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

CONDOMINIUM OFFERING PLAN FOR

THE 505 COURT STREET CONDOMINIUM

505 COURT STREET
BROOKLYN, NEW YORK 11231

	Price to Tenant Purchasers *	Price to Non-Tenant Purchasers
TOTAL PURCHASE PRICE FOR 124 RESIDENTIAL UNITS:	$86,131,200.00	$88,795,052.00
Reserve Fund**	$ 2,583,936.00	$ 2,583,936.00

* See the Section entitled "Rights of Existing Tenants" for a discussion of the rights of bona fide tenants to buy their own Units during the first 90 days of this offering.

** This is an estimate of the minimum amount of the Reserve Fund required under the terms of a law enacted by the New York City Council without deduction for credits allowed to Sponsor. The actual amount cannot now be determined. See the Section entitled "Reserve Fund."

The Condominium will have 124 Residential Units (the "Units")(including Unit 1D which will be sold to the Condominium Board for use as the Resident Manager's Unit), all of which are being offered for sale hereby with the exception of Unit 1B which is not offered for sale at this time but may be offered in the future by amendment to the Plan. There are no commercial units in the Condominium.

SPONSOR
COURT LOFTS, LLC
C/O METROPOLITAN HOUSING PARTNERS, LLC
588 BROADWAY, SUITE 1208
NEW YORK, NEW YORK 10012
212-925-0700

SELLING AGENT FOR TENANT PURCHASERS
AWAYE REALTY MANAGEMENT, LLC
522A COURT STREET
BROOKLYN, NEW YORK 11231
718-488-0800

SELLING AGENT FOR NON-TENANT PURCHASERS
CORCORAN GROUP MARKETING, LLC
490 BROADWAY
NEW YORK, NEW YORK 10012
718-797-4505

The term of the initial offering of this Plan commenced on May 31, 2005 and expires on May 30, 2006 unless the said date is extended in a duly filed amendment.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISK SECTION OF THE PLAN). THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES 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. THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE **v.**

TABLE OF CONTENTS
PART I

Page

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS v
INTRODUCTION 1
The Condominium 1
Features of Condominium Ownership 2
Offering of Units for Sale 4
Applicable Rent Laws 7
CERTAIN DEFINITIONS 9
DESCRIPTION OF PROPERTY 13
The Building 13
Units 13
Resident Manager's Apartment 14
Gardens and Terraces 16
General Common Elements 16
Limited Common Elements 17
Services and Facilities 18
RIGHTS OF EXISTING TENANTS 19
OBLIGATIONS OF PURCHASERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS 23
LOCATION AND AREA INFORMATION 26
Location and Services 26
Zoning and Use 27
SCHEDULE A - PRICES OF UNITS AND RELATED INFORMATION 29
SCHEDULE B - PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION 41
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i 51
ACCOUNTANT'S CERTIFIED STATEMENT OF OPERATIONS 55
CHANGES IN PRICES AND UNITS 72
INTERIM LEASES 74
PROCEDURE TO PURCHASE 75
Escrow and Trust Fund Requirements 79
ASSIGNMENT OF PURCHASE AGREEMENTS 83
EFFECTIVE DATE 84
TERMS OF SALE 87
CLOSING COSTS AND ADJUSTMENTS 90
RIGHTS AND OBLIGATIONS OF SPONSOR 96
Sponsor's Obligations with Respect to the Creation of the Condominium 96
Sponsor's Obligations with Respect to Asbestos 97
Real Property Law §339-kk 97
General 98

Leasing and Use of Unsold Units 99
CONTROL BY SPONSOR 101
BOARD OF MANAGERS 103
RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS 107
Sales and Leases of Units 107
Use of Units 108
Mortgage of Units by Unit Owners 110
Common Charges: Determination and Assessment 110
Common Charges: Collection and Lien for Non-Payment; Payment of Rent to Board 111
RPL §339-jj-Borrowing by Condominium 112
Repairs to and Maintenance of Units and Common Elements 113
Alterations and Improvements of Units and Common Elements 114
Local Law 1 116
Rights of Access 116
Compliance with Terms of Declaration, By-Laws and Rules and Regulations 117
Examination of Books and Records 117
Repair or Reconstruction after Fire or Other Casualty 117
Insurance 118
Liability of Board of Managers and Unit Owners 120
Reports to Unit Owners 120
Termination of Condominium 120
Units Acquired by Condominium Board 120
Procedure to Review Real Estate Tax Assessments 121
Mechanics' Liens 121
Easements and Name of Condominium 121
The Declaration and By-Laws 122
REAL ESTATE TAXES 123
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM 126
Deductibility of Mortgage Interest and Real Estate Taxes. 126
Taxation of the Condominium 126
ATTORNEYS INCOME TAX OPINION OF STROOCK & STROOCK & LAVAN LLP 129
339-i OPINION OF STROOCK & STROOCK & LAVAN LLP 137
REAL ESTATE TAX OPINION OF STROOCK & STROOCK & LAVAN LLP 141
RESERVE FUND 148
WORKING CAPITAL FUND AND APPORTIONMENTS 150
MANAGEMENT AGREEMENT 152
IDENTITY OF PARTIES 156
Sponsor 156
Selling Agent 156
Managing Agent 157
Attorneys for Sponsor 158
Sponsor's Architects/Engineers 158
Sponsor's Condominium Expert 158

Service of Process 159
SPONSOR'S PROFIT 160
DOCUMENTS ON FILE 161
REPORTS TO UNIT OWNERS 162
GENERAL 163
SPONSOR'S STATEMENT OF BUILDING CONDITION 166

TABLE OF CONTENTS
PART II

Exhibit	Caption	Page
Exhibit 1	Purchase Agreement	169
Exhibit 2	Power of Attorney	197
Exhibit 3	Unit Deed	203
Exhibit 4	Description of Property	211
Exhibit 5	Asbestos Report	299
Exhibit 6	Local Law 11 Report	323
Exhibit 7	Floor Plans	337
Exhibit 8	Condominium Declaration	391
Exhibit 9	Condominium By-Laws	423
Exhibit 10	Certification of Sponsor and Principals	483
Exhibit 11	Certification of Sponsor's Architect	489
Exhibit 12	Certification of Sponsor's Expert Concerning Adequacy of Budget	493
Exhibit 13	Intentionally Omitted	497
Exhibit 14	Escrow Agreement for Offering Plan	499
Exhibit 15	Form W-9	507
Exhibit 16	Form W-8BEN	513
Exhibit 17	Application to The Attorney General for A Determination on The Disposition of Down Payments	517
Exhibit 18	Section 352-eeee of the General Business Law	523
Exhibit 19	Reserve Fund Law	531
Exhibit 20	RPL §339-kk	537
Exhibit 21	Lien Law §71-a(3)	541
Exhibit 22	Specimen Title Policy	545
Exhibit 23	Lead Based Paint Booklet	555
Exhibit 24	Local Law 1	567
Exhibit 25	Shared Building Staff Agreement	587
Exhibit 26	Facade Estimate	601

PART I

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. A law enacted by the New York City Council provides a formula for determining the amount of the Reserve Fund. The exact amount of the Reserve Fund can not be ascertained until the Plan is declared effective. Sponsor reserves the right to take a credit against the Reserve Fund for qualifying work performed in the Building. No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items likely to be needed. Moreover, if Sponsor elects to fund the Reserve Fund through supplemental contributions, there may not be a sufficient amount in the Reserve Fund at the time repairs are deemed necessary or appropriate for major capital improvements and replacements which are reasonably foreseeable within three (3) years from the date the Plan is accepted for filing by the New York State Department of Law or thereafter and, if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against the Unit Owners or Sponsor may elect to advance its contributions to the Reserve Fund and take a credit against future supplemental contributions. In addition, at Closing, Sponsor will collect from each Purchaser of a Unit, on behalf of the Condominium Board, an amount equal to one (1) month's Common Charges. The Working Capital Fund may be expended for any purpose, including the reduction of Common Charges, during any period, including the period that Sponsor controls the Condominium Board (see the Section entitled "Control By Sponsor"). See the Sections of this Plan entitled "Reserve Fund" and "Working Capital Fund and Apportionments" which may be found in Part I of this Plan and the Reserve Fund Law (Local Law 70) which may be found in Part II of this Plan for more details.

2. At the time a Purchase Agreement is executed, a Purchaser is required to make a down payment in an amount equal to ten (10%) percent of the purchase price. In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either (i) cancel such Purchase Agreement and retain, as liquidated damages, the down payment made by the Purchaser, together with interest earned thereon, if any, or (ii) bring an action against such Purchaser for specific performance, in which event Purchaser could be compelled to complete the transaction. Notwithstanding the foregoing, Sponsor's right to file an action for specific performance shall <u>not</u> be exercisable against a Tenant Purchaser who purchases the Unit he/she occupied on the Filing Date of this Plan. Additionally, if a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date and Sponsor elects not to cancel the Purchaser's Purchase Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, and (b) the Purchaser will be required to pay to Sponsor interest at the rate of fourteen (14%) percent per annum (or such lower rate per annum which is the legal limit, if 14% per annum exceeds the legal limit) on the total purchase price, computed from the original Closing Date until the actual date in which the Purchaser closes title to the Unit. Purchasers are further advised that (i) if a Purchaser makes a Down Payment in excess of

$100,000 for the purchase of a unit, such Down Payment placed in the escrow account will not be federally insured in excess of $100,000; and (ii) while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $100,000. Funds drawn on out-of-state or foreign banks will not be accepted in payment of the purchase for a Unit unless otherwise agreed by Sponsor. The Purchase Agreement also provides that except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the plan this agreement or the relationship created hereby. (See the Section entitled "Procedure to Purchase" for further discussion of the foregoing.)

3. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing a Purchase Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date. (See the Section entitled "Procedure to Purchase" for further details.

4. Prior to the closing of title to a Unit, Purchasers are expressly prohibited from advertising, listing the Unit with a broker or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease ("Advertising Activities") without Sponsor's prior consent. If any Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an event of default under the terms of the Purchase Agreement, thereby entitling Sponsor any and all remedies under the terms of the Purchase Agreement. Purchasers are referred to the Purchase Agreement set forth in Part II of the Plan for further details.

5. Sponsor and its designees may exercise veto power over some actions of the Condominium Board. Until Sponsor and its designees have conveyed title to all Units, but in no event later than five (5) years after the closing of the first Unit, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium (see the Section entitled "Control By Sponsor" for further details).

6. Each Unit Owner has the right to vote at meetings of Unit Owners and to vote with respect to amendments of the Declaration and By-Laws, as more particularly described in the Section of the Plan entitled " Board of Managers" and in the Declaration and By-Laws set forth in Part II of the Plan.

7. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way, without the prior written consent of Sponsor or its designee or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit, as the case may be. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers.")

At or subsequent to the First Closing, Sponsor will sell Unit 1D in the Condominium to the Condominium Board, to be used as the Resident Manager's residence. The Condominium Board shall be responsible for the payment of all mortgage recording and transfer taxes due in connection with the sale of the Unit. All Common Charges, including the costs of utilities and the costs of financing the purchase of the Unit, real estate taxes and the costs of repairs, alterations and improvements undertaken by the Condominium Board attributable to the Resident Manager's apartment, shall be borne by all Unit Owners as a Common Expense. The purchase price of Unit 1D is $780,900. Seventy percent (70%) of the purchase price for Unit 1D will be financed through a Institutional Lender. Such loan shall bear interest at a rate of 7% per annum and be amortized based upon a 25-year schedule. The loan will have an initial term of five (5) years with two (2) extension options of five (5) years each. Monthly payments of principal and interest will total approximately $3,863. At final maturity, a balloon payment will be due. Alternative financing may be available at closing with longer terms and/or varying interest rates. Such financing alternatives will be evaluated at that time. The remaining 30% of the purchase price shall be payable by promissory note delivered by the Condominium Board to the Sponsor. The note shall bear interest at a rate of 7% per annum and be amortized based upon a 25 year schedule. Such monthly payments of principal and interest shall total $1,656. The loan shall be due in five years with a balloon payment of approximately $213,566 due at maturity. It is anticipated that, at the maturity date(s) of the mortgage documents, the Condominium Board may refinance the balloon payments. However, Sponsor makes no representation that the Condominium Board will be able to refinance such payments, or, if refinancing is available, as to the terms or other costs of the same. Sponsor has not agreed to itself refinance, or arrange the refinancing of, the principal payments that will be due on the maturity date(s). The debt service to be paid to the Institutional Lender and Sponsor will be included in the Common Charges payable by the Unit Owners, and each Unit Owner will be individually liable therefore to the extent of his/her percentage of Common Interest. Sponsor does not intend to refinance or extend the purchase money note at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Condominium Board, in order to repay the purchase money note, may be required to assess all Unit Owners in proportion to their respective Common Interests. At Sponsor's option, the note may be held by

an institutional lender or by Sponsor. Mortgage recording taxes, transfer taxes due in connection with the transfer and mortgage of the Resident Manager's Unit to the Condominium Board and all closing costs with respect to the Resident Manager's Unit including, without limitation, legal fees and appraisal fees, if any, will be paid by the Condominium Board from the Contingency Fund or Working Capital Fund. In the event the Contingency Fund or Working Capital Fund is not sufficient, Sponsor will advance the funds necessary on behalf of the Condominium Board and the Condominium Board will repay Sponsor by executing a promissory note in the amount of the funds so advanced, to be repaid, without interest, in twelve equal monthly installments.

In the event the Condominium Board defaults under the note(s) and mortgage(s), including, but not limited to a default as the result of the Condominium Board's failure to pay the balance of the purchase money note due at maturity, the holder may foreclose on the Unit 1D and if the proceeds from the sale of the Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's apartment. Accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Condominium or within such distance of the Condominium as is then required by law.

Sponsor reserves the right, in its sole discretion, to choose a different Unit other than Unit 1D to sell to the Condominium as the Resident Manager's apartment; provided, however that such sale shall only be made pursuant to an amendment to the Plan and shall not result in the Condominium incurring financing charges, common charges and real estate taxes, the sum of which exceed the costs of owning Unit 1D as set forth in Schedule B, by more than 25%.

Sponsor further reserves the right not to sell the Resident Manager's Unit to the Condominium Board for a period of up to two (2) years during which period Sponsor will rent the Unit occupied by the Resident Manager to the Condominium Board. In such event, from the date of the First Closing until the transfer of title of the Unit, the Condominium shall pay to Sponsor, rent in an amount equal to the sum of the following: (a) principal and interest which would have been due on the purchase money note(s) and mortgage(s), had same been executed by Condominium Board, (b) Common Charges assessed against the Unit occupied by the Resident Manager and (c) real estate taxes assessed against the Unit occupied by the Resident Manager. In the event Sponsor exercises the right to rent the Unit to the Condominium Board, the rental payments will not be credited against the purchase price. Please refer to Schedule B, Budget for First Year of Condominium Operation" in Part I of the Plan for further details regarding the costs of housing the Resident Manager.

8. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Building payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's Common Interest as set forth on Schedule A. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's purchase price or imputed market value rather than its Common Interest, and, if so, Units having the same or similar percentage interest which are determined to have a higher purchase price or market value will pay higher real estate taxes than are reflected on Schedule A. Please

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

9. Sponsor reserves the right to sell two or more Units as more fully described in the "Introduction" of the Plan and to designate the purchaser of such blocks of Units as "sponsor" under this Plan and the Declaration. The party so designated as a "sponsor" will have those additional rights and obligations of a "sponsor" as more fully described in the Plan. Pursuant to the Declaration and By-Laws, the Units may be used for residential purposes or other lawful purposes subject to conditions set forth in Section 9.1 of the Declaration. Sponsor and its designee may use the Units for any purpose permitted by Law and may modify the certificate of occupancy to reflect a change in use. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the Subsection entitled "Use of Units" for further details.

10. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

11. Each Unit includes, among other things, and each Unit Owner shall be responsible for, the Unit side of the front entrance door and any other entrance doors to such Unit, windows, skylights and green house additions, if any, and the related installations with respect thereto. The exterior surface of all windows in the Building if so determined by the Condominium shall be washed and cleaned by such Condominium Board and the cost and expense thereof shall be a Common Expense assessed against each Unit Owner. Otherwise, the exterior of all windows in the Building shall be washed or cleaned at the cost and expense of the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Mangers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details. The Budget for first year of Condominium operation does not include any expenditure for window washing.

12. Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax (Deed Stamps) which by Law are the primary obligation of a seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. If the purchase price of the Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently one (1%) percent of the purchase price, which by Law is the primary obligation of the Purchaser. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

13. In accordance with the terms of this Plan, Sponsor has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale or lease occupied units to others or to retain vacated Units for future rental. Sponsor's right to rent, rather than sell Units once they become vacant is

unconditional and exercisable in Sponsor's sole discretion. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Units, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units.

14. Any sales of Units occupied by Non-Purchasing Tenants, are subject to the rights, if any, of such Non-Purchasing Tenants, to continued occupancy under applicable rent regulation Laws and to purchase their Units during a subsequent exclusive purchase period which occurs prior to the effective date. Sponsor has further reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party and to cease marketing Units for sale at any time. Accordingly residents of the Condominium may be comprised of both Unit Owners, Non-Purchasing Tenants and tenants leasing from Sponsor or other Unit Owners after the Property is submitted to a condominium regime. Owner occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, such a purchase of a home as opposed to purchase for investment.

15. Individuals leasing Units from Sponsor will not, except as expressly provided in their respective leases, have any special rights to purchase such Units. In addition, a Purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. Any lease for a Unit entered into with a Purchaser, other than a Tenant Purchaser, will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease in accordance with applicable Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein provided. Individuals who rent vacant Unsold Units from Sponsor are not Tenant Purchasers under the Plan and shall have no rights to purchase thereunder. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan).

16. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Stroock & Stroock & Lavan LLP, in connection with the closing of title to Purchaser's Unit: (i) the sum of $1,250.00 to reimburse Sponsor for its legal fees, (ii) if the Purchaser requests the Closing to occur other than at the offices of Stroock & Stroock & Lavan LLP or such other place as Sponsor may designate in its

closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement and (iv) a reschedule fee of $200 if the Purchaser postpones the scheduled Closing (with the consent of Sponsor) less than five (5) business days prior to the date thereof. Please refer to the Section of the Plan entitled "Closing Costs and Adjustments" in Part I of the Plan for further details.

17. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 35% or 50%) of the units in a building be sold before the lender will consider making a loan. Thus it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum. Even once 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 an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. Purchasers should further note that pursuant to existing Law, Sponsor may declare the Plan effective upon selling a minimum of fifteen (15%) percent of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details.

18. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate all or part of a Unit as a newly created Unit and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. No material change will be made in the size or number of Units or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in Unit layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to sponsor for that Unit and the Purchaser is not in default. No material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless Purchasers not in default received a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation of an amendment setting

forth the right to rescind. Sponsor will return any deposit or downpayment promptly to purchasers who rescind. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

19. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to the Unit (the "Power of Attorney"). The form of Power of Attorney, set forth in Part II of the Plan, grants broad powers to the Condominium Board to, among other things, enter into agreements affecting the Common Elements. The Power of Attorney also grants to Sponsor the right to amend the Condominium Declaration with respect to Unsold Units. Please refer to the form of Power of Attorney set forth in its entirety in Part II of the Plan.

