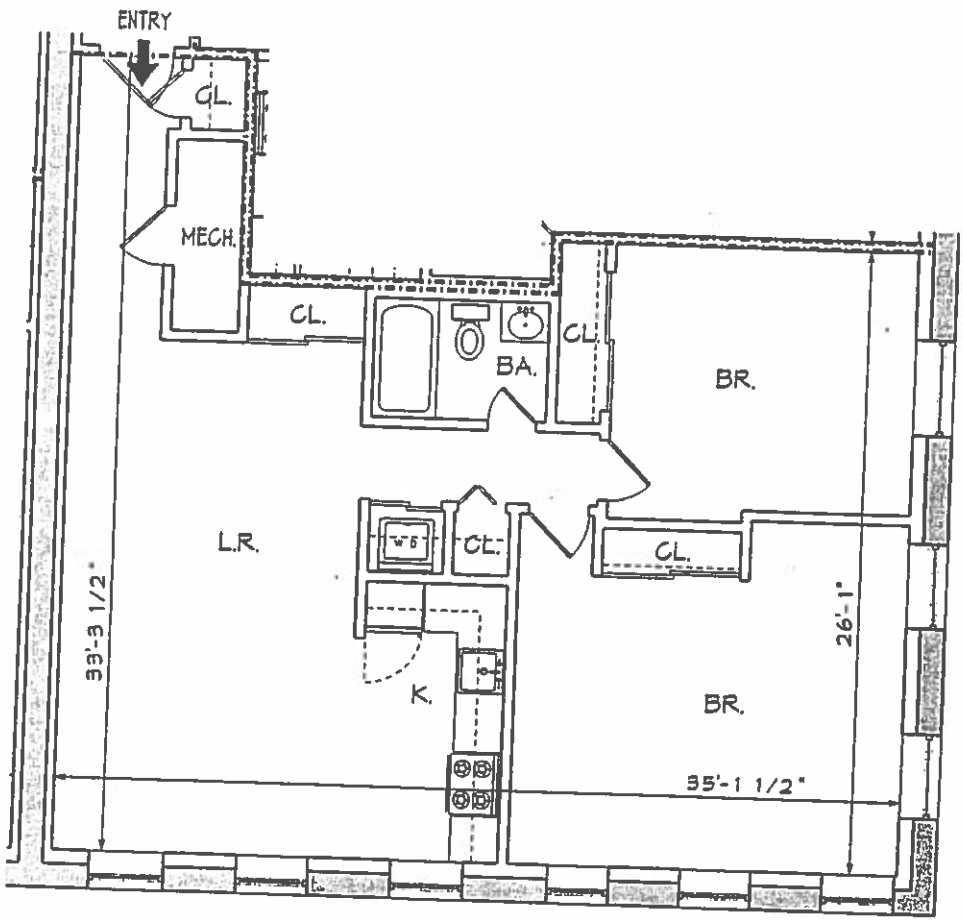
TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BIERZAK·GOLD P.C.
architecture engineering
ny ny 10010
fax 212 505 3734

SCALE: 1/8"-1'-0" | DATE: 01/28/04
JOB NO: 0303134
DRAWN BY: PDP GO

7J

15 OCT 2004 11:17:55 ...•3rd-fl-units-state.dgn



UNIT: 7K
1,075 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

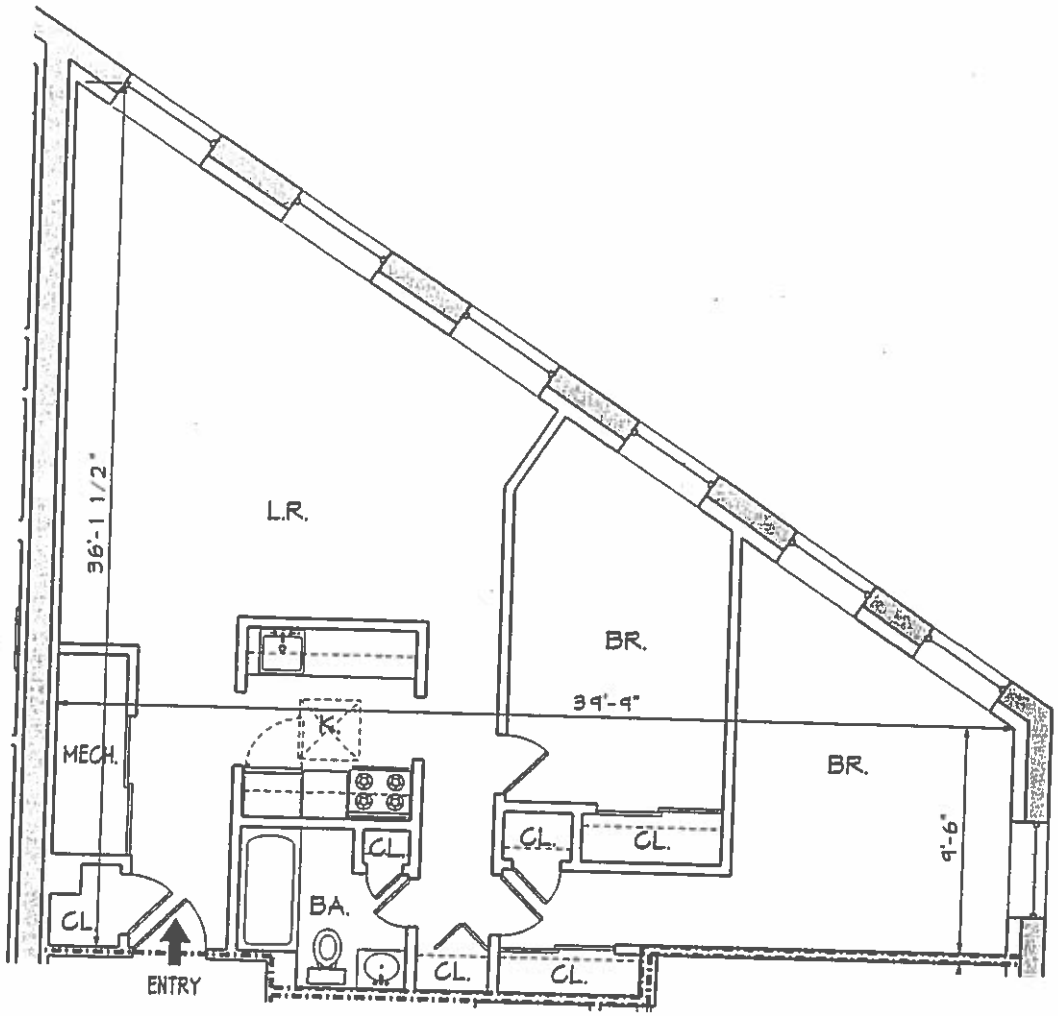
THIRD FLOOR UNIT: 7K

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e23rd st. 8th fl. ny ny 10010
tel. 212 505 3350 fax 212 505 3734

SCALE: 1/8"-1'-0" | DATE: 01/26/04
JOB NO: 0303134 | 7K
DRAWN BY: PDP GO

15 OCT 2004 11:18:04 ... *3rd-fl-units-state.dgn



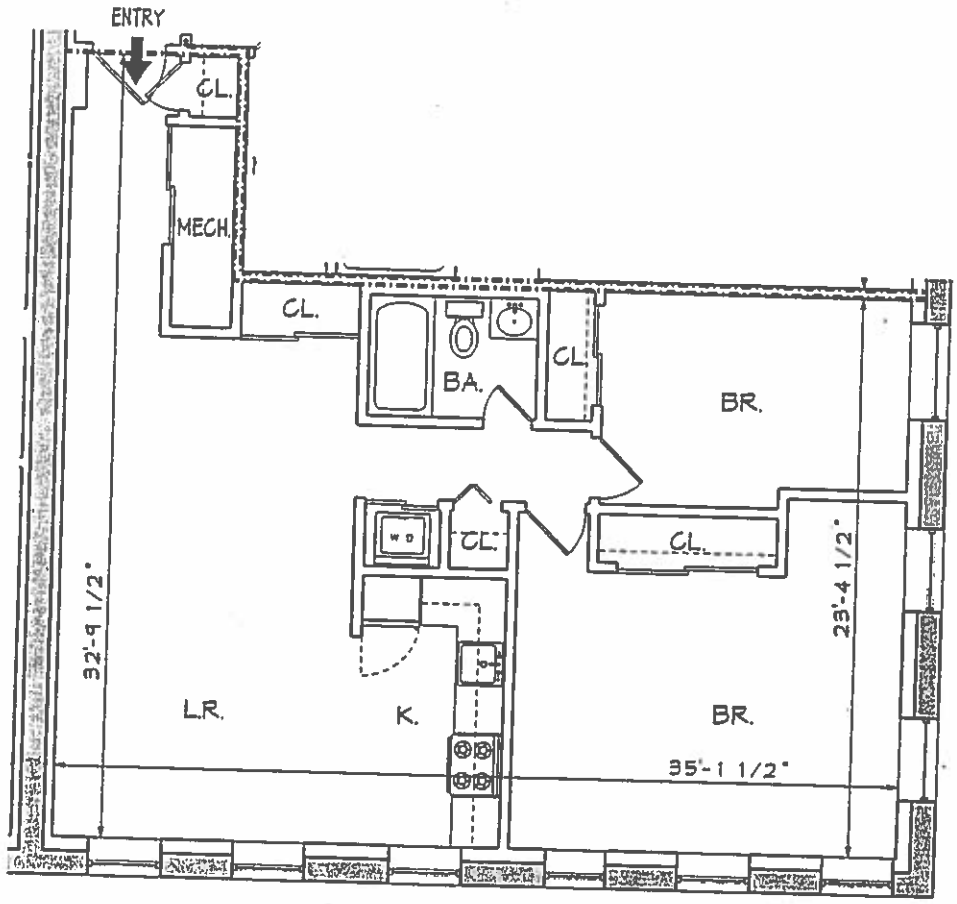
UNIT: 7L
1,070 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

FOURTH FLOOR UNIT: 7L TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e23rd st. 8th fl. ny ny 10010 tel 212.505.3350 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7L
		DRAWN BY: PDP GO	

15 OCT 2004 11:19:16 ...s\rg-ft-units-stats.dgn



UNIT: 7M
1,020 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

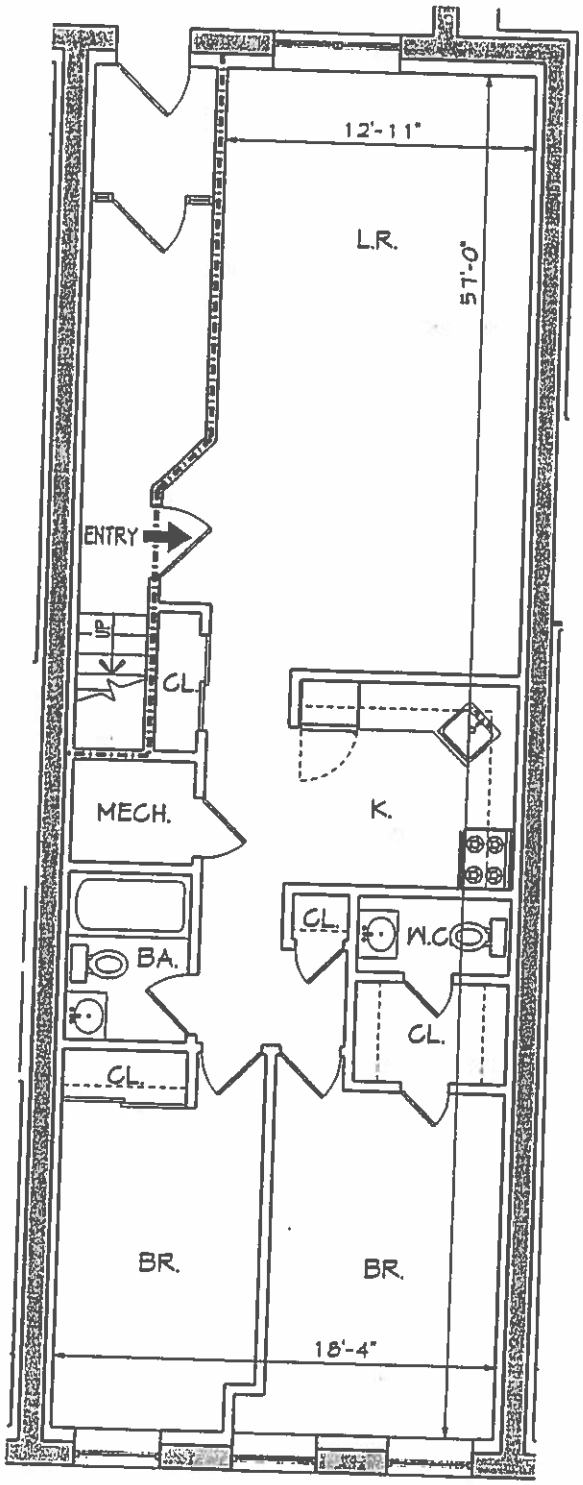
FOURTH FLOOR UNIT: 7M

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BIERZAK·GOLD P.C.
architecture engineering
115 e 23rd st 8fl ny ny 10010
tel 212.505.3330 fax 212.505.3734

SCALE: 1/8"=1'-0" | DATE: 01/28/04
JOB NO: 0303134 | 7M
DRAWN BY: PDP GO

15 OCT 2004 11:19:24 ...\3rd-fl-units-state.dgn



UNIT: 8A
1,045 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

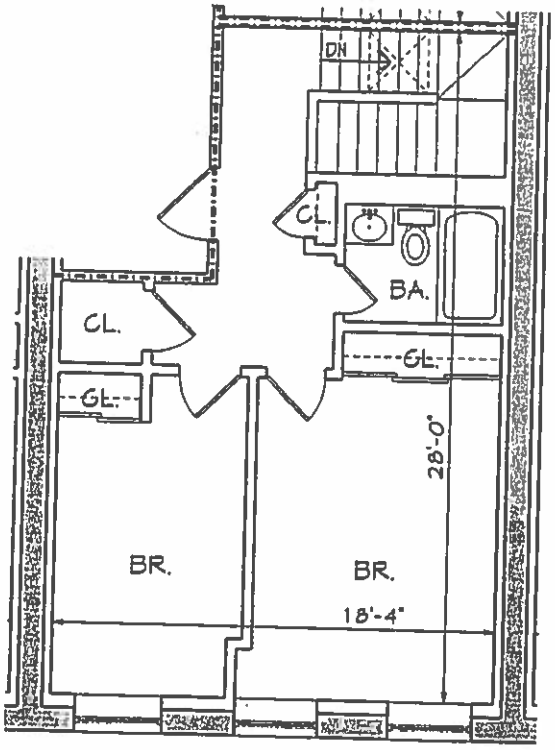
SECOND FLOOR UNIT: 8A

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

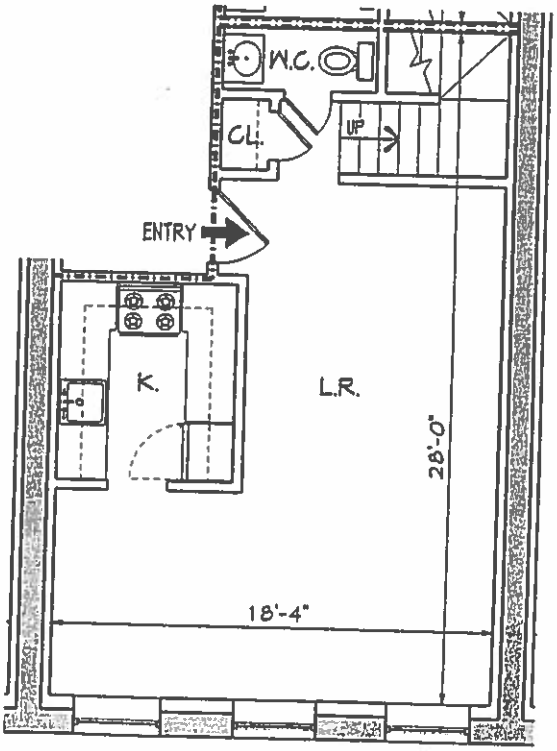
BERZAK·GOLD P.C.
architecture engineering
ny ny 10010
tel 212 505 3730
fax 212 505 3734

SCALE: 1/8"-1'-0"	DATE: 01/28/04
JOB NO: 0303134	8A
DRAWN BY: PDP GO	

15 OCT 2004 11:15:02 ....#2nd-ft-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

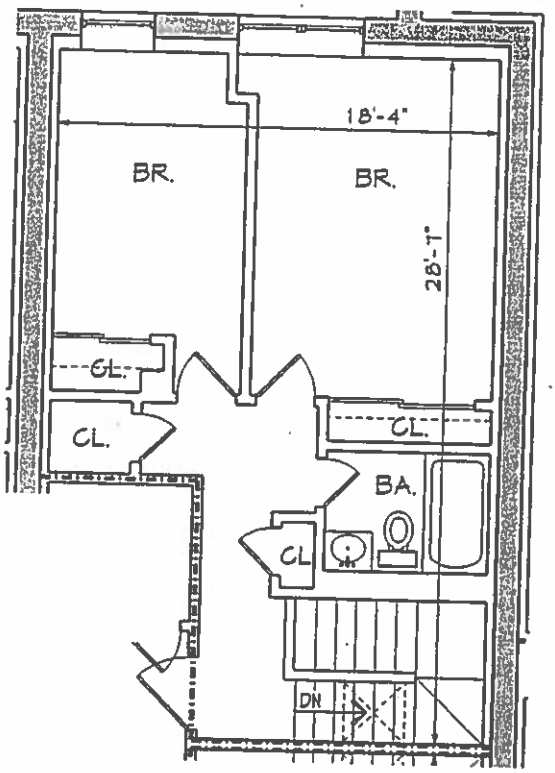
UNIT: 8B
1,040 SQ FT

LEGEND

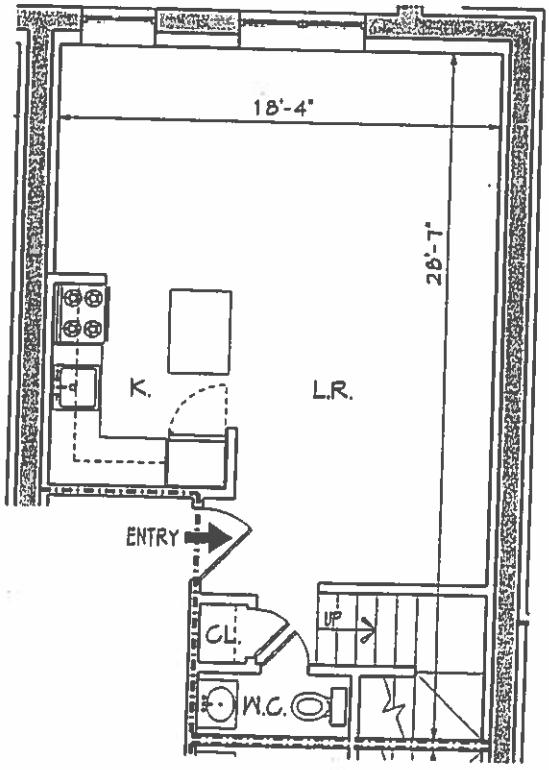
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT:8B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e 23rd st. 6th fl. ny ny 10010 tel. 212 505 3380 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	8B
		DRAWN BY: PDP GO	

15 OCT 2004 11:18:28 ...\3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

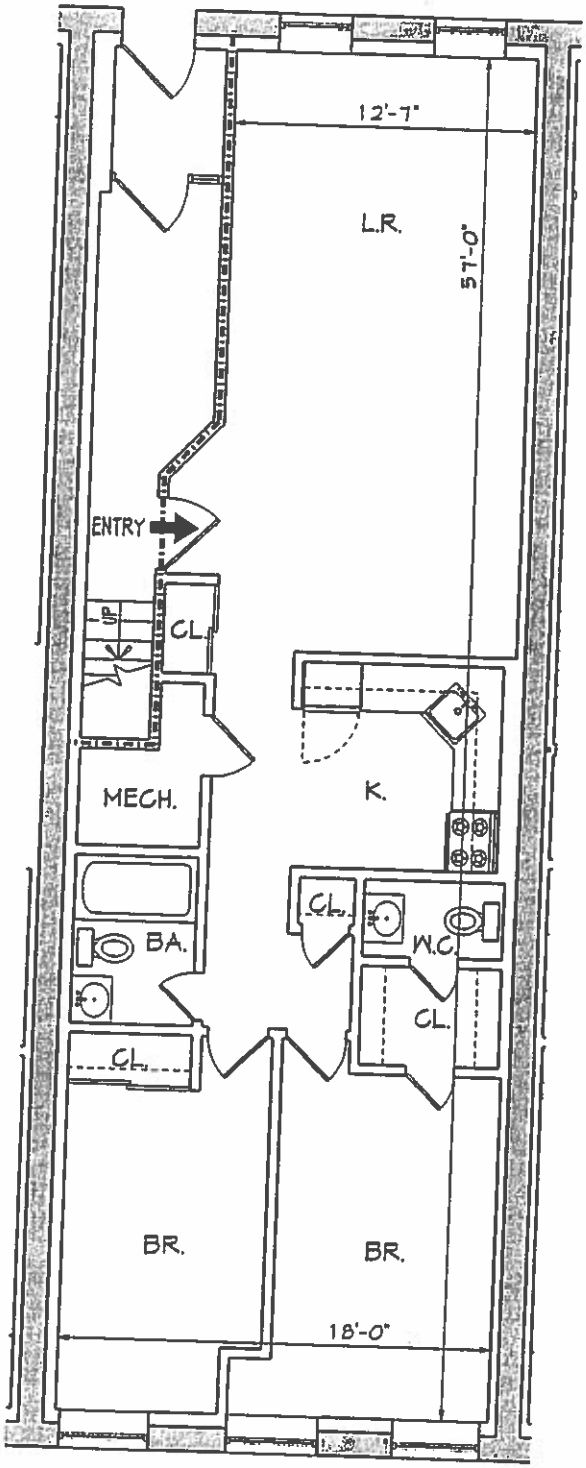
UNIT: 8C
1,065 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:12 ...\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT:8C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BIERZAK·GOLD PC architecture engineering 115 e 23rd st 8th fl ny ny 10010 tel 212 505 3330 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	8C
		DRAWN BY: PDP GO	