20. The Units are being sold "as is" in the condition in which they exist at the time a purchaser signs a Purchase Agreement subject to ordinary wear and tear. Except as described in the "Description of Property," Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Consequently, Sponsor makes no representation, warranty or guarantee as to whether any of said alterations were completed in compliance with all applicable governmental laws and regulations. However, the Building was originally constructed in 1918 and renovated in 1982 and, as all prudent property owners are aware, a program of ongoing maintenance is typically required to insure the integrity of a building. Under the terms of Local Law 11 of 1998, property owners are obligated to have the facades of their buildings periodically inspected and perform remedial work as determined by the licensed engineer performing the required inspections. Sponsor makes no representations regarding future expenditures which may be required to comply with Local Law 11 or the costs of the inspections therefor. Sponsor makes no representations or warranties regarding the facade of the Building except as otherwise set forth in the Plan. A copy of the most recent Local Law 11 Inspection Report is set forth in Part II of the Plan.).

21. The Building was initially constructed and used for industrial purposes. As set forth in the Description of the Property in Part II of the Plan, there are lot line windows affecting Units 7B, 8B, 9B and 10B, respectively. Purchasers should note that if a Building is constructed on a neighboring parcel, or if an addition is constructed on an existing neighboring building, the lot line windows (which are located in each of the Units noted hereinabove) will have to be permanently closed and covered from the interior side with sheetrock. The obligation to permanently close the windows and the cost therefor, will be borne by each Unit Owner. Sponsor estimates the cost therefor to be approximately $1,500 per window. In the event that any windows must be covered as aforesaid, space within a Unit, which had previously been constructed as a separate bedroom, may no longer be legally utilized as such. Sponsor has no actual knowledge of any plans by owners of neighboring buildings to either construct a new building or to increase the height of any existing building although Sponsor makes no representations or guarantees with respect thereto. Please refer to the "Description of Property" in Part II of the Plan for further details regarding the windows.

22. If Purchaser obtains a mortgage loan for the purchase of the Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

23. Gardens and Terraces appurtenant to certain Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Limited Common Elements available for the exclusive use of the Unit Owners of such Units. A Unit Owner who has a Garden and/or Terrace appurtenant to his Unit shall have the exclusive use of same, subject to the right of the Condominium Board to regulate its use, and shall be responsible for all normal maintenance, repairs and replacements thereto. Notwithstanding anything to the contrary set forth above, prior to placing furniture, plantings or other materials on the Terrace, the Unit Owner having access thereto must request permission from the Condominium Board. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Terrace and/or Gardens without the prior written consent from the Condominium Board. Such installation must be in accordance with Law and is subject to the provisions of the Declaration and By-Laws regarding alterations. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Terrace (unless due to damage caused by its Unit Owner), shall be charged to all Unit Owners as a Common Expense.

24. Cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located on the roof. The Condominium Board will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for nor can it make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units. In addition, Sponsor shall have, and the Units and Common Elements shall be subject to, an easement to use the roof of the Building other than those portions of the roof which comprise Limited Common Element Terraces. That portion of the roof constituting a Common Element roof (other than a Limited Common Element) may be used by Sponsor for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other

Facilities relating thereto, (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation and Maintenance thereof provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes. The aforementioned easements may be used by Sponsor for its own account or the account of any assignee licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof or facade of the Building or elsewhere on the Common Elements by Sponsor or its assignee or licensee shall be the exclusive property of Sponsor, its assignee or licensee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Easements and Name of Condominium" for further details.

25. It is the responsibility of each Unit Owner to notify the Condominium Board and Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. It is the responsibility of each Unit Owner to install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Condominium Board and Managing Agent. In addition, New York City's new lead paint hazard reduction law went into effect on August 2, 2004. Local Law 1 of 2004 ("Local Law 1") is a comprehensive new law concerning the prevention of childhood lead poisoning through the remediation of lead paint hazards in housing and day care facilities. This legislation repeals the former lead law, Local Law #38 of 1999. The law covers all pre-1960 multiple dwellings. The law also places certain responsibilities on owners in post-1960 to pre-1978 buildings where the owner knows there is lead based paint. The provisions of Local Law 1 do not apply where title to a multiple dwelling unit is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit and such dwelling unit is occupied by the shareholder of record or the owner of record of such condominium unit, as applicable, or the shareholder's or record owner's family. The law does however apply to cooperative or condominium units occupied by a tenant or subtenant. Unit Owners will be responsible with familiarizing themselves with Local Law 1 and complying with its requirements. Additionally, all construction undertaken on or after August 2, 2004 for renovation work in dwelling units where a child under seven resides and in the Common Elements must be done by trained workers. A copy of Local Law 1 is set forth in Exhibit 24 in Part II of the Plan. Please refer to Exhibit 24 in Part II of the Plan for further details.

26. While Unsold Units are being offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor or its designee nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may

result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Condominium will prevent personal injury or damage to or loss of personal property. Please refer to the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "General" for further details.

27. As more fully set forth in the Description of Property in Part II of the Plan, the Condominium does not have central air conditioning. Air conditioning, if any, is provided by window air conditioning units owned and operated by individual Unit Owners and/or occupants. Because each Unit is separately metered for electricity, each Unit Owner and/or occupant will be responsible to pay for electricity required to operate individual air conditioning units. Please refer to the Description of Property in Part II of the Plan for further details.

28. Certain portions of the Building require repair work as a result of the age of the Building and normal wear and tear. These items include: (i) masonry/exterior walls (estimated cost of repair $87,550); (ii) condition of the windows (estimated cost of repair $1,608,000); (iii) condition of the roof (estimated cost of repair $13,100); (iv) condition of the elevators (estimated cost of repair $385,400); (v) condition of the Unit floors (estimated cost of repair is not available insofar as each Unit's flooring is in different condition); (vi) condition of the sidewalk pavement (estimated cost of repair $10,400); (vii) steel emergency stairs and roof (estimated cost of repair $3,900); (viii) openings at pipe penetrations (estimated cost of repair $1,480) and (ix) water tank dunnage and walkway (estimated cost of repair $18,900) (collectively, hereinafter the "Repair Conditions"). The Sponsor has already completed repairs for items (i), (iii), (iv) and (viii) of the Repair Conditions set forth above and is currently undertaking or intends to undertake repairs or replacements to the windows of the Building (which is item (ii) hereinabove). Additionally, Sponsor has recently repaired leakage in the Cellar, repaired and replaced certain exhaust equipment on the roof and completed repairs to the sprinkler heads. Sponsor intends to perform all necessary façade repairs to the Building as may be required by the Local Law 11 Report dated February 29, 2000 set forth in Exhibit 6 in Part II of the Plan. Included as Exhibit 26 in Part II of the Plan is an estimate dated February 22, 2005 from Israel Berger Architects, P.C ("Façade Estimate") which is an estimate for the cost of routine façade maintenance for a five (5) year period. As more particularly set forth in the Façade Estimate, the cost of routine façade maintenance is estimated to be approximately $50,000 over the next five (5) years. With the exception of the foregoing, Sponsor makes no representations that any of the Repair Conditions and/or façade repairs will be performed by Sponsor and, in the event any of the Repair Conditions and/or façade repairs are performed by Sponsor, Sponsor reserves the right to take a credit against the Reserve Fund for all qualifying work performed in the Building. Please refer to the "Description of Property" and Exhibit 26 in Part II of the Plan for further details.

29. All determinations with respect to the continuance of services provided to the Building, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Sponsor Control Period as described in the Section of the Plan entitled "Control by Sponsor." Neither Sponsor, the Selling Agent, the Managing Agent nor the Condominium Board will in any event be liable for the interruption, discontinuance or quality of

any of the services provided to the Building, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, including Building personnel or otherwise. Purchasers are advised that neither the Plan nor the Declaration or By-Laws provide Unit Owners with a means of redress with respect to the foregoing. Please refer to the Budget in Part I of the Plan and the "Description of Property" set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

30. Purchasers should note that the insurance coverage maintained on behalf of the Condominium does not cover the individual Units or any property contained in a Unit (including without limits, windows facing into each Unit which comprise part of the Unit). Purchasers should refer to the Declaration in Part II of the Plan for a description of the Units. Pursuant to the By-Laws, each Unit Owner will, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) commercial personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any Limited Common Element appurtenant thereto or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $5,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage as well as personal property). The limits of liability other requirements relative to the Unit Owner's insurance coverage may be modified by the Condominium Board from time to time. The policies shall provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board. The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. In the event a Unit Owner fails to obtain the requisite insurance or deliver evidence of same to the Condominium Board, as required, the Condominium Board may, in its sole and absolute discretion, (i) obtain such insurance on behalf of said defaulting Unit Owner or (ii) impose such fines and penalties as the Condominium Board may determine in its sole discretion, including, without limitation, a per diem penalty for each day that the Unit Owner does not provide evidence of coverage and in either event such sums shall, for all purposes, constitute Common Charges payable by such Unit Owner.

31. New York City requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which has been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations.

32. The By-Laws provide that each Unit and all portions of the Common Elements will be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water which will cause damage to the Building) by the Unit Owner or the Condominium Board, whichever is responsible for the

Maintenance thereof. In the event a Unit Owner fails to keep such Unit Owner's Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the subsection entitled "Rights of Access"). Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

33. In accordance with the provisions of 13 NYCRR 23.7(cc), Sponsor has engaged a qualified firm to perform such tests as are necessary to determine whether asbestos containing material ("ACM") is present in insulating or fireproofing material anywhere in the Building. Said firm has prepared a report on ACM in the Building (the "Asbestos Report"). A copy of the Asbestos Report is set forth in Part II of this Plan. Sponsor's obligations under this Plan do not include an obligation to remove any asbestos identified in the Asbestos Report and Sponsor does not intend to perform any such remedial work.

34. Purchasers are advised that an affiliate of Sponsor is the owner of a 60 unit residential apartment building immediately adjacent to the Property located and having the street address of 204 Huntington Street, Brooklyn, New York (the "Adjacent Property"). The Adjacent Property is in the process of being converted to Condominium ownership pursuant to a "Red Herring" submitted to the New York State Department of Law on October 29, 2004. As more particularly set forth in the Budget, the Adjacent Property may share certain services and employees with the Condominium. Prior to the First Closing, Sponsor anticipates entering into an agreement (the "Shared Building Staff Agreement") setting forth the terms and conditions pursuant to which services and employees of the Condominium will be shared with the Adjacent Property. A copy of the Shared Building Staff Agreement which is anticipated to be entered into with the owner of the Adjacent Property is set forth in Part II of the Plan as Exhibit 25. Please refer to Schedule B – "Projected Budget for the First Year of Condominium Operation" in Part I of the Plan for further details.

35. Sponsor makes no representations or warranties regarding building construction in the area of the Condominium including the Adjacent Property or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings including the Adjacent Property may be further developed and such development could adversely impact upon the views from a Unit.

36. Unit 1B which is currently vacant is not offered for sale at this time but may be offered in the future by amendment to the Plan. Purchasers are advised that Sponsor intends to decrease the size of Unit 1B to create a corridor for ingress to and egress from the existing compactor room located adjacent to Unit 1B located on the First Floor of the Building. Specifically, a small portion of the floor area of Unit 1B will be reconfigured to create a corridor to provide access from the compactor room to the courtyard of the Property. Upon completion thereof, such corridor and exit/entryway to the courtyard shall be designated as Common Elements of the Condominium and in order to effectuate such reconfiguration Sponsor shall file all required plans and applications and obtain all appropriate permits from the New York City

Department of Buildings and any other applicable governmental agency having jurisdiction thereof.

37. The Property and the Adjacent Property are currently encumbered by a single mortgage (the "Fee Mortgage") held by Greenwich Capital Financial Products, Inc. (the "Fee Mortgagee") in the original principal amount of $75,900,000.00 (the "Mortgage Amount") having a maturity date of May 1, 2007. Under the terms of the Fee Mortgage, the Fee Mortgagee has agreed to release the lien of the Fee Mortgage with respect to each Unit at the Property as same is conveyed to purchasers under the Plan upon payment to the Fee Mortgagee of a Release Price in such amounts as is required under the related loan documents. The loan documents require consent from the Fee Mortgagee with respect to the rental of Units, however, the loan documents do not require Sponsor to enter into Purchase Agreements for more than fifteen percent (15%) of the Units in order to declare the Plan effective.

INTRODUCTION

Court Lofts, LLC, a New York limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the conversion to condominium ownership of the land (the "Land") together with the Building (as such term is hereinafter defined) erected thereon known as and having a street address of 505 Court Street, Brooklyn, New York 11231, containing 124 Units (the "Units"). The Land and the Building are collectively referred to herein as the "Property." The condominium will be known as "The 505 Court Street Condominium" and is herein called the "Condominium" in the Plan.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of 122 Units to Purchasers. Unit 1D will be sold to the Condominium Board for use as the Resident Manager's Unit and Unit 1B is not currently offered for sale at this time but may be offered in the future by amendment to the Plan. There are no commercial units in the Condominium. Sponsor may from time to time amend or supplement the Plan by filing an amendment with the New York State Department of Law (the "Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein and Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge and for copying at reasonable copying fees at Sponsor's office and at the office of the Department of Law and may be borrowed from Sponsor upon payment of a one hundred ($150) dollar deposit, which amount will be fully refunded upon either (i) the prompt return of all borrowed materials in good condition or (ii) the execution by the borrower of a Purchase Agreement subsequently accepted by Sponsor. Copies of the Plan will be served upon all Tenant Purchasers in accordance with the GBL. All of these documents are important and should be carefully read by prospective purchasers. Prospective purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions," unless otherwise indicated.

The Condominium

On or about April 15, 2005, Sponsor acquired fee title to the Land and related structures thereon from AP Court Street, LLC, a Delaware limited liability company and an affiliate of Sponsor. The building consists of three (3) contiguous building sections (the "Building") arranged in an L-shape and referred to as Building Section 1, Building Section 2 and Building Section 3,

respectively. Building Section 1 currently contains a First Floor and Floors 2-10 (the 10th Floor shall also be known and referred to as the Penthouse level). Building Section 2 currently contains a Cellar, First Floor and Floors 2-7. Building Section 3 currently contains a Cellar, First Floor and Floors 2-7. Please refer to the "Description of Property" in Part II of the Plan for further details.

The Condominium will contain 124 Units, one of which is Unit 1D, which will be conveyed to the Condominium Board for use as the Resident Manager's residence.

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to such Unit Owner's Unit and is entitled to the exclusive possession thereof and the exclusive use of the Limited Common Elements, if any appurtenant to such Unit Owner's or her Unit. A Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements, and, in common with the owners of all other Units, an undivided interest in (and right to use) the General Common Elements.

Certain Unit Owners have exclusive use of Gardens and/or Terraces appurtenant to their Units, and such Unit Owners are responsible for all normal Maintenance, thereto. Gardens and Terraces appurtenant to Units are shown on the Unit Floor Plans included in Part II of the Plan. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Terrace (unless due to damage caused by a Unit Owner) shall be charged to all Unit Owners as a Common Expense. The type, size and quantity of plantings and other installations to be placed on Terraces and the rights of Unit Owners to paint and decorate Terraces shall be subject to the prior written approval of the Condominium Board. Terraces cannot be altered or enclosed without the consent of the Condominium Board.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage such Unit Owner's Unit(s) with such lender and in such amount as the Unit Owner chooses. However, Sponsor makes no representations about the financiability of any Unit. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate the interior of such Unit Owner's Unit in any way desired except as otherwise provided herein, subject to compliance with the By-Laws, the Rules and Regulations and Law, and will be solely responsible for the cost of Maintenance and interior repairs to such Unit Owner's Unit after Closing.

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will such Unit Owner's Unit be subjected to any lien arising from the non-payment of, real estate taxes on other Units. Please refer to the opinion of Stroock & Stroock & Lavan LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Unit.

With certain exceptions (for example, Sponsor and its designees are not required to give the Condominium Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Unit, will be subject to a right by the Condominium Board 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. Other than exercising its right of first refusal the Condominium Board has no right to approve or disapprove purchasers and the By-Laws contain no requirement that such Purchasers be owner occupants of the Condominium. Accordingly, there may always be a substantial percentage of owners who are non-residents. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units."

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act." The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording of the Declaration in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is sold or conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

Generally, the cost of operating the Common Elements will be borne by the Unit Owners in proportion to their respective Common Interests except as otherwise provided in Schedule B-"Projected Budget for First Year of Condominium Operation" in Part I of the Plan or in accordance with the terms of the By-Laws. The Condominium Board may make allocations of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with Law.

The Condominium Board will be responsible for deciding all matters affecting the Building. Unit Owners will have the right to vote for members of the Condominium Board. Sponsor will control the Condominium Board during the Initial Control Period. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan for further details.

As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board or the Condominium Board in accordance with the Condominium Act, Sections 339-i and -m.

Purchasers should note, however, that in view of the current energy situation, and the fact that energy costs have fluctuated greatly, it is not possible to predict with any certainty whether the budgeted amount for energy costs will be sufficient to pay for the actual costs incurred in the first year of Condominium operation.

The cost of improvements, repairs, replacements, alterations and additions to the Building will be determined by the Condominium Board and assessed against all Unit Owners in proportion to their respective Common Interests. The estimated Common Charges for each Unit for the first year of condominium operation are set forth in Schedule A.

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property and improvements and betterments situated within such Unit Owner's Unit, as well as liability insurance with respect to occurrences in or about such Unit Owner's Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. All Unit Owners must comply with the terms of the Declaration, By-Laws, Rules and Regulations and any other requirement of the Condominium Board. See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" for a more complete discussion of the foregoing.

There are no limitations on who may purchase Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sale. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Condominium Board, any Unit Owner, or mortgagee, to refuse to approve and execute a Purchase Agreement for any Unit; provided, however, that, in either event, Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, marital status, age, ancestry, national origin or other ground proscribed by law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Down Payment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under law.

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

Offering of Units for Sale

The Condominium will have 124 Residential Units (the "Units")(including Unit 1D which will be sold to the Condominium Board for use as the Resident Manager's Unit), all of which are being offered for sale hereby with the exception of Unit 1B which is not offered for sale at this time but may be offered in the future by amendment to the Plan. The purchase prices, estimated Common Charges and estimated real estate taxes for each of the Units are listed below in the

Section entitled "Schedule A-Purchase Prices and Related Information" (hereinafter referred to as "Schedule A"). **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.** While Sponsor is currently offering the Units for sale, Sponsor has reserved the right to rent, rather than sell Units once they become vacant, which right is unconditional and exercisable in Sponsor's sole discretion.