UNIT: 9A
1,030 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 9A

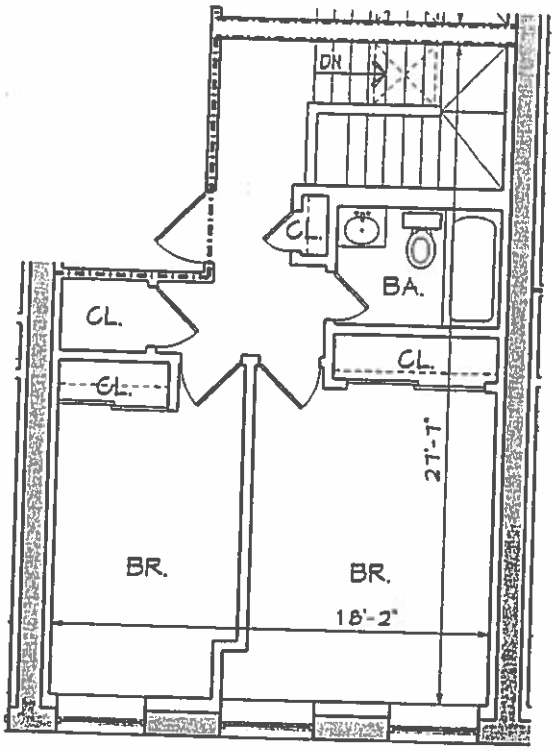
TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e 23rd st. 8th fl. ny ny 10010
tel. 212.505.9360 fax 212.505.3734

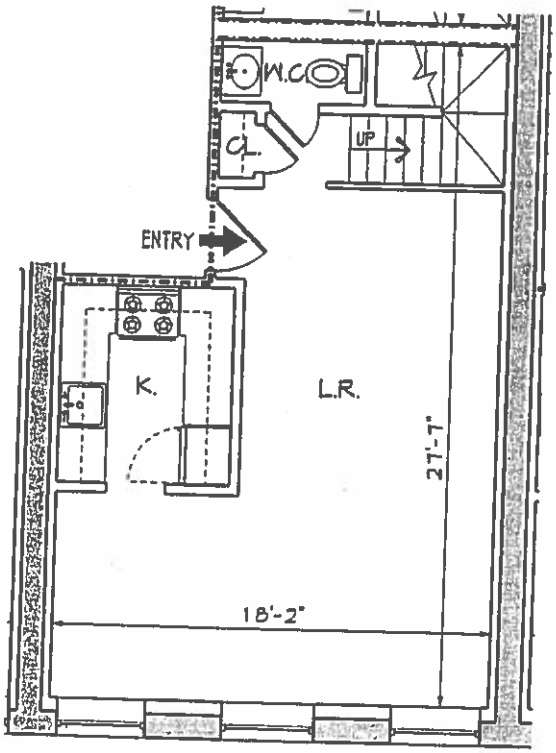
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DATE:	01/26/04
JOB NO:	0303134
DRAWN BY:	PDP GO

9A

15 OCT 2004 11:15:10 ... e2nd-fl-units-sl9a.dgn



FOURTH FLOOR



THIRD FLOOR

UNIT: 9B
1,030 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

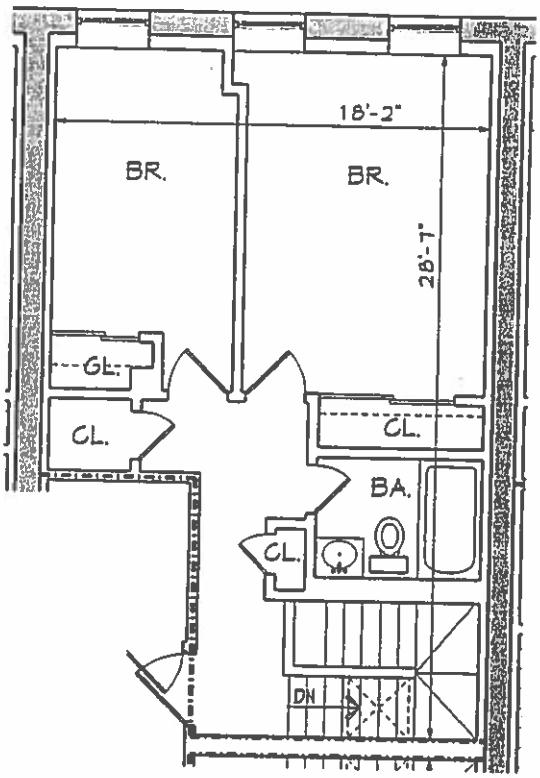
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3RD & 4TH FL DUPLEX UNIT: 9B
TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

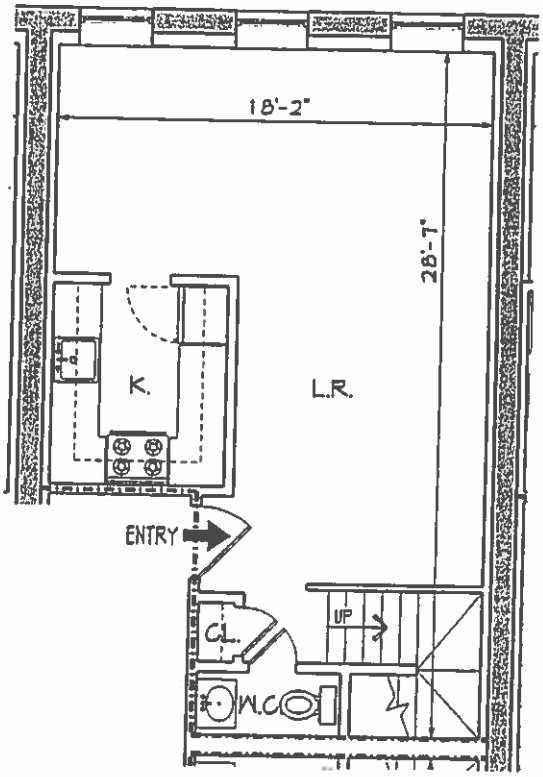
BERZAK·GOLD P.C.
architecture engineering
115 e 23rd st. 8th fl. ny ny 10010
tel. 212 505 3380 fax 212 505 3734

SCALE: 1/8"=1'-0" DATE: 01/26/04
JOB NO: 0303134
DRAWN BY: PDP GO

9B



FOURTH FLOOR



THIRD FLOOR

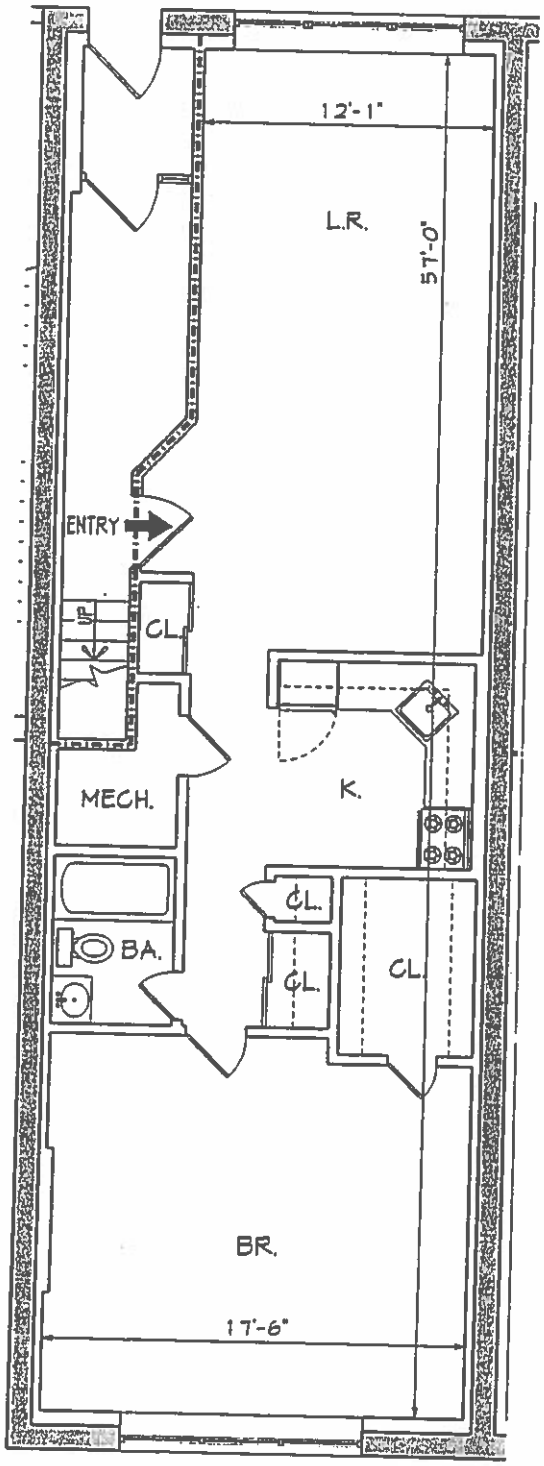
UNIT: 9C
1,065 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:35 ...e3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 9C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BIERZAK·GOLD P.C. architecture engineering 115 e 23rd st 11th fl ny ny 10010 tel 212 505 3630 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/26/04
		JOB NO: 0303134	9C
		DRAWN BY: PDP GO	



UNIT: 10A
1,010 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

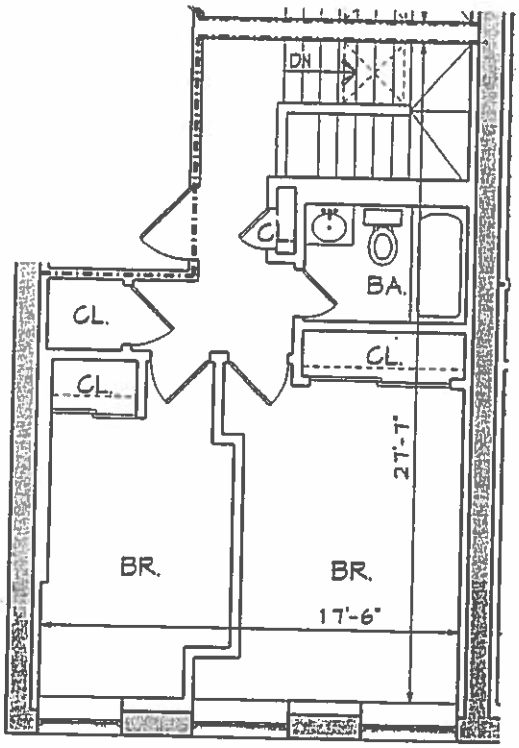
SECOND FLOOR UNIT: 10A

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

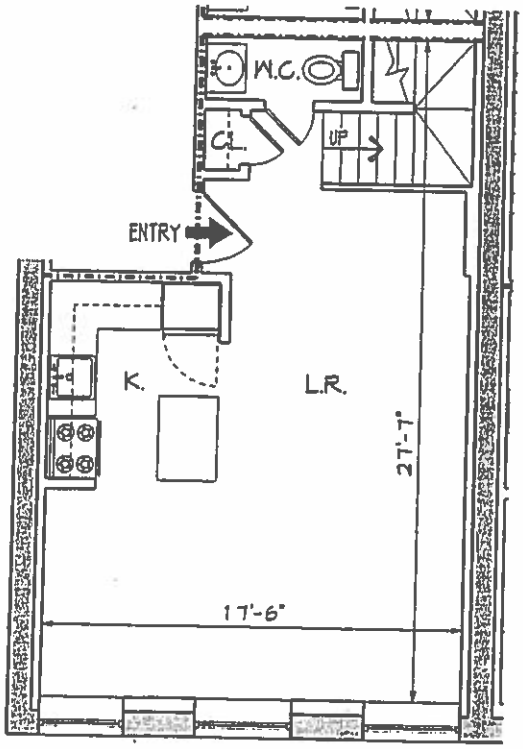
BERZAK·GOLD P.C.
architecture engineering
ny ny 10010
tel 212 505 3330 fax 212 505 3734

SCALE: 1/8"-1'-0"	DATE: 01/28/04
JOB NO: 0303134	10A
DRAWN BY: PDP GO	

15 OCT 2004 11:15:20 ... #2nd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

UNIT: 10B
1,010 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 10B

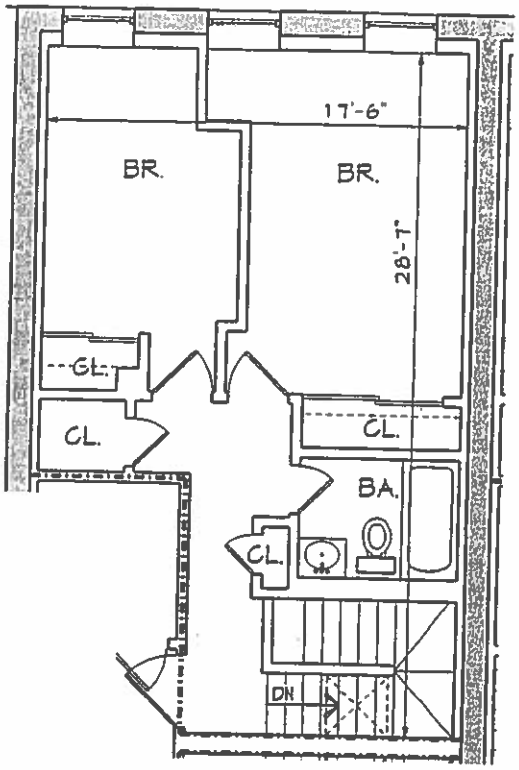
TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e 23rd st, 8th fl. ny ny 10010
tel: 212.505.3380 fax 212 505 3734

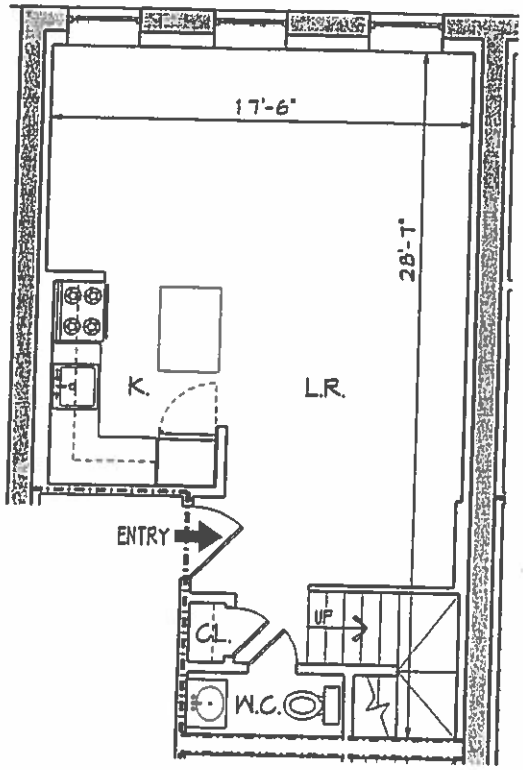
SCALE: 1/8"-1'-0" DATE: 01/26/04
JOB NO: 0303134
DRAWN BY: PDF GO

10B

15 OCT 2004 11:18:59 ...\3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

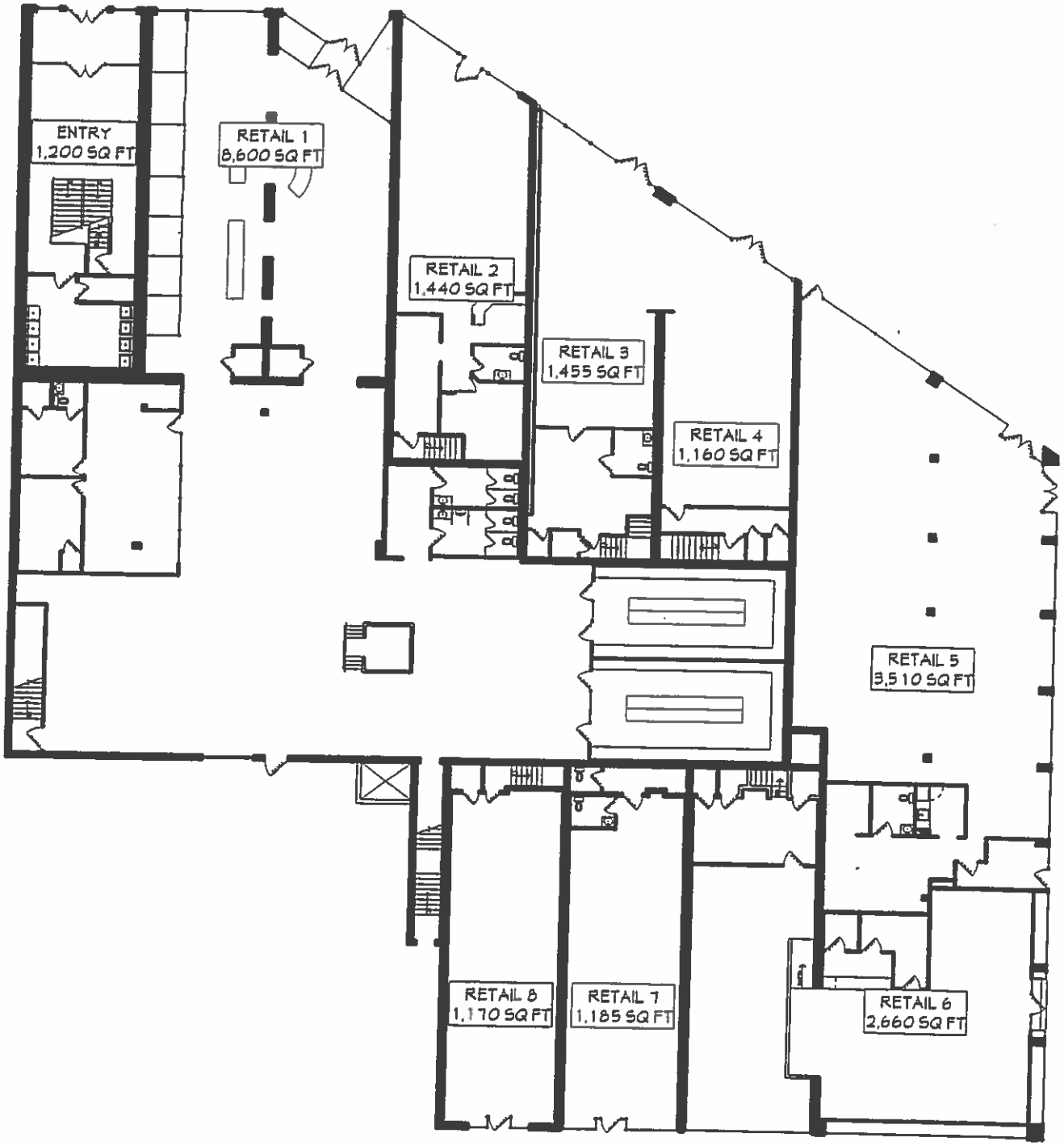
UNIT: 10C
1,045 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

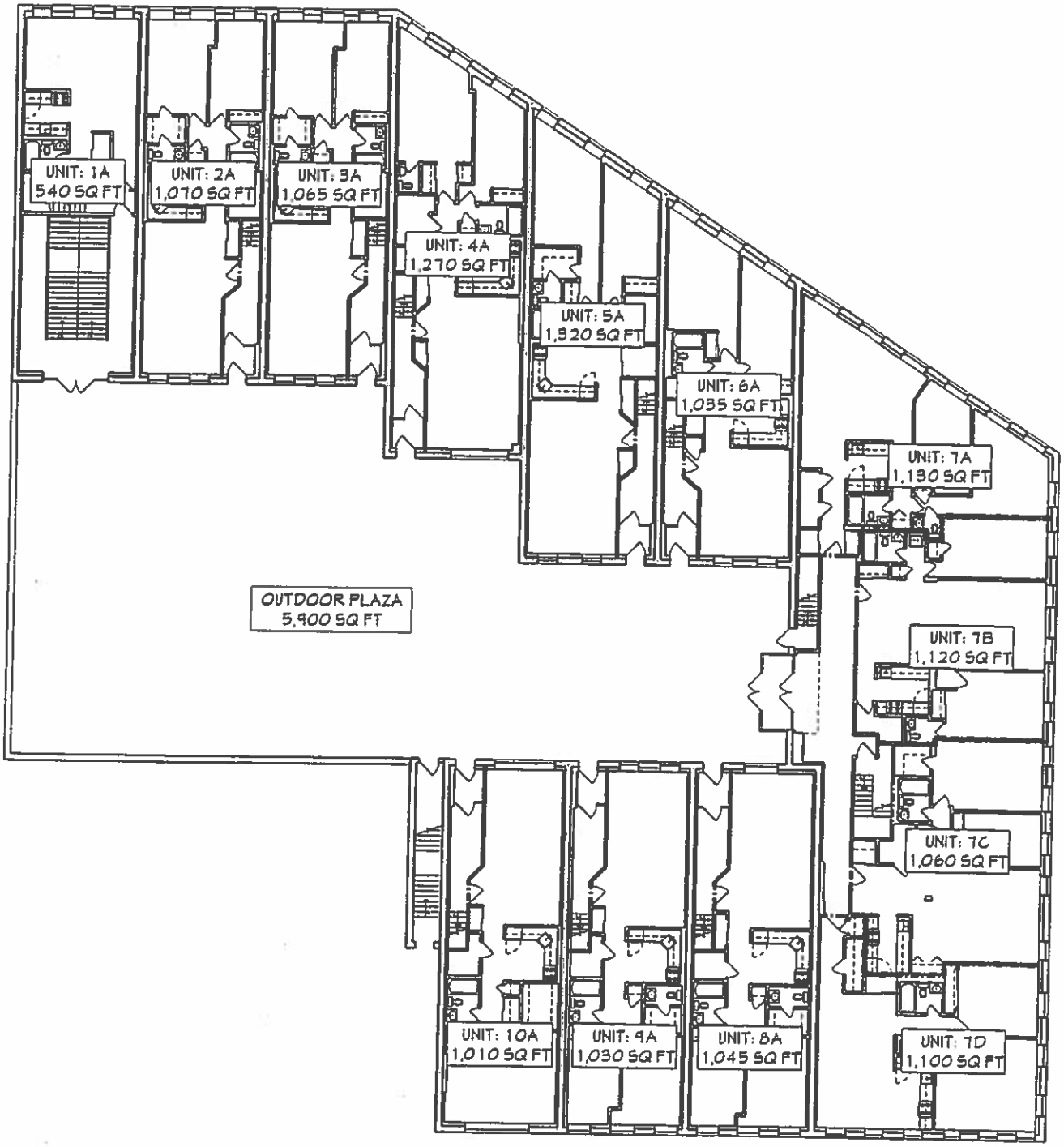
15 OCT 2004 11:18:51 ...\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 10C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 tel: 212.505.3350 fax: 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	10C
		DRAWN BY: PDP GO	