(a) The Offer to Present Tenants

Tenant Purchasers (defined in the Section entitled "Rights of Existing Tenants"), have the exclusive right to purchase their respective Units within 90 days from the Presentation Date of this Plan to them (the "Exclusive Purchase Period") at the discounted Purchase Prices set forth in Schedule A. There will be no increase in prices to Tenant Purchasers during any exclusive purchase period for Tenant Purchasers and Sponsor will not accept purchase agreements from Non-Tenant Purchasers for occupied Units during any exclusive purchase period.

The purchase prices offered to Tenant Purchasers for the Units are three percent (3%) below the purchase prices offered to Non-Tenant Purchasers.

In order to qualify for the foregoing benefits during the Exclusive Purchase Period, a Tenant Purchaser must submit to the Selling Agent during the Exclusive Purchase Period, a signed Purchase Agreement and a Down Payment in an amount equal to ten (10%) percent of the Purchase Price for the Unit to be purchased (the "Down Payment"). See the Section entitled "Procedure to Purchase for more details.

If prior to the expiration of any exclusive purchase period which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted a Purchase Agreement and Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

(b) The Offer to Non-Tenant Purchasers

Sponsor hereby offers for sale those Units in the Building set forth in Schedule A to Non-Tenant Purchasers on the following terms:

(i) They shall have the opportunity to purchase a vacant Unit (if any) at the prevailing "Purchase Price" for Non-Tenant Purchasers as set forth on Schedule A; and

(ii) They shall have the opportunity to purchase an occupied Unit either following the Exclusive Purchase Period afforded Tenant Purchasers or upon receipt of a written waiver by the Tenant Purchaser of his right to purchase during the Exclusive Purchase Period at the prevailing Purchase Price for Non-Tenant Purchasers as set forth on Schedule A.

In order to qualify for the foregoing benefits, a Non-Tenant Purchaser must submit to the Selling Agent a signed Purchase Agreement and the Down Payment in an amount equal to ten (10%) percent of the Purchase Price for the Unit to be purchased. See the Section entitled "Procedure to Purchase" for more details.

(c) General

The prices for each of the Units offered under the Plan are listed in Schedule A entitled "Purchase Prices and Related Information for the Projected First Year of Condominium Operation." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENTAL AGENCY.

For further details concerning the closing of title to the Units, the costs and adjustments with respect thereto and the time periods which must elapse before closings may occur, see the Sections entitled "Effective Date," "Closing Costs and Adjustments" and "Terms of Sale."

This offering is restricted to individuals the age of eighteen (18) years or older, corporations, partnerships, limited liability companies, trusts, estates and other business entities that may hold title to real estate pursuant to New York Law. If the Purchaser is a trust, the Purchaser must, prior to executing a Purchase Agreement, provide Sponsor's attorney with documentation satisfactory to Sponsor's attorney which shall include, without limitation, a copy of the trust agreement, affidavit from trustee regarding the validity of the trust and all other information as may be required by Sponsor's attorney.

Each Unit and its appurtenant Common Elements is being sold "as is" in the condition in which it exists on the date a Purchaser executes a Purchase Agreement for such Unit, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing and further subject to Sponsor's obligation to make repairs, improvements or decorations as may be otherwise set forth in this Plan. All equipment and furnishings described in the Plan as included in the Unit, are included in the purchase prices set forth on Schedule A. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Consequently, Sponsor makes no representation, warranty or guarantee as to whether any of said alterations were completed in compliance with all applicable governmental laws and regulations.

The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A.

Additionally, each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to one (1) month's Common Charges in effect at the time of closing for each Unit purchased. (See the Section entitled "Working Capital Fund and Apportionments").

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit Owner's Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at such Purchaser's option, obtain, and pay for charges for electricity consumed in such Unit Owner's Unit and the cost for telephone, cable and similar services.

The charges for electricity consumed by each Unit Owner individually will be separately metered and billed directly to such Unit Owner by Con Edison. Water charges and sewer rents, assessed by The City of New York, will be billed to the Condominium as a Common Expense. The costs and expenses of central heat, gas and fuel with respect to the Condominium, as well as electricity with respect to the Common Elements will be included in Common Charges; Unit Owners will be required to pay charges for electricity consumed for air conditioning for each Unit. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Unit. See the Notes to Schedule A.

Applicable Rent Laws

After the Declaration is recorded creating the Condominium, the spaces presently known as apartments will become Units of the Condominium. All such apartments are referred to as Units throughout this Plan.

This Plan is a non-eviction plan and is being presented in compliance with the requirements of Section 352-eeee of the General Business Law (the "GBL") which sets forth the procedure for converting dwelling units to condominium ownership. Under the GBL, Sponsor may declare this Plan to be effective when Purchase Agreements have been executed for at least fifteen (15%) percent of the Units in the Building by bona fide tenants in occupancy on the Filing Date or bona fide purchasers who represent that they intend that they or one or more specified members of their immediate family will occupy the Unit when it becomes vacant. A Non-Purchasing Tenant of a Unit will not be evicted solely by reason of conversion of the Property to condominium ownership. The lease of a Non-Purchasing Tenant whose lease is not subject to the Rent Laws may not be renewed by Sponsor if such Non-Purchasing Tenant's lease expires prior to the effective date of the Plan and such Non-Purchasing Tenant may be evicted as the result of such non-renewal. No eviction proceedings will be commenced at any time after the effective date against Non-Purchasing Tenants for failure to purchase or any other reason solely 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 Condominium or its Managing Agent or a breach by the Non-Purchasing Tenant of his obligations to the owner of the Unit or such other grounds for eviction as may then be permitted by Law including without limitation, the failure of the Non-Purchasing Tenant to enter into a renewal lease; and provided further that an owner of a Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that the Unit is needed for the use and occupancy of the Non-Tenant Purchaser or the Non-Tenant Purchaser's family. Please refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied By Non-Purchasing Tenants" for further details.

Certain of the Units in the Building being offered for sale under this Plan are subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law and Code, the Rent Regulation Reform Act of 1993 ("RRRA") and the rent regulatory scheme or any codes, rules and regulations promulgated thereunder (collectively the "Rent Laws") including twenty-four (24) Units which are subject to rent stabilization. Unit 1D is occupied by the Resident Manager. One Hundred (100) Units in the Building (including forty-one (41) vacant Units) are not subject to the Rent Law pursuant to the provisions of the RRRA which deregulated certain high rent housing accommodations. In addition, there are currently no proceedings pending against tenants on the grounds of either non-primary residency or luxury decontrol. Sponsor reserves the right to bring further proceedings under the Rent Laws. Sponsor reserves the right to seek major capital improvement ("MCI") and other increases to the extent available. The status of each Unit under the Rent Laws is set forth in Schedule A. Please refer to the Sections of the Plan entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants" for further details.

CERTAIN DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration and the By-Laws:

"Building" refers to the structures and improvements including above and below grade segments, known as 505 Court Street, Brooklyn, New York 11231 in which the Units of the Condominium are located.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

"City Register's Office" refers to the Kings County office of the Register of The City of New York.

"Closing" refers to the time, place and procedure by which fee title to a Unit is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refers to assessments payable by the Unit Owners to the Condominium Board for the purpose of meeting the cost of the Common Expenses.

"Common Elements" refers to the Land and all portions of the Building other than the Units, and include the Limited Common Elements as more particularly described in Article 8 of the Declaration.

"Common Expenses" refers to the costs and expenses incurred or projected in connection with the Maintenance of and to the Common Elements and/or the Limited Common Elements (to the extent such costs and expenses are not the obligation of the Unit Owners owning the Units to which such Limited Common Elements are appurtenant) or in connection with any services or facilities exclusively benefiting the Building and the Unit Owners.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to The 505 Court Street Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" refers to the board of managers of the Condominium.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"Department of Law" refers to the New York State Department of Law.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"First Closing," or words of similar import, refers to the date of the first closing of fee title to a Unit to a Purchaser pursuant to the Plan.

"Floor Plans" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Department of The City of New York and filed with the City Register's Office.

"Garden(s)" refers to private garden(s) appurtenant to certain Units.

"GBL" refers to Section 352-eeee of the New York State General Business Law.

"General Common Elements" refers to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units and the Limited Common Elements, as more particularly defined in the Declaration.

"Land" refers to the parcel of land described in Exhibit B to the Declaration.

"Law or Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, and any Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to Law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners including, but not limited to the Gardens and/or Terraces appurtenant to certain Units.

"Maintenance or Maintain" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Offeree" refers to (a) a Purchaser who has executed and delivered a purchase agreement for a Unit and who is not in default thereunder, (b) a Unit Owner, and (c) any other person or entity who, pursuant to Law, is an offeree of the Plan.

"Non-Purchasing Tenant" has the meaning set forth in the GBL.

"Non-Tenant Purchaser" refers to a Purchaser who is not a Tenant Purchaser.

"Permitted Encumbrances" refers to those Unit title encumbrances subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Purchase Agreement and the Specimen Title Policy set forth in Part II of the Plan.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the mortgages given by Sponsor to acquire or improve the Property.

"Plan" refers to this offering plan for the establishment of condominium ownership, as the same may be amended from time to time.

"Presentation Date" refers to the date on which this Plan or an amendment thereto, as the case may be, is personally delivered or the fifth day after mailing to the tenants in occupancy of Units in the Building following acceptance of this Plan or an amendment thereto for filing by the Department of Law.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Purchase Agreement" refers to the agreement to purchase a Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in a Purchase Agreement which has been duly executed by such person(s) or entity(ies) and accepted by Sponsor.

"Rent Laws" refers to (i) the New York City Rent Stabilization Law and the Code adopted pursuant thereto, (ii) the New York City Rent Control Regulations, (iii) the New York State General Business Law, Section 352-eeee, (iv) the Rent Regulation Reform Act of 1997 and (v) any codes, rules and regulations promulgated thereunder and any administrative and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Schedule A" refers to Schedule A, "Purchase Prices and Related Information" for the Projected First Year of Condominium Operation set forth in Part I of the Plan.

"Schedule B" refers to Schedule B, "Projected Budget for First Year of Condominium Operation" set forth in Part I of the Plan.

"Selling Agent" refers to Awaye Realty Management, LLC, or any successor selling agent at the time in question for all Tenant Purchasers and Corcoran Group Marketing, LLC or any successor selling agent at the time in question for all Non-Tenant Purchasers.

"Sponsor" refers to Court Lofts, LLC, a New York limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)," "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor.

"Sponsor Control Period" refers to the period ending the earlier of (i) the Closing of Title with Purchasers under this Plan to Units having at least 50% of the Common Interests of all Units or (ii) five (5) years after the First Closing.

"Tenant Purchaser" shall have the meaning set forth in the Section of the Plan entitled "Rights of Existing Tenants."

"Terrace(s)" refers to terraces and/or balconies and/or roof gardens and/or deck houses appurtenant to certain Units.

"Unit" or "Condominium Unit" refers to a space designated as a Unit in the Declaration, consisting, generally, of a specific residence, together with an appurtenant proportionate undivided interest in the General Common Elements. All of such Units are collectively referred to as "Units."

"Unit Owner" refers to any Unit Owner and all of such Unit Owners are collectively referred to as the "Unit Owners."

"Unsold Unit" refers to (a) any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee, or a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor, or one or more of their principals, is a member, or (b) any Unit for which there is a signed Purchase Agreement but for which Closing has not yet occurred.

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

DESCRIPTION OF PROPERTY

The Building

The building was originally constructed in 1918 as an industrial building and renovated in 1982 as a residential apartment building. The building consists of three (3) contiguous building sections (the "Building") arranged in an L-shape and referred to as Building Section 1, Building Section 2 and Building Section 3. Building Section 1 currently contains a First Floor and Floors 2-10 (the 10th Floor shall also be known and referred to as the Penthouse level). Building Section 2 currently contains a Cellar, First Floor and Floors 2-7. Building Section 3 currently contains a Cellar, First Floor and Floors 2-7. Please refer to the "Description of Property" in Part II of the Plan for further details.

Units

Subject to the rights of Sponsor and its designee to change the number of Units, there are a total of 124 Units situated First Floor through 10th Floor in Building Section 1, First Floor through 7th Floor in Building Section 2 and First Floor through 7th Floor in Building Section 3, respectively. Detailed descriptions of the Units are set forth in the Declaration and in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Prices of Units and Related Information" for further details.

The Units and their appurtenant Common Elements are being sold "as is" in the condition in which they exist on the Filing Date of this Plan, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing and further subject to Sponsor's obligation to make repairs, improvements or decorations as may be otherwise set forth in this Plan. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Consequently, Sponsor makes no representation, warranty or guarantee as to whether any of said alterations were completed in compliance with all applicable governmental laws and regulations.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Units in any location in the Building as sales and leasing offices and model apartments. In the event Sponsor or its designee, thereafter, elects to sell such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unsold Unit, such amounts as Sponsor determines.

A Unit Owner may only use such Unit Owner's Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Unit Owner use such Unit Owner's Unit for a use violative of the By-Laws.

Unit 1B which is currently vacant is not offered for sale at this time but may be offered in the future by amendment to the Plan. Purchasers are advised that Sponsor intends to decrease the size of Unit 1B to create a corridor for ingress to and egress from the existing compactor room located adjacent to Unit 1B located on the First Floor of the Building. Specifically, a small portion of the floor area of Unit 1B will be reconfigured to create a corridor to provide access from the compactor room to the courtyard of the Property. Upon completion thereof, such corridor and exit/entryway to the courtyard shall be designated as Common Elements of the Condominium and in order to effectuate such reconfiguration Sponsor shall file all required plans and applications and obtain all appropriate permits from the New York City Department of Buildings and any other applicable governmental agency having jurisdiction thereof.

New York City requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which has been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations.

Resident Manager's Apartment

At or subsequent to the First Closing, Sponsor will sell Unit 1D in the Condominium to the Condominium Board, to be used as the Resident Manager's residence. The Condominium Board shall be responsible for the payment of all mortgage recording and transfer taxes due in connection with the sale of the Unit. All Common Charges, including the costs of utilities and the costs of financing the purchase of the Unit, real estate taxes and the costs of repairs, alterations and improvements undertaken by the Condominium Board attributable to the Resident Manager's apartment, shall be borne by all Unit Owners as a Common Expense. The purchase price of Unit 1D is $780,900. Seventy percent (70%) of the purchase price for Unit 1D will be financed through a Institutional Lender. Such loan shall bear interest at a rate of 7% per annum and be amortized based upon a 25-year schedule. The loan will have an initial term of five (5) years with two (2) extension options of five (5) years each. Monthly payments of principal and interest will total approximately $3,863. At final maturity, a balloon payment will be due. Alternative financing may be available at closing with longer terms and/or varying interest rates. Such financing alternatives will be evaluated at that time. The remaining 30% of the purchase price shall be payable by promissory note delivered by the Condominium Board to the Sponsor. The note shall bear interest at a rate of 7% per annum and be amortized based upon a 25 year schedule. Such monthly payments of principal and interest shall total $1,656. The loan shall be due in five years with a balloon payment of approximately $213,566 due at maturity. It is anticipated that, at the maturity date(s) of the mortgage documents, the Condominium Board may refinance the balloon payments. However, Sponsor makes no representation that the Condominium Board will be able to refinance such payments, or, if refinancing is available, as to the terms or other costs of the same. Sponsor has not agreed to itself refinance, or arrange the refinancing of, the principal payments that will be due on the maturity date(s). The debt service to be paid to the Institutional Lender and Sponsor will be included in the Common Charges payable by the Unit Owners, and each Unit Owner will be

individually liable therefore to the extent of his/her percentage of Common Interest. Sponsor does not intend to refinance or extend the purchase money note at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Condominium Board, in order to repay the purchase money note, may be required to assess all Unit Owners in proportion to their respective Common Interests. At Sponsor's option, the note may be held by an institutional lender or by Sponsor. Mortgage recording taxes, transfer taxes due in connection with the transfer and mortgage of the Resident Manager's Unit to the Condominium Board and all closing costs with respect to the Resident Manager's Unit including, without limitation, legal fees and appraisal fees, if any, will be paid by the Condominium Board from the Contingency Fund or Working Capital Fund. In the event the Contingency Fund or Working Capital Fund is not sufficient, Sponsor will advance the funds necessary on behalf of the Condominium Board and the Condominium Board will repay Sponsor by executing a promissory note in the amount of the funds so advanced, to be repaid, without interest, in twelve equal monthly installments.

In the event the Condominium Board defaults under the note(s) and mortgage(s), including, but not limited to a default as the result of the Condominium Board's failure to pay the balance of the purchase money note due at maturity, the holder may foreclose on the Unit 1D and if the proceeds from the sale of the Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's apartment. Accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Condominium or within such distance of the Condominium as is then required by law.

Sponsor reserves the right, in its sole discretion, to choose a different Unit other than Unit 1D to sell to the Condominium as the Resident Manager's apartment; provided, however that such sale shall only be made pursuant to an amendment to the Plan and shall not result in the Condominium incurring financing charges, common charges and real estate taxes, the sum of which exceed the costs of owning Unit 1D as set forth in Schedule B, by more than 25%.

Sponsor further reserves the right to not to sell the Resident Manager's Unit to the Condominium Board for a period of up to two (2) years during which period Sponsor will rent the Unit occupied by the Resident Manager to the Condominium Board. In such event, from the date of the First Closing until the transfer of title of the Unit, the Condominium shall pay to Sponsor, rent in an amount equal to the sum of the following: (a) principal and interest which would have been due on the purchase money note(s) and mortgage(s), had same been executed by Condominium Board, (b) Common Charges assessed against the Unit occupied by the Resident Manager and (c) real estate taxes assessed against the Unit occupied by the Resident Manager. In the event Sponsor exercises the right to rent the Unit to the Condominium Board, the rental payments will not be credited against the purchase price. Please refer to Schedule B, Budget for First Year of Condominium Operation" in Part I of the Plan for further details regarding the costs of housing the Resident Manager.

Purchasers are advised that an affiliate of Sponsor is the owner of a 60 unit residential apartment building immediately adjacent to the Property located and having the street address of 204 Huntington Street, Brooklyn, New York (the "Adjacent Property"). The Adjacent Property is in the process of being converted to Condominium ownership pursuant to a "Red Herring"

submitted to the New York State Department of Law on October 29, 2004. As more particularly set forth in the Budget, the Adjacent Property may share certain services and employees with the Condominium. Prior to the First Closing, Sponsor anticipates entering into an agreement (the "Shared Building Staff Agreement") setting forth the terms and conditions pursuant to which services and employees of the Condominium will be shared with the Adjacent Property. A copy of the Shared Building Staff Agreement which is anticipated to be entered into with the owner of the Adjacent Property is set forth in Part II of the Plan as Exhibit 25. Please refer to Schedule B – "Projected Budget for the First Year of Condominium Operation" in Part I of the Plan for further details. .

Gardens and Terraces

Included in the Limited Common Elements are Gardens and Terraces appurtenant to certain Units, as more particularly described in Schedule A, which Gardens and Terraces are included in the purchase prices for the Units. A Unit Owner who has a Garden or a Terrace appurtenant to such Unit Owner's Unit shall have the exclusive use of same, subject to the right of the Condominium Board to regulate its use, and shall be responsible for all normal Maintenance thereto. However, the costs and expenses of any structural repairs or repairs or replacements to any Garden or Terrace (unless due to damage caused by its Unit Owner) shall be charged to all Unit Owners as a Common Expense.

The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Gardens or Terraces and may require a Unit Owner to remove same if the Condominium Board determines, in its discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Terrace and/or Gardens without the prior written consent from the Condominium Board. No Terrace and/or Garden may be enclosed without the express written consent of the Condominium Board. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

General Common Elements

Generally, the General Common Elements consist of all portions of the Building other than the Units, and include, among other things, the following: (a) the Land (including all yards and courtyards appurtenant to the Building); (b) all foundations, footings, columns, girders, concrete floor slabs and ceilings, beams, 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 concrete structural members of those walls, (c) passages, hallways, stairs and corridors and all fire staircases, landings and stairs, mechanical and other rooms, areas and spaces located in the Building, which are not part of any Unit, (d) the two (2) three passenger elevators in Building Section 1 as shown on the Floor Plans (including their shafts, pits, machinery and appurtenant facilities) and one (1) passenger elevator in Building Section 3 as

shown on the Floor Plans (including its shaft, pit, machinery and appurtenant facilities); (e) the entrance, reception, lobby, mail boxes, boiler room, laundry room, storage room, mechanical room, pump rooms, electrical room, sprinkler house trap and compactor room all located on the First Floor of Building Section 1, the entrance and lobby in Building Section 2 and the entrance and lobby in Building Section 3; (f) the compactor room, machine room and the house traps and any other unnamed ancillary areas in the Cellar of Building Section 2 and Building Section 3; (g) the exterior doors in the Building, (h) general illumination fixtures and security systems; (i) the roofs over the Building; (j) kitchen, bathroom and dryer exhaust ducts, corridor and Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting the Condominium; (k) the water tower; (l) the courtyard; (m) the chimney located in the boiler room and running to the roof of the Building; and (n) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance or safety of the Building and the Unit Owners. A detailed description of the General Common Elements is set forth in the Declaration.

Limited Common Elements

The Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Unit Owners. At the present time the Limited Common Elements consist of the Garden appurtenant to all First Floor Units in the Building and the Terrace appurtenant to the Units 7P, 7N and 7S, respectively, as more particularly described in Schedule A, which Garden and Terrace are included in the purchase prices for the Units. A Unit Owner who has a Garden or Terrace appurtenant to such Unit Owner's Unit shall have the exclusive use of same, subject to the right of the Condominium Board to regulate its use, and shall be responsible for all normal Maintenance thereto. However, the costs and expenses of any structural repairs or repairs or replacements to any Garden or Terrace (unless due to damage caused by its Unit Owner) shall be charged to all Unit Owners as a Common Expense.

The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Gardens or Terraces and may require a Unit Owner to remove same if the Condominium Board determines, in its discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. No Garden or Terrace may be enclosed without the express written consent of the Condominium Board. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Terrace and/or Gardens without the prior written consent from the Condominium Board. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Services and Facilities

The Building will be Maintained, operated and staffed in a manner to be determined by the Condominium Board. Prospective purchasers are urged to carefully review Schedule B in Part I of this Plan and the Description of Property set forth in Part II of this Plan, for a description of the services presently being provided. Sponsor makes no representation that the aforesaid services will continue to be provided. Notwithstanding the foregoing, however, the Condominium Board shall at all times Maintain, operate and staff the Building in compliance with, and subject to, all applicable Laws and any rights of Non-Purchasing Tenants under the GBL. Except as otherwise consented to in writing by Sponsor, the Condominium Board shall operate the Property at the same level of services as those supplied on the date of recording the Declaration in accordance with the Rent Laws, except for those services, if any, that are the obligation of Sponsor to provide under the terms of the Declaration or the Plan. The Condominium Board shall not impose any charge or fee against the tenants or occupants of the Units owned by Sponsor or its designee or against Sponsor on account of any services provided to such tenants and occupants unless Sponsor or its designee is permitted by the Rent Laws to impose such charge or fee against such tenants or occupants. Such permitted charge or fee may be increased by the Condominium Board, but only to the extent Sponsor or the owner of the occupied Units would be allowed to charge its tenants such increased charges or fees under the Rent Laws. If, as the result of the aforesaid limitations on the Board, the amount of such charges or fees collected by Condominium Board is insufficient to cover the cost of providing such service(s), then such additional cost will be included in Common Charges and borne by all Unit Owner's in proportion to their respective Common Interests.

Except as otherwise noted above, and except as otherwise required under the Rent Laws, all determinations with respect to the continuance of services and facilities for the Building will be made by the Condominium Board, which, until the expiration of the Sponsor Control Period, will be controlled by Sponsor (see the Section "Control by Sponsor").

Neither Sponsor, the Selling Agent, the Managing Agent nor the Condominium Board will in any event be liable for the interruption, discontinuance or quality of any of the foregoing services, including, but not limited to, any services provided by any outside company or person, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, including Building personnel or otherwise. Purchasers are advised that neither the Plan nor the Declaration or By-Laws provide Unit Owners with a means of redress with respect to the foregoing.

RIGHTS OF EXISTING TENANTS

Each Tenant Purchaser (defined below) shall have the exclusive right for a period of ninety (90) days from the Presentation Date of this Plan (the "Exclusive Purchase Period") within which to purchase the Unit such purchaser occupied on the Filing Date of this Plan at the Purchase Price set forth in Schedule A, during which time the Tenant Purchaser's Unit shall not be shown to a third party unless the Tenant Purchaser has, in writing, waived his or her right to purchase. In order to exercise this exclusive right to purchase, the Tenant Purchaser must deliver a signed Purchase Agreement and the required Down Payment to the Selling Agent during the Exclusive Period. Sponsor has agreed that during the Exclusive Purchase Period, the purchase prices to be paid by Tenant Purchasers will not be increased nor will the Selling Agent accept Purchase Agreements from non-occupant purchasers for occupied Units.

The term "Tenant Purchaser" shall include: (a) a bona fide tenant in occupancy on the Filing Date; (b) a bona fide tenant with the right to renew a lease on the Filing Date; (c) a bona fide tenant who has the right to continued occupancy on the Filing Date; (d) a bona fide tenant of record with an unexpired lease on the Filing Date even though the tenant has sublet the Unit or the Unit is not the tenant's primary residence; (e) a bona fide sublessee in occupancy on the Filing Date, if such sublessee sublets from a non-bona fide tenant, or has obtained written permission to purchase the Unit from the bona fide tenant of record; and (f) a residential occupant on the Filing Date entitled to protection under Article 7C of the Multiple Dwelling Law.

The term "Tenant Purchaser" shall not include the estate or legal representative of a bona fide tenant who was in occupancy of a Unit on the Filing Date who died on or after the Filing Date.

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

The following summary of rights of existing tenants is set forth in accordance with Section 352-eeee of New York State General Business Law (the "GBL"), a copy of which is set forth in Part II of this Plan. Bona fide tenants in occupancy derive substantial protections under the GBL.

The term "Non-Purchasing Tenant" (as such term is defined in the GBL) means a person who has not purchased a Unit pursuant to this Plan and who is a tenant entitled to possession at the time this Plan is declared effective or a person to whom a Unit is rented by Sponsor subsequent to the effective date of the Plan. A person who sublets a Unit from "a purchaser under the Plan" (as such term is defined in the GBL) shall not be deemed a Non-Purchasing Tenant.

(A) No eviction proceedings will be commenced at any time after the effective date 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 Condominium

or its Managing Agent or a breach by the Non-Purchasing Tenant of his obligations to the owner of the Unit or such other grounds for eviction as may then be permitted by Law; and provided further that an owner of a Unit may not commence an action to recover possession from a Non-Purchasing Tenant on the grounds that he/she seeks the Unit for the use and occupancy of himself or his family.

(B) Non-Purchasing Tenants who reside in Units subject to government regulation as to rentals and continued occupancy prior to the conversion of the Building to condominium ownership shall continue to be subject thereto. Nothing contained herein shall be deemed to extend greater rights to a Non-Purchasing Tenant than such tenant would have had if the Building had not been converted to condominium ownership, except as otherwise provided in subparagraph (C) below.

(C) The rentals of Non-Purchasing Tenants who reside in Units not subject to government 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 Filing Date of this Plan shall not be subject to unconscionable increases beyond ordinary rentals for comparable Units during the period of their occupancy. In determining comparability, consideration will be given to such factors as building services, level of Maintenance and operating expenses.

Non-Purchasing Tenants are advised that complaints of unconscionable rent increases may be referred to the New York State Department of Law, Bureau of Real Estate Financing, 120 Broadway, 23rd floor, New York, New York 10271.

Non-Purchasing Tenants may be subject to rent increases as the result of major capital improvements ("MCI") made by Sponsor, the Condominium Board or purchasers of Units occupied by such Non-Purchasing Tenants. Under current Law, Sponsor is not entitled to seek a MCI rent increase to the extent Sponsor has taken a credit against the Reserve Fund as the result of such MCI. Please refer to the Section of the Plan entitled "Reserve Fund" for further details.

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

(E) The rights granted under this Plan to "purchasers under the Plan" (as such term is defined in the GBL) and to Non-Purchasing Tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, the GBL. Please refer to the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" in Part I of the Plan for further details.

(F) All Units occupied by Non-Purchasing Tenants will be managed by the same managing agent who manages all other Units in the Building. Such managing agent will provide to Non-Purchasing Tenants all services and facilities required by Law on a non-discriminatory basis. Sponsor will guarantee the obligation of the Managing Agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board.

(G) 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 or harassment of tenants, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his/her Unit or the facilities related thereto. The Attorney General may apply to a court of competent jurisdiction for an order restraining such conduct and, if the Attorney General deems it appropriate, an order restraining the owner from selling the Unit or from proceeding with this Plan of conversion. Nothing contained in the GBL shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

(H) Any provision of a lease or other rental agreement which purports to waive a tenant's rights under the GBL or rules and regulations promulgated pursuant to the GBL shall be void as contrary to public policy.

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

The By-Laws provide that subsequent to the First Closing under this Plan, and for each sale or resale of a Unit occupied by a Non-Purchasing Tenant, a Non-Purchasing Tenant will be promptly notified in writing by the purchaser thereof, of the name and address of the person or persons who purchased such Non-Purchasing Tenant's Unit and the Condominium Board is required to make such information available to such Non-Purchasing Tenant.

If prior to the expiration of any exclusive purchase period, which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted a Purchase Agreement and Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions. A Purchase Agreement from a Tenant Purchaser executed and submitted to Sponsor during any exclusive purchase period shall have priority over and pre-empt any Purchase Agreement from a Non-Tenant Purchaser.

In the event a Purchaser purchases a Unit not occupied by such Purchaser, such purchase shall be subject to the terms and conditions of the existing lease or tenancy of the Unit and subject to the rights and obligations set forth in the GBL and the purchaser and his or her successors shall continue to be bound as long as such lease or tenancy continues. A Tenant-Purchaser will not have the right to purchase on terms obtained by a Non-Tenant Purchaser. Please refer to the Section entitled "Effective Date" for the details regarding Sponsor's obligation to post notices regarding the percentage of Tenant Purchasers and Non-Tenant Purchasers for whom Sponsor has accepted Purchase Agreements.

If a Tenant Purchaser purchases a Unit, then from and after the closing of title to such Unit, such Tenant Purchaser would no longer be subject to, or have any rights afforded tenants in occupancy under, the GBL. Tenant Purchasers shall not have the right to assign their Purchase Agreements. Please refer to the Section of the Plan entitled "Assignment of Purchase Agreements."

There is currently a conflict in the judicial districts of the State of New York regarding the rights of tenants who rent vacant condominium units from an original Sponsor *after* the Effective Date of the Plan. The First Department, which has jurisdiction over proceedings in Manhattan and the Bronx recently held in a case entitled "Park West Village Associates v. Nishoika, NYLJ, Nov. 3, 2000 at 26, col. 2 (App. Term 1st Dep't.) ("Park West"), that such a tenant does not have any right to a renewal lease at market rent. This ruling conflicts with the decision in Paikoff v. Harris, 713 N.Y.S. 2d 109 (App. T. 2nd Dept. 1999, ("Paikoff) where the appeals panel in the Second Department, covering Brooklyn, Queens and Staten Island, found that such tenants did have a right to remain in their apartments indefinitely, provided they entered into market rent leases. Sponsor makes no representations regarding whether the conflicting decisions of the appeals court will be reconciled or whether the ruling in either Park West or Paikoff will be overturned or modified. Nothing contained herein shall be deemed to grant any tenants renting vacant Units after the Effective Date, any additional rights of occupancy.

Tenant Purchasers are not being offered the right to purchase any Unit other than the Unit occupied by such Tenant Purchaser on the Filing Date of the Plan. Non-Purchasing Tenants shall have no rights with respect to their Units except as same may specifically set forth above and in the GBL. Nothing contained herein shall be deemed to grant Non-Purchasing Tenants any additional rights of occupancy with respect to the Units.

Certain Non-Purchasing Tenants reside in apartments subject to the provisions of either (i) the New York City Rent Stabilization Law and the Code adopted pursuant thereto, (ii) the New York City Rent Control Regulations, (iii) the New York State General Business Law, Section 352-eeee, (iv) the Rent Regulation Reform Act of 1997 and (v) any codes, rules and regulations promulgated thereunder and any administrative and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property, as more particularly described in Schedule A in Part I of the Plan.

See the Section entitled "Effective Date" for a discussion of Sponsor's obligation to periodically post the percentage of Purchase Agreements received by the Selling Agent.

OBLIGATIONS OF PURCHASERS OF UNITS OCCUPIED BY NON-PURCHASING TENANTS

A person purchasing a Unit occupied by Non-Purchasing Tenant does so subject to: (a) the existing lease for the Unit, if any (and any renewal thereof pursuant to Law or effected prior to the date on which the purchaser's Purchase Agreement is accepted), (b) the existing occupancy of the Unit, and (c) rights of the tenant thereof, if any, under the Rent Laws, and under the GBL, including the right to stay in possession of the Unit pursuant to the GBL, as more fully discussed in the Section entitled "Rights of Existing Tenants." A purchaser purchasing a Unit subject to the Rent Laws must register such Unit with the New York State Department of Housing and Community Renewal. The status of each of the Units being offered for sale as of the date of the Plan is set forth on Schedule A, "Purchase Prices and Related Information" in Part I of the Plan. Under the current Rent Laws, where a Unit previously occupied by a Non-Purchasing Tenant is vacated and re-rented by Sponsor, such Unit is no longer subject to the Rent Laws but may be subject to limitations set forth in the GBL regarding rent increases.

No representations or statements of any kind as to the requirements of the GBL are given, except as expressly set forth in this Plan, and a prospective purchaser interested in purchasing an occupied Unit in which he/she does not reside, or lease, is advised to consult with his attorney regarding the application and effect of the foregoing Laws and regulations in order to become fully apprised of his rights as a purchaser and his obligations to any existing tenant or occupant.

After consummation of the sale of a Unit to a non-occupant purchaser, such non-occupant purchaser will own the Unit, subject to the lease or tenancy of the present tenant and subject to all rights, if any, afforded such tenant under the GBL and this Plan. Under the GBL, the 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 Condominium or its Managing Agent or a breach by a Non-Purchasing Tenant of his obligations to the owner of the Unit or such other grounds for eviction as may then be permitted by Law. In addition, no eviction proceedings may be commenced against a Non-Purchasing Tenant on the grounds that the non-occupant purchaser seeks the Unit for the use and occupancy of himself or his family.

If a non-occupant purchaser acquires a Unit occupied by another, then on the Closing Date of such Unit, the non-occupant purchaser will become the landlord of such tenant and the latter will become the non-occupant purchaser's tenant. Such non-occupant purchaser will be required under the Purchase Agreement executed by him to pay the Common Charges, taxes, or other assessments charged against the Unit by the Condominium Board, regardless of whether such Common Charges, taxes or other assessments are greater or less than the rent payable by the tenant or occupant, and regardless of whether the rent is received. In addition, such non-occupant purchaser will be solely responsible for all litigation costs, fees, and any dues related to the tenancy as well as the performance of all obligations of the landlord under the lease with the tenant or occupant, including, without limitation, the obligation to Maintain plumbing fixtures, doors, hardware, flooring, refrigerator, range, dishwasher, lighting fixtures, and other equipment,

if any, which are included in the Unit or are the obligation of the Unit Owner to maintain, and which are not owned by the tenant or occupant and to paint the Unit, as provided in the Purchase Agreement or applicable Law. The non-occupant Purchaser will be obligated to give the Non-Purchasing Tenant such renewal leases and riders as may be required under applicable Law, including the Rent Laws and the GBL and may only evict the Non-Purchasing Tenant on grounds permitted by Law, as more particularly described in the Section entitled "Rights of Existing Tenants" in Part I of the Plan.

The Purchase Agreement contains a provision whereby each non-occupant purchaser of a Unit irrevocably appoints the then Managing Agent of the Building (which Managing Agent may be replaced from time to time by the Condominium Board) as his agent, coupled with an interest, to provide, for the account and at the expense of the non-occupant purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has a right to occupy the Unit such non-occupant purchaser is purchasing until such time as said right to occupy terminates. In addition, each non-occupant purchaser agrees: (a) to deposit with the Managing Agent at the closing of title to the Unit, a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish such services and facilities, and (b) upon written notice by the Managing Agent that the deposit has been diminished, to replenish such fund within a thirty (30) day period. The failure of the Unit Owner to replenish the fund in the time period set forth hereinabove shall result in the Condominium Board, on behalf of the Unit Owners, having a lien against the Unit Owner's Unit in accordance with the By-Laws. Interest, if any, earned on the fund shall be the property of the Unit Owner.

Sponsor shall guarantee the obligation of the Managing Agent to provide such services and facilities until such time as Sponsor surrenders control of the Condominium Board. Each non-occupant purchaser of a Unit will be required to indemnify Sponsor for all costs expended by Sponsor on such non-occupant purchaser's behalf. The foregoing obligations of a non-occupant purchaser do not apply to Sponsor.

Upon each resale of a Unit occupied by another, the Managing Agent shall notify the Non-Purchasing Tenant thereof in writing within ten (10) days following the change in ownership of the name and address of the new non-occupant purchaser.

No representation is made or warranty given as to whether the GBL or the Rent Laws will continue to apply to any Unit in the Building or whether there will be any future amendments thereto. Nothing contained herein shall be deemed to prevent Sponsor or the purchaser of a Unit occupied by Non-Purchasing Tenants from enjoying the benefits from any amendment to the Rent Laws or any court ruling which may be deemed to benefit Sponsor.

A person interested in purchasing a Unit in which he/she does not reside is advised to examine the lease for such Unit to ascertain the rental thereof, expiration date and obligations imposed on the landlord thereof. These leases are on file at the office of the Managing Agent or Sponsor. It is further recommended that such person consult with his own attorney in order to become fully apprised of the effect of the GBL and the Rent Laws, as well as the lease for the Unit, on his rights as a non-occupant purchaser and his obligations to the existing tenant or occupant.