FIRST FLOOR TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st. 8th fl. ny ny 10010 tel 212.505.3350 fax 212.505.3734	SCALE: NO SCALE DATE: 10/29/03 JOB NO: 0303134 DRAWN BY: PDP GO	REV. #: 1 REV. DATE: 01/28/04 A.01

...81st-state.dgn

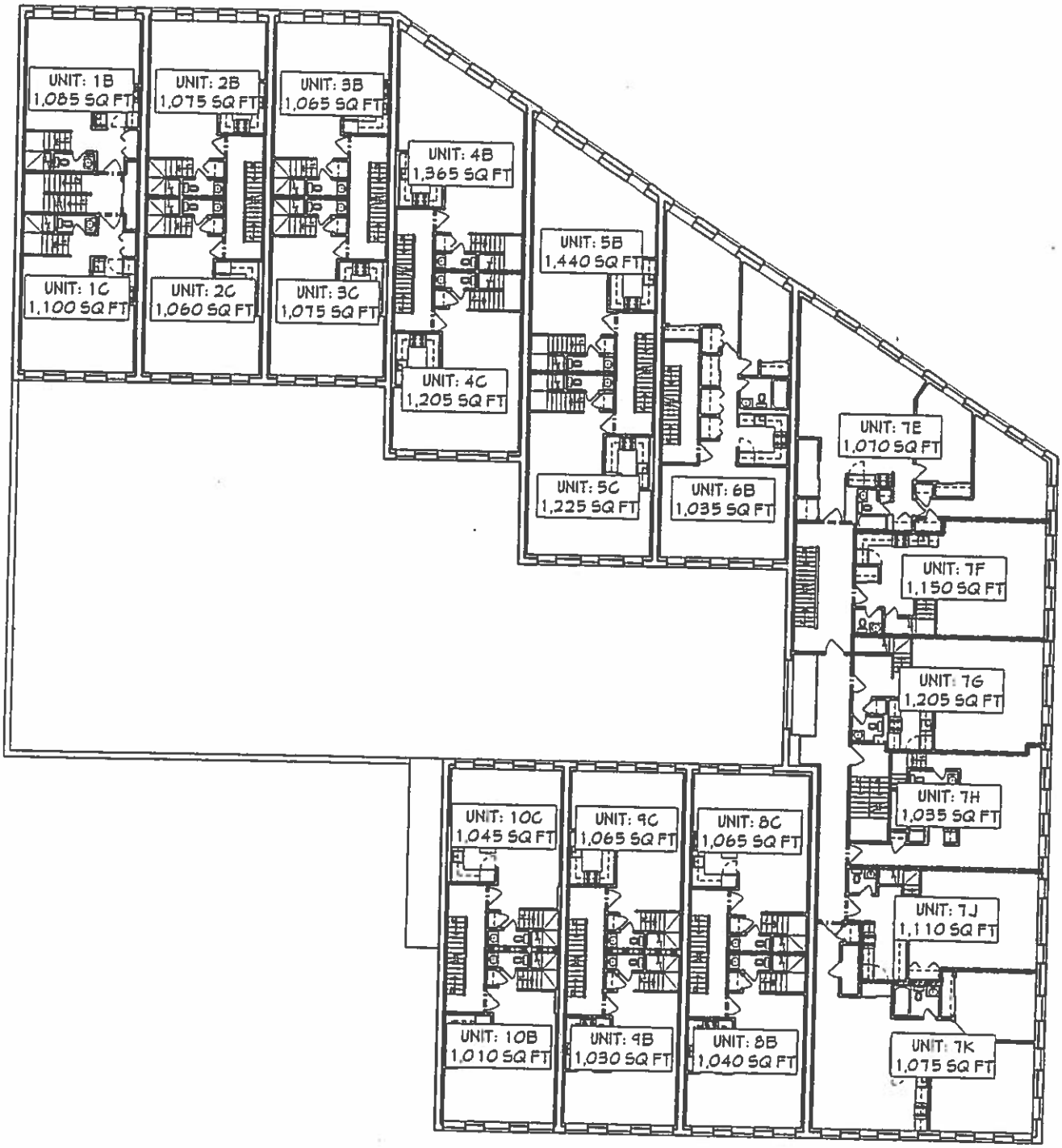


SECOND FLOOR

TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK · GOLD P.C.
architecture engineering
ny ny 10010
tel 212 505 3850 fax 212 505 3734

SCALE:	NO SCALE	REV. #:	1
DATE:	10/29/03	REV. DATE	01/28/04
JOB NO:	0303134	A.02	
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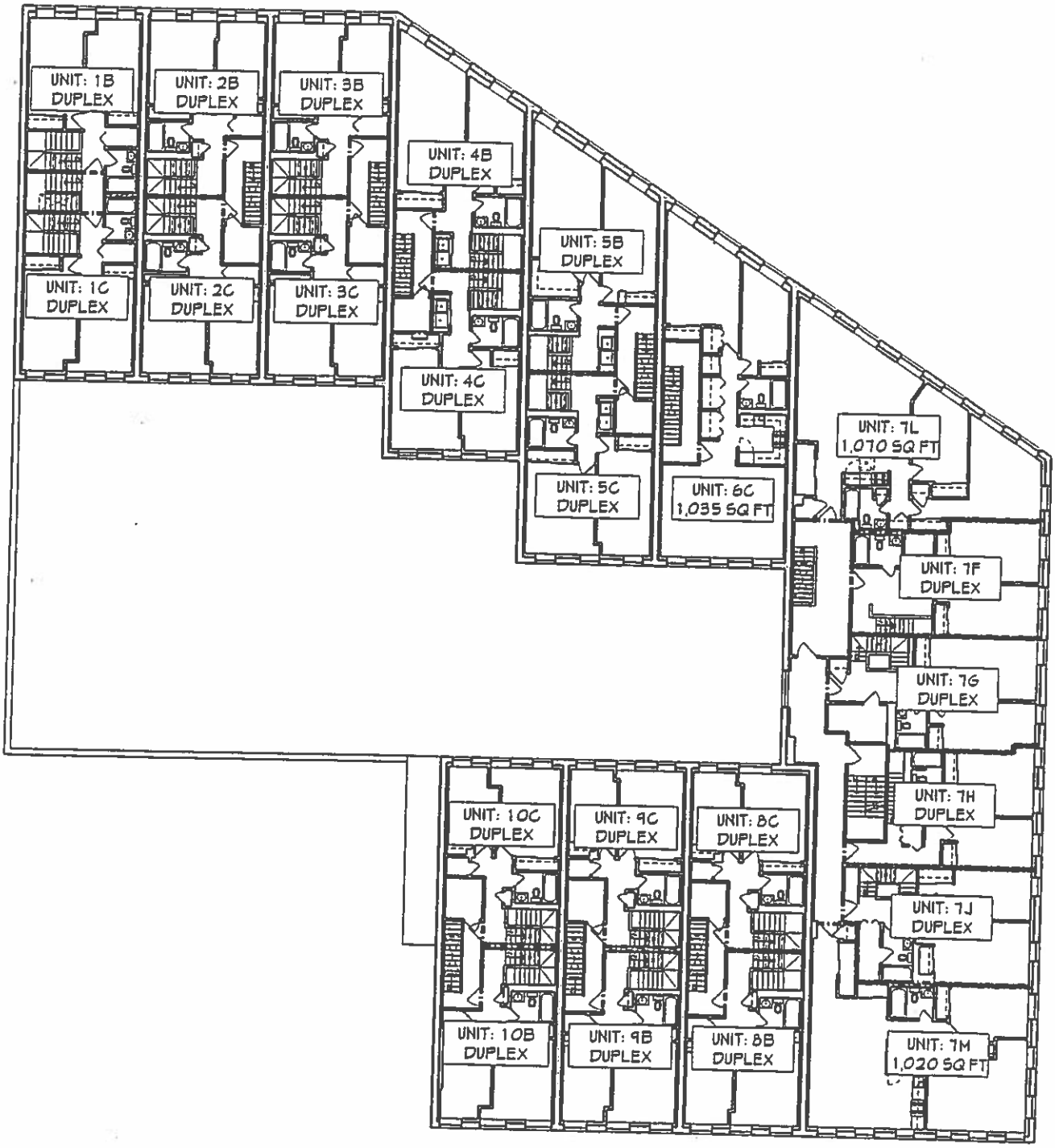


THIRD FLOOR

TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e29th st 8th fl. ny ny 10010
tel 212.505.3350 fax 212.505.3734

SCALE:	NO SCALE	REV. #:	1
DATE:	10/29/03	REV. DATE:	01/28/04
JOB NO:	0303134		A.03
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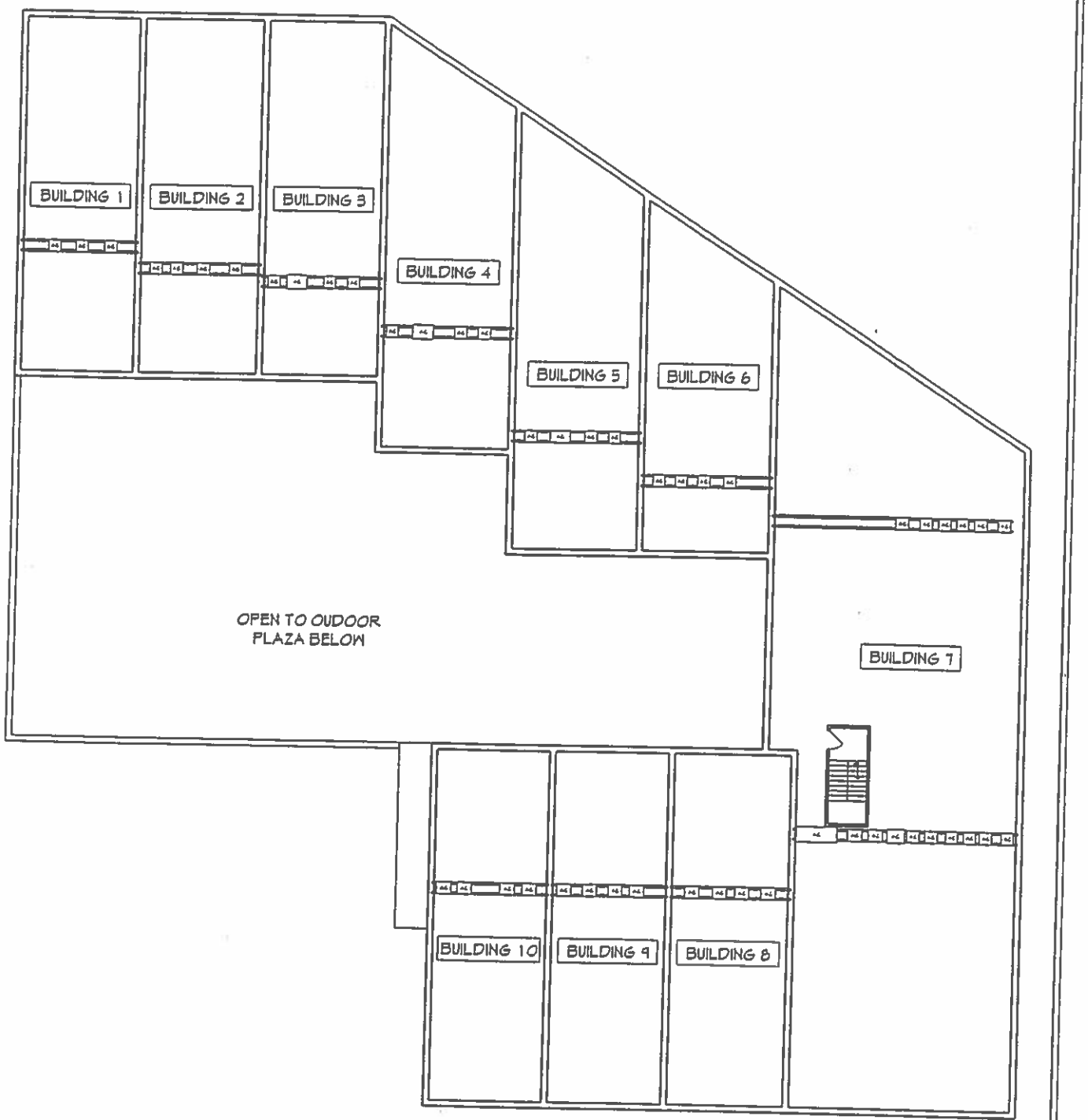
FOURTH FLOOR

TIMES PLAZA
CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
115 e 28 st 8fl ny ny 10010
t 212 505 3360 fax 212 505 3734

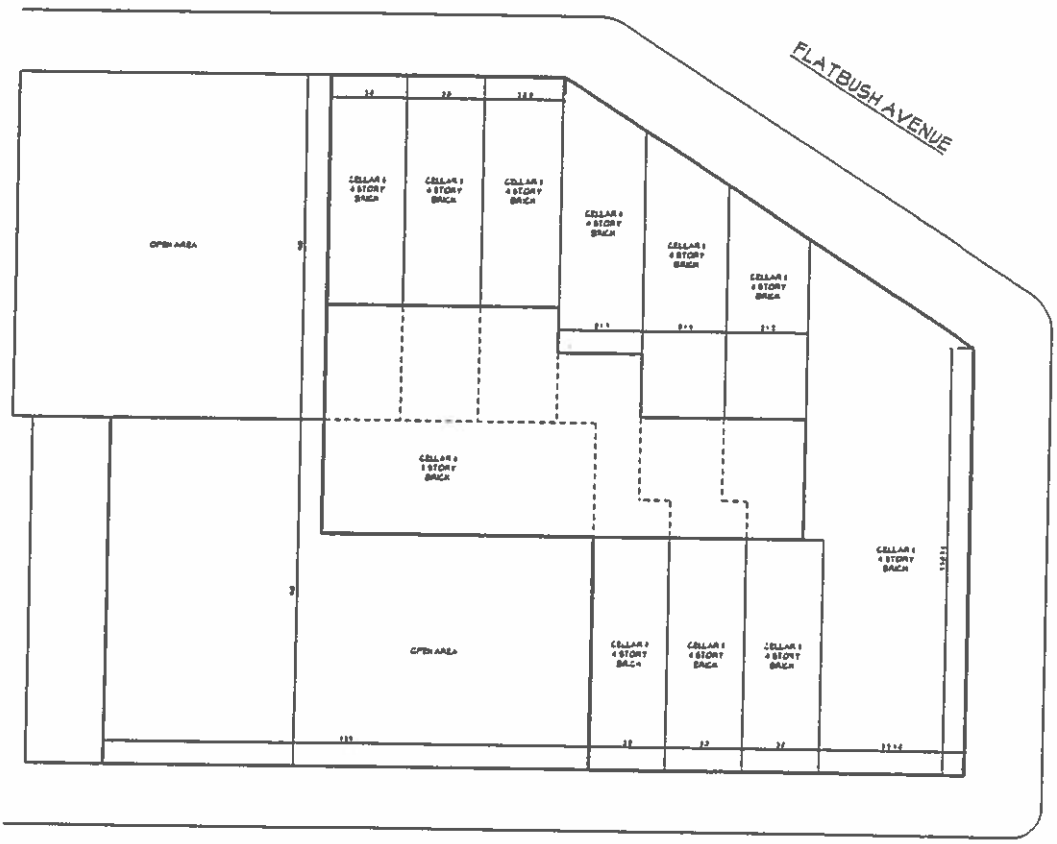
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DATE:	10/29/03	REV. DATE:	01/28/04
JOB NO:	0303134		
DRAWN BY:	PDP GO		A.04

...41th-state.com



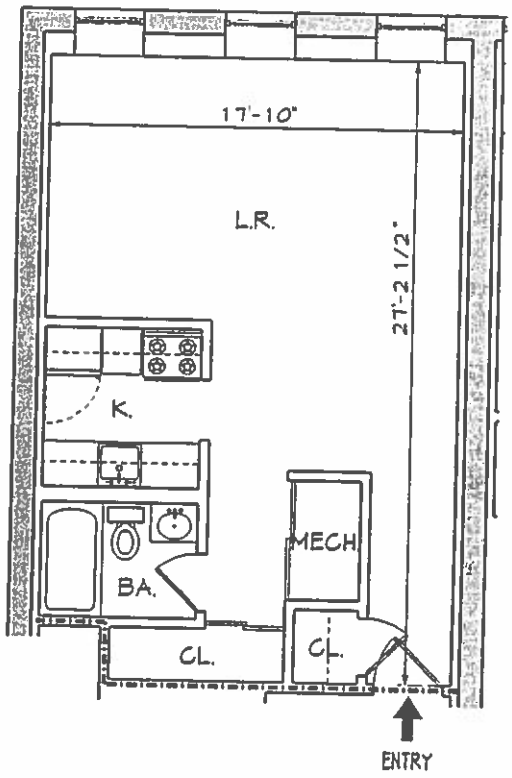
ROOF PLAN TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st 8th fl ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: NO SCALE DATE: 10/05/04 JOB NO: 0303134 DRAWN BY: PDP GO	REV. #: REV. DATE: 01/28/04 A.05

STATE STREET



ATLANTIC AVENUE

SITE PLAN TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK · GOLD P.C. architecture engineering 115 e 23rd st 8th fl ny ny 10010 tel. 212 505 3350 fax 212 505 3734	SCALE: NO SCALE DATE: 10/05/04 JOB NO: 0303134 DRAWN BY: PDP GO	REV. #: REV. DATE: 01/28/04 A.06

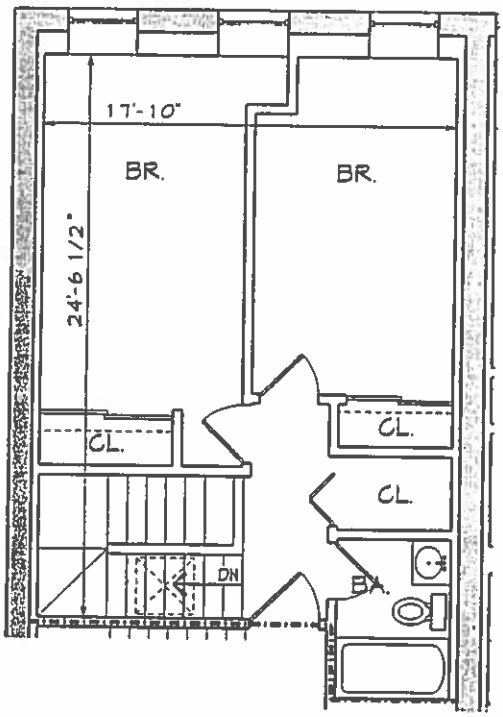


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540 SQ FT

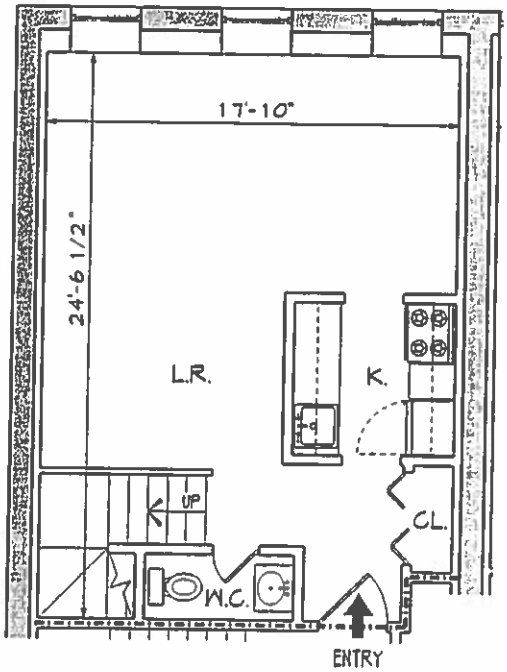
LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 1A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BIERZAK·GOLD P.C. architecture engineering 115 e 23rd st 8th fl ny ny 10010 tel 212 505 3330 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0305134	1A
		DRAWN BY: PDP GO	



FOURTH FLOOR



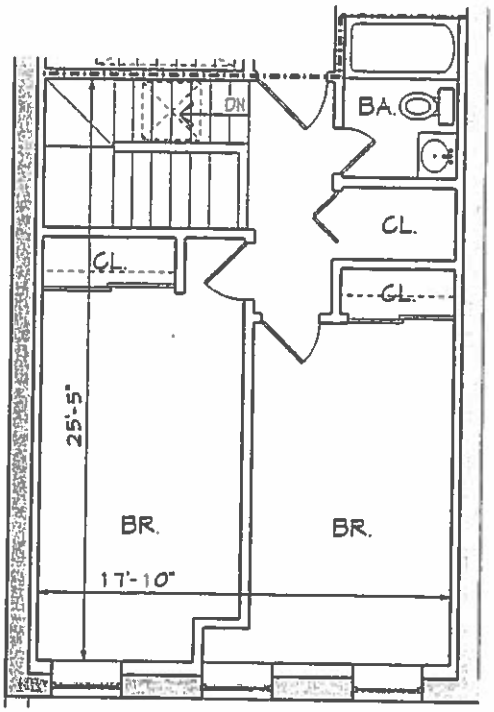
THIRD FLOOR

UNIT: 1B
1,085 SQ FT

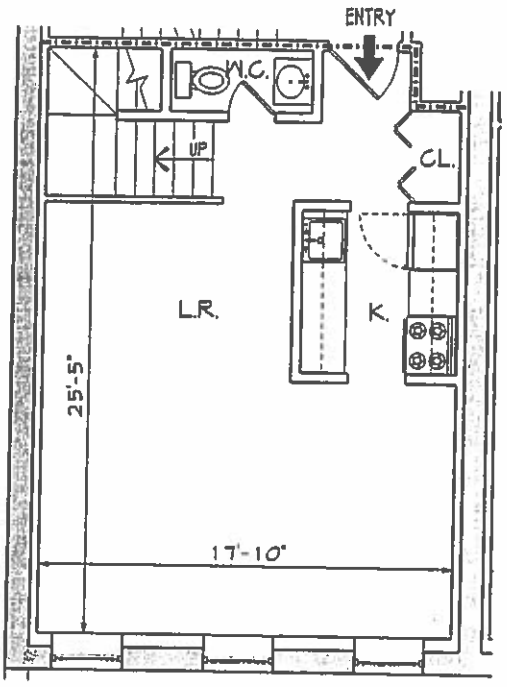
LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 1B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 tel 212 807 3350 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
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		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

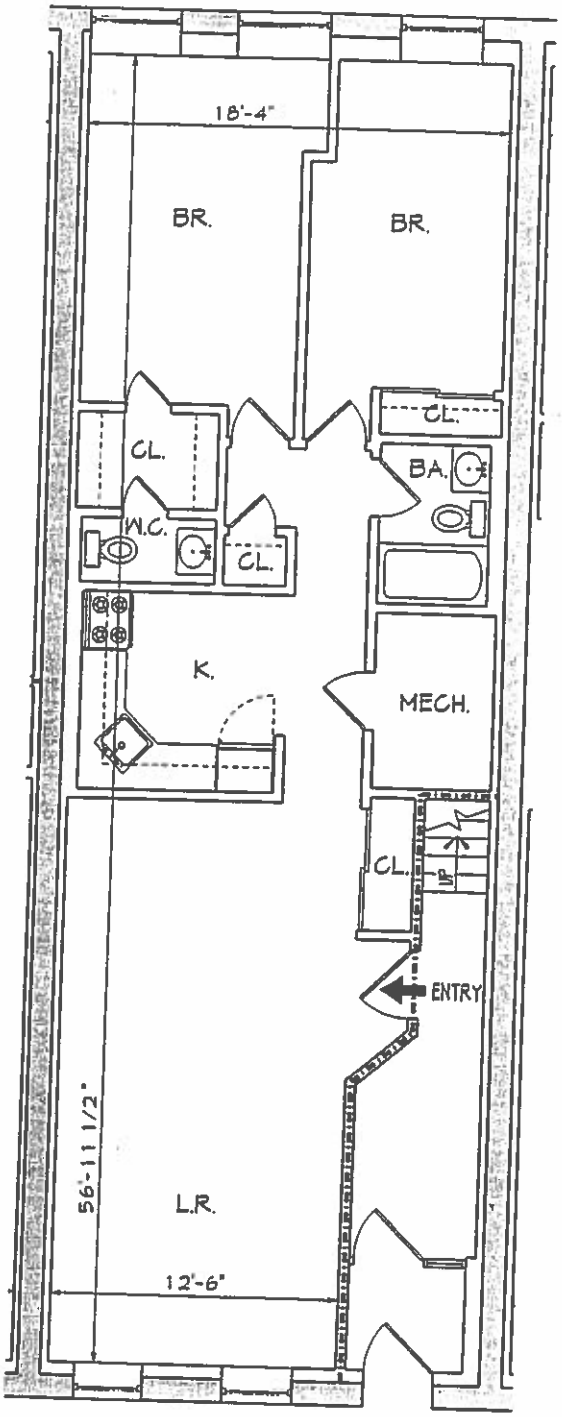
UNIT: 1C
1,100 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 1C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 118 e23rd st 6th fl. ny ny 10010 tel: 212 505 3340 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	1C
		DRAWN BY: PDP GO	

12 OCT 2004 11:43 ...era-11-units-state.dgn



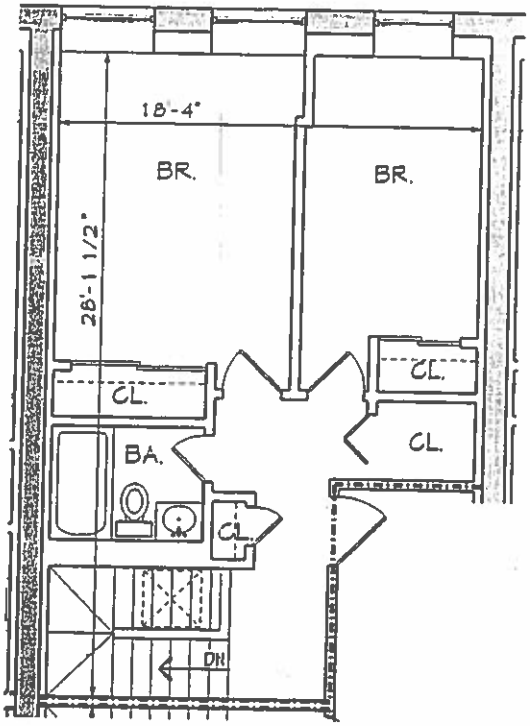
UNIT: 2A
1,070 SQ FT

LEGEND

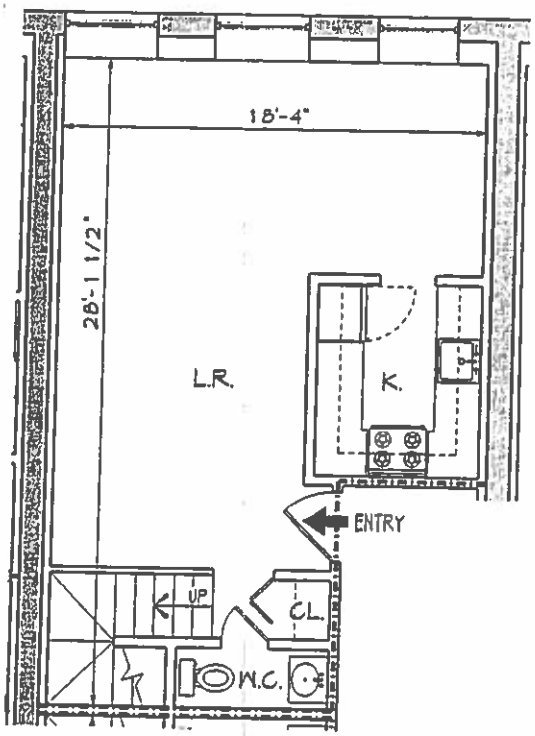
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 2A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC green tectura engineering 118 e23rd st 6th fl ny ny 10010 tel 212 505 3380 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	2A
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10 Jul 2004 11:13:43 ... 2nd-fl-units-store.dgn



FOURTH FLOOR



THIRD FLOOR

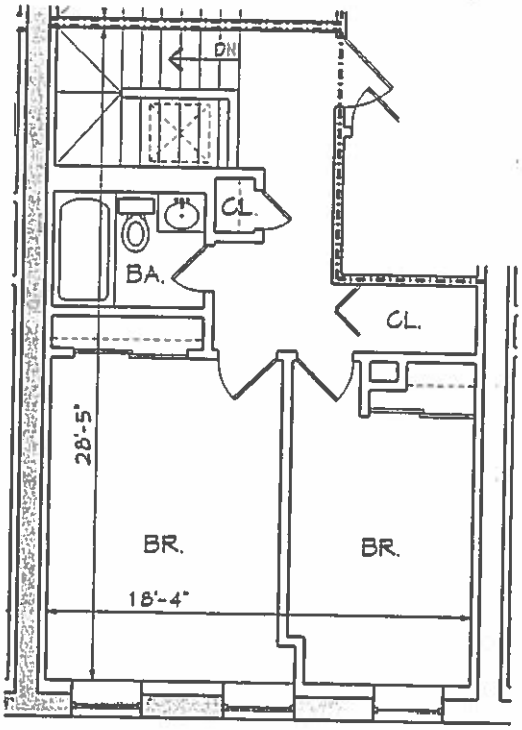
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LEGEND

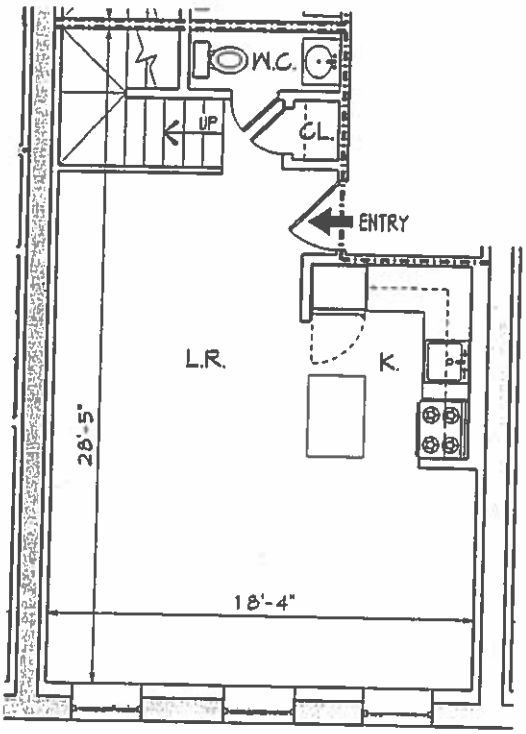
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 2B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BIERZAK-GOLD P.C. architecture engineering ny ny 10010 tel (212) 505-3490 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	2B
		DRAWN BY: PDP GO	

12 Unit Condo\dgn\12-unit-sqft-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

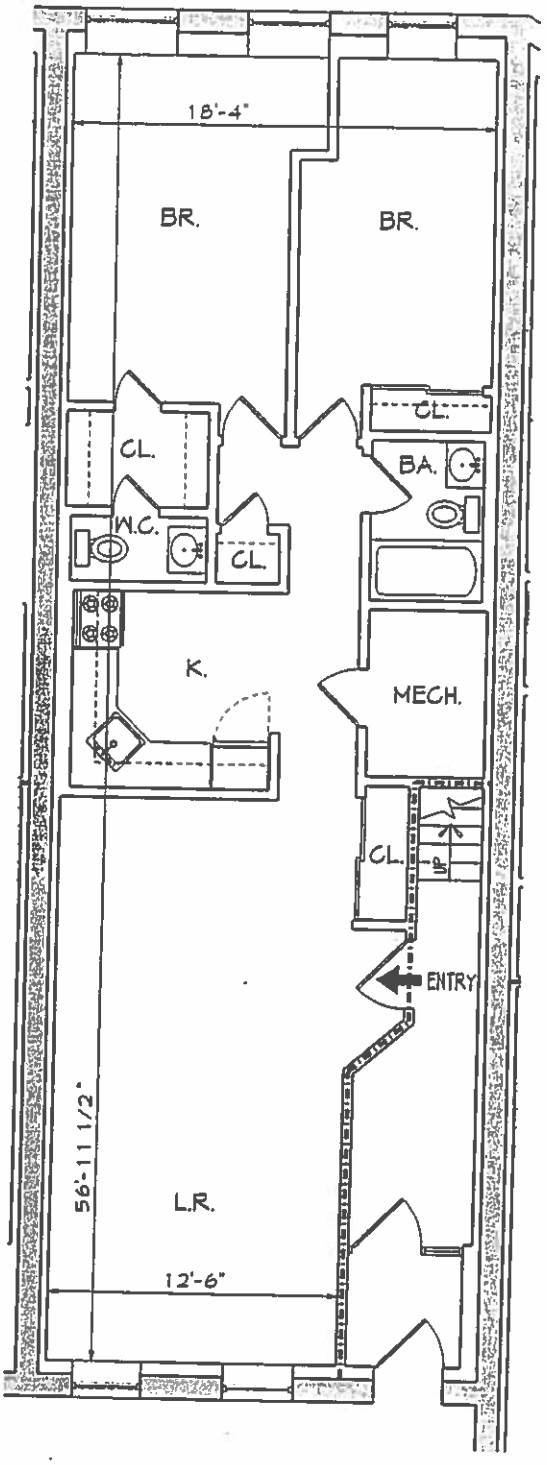
UNIT: 2C
1,060 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 2C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 116 e23rd st. 6th fl. ny ny 10010 tel: 212|505.3360 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	2C
		DRAWN BY: PDF GO	

Jan 28, 2004 - 10:18:12am J:\projects\0303134-times-plaza-units-condo\cad\0303134-units-5store.dgn

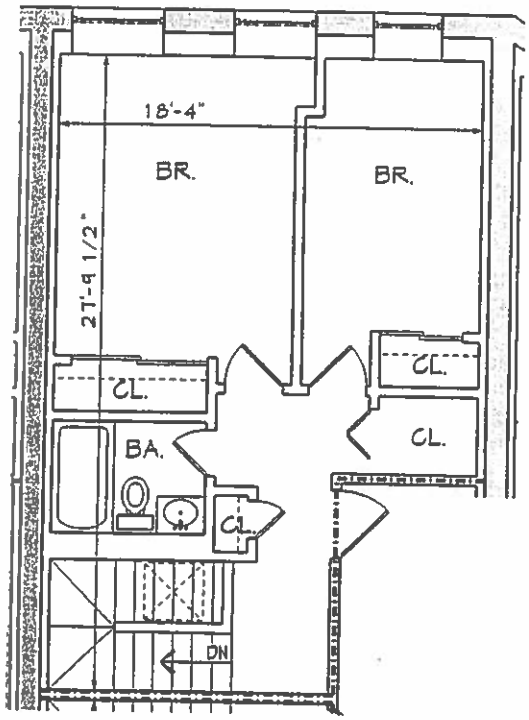


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1,065 SQ FT

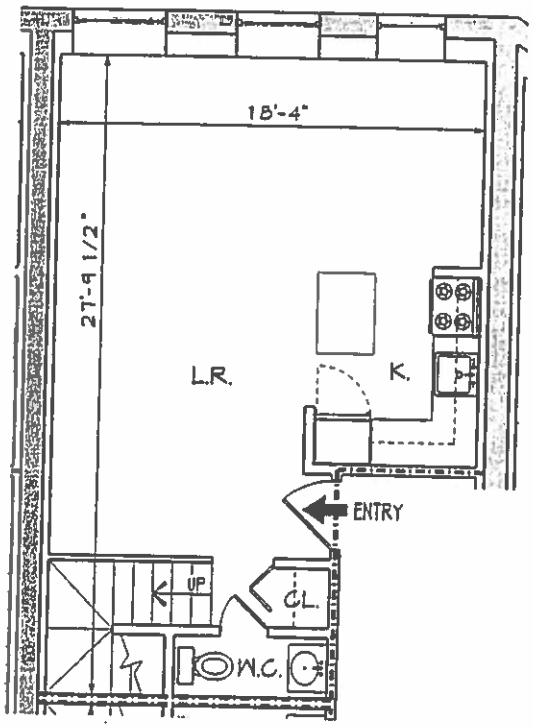
LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 3A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 tel 212.206.3350 fax 212 206 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	3A
		DRAWN BY: PDP GO	



FOURTH FLOOR



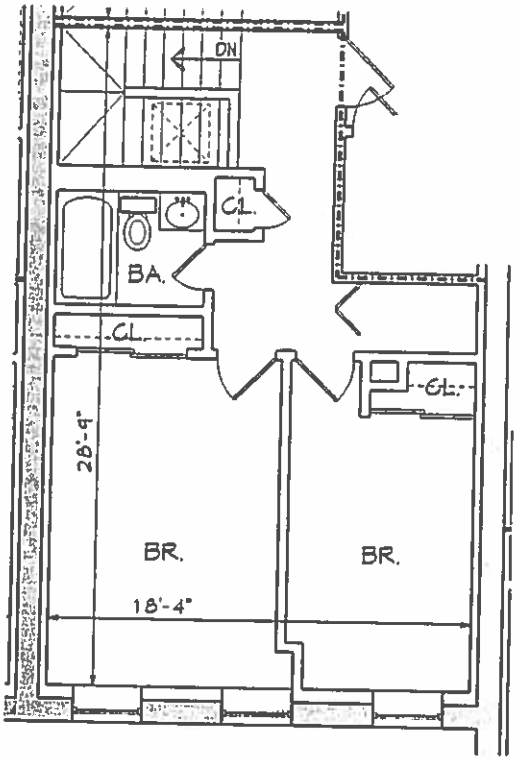
THIRD FLOOR

UNIT: 3B
1,065 SQ FT

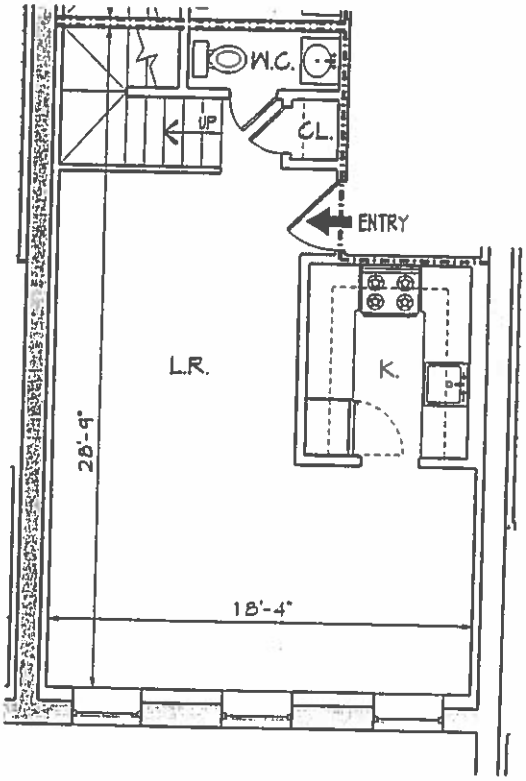
LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 3B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 tel 212 505 3330 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
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FOURTH FLOOR



THIRD FLOOR

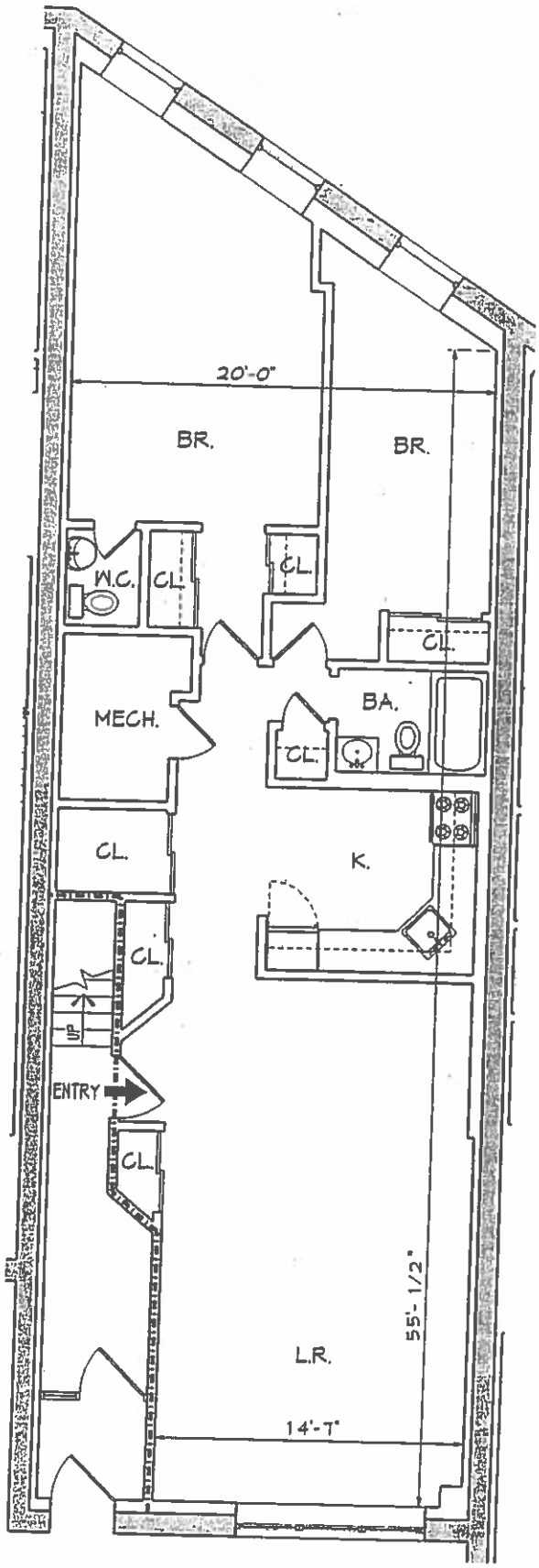
UNIT: 3C
1,075 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT:3C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e23rd st, 8th fl. ny ny 10010 tel. 212.505 3380 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	3C
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12 01 2004 11:16:21 ...\3rd-fl-units-state.dgn



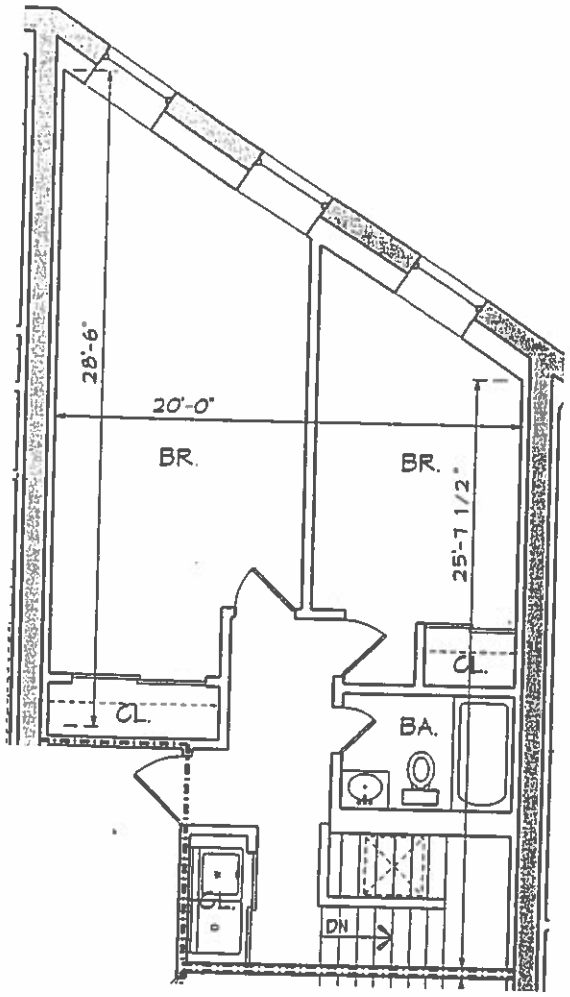
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1,270 SQ FT