A non-occupant purchaser of a Unit subject to a lease will be entitled to receive the unapplied portion of any security deposit held by Sponsor under the terms of such lease. Such security must be held by the non-occupant purchaser, in trust, in an interest bearing account in accordance with Section 7-103 of the New York General Obligations Law. Upon receipt of such security deposit, the non-occupant purchaser will be required to acknowledge, in writing, receipt thereof and agree to indemnify Sponsor against all claims or liability in connection therewith.

LOCATION AND AREA INFORMATION

Location and Services

The Condominium is located in the Carroll Gardens section of Brooklyn in the City of New York, with frontage on the southeast corner of Court Street and Huntington Street.

New York City is the largest city in the United States, as well as one of the principal urban centers of the world. Brooklyn currently has a population of nearly 2.3 million people. Brooklyn contains a vibrant mix of corporate headquarters, universities, government agencies, as well as excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, medical centers and a vast array of restaurants and shops. Historic landmarks such as the Brooklyn Bridge and Coney Island continue to draw people to Brooklyn, the Brooklyn Academy of Music, while Brooklyn Museum of Art, the New York Aquarium and the Brooklyn Botanical Garden represent world class institutions in this thriving Borough.

Not far from the Condominium is Manhattan, which is, among other things, home to the nation's principal financial center, including the New York Stock Exchange, the American Stock Exchange and the National Over-the-Counter Stock Market. Manhattan is the corporate headquarters for a number of the largest banks in the United States. Many of the country's "Fortune 500" industrial corporations have their principal corporate headquarters in Manhattan as do major law firms and accounting firms. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries. In the last several years, there has been substantial growth in the number of foreign banks and corporations that have established offices in Manhattan.

The Condominium is served by a variety of transportation facilities. Taxi and limousine service is readily available throughout the city. Municipal bus service for the Condominium area is available on 9th Street and South Street. Entrances to subway service in the vicinity of the Condominium are located for the F and G lines. By automobile, the Brooklyn Queens Expressway, Gowanus Expressway and the Belt Parkway are connected to Interstate 495, Interstate 478 and Interstate 278, all of which are major regional arteries. New York City is serviced by three major airports located within fifteen to twenty five miles of the Condominium. Kennedy International and LaGuardia Airports are located in New York City and Newark International is located in Newark, New Jersey.

Shopping facilities are also conveniently located and include local shops providing unique boutique clothing and galleries as well as hardware stores, lighting shops and other retail shops. In addition to the many stores in Carroll Gardens, the Condominium is situated nearby to downtown Brooklyn with such retail stores as Macys, Old Navy, Home Depot, Foot Locker and KB Toys. A Target store is under construction at Atlantic Terminal Mall.

Numerous cultural amenities are located within easy access to the Condominium, including Brooklyn Museum of Art and the Brooklyn Academy of Music. A large variety of recreational facilities can be found in the area, such as basketball courts and a marina.

Excellent educational facilities are located in Brooklyn. The community is served by PS 146, PS 32, PS 38, PS 261 and PS 29. Sponsor makes no guarantee or representation as to which school children residing in the Condominium may actually attend. Additionally, several private schools in the greater New York City area for the grade and high school levels include the Berkeley-Carroll School, Packer Collegiate Institute and Saint Anne's School.

The Condominium is also within easy access to hospitals and medical facilities in the area, including Long Island College Hospital, New York Methodist Hospital and Brooklyn Hospital.

The Condominium has immediate access to the major recreational park in Prospect Park which is approximately 2.5 miles from the Condominium. Prospect Park is a 526 acre tract of land which combines beautifully landscaped areas with a large variety of recreational facilities, such as tennis courts, running paths, bicycle routes, an ice skating rink and a zoo]. In addition, several parks in the immediate vicinity including Carroll Park, Red Hook Park and the Red Hook Recreational Area offer other recreational opportunities such as playgrounds, basketball courts and bocce ball.

Police, fire, water, sanitation and snow removal are provided by the City of New York. The Property is in the 76th Police Precinct located at 191 Union Street, Brooklyn, New York, and primary fire protection is provided by the N.Y.F.D. Engine 279 located at 252 Lorraine Street, Brooklyn, New York.

There is no guaranty that any of the foregoing services or amenities will continue to be available to Unit Owners or residents in the future or that any change in the foregoing will not adversely impact upon the value of the Units. Sponsor makes no representations that the character of the neighborhood, the businesses and other institutions which operate there or the qualitative nature of the surroundings will not change.

Zoning and Use

The Property is located in an R-6 district which permits residential use. The Building was built in 1918 as an industrial building. In 1979, the Property was rezoned from an M1-1 district to an R-6 district which permitted the conversion of the Building from industrial to residential. In 1982 the Property was renovated and converted to a Class "A" multiple dwelling. Please refer to the "Description of Property" in Part II of the Plan for further details.

SCHEDULE A - PRICES OF UNITS AND RELATED INFORMATION

505 COURT STREET CONDOMINIUM

505 Court Street

Brooklyn, New York

SCHEDULE A - OFFERING PRICES AND RELATED INFORMATION

ALL PROJECTED CHARGES AND REAL ESTATE TAXES ARE FOR THE 12 MONTH PERIOD FROM SEPTEMBER 1, 2005 TO AUGUST 31, 2006

UNIT NUMBER		RENT REG. STATUS	APPROX. UNIT AREA (SF) [1]	APPROX. AREA OF TERRACE/ GARDEN (SF)	BR / Bath	90 DAY PRICE TO TENANT PURCHASERS [2]	INITIAL OFFERING PRICE TO NON-TENANT PURCHASERS [2]	PERCENTAGE OF COMMON INTEREST [3]	ESTIMATED COMMON CHARGES[4] MONTHLY	ESTIMATED COMMON CHARGES[4] ANNUAL	ESTIMATED REAL ESTATE TAXES[5] MONTHLY	ESTIMATED REAL ESTATE TAXES[5] ANNUAL	ESTIMATED TOTAL MONTHLY CARRYING CHARGES[6]
1A	G	V	959	399	2 / 1.0	489,850	505,000	0.8387%	729	8,751	224	2,689	953
1B	G	V	1,688	358	3 / 1.0	780,850	805,000	1.3517%	1,175	14,103	357	4,286	1,532
1C	G	FM	2,121	492	3 / 2.0	1,042,750	1,075,000	1.7137%	1,490	17,880	477	5,723	1,967
1D	G	V	1,842	545	3 / 2.0	780,900	805,052	1.5309%	1,331	15,972	357	4,286	1,688
1E	G, G	RS	1,439	700	2 / 1.0	708,100	730,000	1.2952%	1,126	13,514	324	3,886	1,450
1F	G, G	V	1,264	437	2 / 1.0	683,850	705,000	1.0733%	933	11,198	313	3,753	1,246
1G	G, G	V	1,247	697	1 / 1.0	659,600	680,000	1.1551%	1,004	12,052	302	3,620	1,306
1H	G, G	FM	1,203	858	2 / 1.0	703,250	725,000	1.1815%	1,027	12,328	322	3,860	1,349
1J	G	FM	1,507	1,096	3 / 2.0	824,500	850,000	1.4878%	1,294	15,523	377	4,525	1,671
2A		FM	729		1 / 1.0	421,950	435,000	0.5278%	459	5,507	193	2,316	652
2B		FM	1,035		2 / 1.0	538,350	555,000	0.7493%	652	7,818	246	2,955	898
2C		FM	937		1 / 1.0	518,950	535,000	0.6784%	590	7,078	237	2,848	827
2D		FM	1,333		2 / 1.0	732,350	755,000	0.9651%	839	10,069	335	4,019	1,174
2E		FM	733		0 / 1.0	436,500	450,000	0.5307%	461	5,537	200	2,396	661
2F		V	1,036		2 / 1.0	688,700	710,000	0.7500%	652	7,826	315	3,780	967
2G		RS	702		1 / 1.0	412,250	425,000	0.5082%	442	5,303	189	2,263	630
2H		FM	1,136		2 / 1.0	708,100	730,000	0.8224%	715	8,581	324	3,886	1,039
2J		V	950		2 / 1.0	649,900	670,000	0.6878%	598	7,176	297	3,567	895
2K		FM	1,446		3 / 2.0	873,000	900,000	1.0469%	910	10,923	399	4,791	1,310
2M		FM	1,048		2 / 1.0	572,300	590,000	0.7587%	660	7,916	262	3,141	921
2N		RS	1,175		2 / 1.5	630,500	650,000	0.8507%	740	8,876	288	3,460	1,028
2P		V	982		2 / 1.0	611,100	630,000	0.7110%	618	7,418	279	3,354	898
2Q		FM	925		2 / 1.0	591,700	610,000	0.6697%	582	6,987	271	3,247	853
2R		V	1,348		3 / 2.0	800,250	825,000	0.9759%	849	10,182	366	4,392	1,215
2S		V	1,367		3 / 2.0	839,050	865,000	0.9897%	860	10,326	384	4,605	1,244
3A		RS	729		1 / 1.0	431,650	445,000	0.5278%	459	5,507	197	2,369	656
3B		FM	1,133		2 / 1.0	557,750	575,000	0.8203%	713	8,558	255	3,061	968
3C		V	986		2 / 1.0	683,850	705,000	0.7138%	621	7,448	313	3,753	933
3D		RS	1,333		2 / 1.0	746,900	770,000	0.9651%	839	10,069	342	4,099	1,181
3E		FM	733		0 / 1.0	451,050	465,000	0.5307%	461	5,537	206	2,476	668
3F		V	1,036		2 / 1.0	703,250	725,000	0.7500%	652	7,826	322	3,860	974
3G		V	702		1 / 1.0	421,950	435,000	0.5082%	442	5,303	193	2,316	635
3H		FM	1,136		2 / 1.0	722,650	745,000	0.8224%	715	8,581	331	3,966	1,046
3J		FM	950		2 / 1.0	664,450	685,000	0.6878%	598	7,176	304	3,647	902
3K		FM	1,446		3 / 2.0	892,400	920,000	1.0469%	910	10,923	408	4,898	1,318
3M		V	1,103		2 / 1.0	586,850	605,000	0.7986%	694	8,332	268	3,221	963
3N		V	1,175		2 / 1.5	645,050	665,000	0.8507%	740	8,876	295	3,540	1,035

505 COURT STREET CONDOMINIUM

505 Court Street

Brooklyn, New York

SCHEDULE A - OFFERING PRICES AND RELATED INFORMATION

ALL PROJECTED CHARGES AND REAL ESTATE TAXES ARE FOR THE 12 MONTH PERIOD FROM SEPTEMBER 1, 2005 TO AUGUST 31, 2006

UNIT NUMBER	RENT REG. STATUS	APPROX. UNIT AREA (SF) [1]	APPROX. AREA OF TERRACE/ GARDEN (SF)	BR / Bath	90 DAY PRICE TO TENANT PURCHASERS [2]	INITIAL OFFERING PRICE TO NON-TENANT PURCHASERS [2]	PERCENTAGE OF COMMON INTEREST [3]	ESTIMATED COMMON CHARGES[4] MONTHLY	ESTIMATED COMMON CHARGES[4] ANNUAL	ESTIMATED REAL ESTATE TAXES[5] MONTHLY	ESTIMATED REAL ESTATE TAXES[5] ANNUAL	ESTIMATED TOTAL MONTHLY CARRYING CHARGES[6]
3P	RS	982		2 / 1.0	625,650	645,000	0.7110%	618	7,418	286	3,434	904
3Q	RS	925		2 / 1.0	606,250	625,000	0.6697%	582	6,987	277	3,327	860
3R	RS	1,348		3 / 2.0	819,650	845,000	0.9759%	849	10,182	375	4,499	1,223
3S	V	1,367		3 / 2.0	858,450	885,000	0.9897%	860	10,326	393	4,712	1,253
4A	RS	729		1 / 1.0	441,350	455,000	0.5278%	459	5,507	202	2,422	661
4B	RS	1,133		2 / 1.0	586,850	605,000	0.8203%	713	8,558	268	3,221	982
4C	FM	986		2 / 1.0	698,400	720,000	0.7138%	621	7,448	319	3,833	940
4D	V	1,333		2 / 1.0	761,450	785,000	0.9651%	839	10,069	348	4,179	1,187
4E	FM	733		0 / 1.0	460,750	475,000	0.5307%	461	5,537	211	2,529	672
4F	V	1,036		2 / 1.0	717,800	740,000	0.7500%	652	7,826	328	3,940	980
4G	FM	702		1 / 1.0	431,650	445,000	0.5082%	442	5,303	197	2,369	639
4H	FM	1,136		2 / 1.0	737,200	760,000	0.8224%	715	8,581	337	4,046	1,052
4J	FM	950		2 / 1.0	679,000	700,000	0.6878%	598	7,176	311	3,727	909
4K	V	1,446		3 / 2.0	911,800	940,000	1.0469%	910	10,923	417	5,004	1,327
4M	V	1,103		2 / 1.0	601,400	620,000	0.7986%	694	8,332	275	3,301	969
4N	RS	1,175		2 / 1.5	659,600	680,000	0.8507%	740	8,876	302	3,620	1,041
4P	V	982		2 / 1.0	640,200	660,000	0.7110%	618	7,418	293	3,514	911
4Q	FM	925		2 / 1.0	620,800	640,000	0.6697%	582	6,987	284	3,407	866
4R	FM	1,348		3 / 2.0	839,050	865,000	0.9759%	849	10,182	384	4,605	1,232
4S	FM	1,367		3 / 2.0	877,850	905,000	0.9897%	860	10,326	402	4,818	1,262
5A	V	729		1 / 1.0	451,050	465,000	0.5278%	459	5,507	206	2,476	665
5B	FM	1,133		2 / 1.0	615,950	635,000	0.8203%	713	8,558	282	3,381	995
5C	RS	986		2 / 1.0	722,650	745,000	0.7138%	621	7,448	331	3,966	951
5D	V	1,333		2 / 1.0	809,950	835,000	0.9651%	839	10,069	370	4,445	1,210
5E	RS	733		0 / 1.0	480,150	495,000	0.5307%	461	5,537	220	2,635	681
5F	FM	1,036		2 / 1.0	742,050	765,000	0.7500%	652	7,826	339	4,073	992
5G	FM	702		1 / 1.0	441,350	455,000	0.5082%	442	5,303	202	2,422	644
5H	FM	1,136		2 / 1.0	761,450	785,000	0.8224%	715	8,581	348	4,179	1,063
5J	FM	950		2 / 1.0	693,550	715,000	0.6878%	598	7,176	317	3,806	915
5K	FM	1,446		3 / 2.0	945,750	975,000	1.0469%	910	10,923	433	5,191	1,343
5M	V	1,103		2 / 1.0	615,950	635,000	0.7986%	694	8,332	282	3,381	976
5N	FM	1,175		2 / 1.5	674,150	695,000	0.8507%	740	8,876	308	3,700	1,048
5P	V	982		2 / 1.0	654,750	675,000	0.7110%	618	7,418	299	3,594	918
5Q	FM	925		2 / 1.0	635,350	655,000	0.6697%	582	6,987	291	3,487	873
5R	V	1,348		3 / 2.0	858,450	885,000	0.9759%	849	10,182	393	4,712	1,241
5S	FM	1,367		3 / 2.0	897,250	925,000	0.9897%	860	10,326	410	4,924	1,271
6A	V	729		1 / 1.0	460,750	475,000	0.5278%	459	5,507	211	2,529	670

505 COURT STREET CONDOMINIUM

505 Court Street

Brooklyn, New York

SCHEDULE A - OFFERING PRICES AND RELATED INFORMATION

ALL PROJECTED CHARGES AND REAL ESTATE TAXES ARE FOR THE 12 MONTH PERIOD FROM SEPTEMBER 1, 2005 TO AUGUST 31, 2006

UNIT NUMBER		RENT REG. STATUS	APPROX. UNIT AREA (SF) [1]	APPROX. AREA OF TERRACE/ GARDEN (SF)	BR / Bath	90 DAY PRICE TO TENANT PURCHASERS [2]	INITIAL OFFERING PRICE TO NON-TENANT PURCHASERS [2]	PERCENTAGE OF COMMON INTEREST [3]	ESTIMATED COMMON CHARGES [4] MONTHLY	ESTIMATED COMMON CHARGES [4] ANNUAL	ESTIMATED REAL ESTATE TAXES [5] MONTHLY	ESTIMATED REAL ESTATE TAXES [5] ANNUAL	ESTIMATED TOTAL MONTHLY CARRYING CHARGES [6]
6B		FM	1,133		2 / 1.0	630,500	650,000	0.8203%	713	8,558	288	3,460	1,002
6C		FM	986		2 / 1.0	746,900	770,000	0.7138%	621	7,448	342	4,099	962
6D		RS	1,333		2 / 1.0	858,450	885,000	0.9651%	839	10,069	393	4,712	1,232
6E		V	733		0 / 1.0	499,550	515,000	0.5307%	461	5,537	228	2,742	690
6F		FM	1,036		2 / 1.0	756,600	780,000	0.7500%	652	7,826	346	4,153	998
6G		FM	702		1 / 1.0	451,050	465,000	0.5082%	442	5,303	206	2,476	648
6H		RS	1,136		2 / 1.0	776,000	800,000	0.8224%	715	8,581	355	4,259	1,070
6J		V	950		2 / 1.0	708,100	730,000	0.6878%	598	7,176	324	3,886	922
6K		FM	1,446		3 / 2.0	965,150	995,000	1.0469%	910	10,923	441	5,297	1,352
6M		V	1,103		2 / 1.0	630,500	650,000	0.7986%	694	8,332	288	3,460	983
6N		FM	1,175		2 / 1.5	683,850	705,000	0.8507%	740	8,876	313	3,753	1,052
6P		FM	982		2 / 1.0	669,300	690,000	0.7110%	618	7,418	306	3,673	924
6Q		V	925		2 / 1.0	649,900	670,000	0.6697%	582	6,987	297	3,567	880
6R		RS	1,348		3 / 2.0	877,850	905,000	0.9759%	849	10,182	402	4,818	1,250
6S		RS	1,367		3 / 2.0	916,650	945,000	0.9897%	860	10,326	419	5,031	1,280
7A		FM	729		1 / 1.0	470,450	485,000	0.5278%	459	5,507	215	2,582	674
7B		RS	1,097		2 / 1.0	654,750	675,000	0.7942%	691	8,286	299	3,594	990
7C		FM	937		2 / 1.0	761,450	785,000	0.6784%	590	7,078	348	4,179	938
7D		RS	1,240		2 / 1.0	873,000	900,000	0.8977%	781	9,367	399	4,791	1,180
7E		FM	695		0 / 1.0	504,400	520,000	0.5032%	437	5,250	231	2,768	668
7F		FM	972		2 / 1.0	761,450	785,000	0.7037%	612	7,342	348	4,179	960
7G		RS	703		1 / 1.0	460,750	475,000	0.5090%	443	5,310	211	2,529	653
7H		V	977		2 / 1.0	780,850	805,000	0.7073%	615	7,380	357	4,286	972
7J		FM	950		2 / 1.0	722,650	745,000	0.6878%	598	7,176	331	3,966	929
7K		RS	1,391		3 / 2.0	979,700	1,010,000	1.0071%	876	10,507	448	5,377	1,324
7M		FM	1,102		2 / 1.0	645,050	665,000	0.7978%	694	8,324	295	3,540	989
7N	T	FM	1,570	353	3 / 2.0	1,115,500	1,150,000	1.2644%	1,099	13,193	510	6,122	1,610
7P	T	RS	1,200	499	2 / 1.0	911,800	940,000	1.0494%	912	10,949	417	5,004	1,329
7S	T	FM	1,623	619	3 / 2.0	1,042,750	1,075,000	1.3991%	1,216	14,598	477	5,723	1,693
8A		V	729		1 / 1.0	480,150	495,000	0.5278%	459	5,507	220	2,635	678
8B		V	1,097		2 / 1.0	669,300	690,000	0.7942%	691	8,286	306	3,673	997
8C		FM	937		2 / 1.0	795,400	820,000	0.6784%	590	7,078	364	4,365	954
8D		FM	1,240		2 / 1.0	887,550	915,000	0.8977%	781	9,367	406	4,871	1,186
8E		FM	695		0 / 1.0	514,100	530,000	0.5032%	437	5,250	235	2,822	673
8F		V	999		2 / 1.0	829,350	855,000	0.7233%	629	7,546	379	4,552	1,008
8G		RS	731		1 / 1.0	470,450	485,000	0.5292%	460	5,522	215	2,582	675
9A		FM	729		1 / 1.0	489,850	505,000	0.5278%	459	5,507	224	2,689	683