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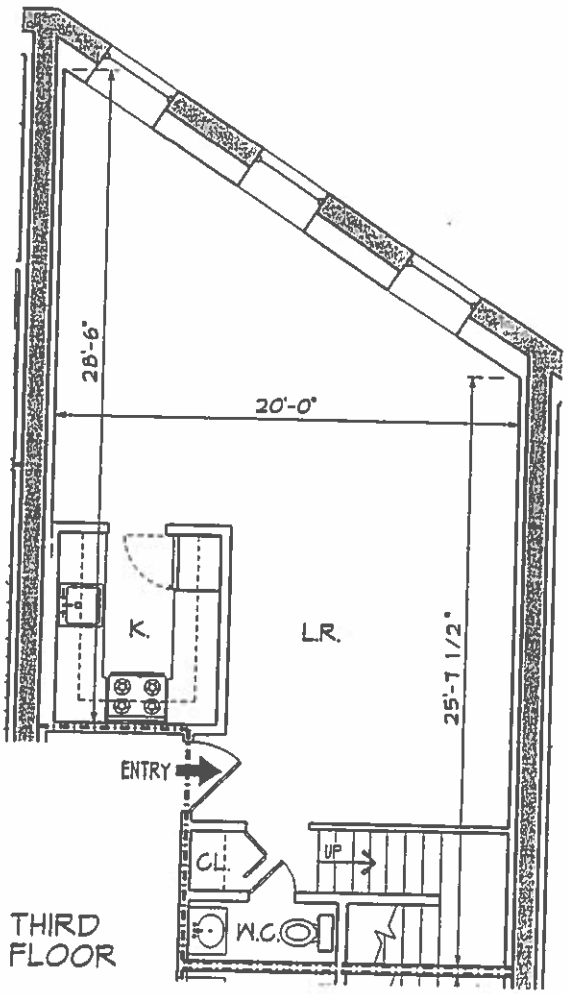
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:14:00 ... *2nd-fl-units-stats.dgn

SECOND FLOOR UNIT: 4A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0305134	4A
		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

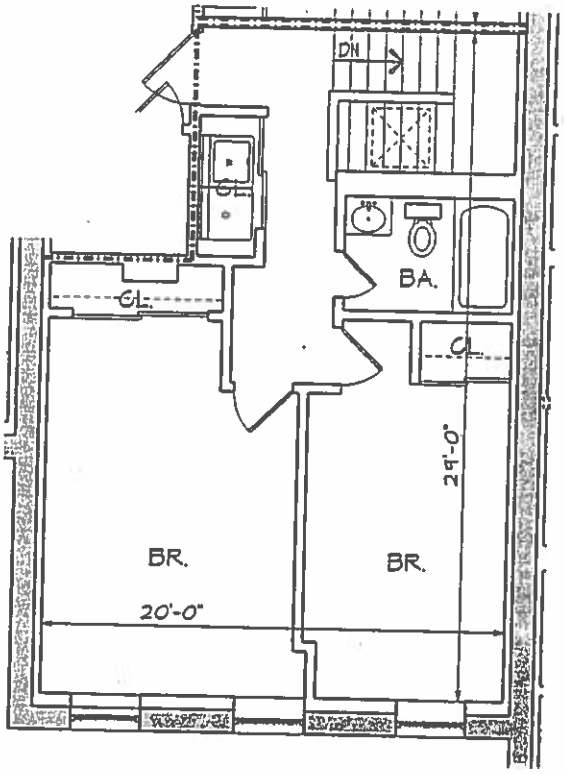
UNIT: 4B
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LEGEND

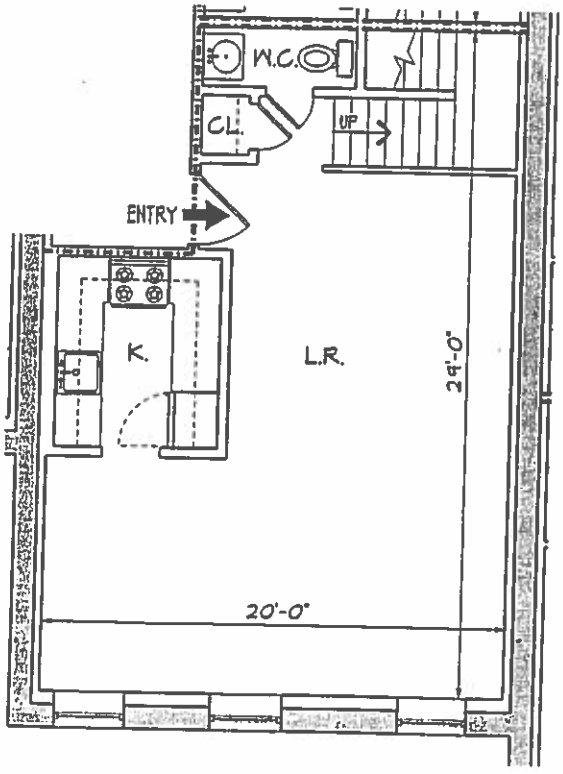
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 4B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e 23rd st ny ny 10010 tel 212 505 3350 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	4B
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15 OCT 2004 11:16:47 ...\3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

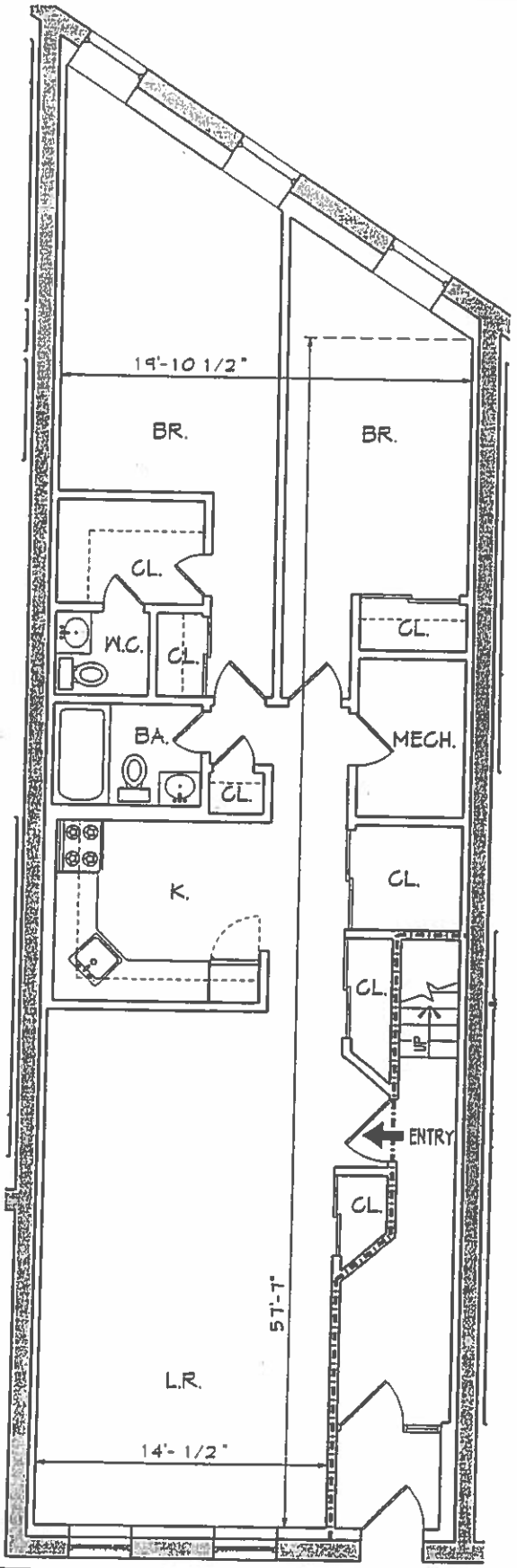
UNIT: 4C
1,205 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:16:40 ....\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 4C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st. 8th fl. ny ny 10010 tel: 212 505 3380 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0903134	4C
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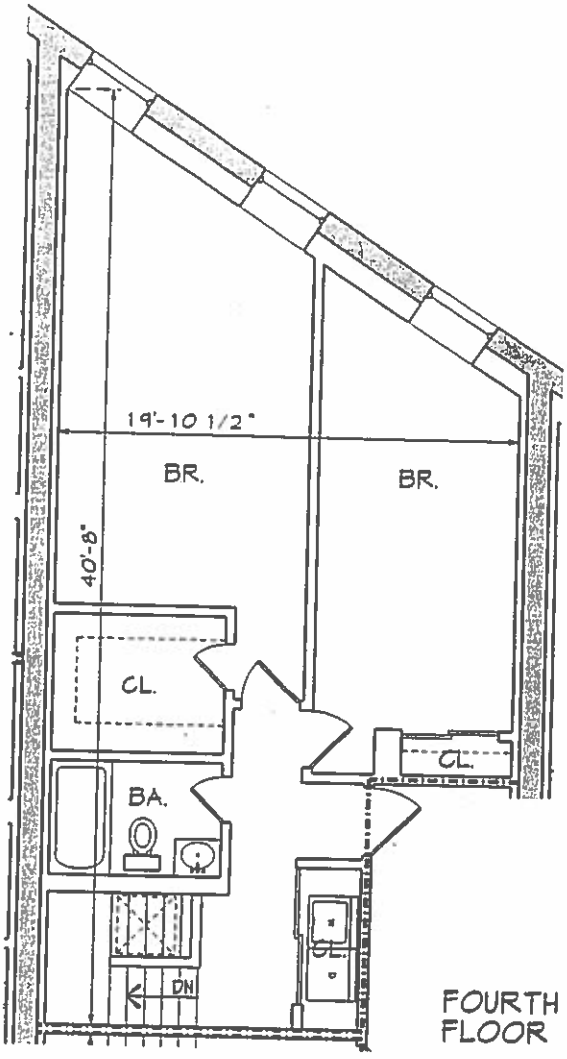
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1,320 SQ FT

LEGEND

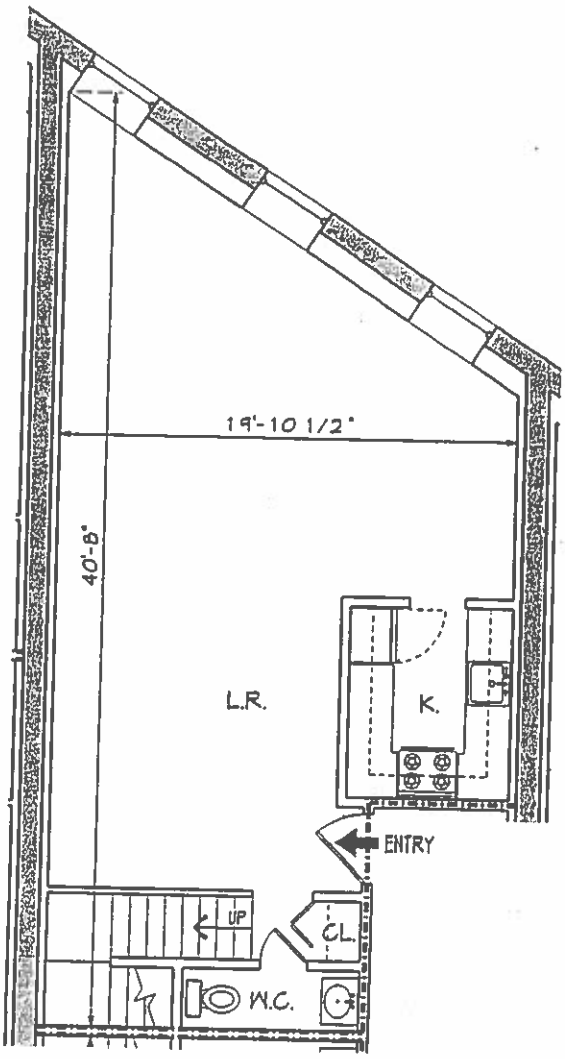
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:14:10 ... #2nd-fl-units-state.dgn

SECOND FLOOR UNIT: 5A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 15 west 37th st. ny ny 10018 tel 212 905 2360 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	5A
		DRAWN BY: FDP GO	



FOURTH FLOOR



THIRD FLOOR

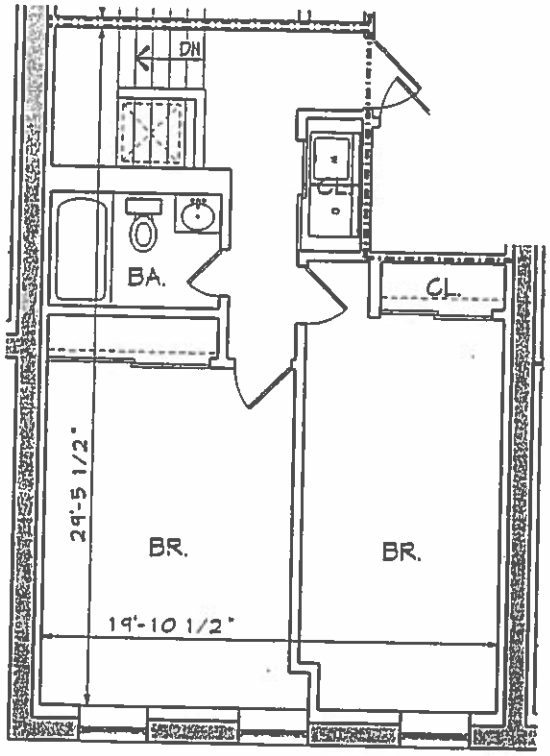
UNIT: 5B
1,440 SQ FT

LEGEND

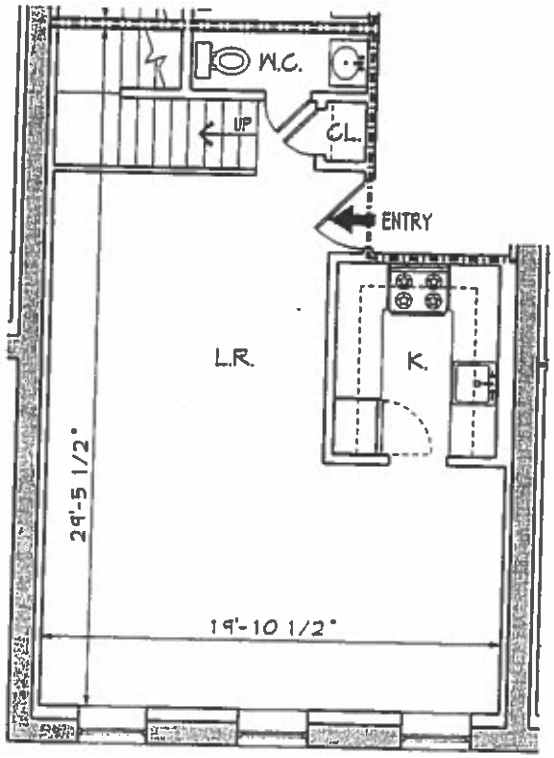
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 5B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"-1-0"	DATE: 01/28/04
		JOB NO: 0303194	5B
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15 OCT 20041:17:03 ... e3rd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

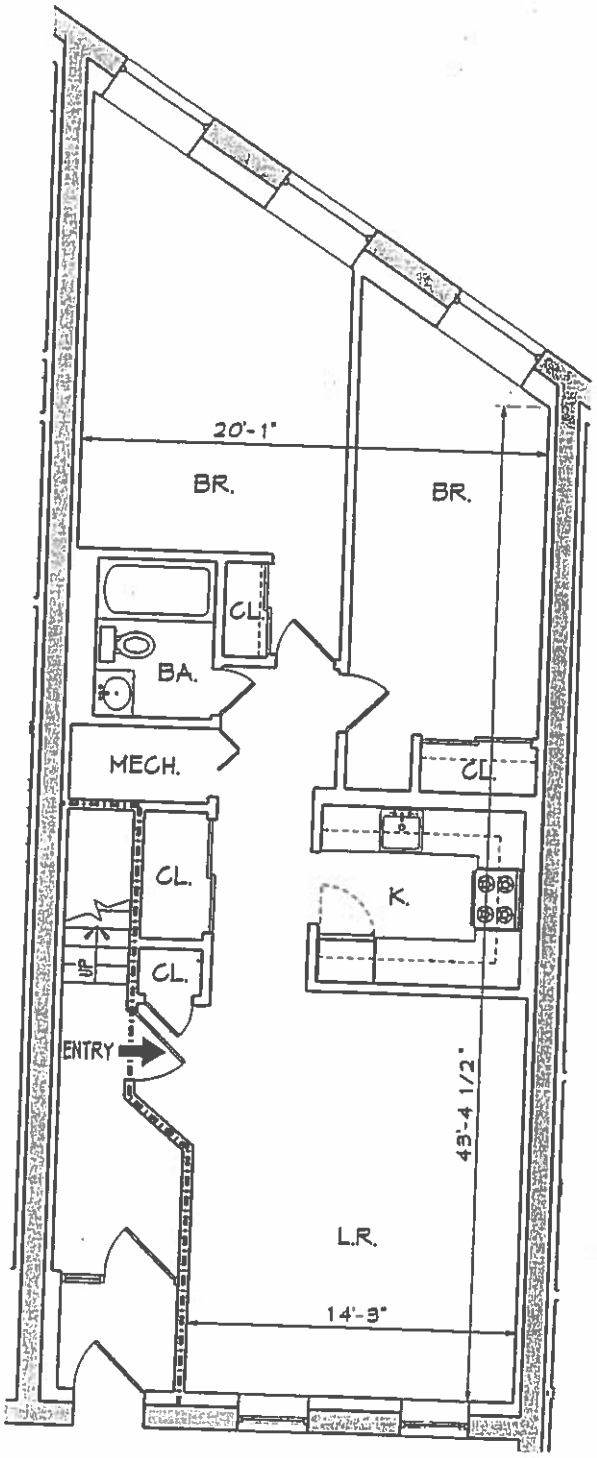
UNIT: 5C
1,225 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT:5C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C architecture engineering (516) 223-[illegible] ny ny 10010 tel: 212[illegible] fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	5C
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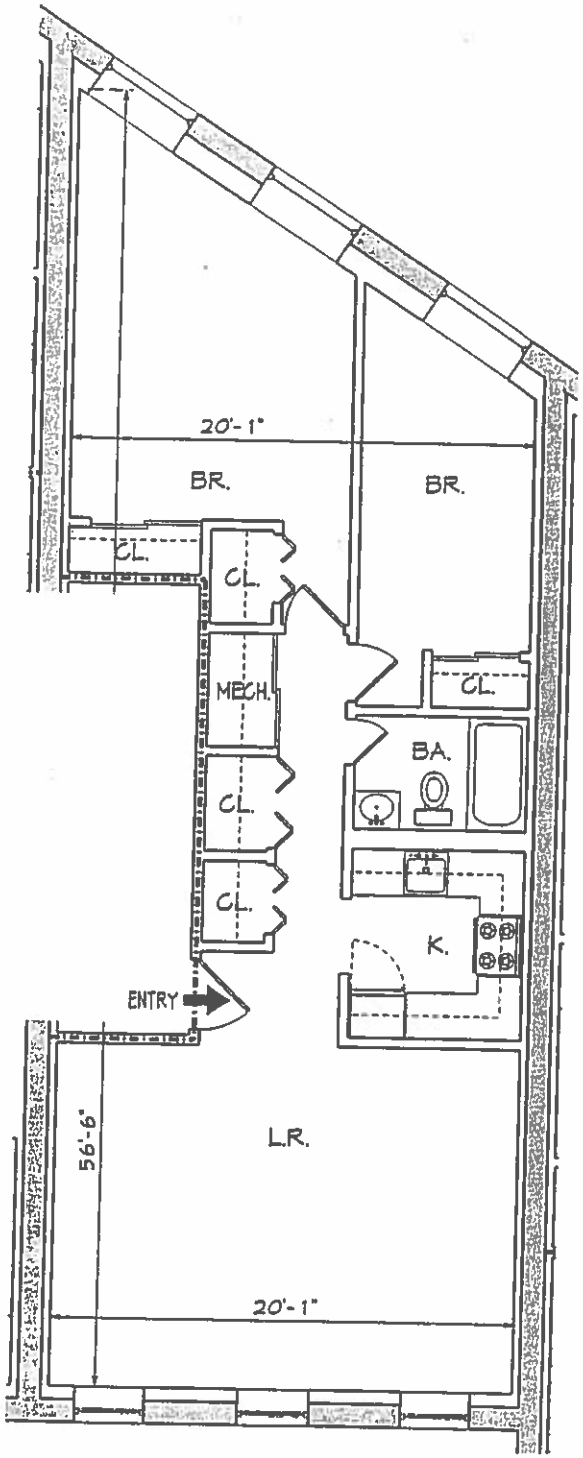
UNIT: 6A
1,035 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 6A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 118 e29th st 6th fl ny ny 10010 tel 212.505.3560 fax 212.505.3734	SCALE: 1/8"=1'-0"	DATE: 01/26/04
		JOB NO: 0303134	6A
		DRAWN BY: PDP GO	

15 OCT 2004 11:14:19 ... e2nd-fl-units-state.dgn



UNIT: 6B
1,035 SQ FT

LEGEND

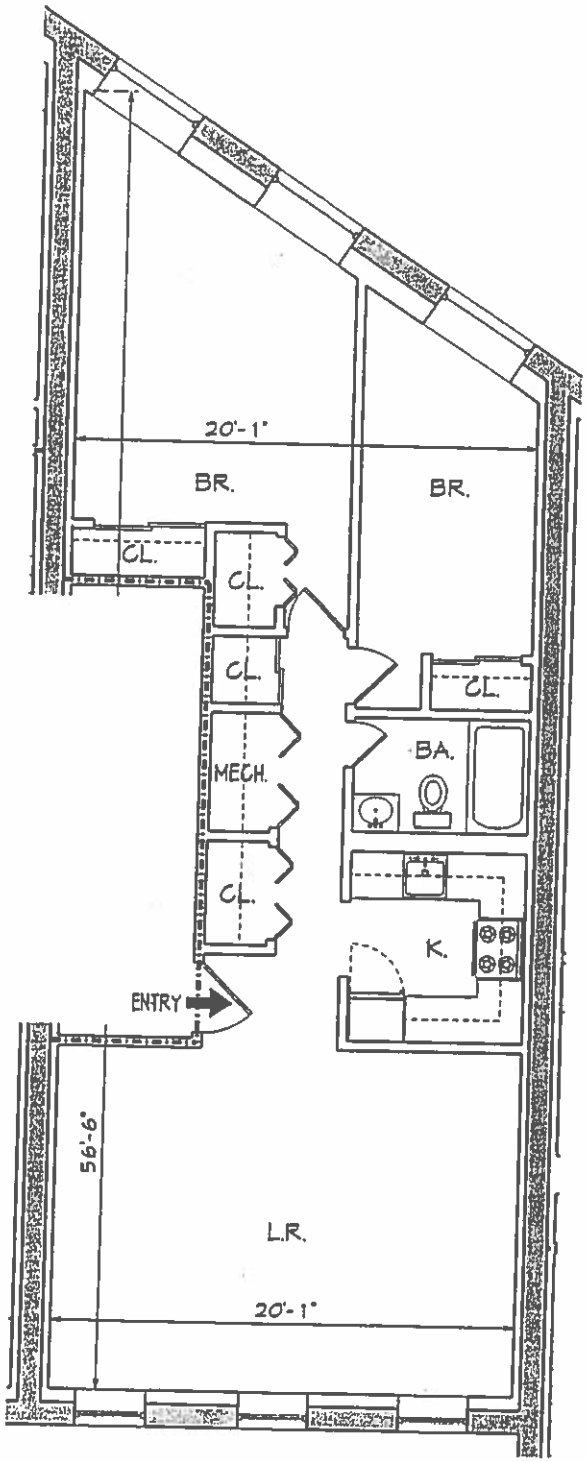
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:17:11 ...\3rd-fl-units-state.dgn

THIRD FLOOR UNIT: 6B
TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BERZAK·GOLD P.C.
architecture engineering
ny ny 10010
tel 212 505 3360 fax 212 505 3734

SCALE: 1/8"=1'-0" | DATE: 01/28/04
JOB NO: 0303134 | 6B
DRAWN BY: PDP GO



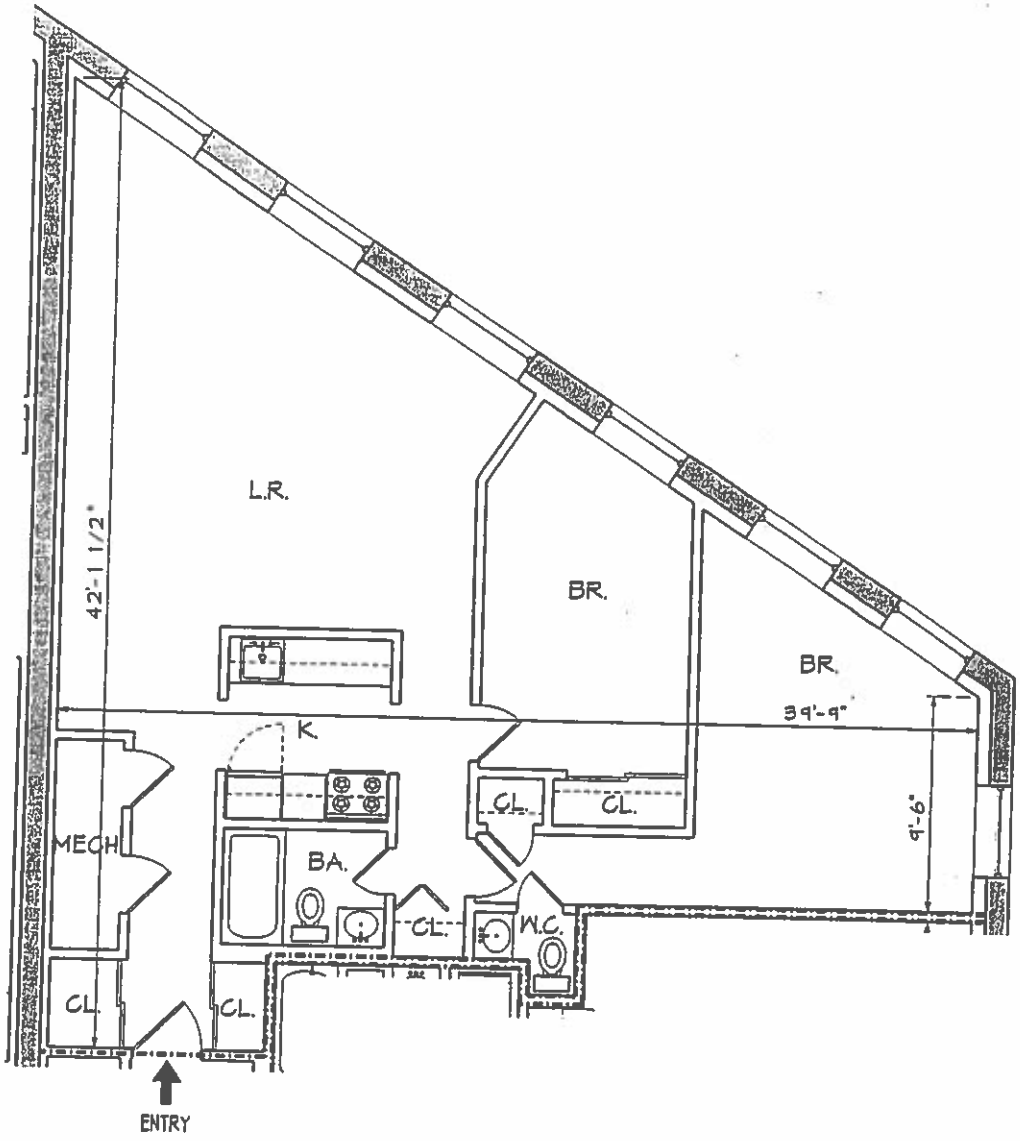
UNIT: 6C
1,035 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

FOURTH FLOOR UNIT: 6C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0309154	6C
		DRAWN BY: PDP GO	

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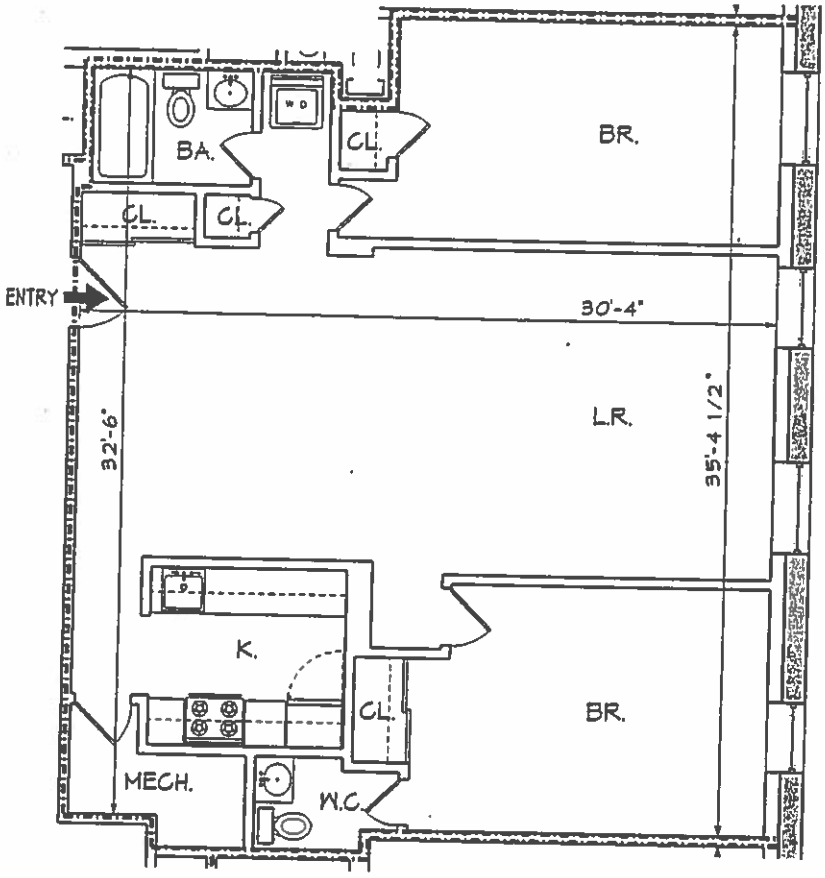
UNIT: 7A
1,130 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 tel 212 505 3550 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7A
		DRAWN BY: PDP GO	

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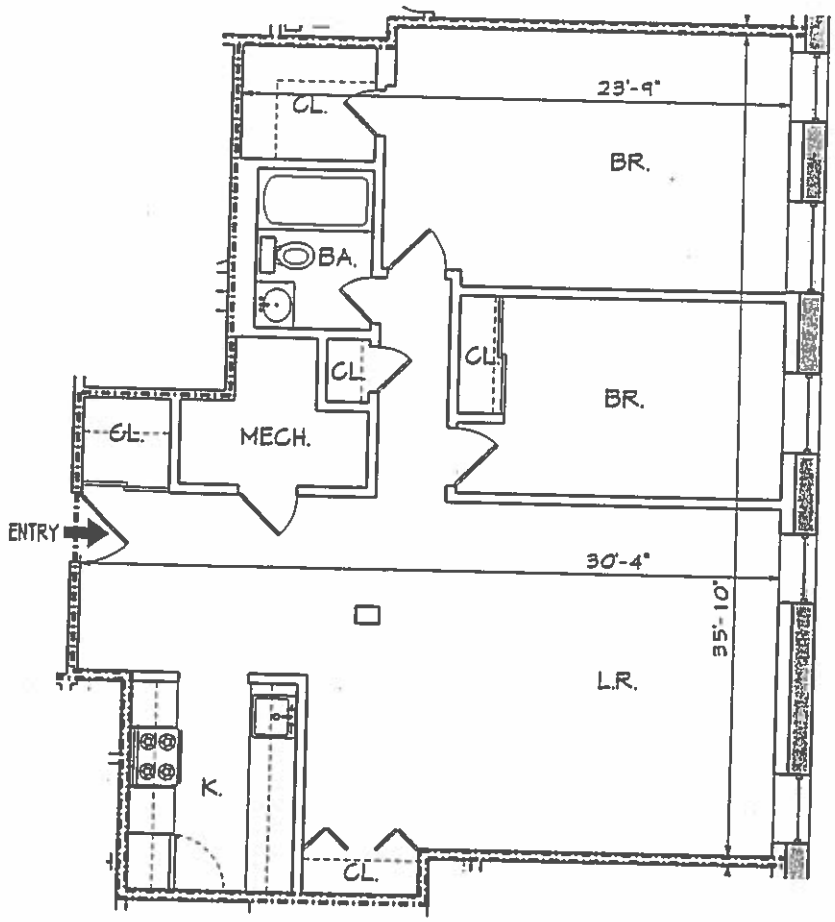
UNIT: 7B
1,120 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 tel. 212.505.3350 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/26/04
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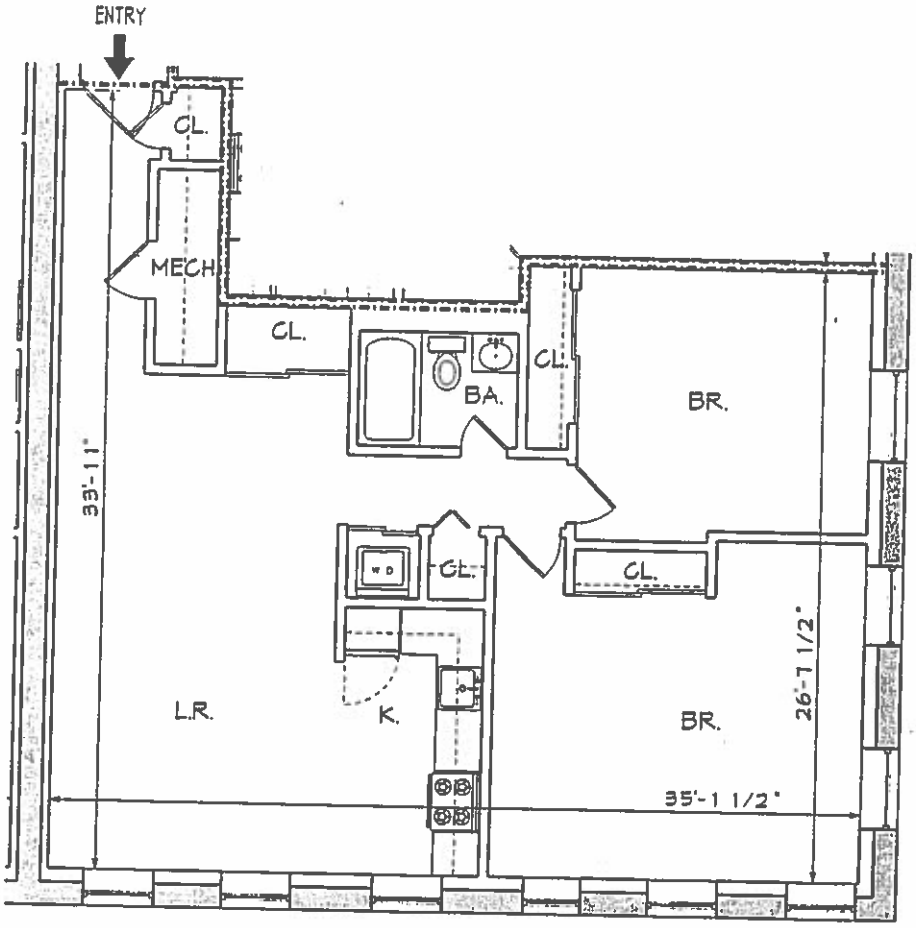
UNIT: 7C
1,060 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
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15 OCT 2004 11:14:45 ... e2nd-fl-units-state.dgn



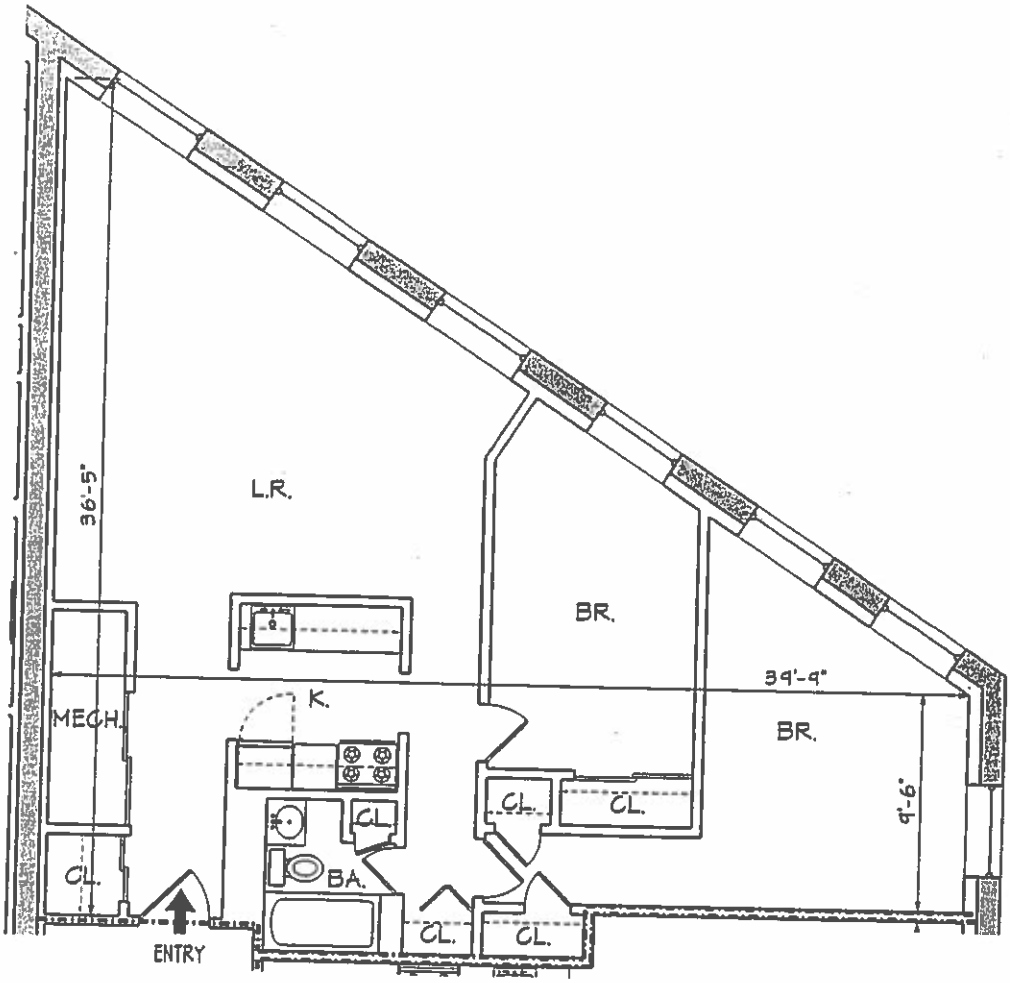
UNIT: 7D
1,100 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 7D TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st 8th fl ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0305134	7D
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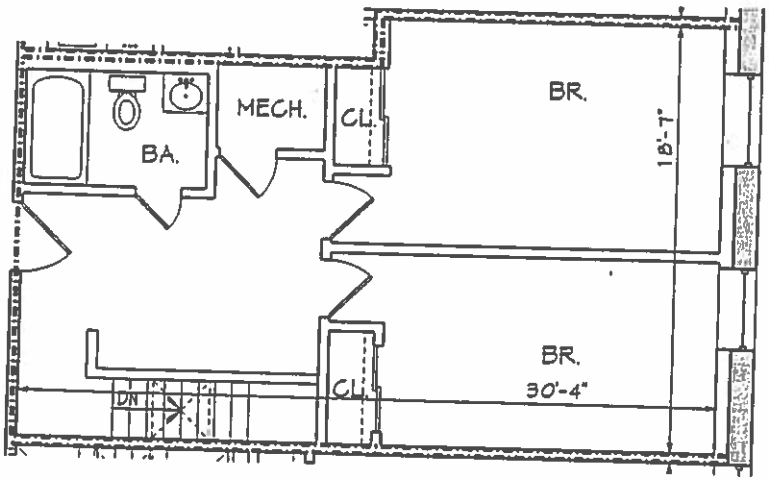
UNIT: 7E
1,070 SQ FT

LEGEND

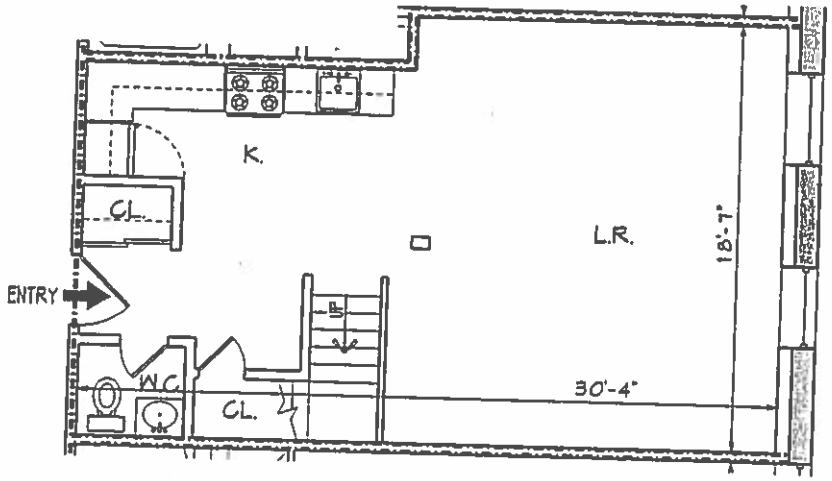
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

THIRD FLOOR UNIT: 7E TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7E
		DRAWN BY: PDP GO	

15 OCT 2004 11:17:21 ....\3rd-fl-units-store.dgn



FOURTH FLOOR



THIRD FLOOR

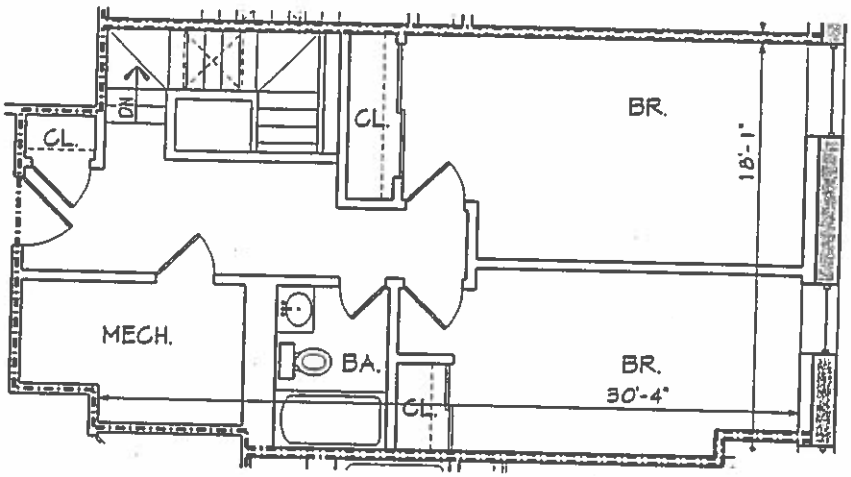
UNIT: 7F
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LEGEND