505 COURT STREET CONDOMINIUM

505 Court Street

Brooklyn, New York

SCHEDULE A - OFFERING PRICES AND RELATED INFORMATION

ALL PROJECTED CHARGES AND REAL ESTATE TAXES ARE FOR THE 12 MONTH PERIOD FROM SEPTEMBER 1, 2005 TO AUGUST 31, 2006

UNIT NUMBER	RENT REG. STATUS	APPROX. UNIT AREA (SF) [1]	APPROX. AREA OF TERRACE/ GARDEN (SF)	BR / Bath	90 DAY PRICE TO TENANT PURCHASERS [2]	INITIAL OFFERING PRICE TO NON-TENANT PURCHASERS [2]	PERCENTAGE OF COMMON INTEREST [3]	ESTIMATED COMMON CHARGES[4] MONTHLY	ESTIMATED COMMON CHARGES[4] ANNUAL	ESTIMATED REAL ESTATE TAXES[5] MONTHLY	ESTIMATED REAL ESTATE TAXES[5] ANNUAL	ESTIMATED TOTAL MONTHLY CARRYING CHARGES[6]
9B	FM	1,097		2 / 1.0	683,850	705,000	0.7942%	691	8,286	313	3,753	1,003
9C	FM	937		2 / 1.0	824,500	850,000	0.6784%	590	7,078	377	4,525	967
9D	V	1,240		2 / 1.0	902,100	930,000	0.8977%	781	9,367	413	4,951	1,193
9E	FM	695		0 / 1.0	523,800	540,000	0.5032%	437	5,250	240	2,875	677
9F	V	999		2 / 1.0	843,900	870,000	0.7233%	629	7,546	386	4,632	1,015
9G	FM	731		1 / 1.0	480,150	495,000	0.5292%	460	5,522	220	2,635	680
PH A	FM	729		1 / 1.0	504,400	520,000	0.5278%	459	5,507	231	2,768	690
PH B	V	1,356		2 / 2.0	1,067,000	1,100,000	0.9817%	854	10,243	488	5,856	1,342
PH C	V	1,233		2 / 2.0	1,042,750	1,075,000	0.8927%	776	9,314	477	5,723	1,253
PH D	FM	1,593		1 / 2.0	1,067,000	1,100,000	1.1533%	1,003	12,033	488	5,856	1,491
PH E	RS	733		0 / 1.0	543,200	560,000	0.5307%	461	5,537	248	2,981	710
PH F	V	1,333		2 / 2.0	994,250	1,025,000	0.9651%	839	10,069	455	5,457	1,294
PH G	V	1,091		0 / 2.0	771,150	795,000	0.7899%	687	8,241	353	4,232	1,039
Total		134,598	7,053		$86,131,200	$88,795,052	100.0000%	$86,947	$1,043,358	$39,394	$472,724	$126,340

T = Terrace
G = Garden
FM = Deregulated
RS = Rent Stabilized
V = Vacant

Notes to Schedule A

(1) Any floor plan or sketch shown to a prospective purchaser including those set forth in the Plan, is only an approximation of the dimensions and layout of each Unit. The actual layout of a Unit may have been altered by the tenants thereof or by others, including without limitation, installation and/or relocation of interior walls. Consequently, Sponsor makes no representation, warranty or guarantee as to whether any of said alterations were completed in compliance with all applicable governmental laws and regulations. The Units are being sold "as is" in the condition in which they exist at the time a purchaser signs a Purchase Agreement (subject to ordinary wear and tear). Each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate and may change upon remeasurement. No such variation will affect a Purchaser's obligations under a Purchase Agreement or the Plan unless the net square footage area of the Unit is diminished by more than 5%. Sponsor's sole obligation if the net square foot area is diminished by more than 5% shall be to refund to Purchaser the Down Payment made under the Purchase Agreement and any interest earned thereon. Sponsor has reserved the right to negotiate with individual Purchasers, other than Tenant Purchasers for whom such negotiation would constitute a discriminatory inducement, to perform special work, including without limitation alterations, rehabilitiations and reconfigurations in a Unit which may require, among other things, a modification in floor plans for certain Units. Any such modification requiring a material change in the Common Elements will only be made by a duly filed amendment. The approximate floor area of each Unit and/or common element will be measured from the exterior side of the glass windows or the façade or the exterior building walls, at the building line and/or property line enclosing the Unit and/or common element. Or from the midpoint of the interior walls and partitions separating the Unit and/or common element from other Unit and/or common elements. Columns and mechanical pipes (whether along the perimeter or within the Unit and/or common elements) are not deducted from the square foot area of the Unit and/or common element. The exterior chimney has not been included in any of the areas. The vertical measurements of the each Unit and/or the common elements are from the lowest concrete floor to the underside of the highest ceiling. As is customary in New York, these square foot areas exceed the usable floor area of each Unit. Each prospective purchaser should carefully inspect the Units prior to entering into a Purchase Agreement therefor to determine its actual dimensions, layout, ceiling heights and physical condition. The clearance between the top of the floor slab and the bottom of the finish ceiling in the Units varies and each prospective purchaser should carefully inspect the Unit before entering into a purchase agreement therefor. However, certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of the presence of beams and mechanical spaces in such Units. Purchasers are further advised that Sponsor has reserved the right to negotiate with individual purchasers to perform special work which may require a modification in floor plans for certain Units and accordingly the layout of the Units and

Common Elements may vary.

Reference should be made to the Sections entitled "Rights of Existing Tenants" and "Obligations of Purchasers of Units Occupied by Non-Purchasing Tenants." Certain of the Units are subject to the Rent Laws as noted in Schedule A.

(2) Each Tenant Purchaser has the exclusive right to purchase his Unit for a period of 90 days from the Presentation Date of this Plan at the prices set forth on Schedule A for Tenant Purchasers. These purchase prices are three percent (3%) less than the prices offered to Non-Tenant Purchasers. See the Section entitled "Changes in Prices and Units" for details concerning price changes. In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute one month's common charges to the working capital fund of the Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units. It is anticipated that Unit 1D will be occupied by the Resident Manager for the Building and will be conveyed to the Condominium Board on behalf of all of the Unit Owners for the future use as the Resident Manager's residence.

THESE PRICES HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. No change will be made in the purchase prices other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale is not a general offering or an advertised price but is rather the result of an individually negotiated transaction and provided further that no individually negotiated transactions shall occur with Tenant Purchasers if same would constitute a discriminatory inducement.

(3) The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(iv) of the New York Condominium Act, 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 use and the overall dimensions of the particular Unit. In the event that, prior to the First Closing, Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Units and such changes involves the inclusion, in the Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Units, the Common Interest of all of the Units may change slightly. Any such change in the Common Interest allocated to a Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any purchaser.

(4) The estimates contained in this schedule were computed on the assumption that the first year of Condominium operation will be the year from September 1, 2005 through August 31,

2006, and are based upon an estimate of the receipts and expenses of the Condominium for the projected year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the first year of Condominium operation which may be greater than or less than the estimated figures set forth in the proposed budget. The actual first year of Condominium operation may be earlier or later than such year. If the actual or anticipated date of commencement of Condominium operation is delayed by more than six (6) months from the commencement of the projected first year of Condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Common Charges for each Unit are based on the Schedule B - Projected Budget for First Year of Condominium Operation. The estimated monthly Common Charges include the cost of central heating and hot water for the Units. In addition to these estimated payments, each Unit Owner will be responsible for individually metered electrical charges for the Unit (including, without limitation, electricity for air conditioning units, if any, in the Unit), real estate taxes for such Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable directly to the utility company, the insurance which must be carried by each Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Unit. After the Condominium is divided into individual tax lots and separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses, as provided in the Condominium By-Laws.

(5) The New York City real estate taxes for the first year of Condominium operation following the First Closing of $472,724 are determined by taking the tentative transitional assessed valuation of the Property for 2005/2006 of $3,739,500 at an estimated tax rate of 12.750% and an estimated transitional assessed valuation of the Property for 2006/07 of $4,395,400 at an estimated tax rate of 12.750%.

The value of the Property for real estate tax purposes is determined annually by the Real Property Assessment Department of the City of New York. Under current New York State Law, increases or decreases in a property's assessed valuation due to changes in its market value are to be phased in over 5 years in equal annual increments of 20%. Any further increase or decrease in the assessed value during such 5 year period resulting from a still higher or lower market value is to be similarly phased in over an additional 5 year period from the date of such increase. The full increased or the decreased assessed value targeted to be paid at the end of 5 years is called the "actual assessed valuation." The amount of assessed value reflecting the phased in increases or decreases is called the "transitional assessed valuation." Taxes are paid on the lower of the Transitional Assessed Valuation or the Actual Assessed Valuation." The assessed valuations and tax

rates for the 2000/2001 and subsequent tax years are as follows:

Tax Year	Tax Rate per $100 of Assessed Valuation	Transitional Assessed Valuation	Actual Assessed Valuation
2000/2001	10.847	3,189,300	3,685,500
2001/2002	10.792	3,331,500	3,685,500
2002/2003	11.5405	3,515,100	3,892,500
2003/2004	12.620	3,690,000	3,874,500
2004/2005	12.216	3,710,700	3,415,500
2005/2006	12.750(est.)	3,739,500	3,829,500
2006/2007	12.750(est.)	4,395,400(est.)	6,965,000(est.)

No representation is made or warranty given as to: (a) whether or not there will be (i) a further increase or decrease in the assessed valuation of the Property during the five year phase-in period, or (ii) an increase in the tax rate, or (iii) an increase or decrease in the assessed valuation of the Property by reason of the conversion of the Property to condominium ownership or (b) the method of determining the assessed valuation, or (c) the amount of any increase or decrease in the assessed valuation of the Property. A Purchaser purchasing a Unit after the projected first year of Condominium operation should check the public tax records to confirm the then current taxes for the Property.

Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339-y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the property were the property assessed as one parcel.

The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the Building payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities has allocated taxes between the Units in proportion to each Unit's purchase price or imputed market value rather than its percentage interest in the Common Elements, and, if so, Units having the same or similar percentage interest which are determined to have a higher purchase price or market value will pay higher real estate taxes than are reflected on Schedule A. After the Condominium is divided into individual tax lots and separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the property and will

allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest. See the Section of the Plan entitled "Real Estate Taxes" and Real Tax Opinion prepared by Stroock & Stroock & Lavan LLP, set forth in Part I of this Plan for further details.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax assessor in allocating individual Unit assessments; (ii) of the assessed values during the first year of Condominium operation, (iii) of the tax rates for the first year of Condominium operation or (iv) whether there will be any abatements available to the Property under the Condominium Abatement Program. Purchasers should note that given the current fiscal situation in the City of New York, real estate taxes may have to increase significantly. Sponsor makes no representations regarding levels of assessment or taxation in future years.

(See Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP, set forth in Part I of this Plan regarding the deductibility of real estate taxes paid or accrued with respect to a Unit.)

(6) These figures represent the aggregate total monthly estimated carrying charges which include estimated Common Charges and estimated real estate taxes. Purchasers may be able to deduct for income tax purposes a portion of real estate taxes as well as interest on their mortgage. Tax deductions may vary in future years due to changes in the interest rate on a Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property. Reference should be made to note (4) of these Notes for certain other "home ownership" costs that may be incurred by Unit Owners.

The aggregate approximate monthly rent currently payable from tenants of all occupied Units in the Building is approximately $179,341.00.

SCHEDULE B - PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B

505 COURT STREET CONDO BUDGET

Budget For First Year of Condominium Operation September 1, 2005 to August 31, 2006

PROJECTED INCOME	
COMMON CHARGE INCOME (Note 1)	$1,043,358
LAUNDRY INCOME (Note 2)	16,000
TOTAL INCOME (Note 3)	**$1,059,358**
PROJECTED EXPENSES	
Electricity (Note 4)	$ 60,919
Gas & Fuel (Note 5)	136,194
Water & Sewer (Note 6)	121,520
Personnel (Note 7)	372,122
Repairs & Maintenance (Note 8)	60,000
Telephone, Supplies & Service Contracts (Note 9)	64,563
Insurance (Note 10)	51,700
Management Fees (Note 11)	49,800
Accounting/Professional (Note 12)	12,000
Resident Manager-Common Charges, RE Taxes & Unit Debt Svc (Note 13)	90,540
Misc. (Note 14)	10,000
Contingency (Note 15)	30,000
Total Projected Expenses	**$1,059,358**

NOTES TO SCHEDULE B

1. Common Charge Income from Residential Unit Owners

The estimate of the Common Charges to be collected from the Residential Unit owners during the First Year of Condominium Operation is based upon the budget and assumes that projected expenses are recovered on a current basis

2. Income from Laundry Machines

This budgeted amount is based on estimated use of the coin-operated laundry machines in the Condominium's laundry room. The laundry room has a total of 8 washing machines and 8 dryers. The laundry equipment is owned and maintained by the Condominium with a service contract provided by Coinmach (see Note 9). The budgeted gross income amount of $16,000 is based on historical use by tenants.

3. Total Projected Income

The budgeted amount does not include any interest income that may be received by the Condominium from the investment of the Reserve Fund to be retained at the closing of title. The interest income cannot be determined exactly and may be inconsequential. Therefore, interest income is not included in the budget for the First Year of Condominium Operation.

4. Electricity

This item includes the cost of electricity for the common areas of the building. Electricity to Units is separately metered and Unit Owners will pay these charges directly to the utility company. The budgeted cost for electricity has been computed by multiplying the average use over the past three years by a projected rate of $0.1704 per kilowatt-hour (kWh) which is approximately 20% higher than the average rate over the past three years. The budgeted cost for electricity for the first year of Condominium Operation is $60,919.

	Electricity		
Year	kWh	Cost	Cost/kWh
2002	391,820	$47,147	.1203
2003	361,440	$51,794	.1433
2004	319,260	$51,824	.1623
Average Electricity Usage:		357,506	

In view of the current energy situation, it is not possible to predict with certainty whether the budgeted figure for utilities 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 increase. Utility rates are affected by the increases in the fuel rates paid by the utility, as well as other factors.

5. Fuel – Gas & Oil

Gas – This item includes the cost of gas for apartments for cooking as well as for heating the Condominium, providing hot water, and gas for the dryers. Gas is not separately metered for individual units and all Unit Owners will pay for gas as part of Common Charges payable to the Condominium. The budgeted cost for gas has been computed by multiplying the average usage over the past three years by a projected rate of $1.15 per thermal unit (BTU), which is approximately 20% higher than the average rate over the last three years. The budgeted cost for gas for the first year of the Condominium Operation is $114,500.

Gas

Year	Therms	Cost	Cost/Therm
2002	79,724	$62,670	0.7861
2003	111,931	$95,000	1.0400
2004	107,040	$111,689	1.0434

Average Gas Usage: 99,565 Therms

Oil – This item includes the cost of oil for heating the Condominium and providing hot water. All Unit Owners will pay for oil as part of Common Charges to the Condominium. The budgeted cost for oil has been computed by multiplying the average usage for the past three years by a projected rate of $1.85 per gallon, which is approximately 40% higher than the average rate over the last three years. The budgeted cost for oil for the first year of Condominium Operation is $21,694.

Oil

Year	Gallons	Cost	Cost/Gallon
2002	8,650	$ 7,420	0.8578
2003	20,706	$28,250	1.3643
2004	5,823	$10,190	1.7499

Average Oil Usage: 11,726 Gallons

In view of the current energy situation, it is not possible to predict with certainty whether the budgeted figure will reflect the actual cost to be incurred during the First Year of Condominium Operation. Costs vary depending on the level of consumption and the cost of fuel. Consumption will also be affected by the severity of the weather and the conservation measures that may be taken by the Board of Managers. It is possible that fluctuating fuel prices and other unforeseen factors may raise the cost of this item substantially higher than projected.

6. Water Charges and Sewer Rents

It is the current policy of NYC to directly meter water and sewer usage. As a result, this property was recently put on a water meter. Using this method may result in increased charges going forward, perhaps significantly. However, the budgeted amount herein has been calculated using the past history of the building, where water charges and sewer rents were calculated based on frontage and the number of fixtures. For the First Year of Condominium Operation, we project that water and sewer charges will increase 20% over current charges, or $121,520. The water charges and sewer rents for the three prior periods were as follows:

Year	Cost
2001/2002	$ 81,166
2002/2003	$ 87,965
2003/2004	$101,268

7. Personnel

The budgeted amount for maintenance/security is based upon the cost of eight full-time employees as follows: One full-time Resident Manager, one full-time handyperson, three full-time lobby attendants and three porters. Please refer to the Shared Building Staff Agreement by and between AP Court Street LLC and AP Huntington Street LLC for details of the shared services of the building Superintendent. All of these individuals are employed by Guardian Service Industries, Inc.

The employees are currently members of Local 32-B/32-J of the Building Services Employees International Union. The terms of this union contract expired on March 14, 2005. The wage rates below reflect these wages (including holidays and vacation time), an allowance for annual raises, as well as projected pension, insurance and other contributions pursuant to the new union contract. The projected labor expense for the First Year of Condominium Operation includes a 10% allowance for overtime and other payroll expenses.