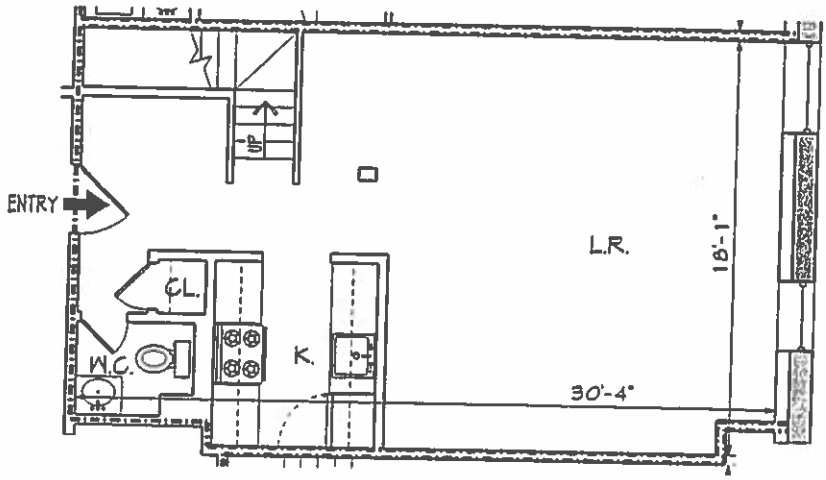
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:11:30 ...\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 7F TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 e 23rd st, 8th fl ny ny 10010 tel 212.505.9360 fax 212.505.3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7F
		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

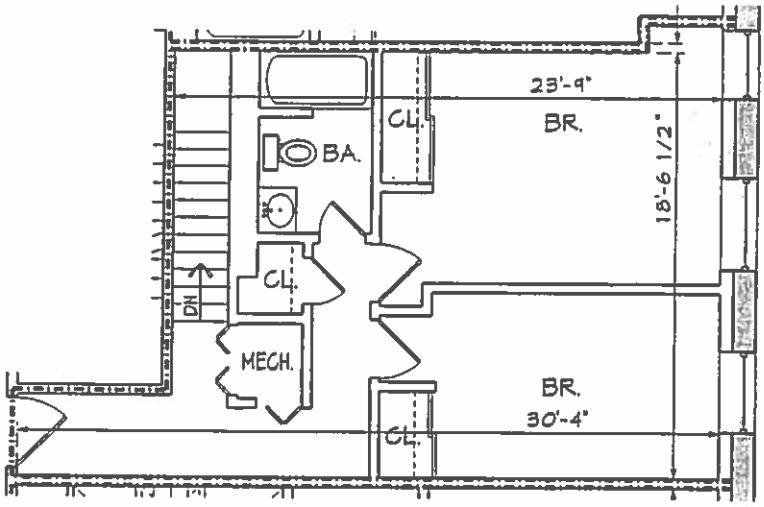
UNIT: 7G
1,205 SQ FT

LEGEND

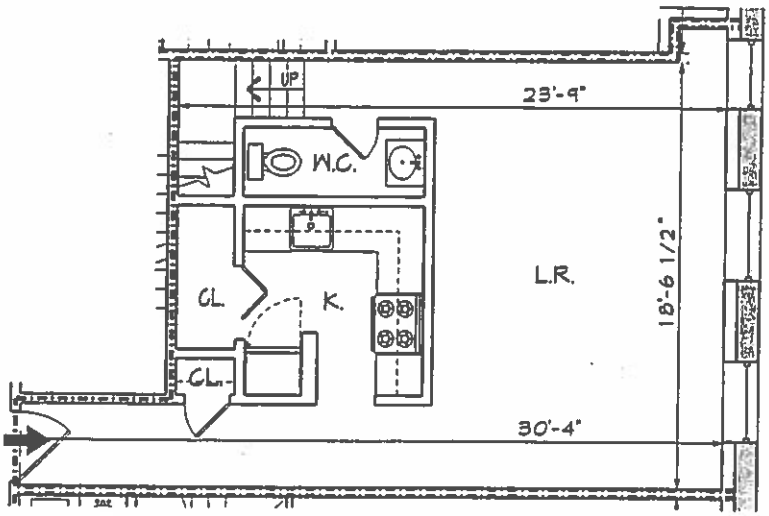
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:17:39 ....#3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 7G TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC engineering ny ny 10010 fax 212.308.3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303194	7G
		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

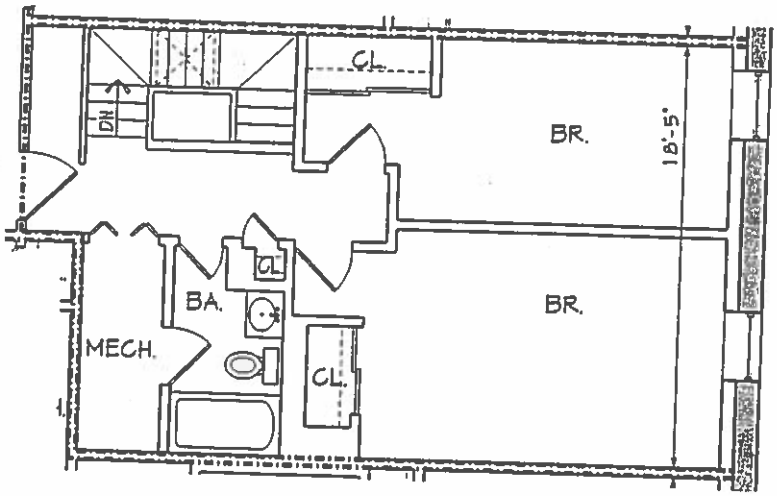
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LEGEND

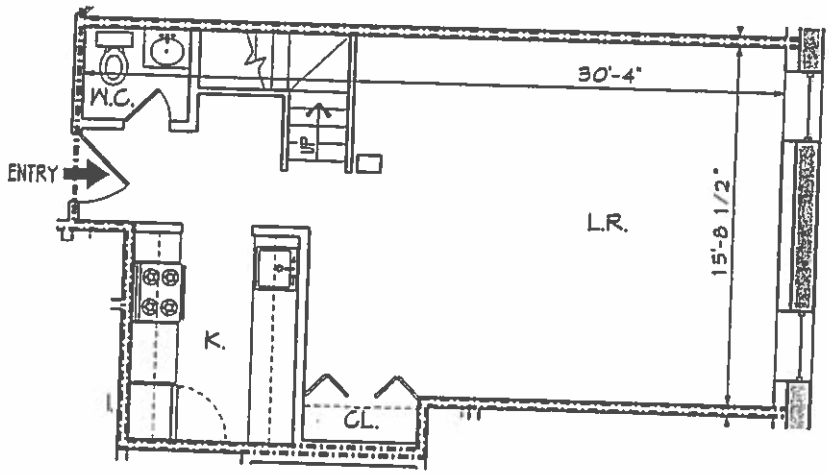
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 7H TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115 028 st fl ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE 01/28/04
		JOB NO: 0303134	7H
		DRAWN BY: PDP GO	

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FOURTH FLOOR



THIRD FLOOR

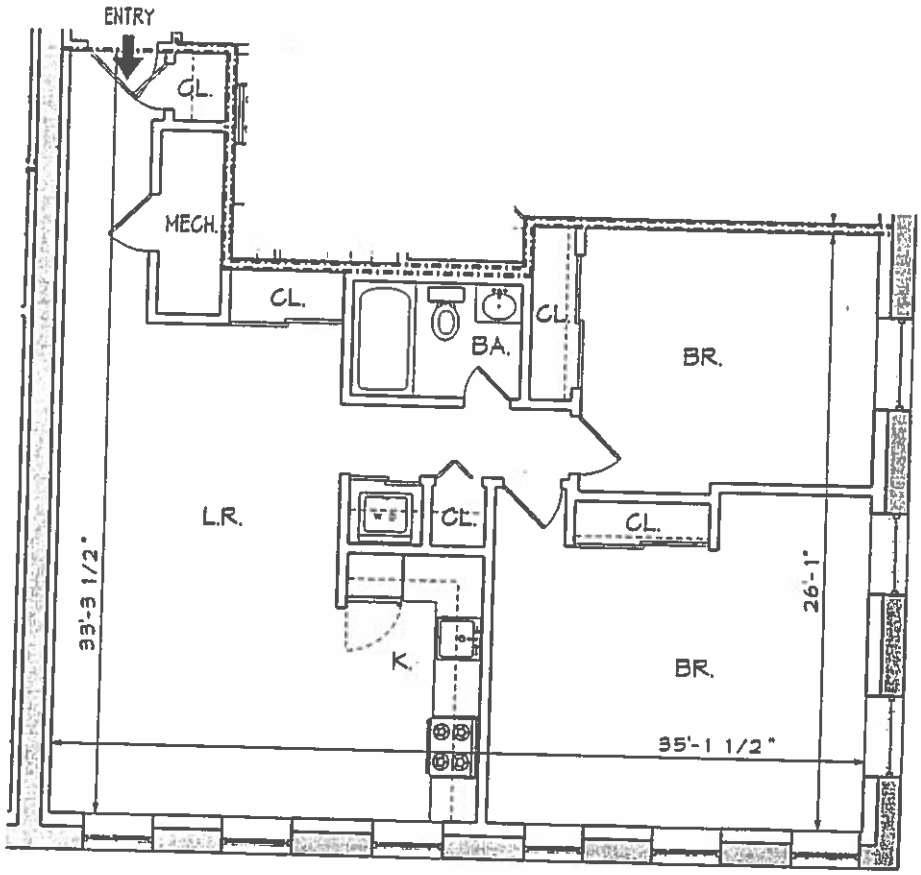
UNIT: 7J
1,110 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

3RD & 4TH FL DUPLEX UNIT: 7J TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
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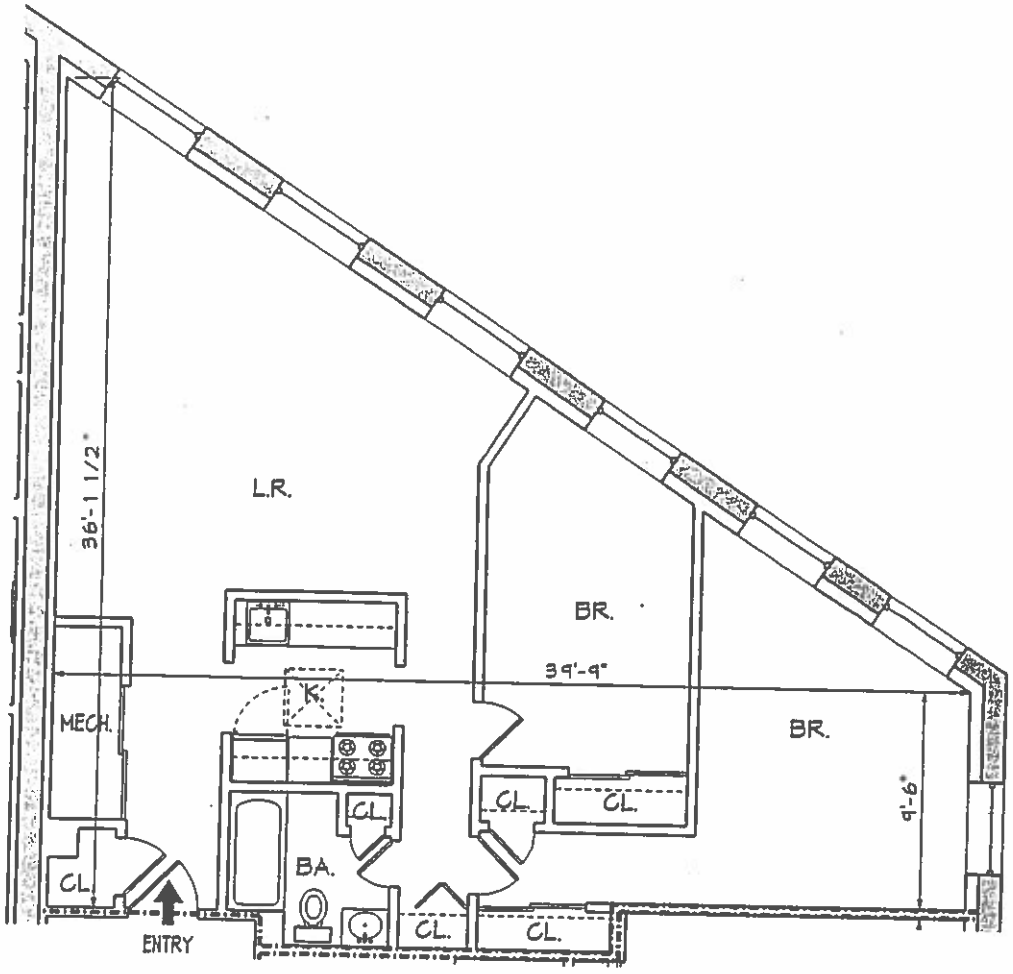
UNIT: 7K
1,075 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:04 ...\3rd-fl-units-store.dgn

THIRD FLOOR UNIT: 7K TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e23rd st. 8th fl. ny ny 10010 tel 212 505 3380 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7K
		DRAWN BY: PDP GO	



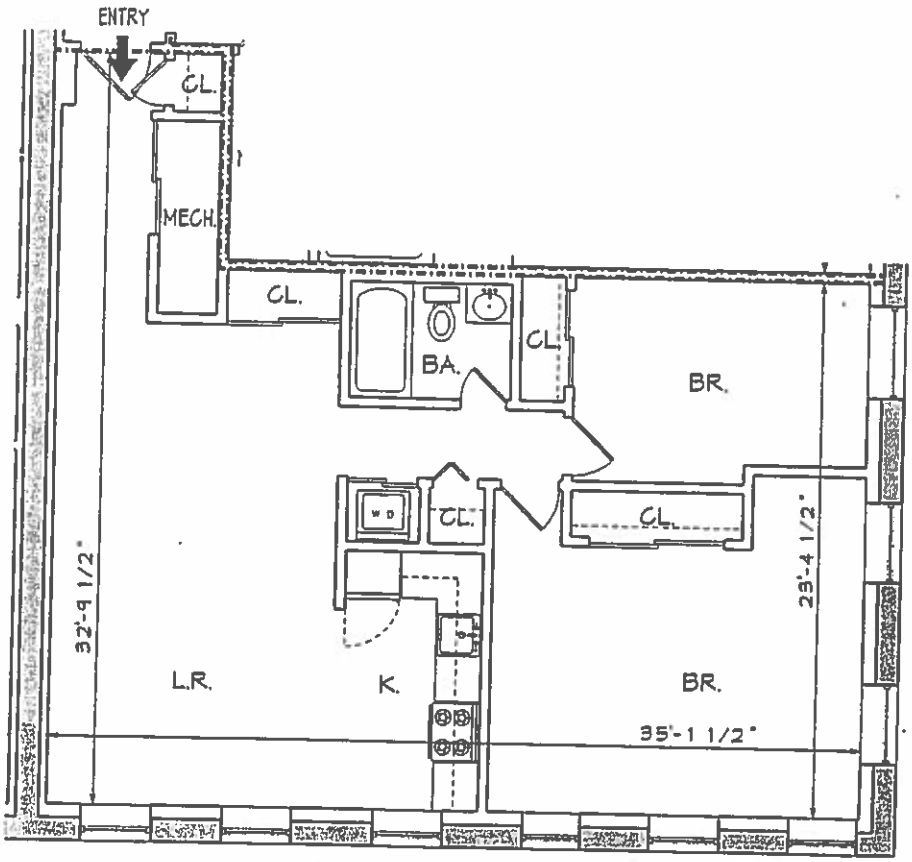
UNIT: 7L
1,070 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

FOURTH FLOOR UNIT: 7L TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23rd st 8th fl ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	7L
		DRAWN BY: PDP GO	

15 OCT 2004 11:19:16 ...\3rd-fl-units-state.dgn



UNIT: 7M
1,020 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

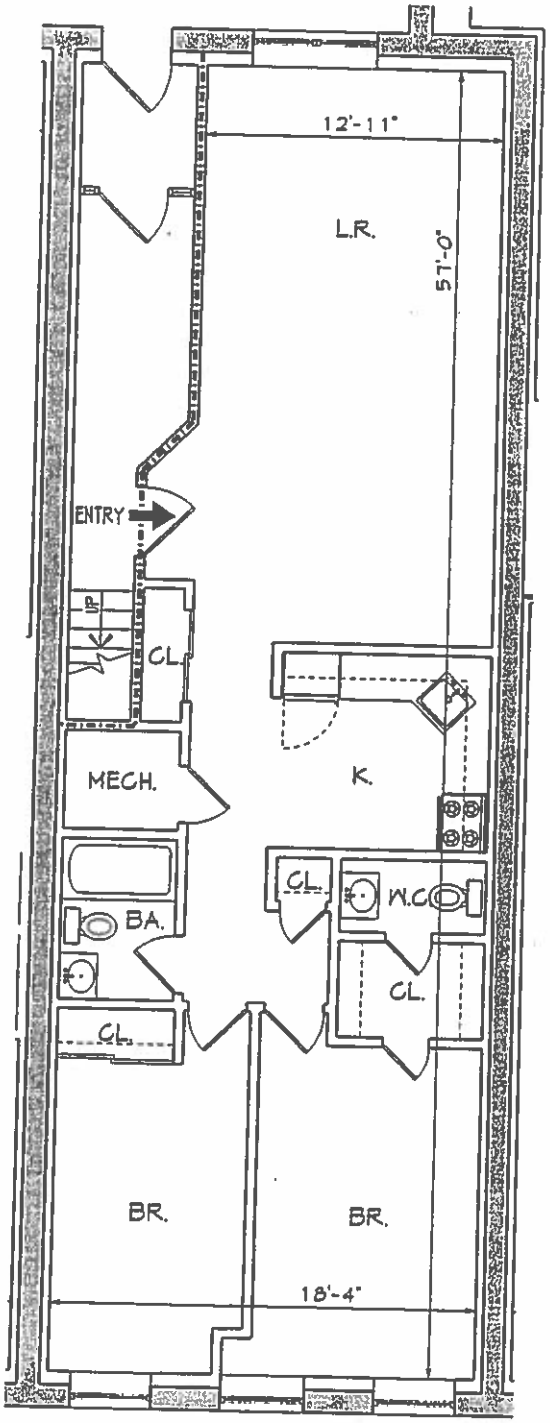
FOURTH FLOOR UNIT: 7M

TIMES PLAZA CONDOMINIUM
BROOKLYN, NY

BIERZAK·GOLD P.C
architecture engineering
ny ny 10010
tel 212 505 3730 fax 212 505 3734

SCALE: 1/8"=1'-0" | DATE: 01/28/04
JOB NO: 0303154 | 7M
DRAWN BY: PDP GO

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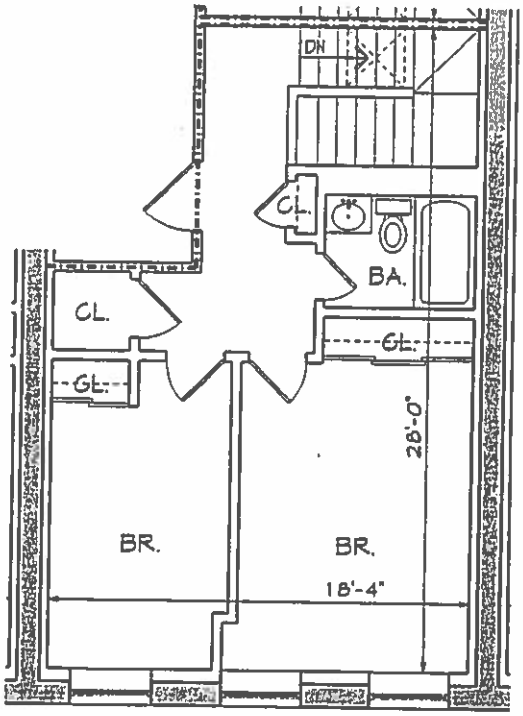
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LEGEND

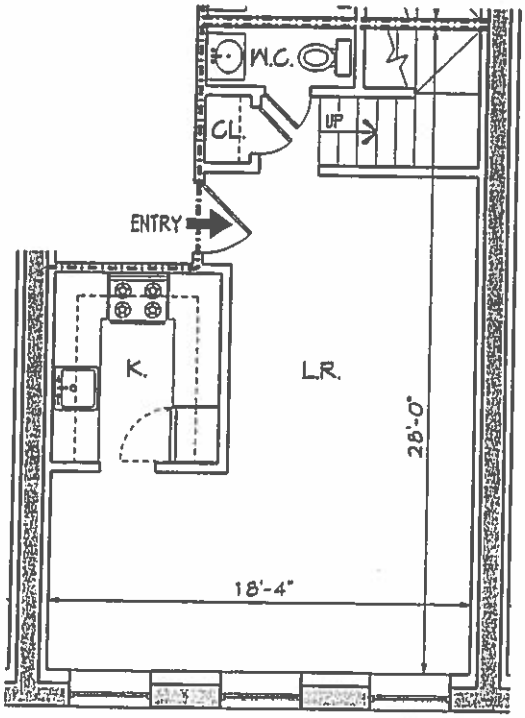
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:15:02 ... \2nd-fl-units-state.dgn

SECOND FLOOR UNIT: 8A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 tel 212 505 3330 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	8A
		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