Wages:

Building Staff (#)	Wages/Yr/Person (based on 40 hours-OT not included)	Total Wages
Superintendent (1)	27,000/yr	$27,000
Handyperson (1)	35,500/yr	35,500
Lobby Attendant (1-24/7)	100,000/yr	100,000
Porters (3)	31,005/yr	
	35,563/yr	
	27,825/yr	94,393
Total Wages:		**$ 256,893**

Benefits	
FICA (@ 7.65% annual wages)	$19,652
Workers Comp (@ 5% of annual wages)	12,845
Unemployment insurance (@ 4% of initial federal and NYS annual wages)	10,276
NYS Disability (@ $50/per employee per year)	400
Union Welfare/Health ($273/mo per employee)-annual cost	13,104
Union Pension ($160/mo per employee)-annual cost	7,680
Union Training School Fund ($6/mo per employee)-annual cost	288
Union Legal Fund ($5/mo per employee)-annual cost	240
Union Annuity Fund	1,575
Annual Bonus (One Week Salary at Year End per employee)	4,940
Payroll Processing Fees (Approx $40/week per employee)	10,400
Total Benefits:	**$ 81,400**

Total Wages & Benefits: $338,293 + 10 % Allowance = $ 372,122

8. Repairs and Maintenance

This includes the various repair and maintenance items involved in the operation of this type of property. However, this item does not include repairs and painting or the curing of violations within the units which would become the obligation of the respective Unit Owners.

9. Telephone, Supplies and Service Contracts

Service	Contractor	Annual Cost	Expiration
Exterminator	Sheepshead Bay Pest Control 6 Tilford Place Highland Mills, NY 10930	$ 2,400	Month to Month
Elevator Maintenance	Centennial Elevator 23-82 BQE West LI City, NY 11103	$12,000	July 27, 2008
Laundry Maintenance (See Note 2)	Coinmach 109 Lafayette Drive Syosset, NY 11791	$ 3,840 ($20 per month per machine)	December 6, 2007
Boiler Maintenance	Controlled Combustion Co, Inc. 2377 Washington Avenue Bronx, NY 10458	$ 1,797	July 26, 2005
Landscaping	Nick & Joe's Landscaping 114 Hunter Ave Staten Island, NY 10306	$ 5,500	Month to Month
Uniforms	Amertex Textile Rental Svc 231 Rider Ave Bronx, New York 10451	$ 657	March 5, 2009
Supplies		$30,000	
Telephone Expenses		$ 2,500	

Total	$ 58,694
10% Increase	$ 5,869
Budgeted Amount	**$ 64,563**

The annual cost projected in this budget includes a provision for a 10% increase above current charges for non-maintenance/security contracts, or $64,563.

10. Insurance

Includes the following annual insurance premiums and reserves as proposed for the subject Condominium as proposed by:
Tannenbaum Harbor Co. Inc, 320 West 57th Street, New York, NY 10019

Coverage Description	Amount
Property Coverage	$22,750,000
Building-all risk agreed amount-replacement cost	$100,000
Personal Property – all risk	$1,500,000
Maintenance Fees – all risk	Included
Boiler & Machinery	$1,000,000
Building Ordinance/Demolition/Increase Cost of Construction	$1,000,000
Back Up of Sewers	$5,000
Property Deductable	$25,000
Earthquake deductible	5%
Comprehensive General Liability	
General Aggregate- per location	$2,000,000
Each Occurrence	$1,000,000
Personal & Accidental Injury	$1,000,000
Products/Completed Operation Aggregate	$1,000,000
Fire Damage Legal Liability	$100,000
Medical Payments - each person	$5,000
Water Damage Legal Liability	Included
Hired & Non-owned Auto Liability	$1,000,000
Directors & Officers Liability	
Each Occurrence	$1,000,000
Aggregate	$1,000,000
Commercial Umbrella	
Each Occurrence/ Aggregate	100,000,000
Fidelity Bond	
Employee Dishonesty Limit	$200,000
Deductible	$1,000

Total Annual Premium: $ 51,700

The projected cost of NYS Disability Insurance Coverage and Workers Compensation Insurance are included in cost projections for labor.

The above captioned Property policy waives co-insurance (Agreed Amount Clause) and is written on a replacement cost basis. The replacement cost valuation is based on $175 per square foot. In our opinion the building limit quoted should cover the cost to replace the building. The property Policy also provided coverage for Elevator Collision.

The Fire, Casualty and General Liability policy will include the following terms:

1. Each unit owner is included as Additional Insured as respects to common areas. (General Liability only).
2. Policies will not be cancelled without prior notice to the Board of Managers.
3. Waiver of Subrogation
4. Waiver of invalidity because of acts of the insured and unit owners.
5. Waiver of pro rata reduction if Unit owners obtain additional coverage (fire & casualty/property coverage only).

It is also recommended that the individual unit owners obtain additional insurance at their own cost, to cover such risks as: (a) fire; (b) improvements and betterments; (c) additions & alterations; and (d) liability.

11. Management Fees

This item is based upon a management agreement to be entered into with AWAYE Realty Management, LLC, 522A Court Street, Brooklyn, NY 11231, at the first unit closing, which calls for an initial annual fee of $49,800. 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".

All expenses and fees incurred by managing agent in the performance of its duties will be reimbursed by the condominium board and charged to all unit holders as a common expense.

12. Professional Fees

Approximately $8,000 is estimated for the preparation of the Condominium's income tax return and audited financial statement, to be prepared by the Condominium's accountant, Weiser LLP. An additional $4,000 is estimated for miscellaneous legal services or other professional services bringing the total to $12,000.

13. Resident Manager's Unit Common Charges, Real Estate Taxes, & Mortgage Debt Service, Unit 1D

This item consists of common charges and real estate taxes attributable to Residential Unit 1D, which will be acquired by the Condominium Board and occupied by the Resident Manager. All Residential Unit Owners pay the expenses attributable to Residential Unit 1D as Residential Common Charges.

On or subsequent to the first closing, the Condominium Board will purchase residential unit 1D on behalf of the unit owners for a purchase price of $780,900. Pursuant to provisions of the Plan, the Condominium Board will finance 70% of the purchase price through an institutional lender. Such loan shall bear interest at a rate of 7% and be amortized based upon a 25-year schedule. The loan will have an initial term of five (5) years with two (2) extension options of five (5) years each. Monthly payments of principal and interest will total approximately $3,863. At final maturity, a balloon payment will be due. Alternative financing may be available at closing with longer terms and/or varying interest rates. Such financing alternatives will be evaluated at that time.

The remaining 30% of the purchase price shall be payable by promissory note delivered by the Condominium Board to the Sponsor. The note shall bear interest at a rate of 7% per annum and be amortized based upon a 25 year schedule. Such monthly payments of principal and interest shall total $1,656. The loan shall be due in five years with a balloon payment of approximately $213,566 due at maturity.

It is anticipated that, at the maturity date(s) of the mortgages, the Condominium Board may refinance the balloon payments. However, Sponsor makes no representation that the Condominium Board will be able to refinance such payments, or, if refinancing is available, as to the terms or other costs of any potential refinancing. Sponsor has not agreed to itself refinance, or arrange the refinancing of, the principal payments that will be due on the maturity date(s). From the date of the first closing until the acquisition of the Resident Manager's Unit that shall be designated by Sponsor, the Condominium shall pay rent equal to the sum of the following: (a) the debt service on the purchase money mortgage as if same had been in effect; (b) common charges on the Resident Manager's Unit and (c) taxes allocable to the Resident Manager's Unit.

Closing costs, including without limitation, mortgage recording taxes, transfer taxes, title insurance premiums and fees due in connection with the conveyance and financing of the Resident Manager's Unit will be paid by the Condominium Board, on behalf of all Unit Owners out of the Working Capital Fund. If the Working Capital Fund at the time of Closing is insufficient to make such payments, Sponsor will advance such sums on behalf of the Condominium for repayment to the Sponsor pursuant to a non-interest bearing, fully amortizing, non-secured promissory note requiring 12 monthly payments. These payments will be borne by all Unit Owners as a Common Expense.

14. Misc. Expenses

This estimate includes license fees, inspection fees, municipal permits, and the building's miscellaneous expenses. Certain minimum taxes will be payable, which minimum taxes are included in this budget item.

15. Contingency

The Board of Managers may apply this contingency toward unforeseen increases in the projected expenses. The purpose of the contingency is to provide for unanticipated expenses or unanticipated increases in the projected expenses. The contingency is separate and distinct from the Reserve Fund.

IN THE OPINION OF AWAYE REALTY MANAGEMENT, LLC, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR BE THE FISCAL YEAR COMMENCING ON SEPTEMBER 1, 2005. THE FORGOING SCHEDULES, HOWEVER, ARE NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTY BY ANYONE THAT THE COMMON CHARGES, OTHER THAN 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.

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 AGREEMENTS AND POLICIES THAT WILL BE BINDING ON THE CONDOMINIUM 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.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT IS TO BE DELAYED FROM THE BUDGET YEAR PROJECTED IN THE PLAN BY MORE THAN (6) MONTHS, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25% OR MORE, THE SPONSOR WILL OFFER ALL PURCHASERS THE RIGHT TO RESCIND AND A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN 15 DAYS AFTER THE DATE OF PRESENTATION TO EXERCISE THE RIGHT. WHETHER OR NOT SPONSOR OFFERS TO GUARANTY THE PREVIOUS BUDGET PROJECTION, SPONSOR WILL RETURN ANY DOWN PAYMENT OR DEPOSIT PROMPTLY TO SUBSCRIBERS WHO RESCIND.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-I

corcoran group
marketing

23 April 2005

Mr. Steven Hirsch
Metropolitan Housing Partners
588 Broadway, Suite 1208
New York, NY 10012

Re: Condominium Conversion
Compliance with Real Property Law, Section 339(i)
505 Court Street, Brooklyn, New York

Dear Mr. Hirsch:

Corcoran Group Marketing, a licensed real estate broker in the State of New York, of which I hold the position of Senior Executive Vice President, has been retained by the Sponsor, Court Lofts, LLC, to prepare this opinion concerning compliance of the referenced plan with Section 339(i) of the New York Real Property Law.

Corcoran Group Marketing is a division of The Corcoran Group, which has been active in the Residential Real Estate industry in Manhattan since 1972. At this time, Corcoran Group Marketing is the premier marketing firm for condominiums, cooperatives, townhouses and rentals in New York. I have extensive experience with all aspects of residential real estate and property development. We do not have any beneficial interest in Sponsor of the Plan or in the profitability of the project.

The allocation of the percentage of Common Interest for the Condominium Units in the referenced Plan is made pursuant to Section 339(i) (1) (iv) of the Real Property Law. The allocations took into consideration the following factors: floor space, subject to the location of such space and the additional factors of relative value to the other space in the condominium, the uniqueness of the units, the availability of common elements for exclusive or shared use and the overall dimensions of the particular unit.

We agree that this letter may be included in the Offering Plan.

Sincerely,

Patricia H Cole

Patricia Hayes Cole
Senior Executive Vice President
Corcoran Group Marketing

ACCOUNTANT'S CERTIFIED STATEMENT OF OPERATIONS

AP COURT STREET, LLC AND
M.G. ST. DAVID, LLC

COMBINED STATEMENT
OF INCOME AND EXPENSES

DECEMBER 31, 2003

AP COURT STREET, LLC AND
M.G. ST. DAVID, LLC

COMBINED STATEMENT OF INCOME AND EXPENSES

CONTENTS

	Page
Independent Auditors' Report	1
Combined Statement of Income and Expenses	2
Notes to Combined Statement of Income and Expenses	3

Weiser LLP
Certified Public Accountants

135 West 50th Street
New York, NY 10020-1299
Tel 212.812.7000
Fax 212.375.6888

www.mrweiser.com

INDEPENDENT AUDITORS' REPORT

To the Members of
AP Court, LLC and M.G. St. David, LLC

We have audited the accompanying combined statement of income and expenses of AP Court, LLC and M.G. St. David, LLC for the year ended December 31, 2003. The financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statement based on our audit.

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

The accompanying financial statement was prepared for the purpose of complying with the rules and regulations of the Part 23 of Title 13 New York Code Rules and Regulations: Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership as discussed in Note 1, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the combined income and expenses of AP Court, LLC and M.G. St. David, LLC for the year ended December 31, 2003 on the basis of accounting as described in Note 1.

This report is intended solely to be used to comply with the rules and regulations of Part 23 of Title 13 New York Code Rules and Regulations: Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership and is not intended to be and should not be used for any other purpose.

Weiser LLP
Certified Public Accountants

New York, New York
October 26, 2004

A member of Moores Rowland International, a worldwide association of independent accounting firms

AP COURT STREET, LLC AND
M.G. ST. DAVID, LLC
COMBINED STATEMENT OF INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31,2003

Income:	
Rental	$ 2,837,788
Laundry	32,100
Miscellaneous income	125,200
	2,995,088
Expenses:	
Gas and fuel oil	105,322
Electric	64,668
Water and sewer	50,132
Repairs and maintenance	89,904
Payroll expenses	287,737
Insurance	37,108
Management fees	136,550
Professional fees	69,354
Miscellaneous	38,850
	879,625
Net Income	$ 2,115,463

See notes to combined statement of income and expenses.

AP COURT STREET, LLC AND
M.G. ST. DAVID, LLC
NOTES TO THE COMBINED STATEMENTS OF INCOME AND EXPENSES
DECEMBER 31, 2003

1. BASIS OF PRESENTATION

The financial statement has been prepared on the accrual basis and are in accordance with Part 23 of Title 13 New York Code Rules and Regulations: Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership.

The combined statement of income and expenses is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America, since these statements exclude items that are not applicable to the operations of the building as a condominium such as: depreciation, amortization, mortgage interest, vacancy advertising, rental commissions, painting and repair costs to individual apartments.

M.G. St. David LLC, a New York limited liability company purchased land and a residential apartment building located at 505 Court Street, Brooklyn, New York (the "Property") in June of 1998. During 2003, M.G. St. David, LLC sold the property to AP Court Street, LLC. This statement represents the combined activity recorded by M.G. St. David, LLC and AP Court Street, LLC for the year ended December 31, 2003.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Taxes – No provision is made for federal, state or local income taxes as all income tax liabilities and/or benefits of the companies are passed through to the members.

Rental Income – Rental income is accrued as due under the terms of the related leases. Leases are generally for a period of one to two years.

Use of Estimates – The preparation of financial statement in conformity with accounting principles discussed in Note 1 requires management to make estimates and assumptions that affect the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

RELATED PARTY TRANSACTIONS

Certain principles of M.G. St. David, LLC's managing agent are also members in M.G. St. David, LLC. Amounts paid for management fees were $129,800.

M.G. St. David, LLC

Independent Auditors' Report

Statements of Income and Expenses
Years Ended December 31, 2002 and 2001

M. G. ST. DAVID, LLC

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1
STATEMENTS OF INCOME AND EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001:	
Statements of Income and Expenses	2
Notes to Statements of Income and Expenses	3

Deloitte

Deloitte & Touche LLP
Two World Financial Center
New York, NY 10281-1414
USA

Tel: +1 212 436 2000
Fax: +1 212 436 5000
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

To the Members of
M.G. St. David, LLC

We have audited the accompanying statements of income and expenses of M.G. St. David, LLC (the "Company") for the years ended December 31, 2002 and 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The accompanying financial statements were prepared for the purpose of complying with the rules and regulations of the Part 23 of Title 13 New York Code Rules and Regulations: Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership as discussed in Note 1, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the accompanying financial statements present fairly, in all material respects, the income and expenses of M.G. St. David LLC for the years ended December 31, 2002 and 2001 on the basis of accounting as described in Note 1.

This report is intended solely to be used to comply with the rules and regulations of Part 23 of Title 13 New York Code Rules and Regulations: Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership and is not intended to be and should not be used for any other purpose.

Deloitte & Touche LLP

November 11, 2003

M. G. ST. DAVID, LLC

STATEMENTS OF INCOME AND EXPENSES
YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001
INCOME:		
Rental	$ 2,818,088	$ 2,673,086
Laundry	15,970	15,963
Miscellaneous income	6,444	4,334
Late fees	4,980	3,063
Total income	2,845,482	2,696,446
EXPENSES:		
Gas and fuel oil	70,639	73,048
Electric	40,647	61,555
Water and sewer	40,050	39,300
Real estate taxes	406,600	352,000
Repairs and maintenance	176,928	187,533
Payroll expenses	161,865	189,416
Insurance	32,006	26,500
Management fees	148,556	135,489
Professional fees	5,598	3,211
Miscellaneous	16,723	25,513
Total expenses	1,099,612	1,093,565
NET INCOME	$ 1,745,870	$ 1,602,881

See notes to statements of income and expenses.

M.G. ST. DAVID, LLC

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2002 AND 2001

1. BASIS OF PRESENTATION

The financial statements of the Company have been prepared on the accrual basis and are in accordance with Part 23 of Title 13 New York Code Rules and Regulations: Regulations Governing the Conversion of Occupied Residential Property to Condominium Ownership.

The statements of income and expenses are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America, since these statements exclude items that are not applicable to the operations of the building as a condominium such as: depreciation, amortization, mortgage interest, vacancy advertising, rental commissions, painting and repair costs to individual apartments.

M.G. St. David LLC, a New York limited liability company (the "Company") purchased land and a residential apartment building located at 505 Court Street, Brooklyn, New York (the "Property") in June of 1998.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Taxes - No provision is made for Federal, state or local income taxes as all income tax liabilities and/or benefits of the Company are passed through to the members.

Rental Income – Rental income is accrued as due under the terms of the related leases. Leases are generally for a period of one to two years.

Use of Estimates - The preparation of financial statements in conformity with accounting principles discussed in Note 1 requires management to make estimates and assumptions that affect the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

3. RELATED PARTY TRANSACTIONS

Certain principals of the Company's managing agent are also members in the Company. Amounts paid for management fees were $148,556 and $135,489 in 2002 and 2001, respectively.

4. SUBSEQUENT EVENT

On November 26, 2003, the Company closed on the sale of the property for $30,000,000 less the amount of the mortgage of $11,648,991.

* * * * * *

CHANGES IN PRICES AND UNITS

Unless it would constitute a discriminatory inducement, Sponsor reserves the right at any time and from time to time 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 or any mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, 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. If any price change is made, a purchaser of a Unit affected thereby may pay more or less than other purchasers under this Plan for similar Units, but this will not affect any prior or subsequent sale of Units not the subject of such change. However, such price change shall not alter the Common Interest of, or the amount of the Common Charges payable by, the owners of such Units. Sponsor has agreed that it will neither increase prices to be paid by Tenant Purchasers nor accept Purchase Agreements from non-occupant purchasers for occupied Units, during any applicable exclusive purchase period. The Purchase Prices set forth in Schedule A must be changed by a duly filed amendment to this Plan when the change in Purchase Price is an across the board increase or decrease affecting one or more lines of Units, or is to be advertised, or is a price increase for an individual purchaser. Unless it would constitute a prohibited discriminatory inducement, Sponsor may enter into a negotiated Purchase Agreement with an individual purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment to this Plan. The offering price to be paid by Tenant Purchasers will not increase during any applicable exclusive purchase period.