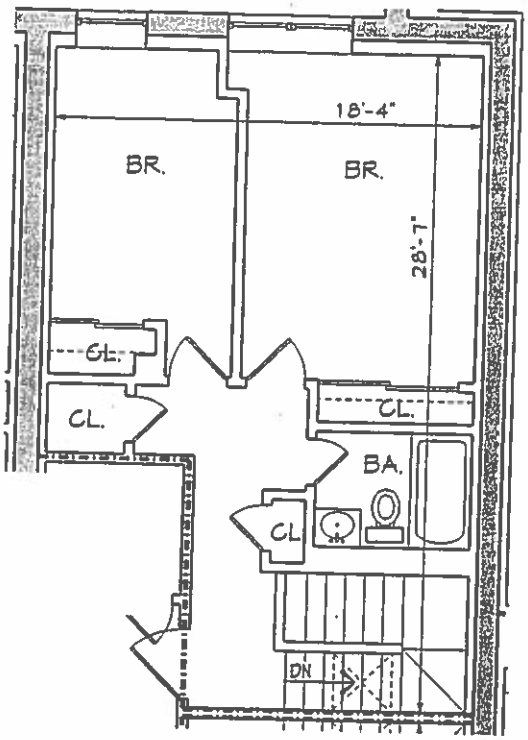
UNIT: 8B
1,040 SQ FT

LEGEND

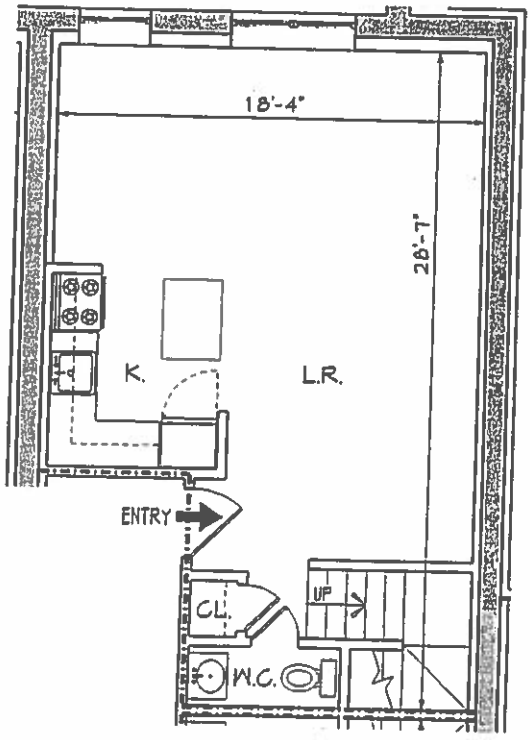
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:28 ...\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 8B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering 115-023 St. 6th fl. ny ny 10010 tel 212 505 3360 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	8B
		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

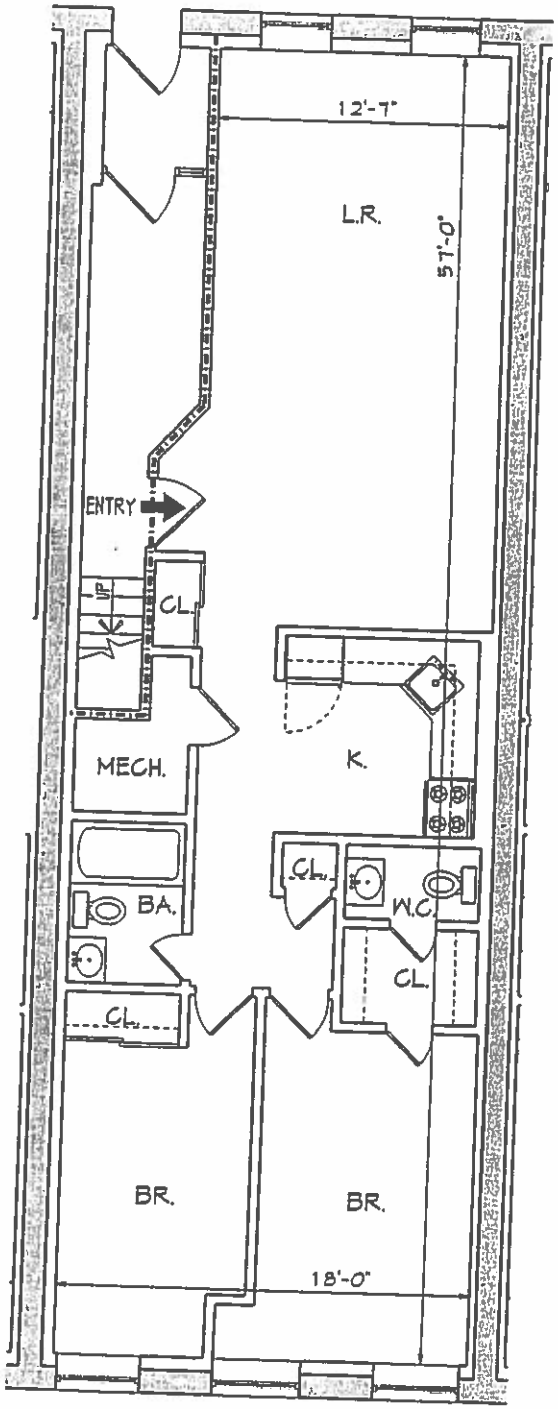
UNIT: 8C
1,065 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:12 ...\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 8C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD PC architecture engineering ny ny 10010 fax 212 505 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	8C
		DRAWN BY: PDP GO	



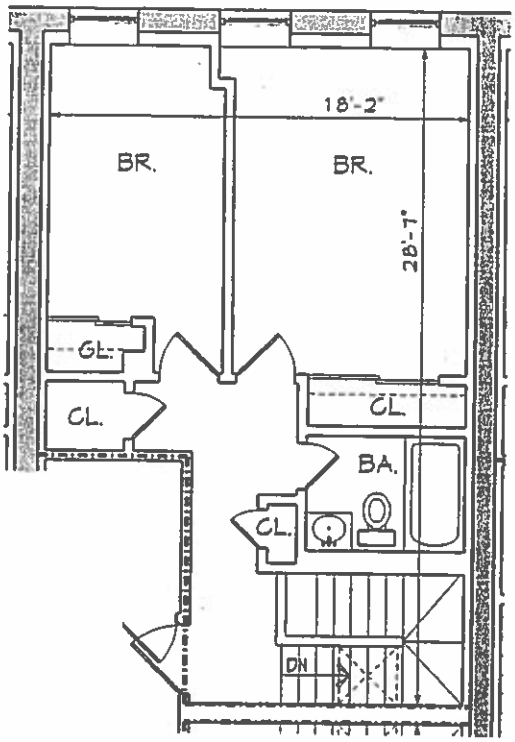
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LEGEND

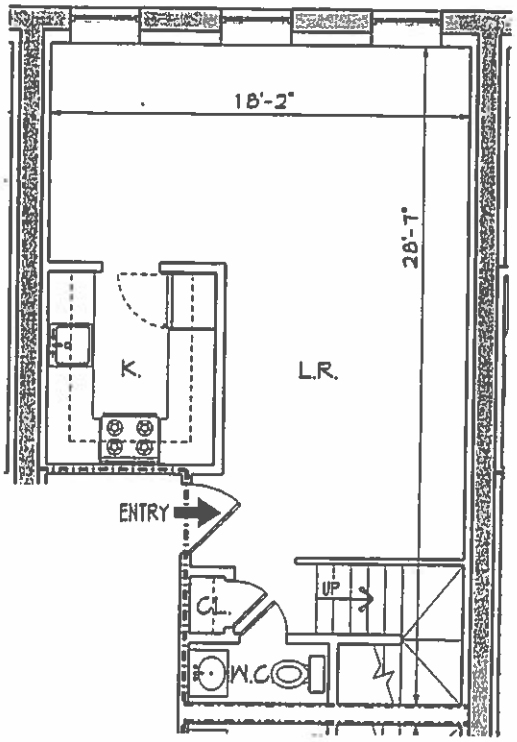
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:15:10 ...\2nd-fl-units-state.dgn

SECOND FLOOR UNIT: 9A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e23rd st. 8th fl. ny ny 10010 tel. 212.505.3360 fax 212.505.3734	SCALE: 1/8"-1'-0"	DATE: 01/26/04
		JOB NO: 0303134	9A
		DRAWN BY: PDP GO	



FOURTH FLOOR



THIRD FLOOR

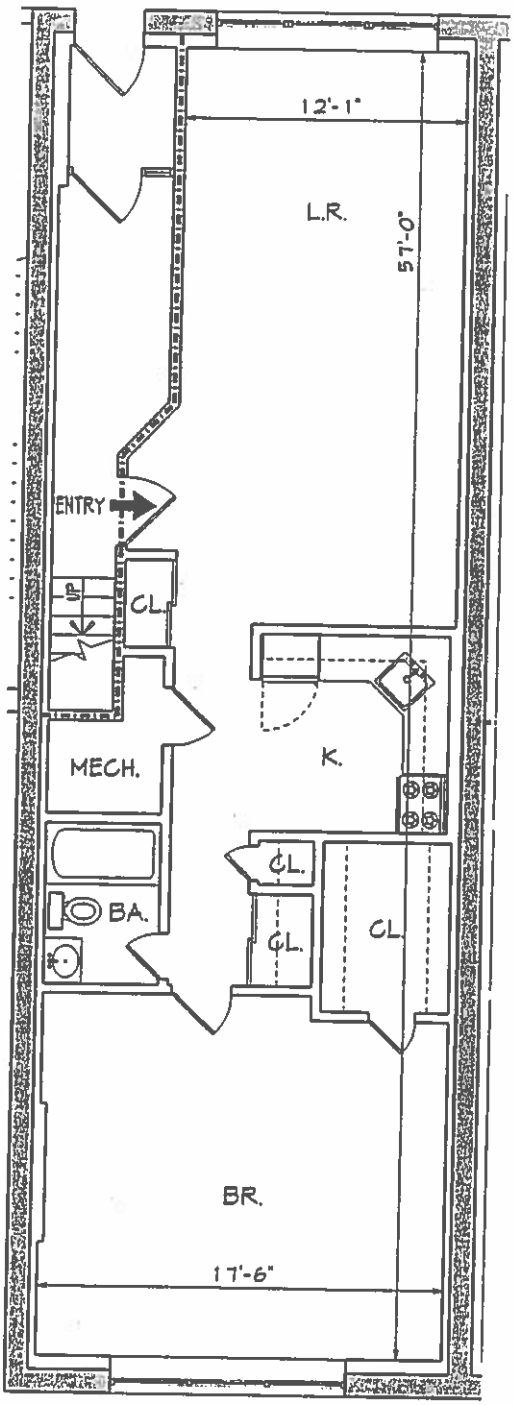
UNIT: 9C
1,065 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:35 ...\3rd-4f-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 9C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C. architecture engineering 115 e 23 st 11th fl ny ny 10010 t el 212 505 3830 fax 212 505 3734	SCALE: 1/8"-1'-0"	DATE: 01/28/04
		JOB NO: 0303134	9C
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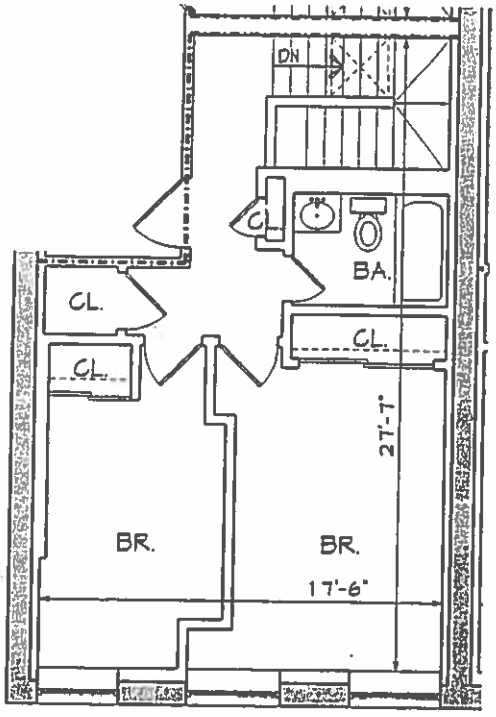
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1,010 SQ FT

LEGEND

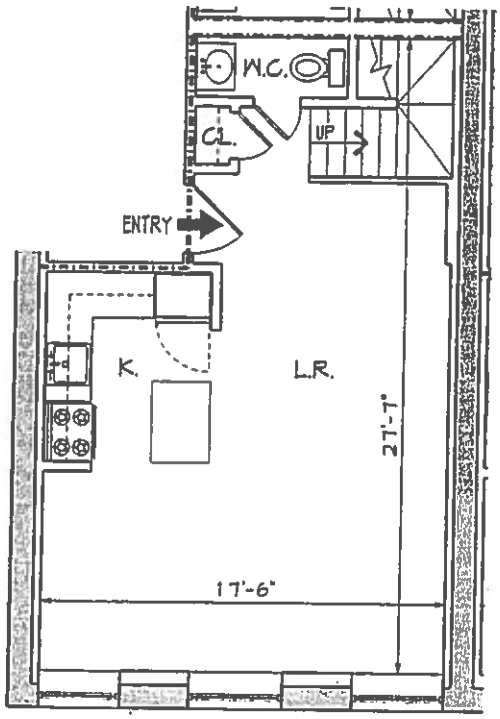
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

SECOND FLOOR UNIT: 10A TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BIERZAK·GOLD PC architecture engineering ny ny 10010 tel 212 505 3734	SCALE: 1/8"-1-0"	DATE: 01/28/04
		JOB NO: 0309154	10A
		DRAWN BY: PDP GO	

15 OCT 2004 11:15:20 ...\2nd-fl-units-state.dgn



FOURTH FLOOR



THIRD FLOOR

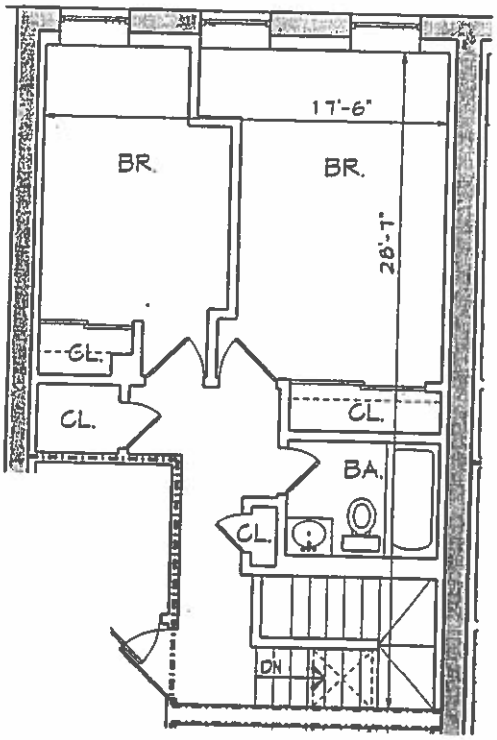
UNIT: 10B
1,010 SQ FT

LEGEND

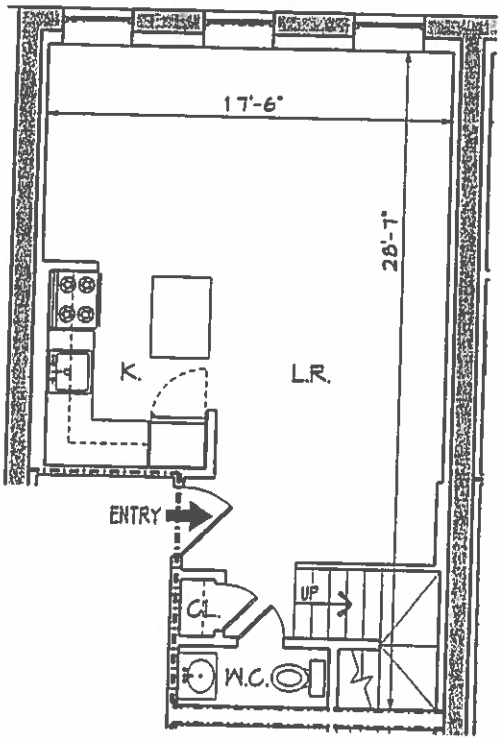
BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:59 ...\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 10B TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERZAK·GOLD P.C architecture engineering 116 e 28th st. 8th fl. ny ny 10010 tel. 212.686.3380 fax 212 686 3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303194	10B
		DRAWN BY: FDP GO	



FOURTH FLOOR



THIRD FLOOR

UNIT: 10C
1,045 SQ FT

LEGEND

BR.	BEDROOM
L.R.	LIVING ROOM
K.	KITCHEN
BA.	BATHROOM
CL.	CLOSET
W.C.	WATER CLOSET
MECH.	MECHANICAL ROOM

15 OCT 2004 11:18:51 ...\3rd-fl-units-state.dgn

3RD & 4TH FL DUPLEX UNIT: 10C TIMES PLAZA CONDOMINIUM BROOKLYN, NY	BERIZAK·GOLD PC engineering ny ny 10010 fax 212 905.3734	SCALE: 1/8"=1'-0"	DATE: 01/28/04
		JOB NO: 0303134	10C
		DRAWN BY: PDP GO	

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTION 23 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

Att: Real Estate Financing Bureau

Re: TIMES PLAZA CONDOMINIUM

560 State Street

Brooklyn, New York
Name and Address of Property

We are the sponsors and the principals of 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 Department of Law in Part 23 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 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:

(1) set forth the detailed terms of the transaction and be complete, current and accurate;

(2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(3) not omit any material fact;

(4) not contain any untrue statement of a material fact;

(5) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(7) not contain any representation or statement which is false, where I/we: (i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth, or (iv) did not have knowledge concerning the representations or statements made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Times Plaza Development Limited Partnership
NAME OF SPONSOR Times Plaza Development Corp., General Partner

By _____
Bruce Orlofsky, President

TITLE OR POSITION

SPONSOR'S PRINCIPALS:

_____
Bruce Orlofsky

_____
Mitchell Orlofsky

_____
Jason Orlofsky

_____
David Orlofsky

Sworn to before me this
3 day of June 2004

_____
Notary Public

FORMS 3

PAUL T FINKELSTEIN
Notary Public, State of New York
No. 02FI5059866
Qualified in Nassau County
Commission Expires May 2, _____

PAUL T FINKELSTEIN
Notary Public, State of New York
No. 02FI5059866
Qualified in Nassau County 2006
Commission Expires May 2, _____

BERZAK . GOLD P.C.
Architecture & Engineering
115 East 23rd Street
New York, New York 10010

CERTIFICATION OF REGISTERED ARCHITECT

November 16, 2004

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Times Plaza Condominium
560 State Street, Brooklyn, New York 11217

Ladies and Gentlemen:

The Sponsor of the offering plan for condominium ownership of the captioned property retained our firm to prepare a report disclosing the condition of the property (the "Report"). We visually inspected the property on September 13, 2003 and re-inspected on October 12, 2004 and prepared the Report dated September 13, 2003 and revised on October 12, 2004, a copy of which is intended to be incorporated into the offering plan so that prospective purchases may rely on the Report.

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 23 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. We certify that the report and all documents prepared by us disclose all the material facts relevant to the topics of the report, which were then discernible from a visual inspection of the Property. This certification is made for the benefit of all persons to whom this offer is made. We certify that the report is based on our visual inspection:

(i) sets forth in narrative form the aspects of the property discussed in the report and is current and accurate as of the date of inspection;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the aspect of the property discussed in the report;

(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.

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 and limited to such visual inspection.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this 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.

We are registered architects in the State in which the property is located.

BERZAK . GOLD P.C.

By:_____
Name: Michael D. Berzak
Title: Registered Architect

Sworn to before me this
16th day of November, 2004

_____
Notary Public

ELAINE RIOS
NOTARY PUBLIC, State of New York
No. 4650816-Qualified Suffolk County
Term Expires April 30, 2007

G:\PETER\ORLOFSKY\ORLOFSKY CONDO CERTIFICATION ARCHITECT.DOC

HERON

CERTIFICATION REGARDING THE ADEQUACY OF BUDGET PURSUANT TO SECTION 23.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A AS AMENDED

November 15, 2004

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

Re: Times Plaza Condominium
560 State Street, Brooklyn, New York

Gentlemen:

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to prepare Schedule B and the footnotes thereto, containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes more than 10 years in executive capacities with real estate management firms which manages more than 50 apartment houses in Manhattan and Queens, most of which are tenant-owned as cooperatives or condominiums. Ronni Lynn Arougheti, president of this firm, has been involved actively in the operation, management and conversion of large residential buildings to tenant-ownership since 1983.

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 23 insofar as they are applicable to Schedule B.

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 projection in Schedule B appears 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.

303(iii)

We certify that the Schedule:

(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 the 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 representations 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 and expense 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 Penal Law.

Very truly yours,

HERON, LLC

By: _____

Richard Grossman
Senior Vice President

Sworn to before me this
16th day of, November 2004

Notary Public

AMELIA SPIEGEL-CERBELLI
Notary Public, State of New York
No. 4894944
Qualified in Nassau County
Commission Expires May 26, 2007

HERON

CERTIFICATION REGARDING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNER PURSUANT TO SECTION 23.4 (e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

November 16, 2004

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd floor
New York, New York, 10271

Re: Times Plaza Development Limited Partnership
560 State Street,
Brooklyn, New York (the "Property")

Dear Ladies and Gentlemen:

The Sponsor of the Offering Plan for Condominium Ownership of Times Plaza Development Limited Partnership, 560 State Street, Brooklyn, New York 11217-1412, retained our firm to review Schedule B to the Condominium Offering Plan for the subject premises, which includes projections of common charges payable by the owner(s) of the Commercial Unit(s) for the first year *of* operation. The principal of the undersigned, Herron LLC, has been engaged in the management of residential properties, in New York including condominiums with commercial space, for more than 15 years. Heron LLC is currently managing over 40 properties which are condominiums or cooperatives.

We understand that we are required to comply with Article 23-A *of* the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to Schedule B.

We have reviewed Schedule B as it impacts upon the Commercial Unit(s) and investigated the facts set forth in Schedule B, 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(s) of the Commercial Unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Commercial Unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the Commercial

REPRESENTING
FINE REAL ESTATE Heron LLC 820 2nd Avenue, New York, NY 10017 Tel. 212.490.5000 Fax 212.490.1818

Unit (s) also reflect special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner(s) of the Commercial Unit(s):

(i) set forth in detail the projected common charges for the Commercial Unit(s) for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owner(s) of the Commercial Unit(s);

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

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

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges attributable to the Commercial Unit(s) for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

HERON LLC

By: _____

Sworn to before me this
17th day of November, 2004

Notary Public

AMELIA SPIEGEL-CERBELLI
Notary Public, State of New York
No. 4894944
Qualified in Nassau County
Commission Expires May 26, 2007