Unless it constitutes a discriminatory inducement, Sponsor reserves the right to negotiate with each Purchaser, the terms and conditions of the Purchase Agreement, including but not limited to purchase price; the amount of the Down Payment; special work to be performed by Sponsor in the Unit; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; the availability of interim leases or use and occupancy agreements and the amount of interim rent; and the application of rent towards the Purchase Price. Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under Purchase Agreement.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including

those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, (c) designate any portion of any Unit as part of a newly created Unit or Common Element, and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b) - (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to any Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Unit. The Common Interest of a Unit may change if there is a change in the floor space or 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. No material change will be made in the size or number of Units or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless all Purchasers consent, no material change will be made in Unit layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to sponsor for that Unit and the Purchaser is not in default. No material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless Purchasers not in default received a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation of an amendment setting forth the right to rescind. Sponsor will return any deposit or downpayment promptly to purchasers who rescind.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

It should be noted that as long as the layout and dimensions of a Unit conform substantially to the Unit Plans, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any insubstantial or immaterial change or discrepancy.

INTERIM LEASES

In the event Sponsor agrees, in its sole discretion, to enter into an Interim Lease or use and occupancy agreement for a Unit, Purchasers are advised that the tenancy under such Interim Lease or use and occupancy agreement is not subject to governmental regulation as to amount of rent or terms. A default under the Interim Lease or use and occupancy agreement will constitute a default under the Purchase Agreement. Notwithstanding the foregoing, before Sponsor may utilize the default under the Interim Lease or use and occupancy agreement to declare a default under the Purchase Agreement, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the tenant unless the tenant has vacated the Unit. A Purchaser will have thirty (30) days to vacate a Unit after a default under the Purchase Agreement or the exercise of a right of rescission.

Purchasers entering into an Interim Lease or use and occupancy agreement for an Unsold Unit will be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the interim lease or use and occupancy agreement. All other charges or other fees due under a Interim Lease or use and occupancy agreement will be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor will be under no obligation to enter into any Interim Lease or use and occupancy agreement and no portion of the rent paid under an Interim Lease or use and occupancy agreement will be credited towards the Purchase Price of a Unit unless the interim lease or use and occupancy agreement expressly provides.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute a Purchase Agreement in quintuplicate (i.e., five (5) original copies), which will be substantially in the form set forth in Part II of the Plan.

Tenant Purchasers will be afforded not less than three (3) business days to review this 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. Sponsor must accept a Purchase Agreement from a Tenant Purchaser who submits a signed Purchase Agreement and check for the Down Payment to the Selling Agent during the time within which the Tenant Purchaser has the exclusive right to purchase his Unit under this Plan. Such Tenant Purchaser will receive a fully executed counterpart of his Purchase Agreement from the Selling Agent.

Non-Tenant Purchasers will be afforded not less than three (3) business days to review this 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. If a Non-Tenant Purchaser has not been afforded at least three (3) business days prior to executing a Purchase Agreement, such Purchaser will have seven (7) days after delivering an executed Purchase Agreement together with the Down Payment to rescind the Purchase Agreement and have the Down Payment refunded promptly. Such rescinding Purchaser must either personally deliver a written notice of rescission to the Selling Agent within the 7-day period or mail the notice of rescission to the Selling Agent and have the mailing post-marked within the 7-day period.

If the Purchase Agreement does not pertain to the Tenant Purchaser's Unit or is submitted after the expiration of a Tenant Purchaser's exclusive right to purchase, or a Non-Tenant Purchaser submits a signed Purchase Agreement and check for the Down Payment to the Selling Agent or Sponsor, such Tenant Purchaser or Non-Tenant Purchaser, as the case may be, will be notified within thirty (30) days after such submission whether the Purchase Agreement has been accepted or rejected. Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser or such Purchaser's attorney. Sponsor reserves the right to request thorough identification and financial information concerning any prospective purchaser, subject to any limitations and requirements imposed by Law. If the Purchase Agreement is accepted, a fully executed counterpart will be returned to the purchaser by the Selling Agent. If such purchaser receives no response within the 30-day period, his Purchase Agreement will be deemed rejected and canceled and all monies paid thereunder shall be refunded within fifteen (15) days thereafter. Upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the Condominium Board, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by Law, and (b) a Purchase Agreement(s) for more than one Unit to any one person or entity. Sponsor shall have the right to reject such Purchase Agreement without cause or explanation to purchaser, provided

such rejection is not based on sex, race, creed, color, national origin or ancestry or other ground proscribed by Law. No prospective purchaser will have any claim against Sponsor for Sponsor's failure to execute a Purchase Agreement.

The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective purchaser. Prospective purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control except where such provisions were requested by Purchaser other than a Tenant Purchaser and agreed to by Sponsor.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase.

The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

At the time of execution of a Purchase Agreement, a Purchaser is required to make a payment in an amount equal to ten (10%) percent of the purchase price (the "Down Payment"). All Down Payment checks must be made payable to the direct order of "STROOCK & STROOCK & LAVAN LLP, ESCROW AGENT." All checks delivered in payment of the Down Payment shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be canceled and of no further force or effect.

The balance of the purchase price (including any portion of the Down Payment paid at Closing) shall be payable simultaneously with the delivery of the deed to the Unit by an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Down Payment will be credited or paid to Purchaser at Closing. At Closing, each Purchaser is obligated to execute and deliver the Power of Attorney substantially in the form set forth in Part II of the Plan. It shall be a default under the Purchase Agreement if Purchaser fails to deliver the Power of Attorney, which default shall entitle Sponsor to all of its remedies in the event of such default.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE FOR A UNIT.

After an amendment declaring the Plan effective has been accepted for filing Sponsor will serve Purchasers with notice of the originally scheduled Closing Date at least thirty (30) days prior to the originally scheduled Closing Date. In the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to

cure such default, time being of the essence, following which Sponsor shall have the remedies set forth below. A Purchaser may waive notice of such Purchaser's Closing Date.

In the event of any default by Purchaser under a Purchase Agreement, and if Purchaser does not cure such default within thirty (30) days after Sponsor gives notice to the Purchaser of such default and makes a written demand for payment, Sponsor may, at its option, either (a) cancel such Purchase Agreement and retain the Down Payment made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance. Notwithstanding the foregoing, no action for specific performance will be brought against a Tenant Purchaser purchasing the Unit in which such Tenant Purchaser resides on the Filing Date of this Plan. In addition, Sponsor shall also be entitled to retain (i) any costs or expenses incurred by Sponsor for special work requested by Purchaser and (ii) the reasonable cost to restore the Unit to its condition prior to such special work being performed. Sponsor will be entitled to maintain an action against purchaser for such additional costs.

Sponsor will fix dates for closing title to all Unsold Units for which Purchase Agreements have been executed by serving notice upon each Purchaser stating the date of the First Closing and setting such Purchaser's Closing Date.

If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, interest at the rate of fourteen (14%) percent per annum (or such lower rate per annum which is the legal limit, if 14% per annum exceeds the legal limit) on the total purchase price, computed from the original Closing Date until the actual date in which the Purchaser closes title to the Unit.

Prior to the closing of title to a Unit, Purchasers are expressly prohibited from advertising, listing the Unit with a broker or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease ("Advertising Activities") without Sponsor's written consent. If any Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an event of default under the terms of the Purchase Agreement, thereby entitling Sponsor any and all remedies under the terms of the Purchase Agreement. Purchasers are referred to the Purchase Agreement set forth in Part II of the Plan for further details.

If the Plan is withdrawn or abandoned, the Down Payment previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within ten (10) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and

sewer rents, if separately assessed) and all other expenses with respect to such Unit Owner's Unit, whether or not the Unit Owner has taken possession of such Unit Owner's Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to the Unit or the Building has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board, other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Board of Managers"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

The Purchase Agreement to be used by Tenant Purchasers who purchase during any Exclusive Purchase Period will not be modified except by a duly filed amendment to this Plan.

In the event that a Purchaser is entitled to rescind or terminate a Purchase Agreement for any reason, Sponsor may retain any escrow funds expended for special work at the request of the Purchaser as well as the cost of any work necessary to restore the Unit to its condition prior to such work having been performed, provided that Sponsor shall only retain the Down Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b)and 352-h and the Attorney General's regulations promulgated pursuant thereto, as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

If prior to the expiration of any exclusive purchase period which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted a Purchase Agreement and the Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

Escrow and Trust Fund Requirements

All Down Payments received by Sponsor under a Purchase Agreement will be held in escrow in conformity with the provisions set forth below.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in a Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

All Down Payments made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after tender of the Down Payment and a fully executed Purchase Agreement by Purchaser to Sponsor or Selling Agent, in a segregated special escrow account of Stroock & Stroock & Lavan LLP, the escrow agent (the "Escrow Agent"), whose address is 180 Maiden Lane, New York, New York 10038 and whose telephone number is (212) 806-5400. The attorneys who are signatories on this account authorized to withdraw funds are: Brian Diamond, Esq., Melvin Epstein, Esq., Laurence Greenwald, Esq., Lawrence Handelsman, Esq., Thomas E. Heftler, Esq., Lewis Kruger, Esq. and Martin Neidell, Esq. Escrow Agent has established a master escrow account at The JPMorgan Chase Bank at its branch located at One New York Plaza, New York, New York 10081 entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted] (the "Master Escrow Account"). All Down Payments will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Down Payment and the Purchase Agreement. If a Down Payment is accompanied by a completed and signed Form W-9 or Form W-8BEN, the Down Payment will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8BEN, signed and fully completed with the taxpayer identification number, if required, the Down Payment will remain in the non-interest bearing checking portion of the Master Escrow Account and Sponsor will have no obligation to provide interest to a Purchaser. At such time as the Down Payment is released, the Down Payment will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. The JPMorgan Chase Bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes a Down Payment in excess of $100,000 for the purchase of a unit, such Down Payment will not be federally insured in excess of $100,000; and (ii) while the Down Payment is

in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $100,000.

The Down Payment may be tendered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. The Down Payment shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of the Down Payment by Sponsor or Selling Agent and the placement of the Down Payment by Escrow Agent into the special escrow account, shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Down Payment. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts which varies. When last confirmed by Sponsor, the rate was .50% for all Down Payments. Sponsor makes no representations or guaranties that the interest rate paid on Down Payments will not increase or decrease and makes no representations regarding the interest which will be paid on the Down Payments. Interest will begin to accrue within: (i) one (1) business day, if the Down Payment is cash or cash equivalent, or (ii) three (3) business days, if the Down Payment is other than cash or cash equivalent, of the transfer of the Down Payment from the checking account portion of the Master Escrow Account into the sub-escrow savings account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted.

In the event a check delivered by a Purchaser fails of collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

With respect to the release of the Down Payment, under no circumstances shall Sponsor apply for a release of the Down Payment of a defaulting purchaser until after consummation of the Plan. The consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h. Within ten (10) business days after tender of the Down Payment and a fully executed Purchase Agreement, Escrow Agent will notify Purchaser that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. If Purchaser does not receive notice of such Down Payment within fifteen (15) business days after tender of the Down Payment, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Down Payment or such Purchaser may apply to the Attorney General for relief. Rescission may not be afforded

where proof satisfactory to the Attorney General is submitted establishing that the Down Payment was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations.

Escrow Agent will hold the Down Payment in escrow until otherwise directed in:

(i) a writing signed by both Sponsor and Purchaser; or

(ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or

(iii) a judgment or order of a court of competent jurisdiction.

If there is no written agreement between the parties to release the Down Payment, Escrow Agent will not pay the Down Payment to Sponsor until Escrow Agent has given Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Down Payment may be paid to Sponsor unless Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified Escrow Agent in accordance with such provisions and Escrow Agent has received such notice.

Sponsor shall not object to the release of the escrowed funds to:

(1) a Purchaser who timely rescinds in accordance with an offer or rescission contained in the Plan or in an amendment to the Plan or

(2) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Down Payment to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement.

Purchasers and Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Down Payment and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is set forth in Part II of the Plan. The party applying for a determination must send to all other parties by certified mail, return receipt requested, a copy of the application.

Pending the determination of the Attorney General to grant or deny the application, Sponsor, Purchaser and Escrow Agent shall abide by any interim directive issued by the Attorney General.

If the application permitting release of funds is granted, the down payment and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

The Attorney General shall act upon the application within thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.

If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the down payment and any interest earned thereon until:

(1) both the Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and Purchaser or

(2) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent or

(3) the Escrow Agent deposits the disputed amount into court.

In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until any dispute is finally resolved either by determination of the Attorney General or by order or judgment off a court of competent jurisdiction or by written agreement of the Sponsor and the Purchaser.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Down Payment or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Down Payment and continues to act as Escrow Agent.

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the escrow agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the escrow agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Down Payment nor deducted from the Down Payment by any financial institution under any circumstance.

Escrow Agent will maintain all records concerning the Master Escrow Account for seven years after the release of funds. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Before any Down Payment can be transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan must be amended to provide the relevant details with respect to the new escrow account, the escrow agent and the escrow agreement as was originally provided in the Plan.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchase Agreements are not assignable. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement.

Any purported assignment by Purchaser in violation of this Agreement will constitute a default under the Purchase Agreement which shall be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser will be required to pay Sponsor's attorneys a fee of $1,000, in advance, for preparation of an assignment agreement.

EFFECTIVE DATE

The offering of the Units for sale under this Plan by Sponsor is contingent upon this Plan being declared effective. The following provisions will determine whether, and when, this Plan will be declared effective:

1. This Plan may not be declared effective until Purchase Agreements have been executed and delivered for at least fifteen (15%) percent of all Units in the Building, by bona fide tenants in occupancy or bona fide purchasers who purchase without fraud or discriminatory repurchase agreements or other discriminatory inducements and represent that they intend that they or one or more specified members of their immediate family occupy the Unit when it becomes vacant. As to tenants who were in occupancy on the Filing Date of this Plan, the Purchase Agreement must be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

2. After the conditions in the preceding paragraph 1 have been met, Sponsor may, at its option, declare this Plan effective.

3. When Purchase Agreements have been executed and delivered for the sale of eighty (80%) percent of all Units in the Building, and all the conditions referred to in the foregoing paragraph 1 have been met, Sponsor must declare this Plan effective.

This Plan will not be declared effective based on Purchase Agreements: (i) signed by purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) assigned or transferred unless all of the procedures in the Section entitled "Procedure to Purchase" have been complied with; or (iii) signed by purchasers who have not been afforded at least three (3) business days to review this Plan and all filed amendments prior to executing a Purchase Agreement or at least seven (7) days to rescind; or (iv) signed by any purchaser who is Sponsor, the Selling Agent, the Managing Agent, or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either (except that such a purchaser other than Sponsor or a principal thereof may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is either a bona fide tenant in occupancy or a bona fide purchaser).

When calculating the fifteen (15%) percent requirement: (i) no more than one Purchase Agreement by the tenant or tenants of a particular Unit will be counted; and (ii) only one Purchase Agreement from any tenant who leases or occupies more than one Unit will be counted.

This Plan will be declared effective either by: (a) written notice to all purchasers and tenants of the Building and, within five (5) business days following such notice, an amendment to this Plan confirming that this Plan was declared effective as of the date of such notice will be submitted to the Department of Law, which amendment, upon acceptance for filing, will be delivered to all purchasers and tenants; or (b) by duly filed amendment to this Plan. The closing of title with respect to any Unit shall in no event take place prior to the acceptance for filing of such amendment to this Plan.

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

If this Plan has not become effective within fifteen (15) months from the Filing Date, it will be deemed abandoned, void and of no effect and all monies will be returned to purchasers not in default under their respective Purchase Agreements, in full, within thirty (30) days thereafter, and all monies forfeited by defaulting purchasers will (in such case) be retained by Sponsor in accordance with the Purchase Agreement (but in no event to exceed 10% of the Purchase Price). In the event of such abandonment, Sponsor shall promptly submit an amendment to the Department of Law together with form RS-3 as promulgated by the Department of Law. Upon the return or retention of the Down Payment, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to such purchaser under this Plan or the Purchase Agreement. In the event of abandonment, no new condominium offering plan relating to the Building shall be submitted to the Attorney General for at least twelve (12) months after such abandonment.

Prior to conveying title to the first Unit, Sponsor may, at its option, declare this Plan abandoned for any reason whatsoever before it is declared effective or the eighty (80%) percent quota and other conditions referred to in the foregoing paragraph 3 are reached and satisfied, respectively. Once this Plan has been declared effective, it may not be abandoned except in the event of: (i) the existence of a defect in title (unknown to Sponsor on the Filing Date of this Plan) which cannot be cured without litigation or cannot be cured for less than 0.5% of the Total Purchase Price to Tenant Purchasers in the aggregate; or (ii) the existence of work orders of a mortgagee or violations of record which cannot be removed, performed, cured or complied with for less than 0.5% of the Total Purchase Price to Tenant Purchasers in the aggregate; or (iii) a substantial damage to or destruction of the Building or any portion thereof by fire or other casualty which cannot be repaired for less than 0.5% of the Total Purchase Price to Tenant Purchasers in the aggregate; or (iv) the taking of any material portion of the Property by condemnation, or eminent domain or by other means. There will be no obligation on the part of Sponsor to incur expenses (except to the extent of up to 0.5% of the Total Purchase Price to Tenant Purchasers in the aggregate in case of defects in title, casualty losses and violations as aforesaid) or engage in litigation to cure the same. Excluded from the dollar amounts set forth in (i), (ii), or (iii) above are title defects, violations, work orders, or determinations of any authority or regulatory association which exist on the Filing Date and either are known to Sponsor or are a matter of public record. If Sponsor does not abandon this Plan after the occurrence of any of the events set forth in (i), (ii), or (iii) above, then Sponsor shall be obligated to proceed with this Plan regardless of the cost to cure or repair such items. Whether or not this Plan will be abandoned or the expenses incurred will be in the sole discretion of Sponsor.

Sponsor will on the 30th, 60th, 88th and 90th day after the Presentation Date of this Plan and at least once every thirty (30) days until this Plan is declared effective or abandoned, as the case may be, and on the 2nd day before the expiration of any exclusive purchase period provided in an amendment to this Plan, (i) file with the Attorney General, Investment Protection Bureau, Real Estate Financing Division, 23rd Floor, 120 Broadway, New York, New York 10271, a written statement, under oath, setting forth the percentage of Units in the Building which are the subject of Purchase Agreements executed by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more specified members of their

immediate family occupy the Unit when it becomes vacant as of the date of such statement and as of a specified time and, (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The percentage shall be computed in the same manner as Sponsor shall compute the minimum percentage needed to declare this Plan effective. The statement which is posted in the Building and filed with the Attorney General shall include the following: the date and time of the statement, the Filing Date of this Plan, the Presentation Date of this Plan and any current amendment, the last day of any exclusive purchase period, the number of bona fide tenants in occupancy and bona fide purchasers who have executed Purchase Agreements, the number of Units counted in the base and the percentage of purchasers. Copies of all filed and posted written statements will be available for inspection at the office of the Selling Agent and the Attorney General. All filed and posted written statements shall remain posted until the next filed and written statement is posted.

After an amendment declaring this Plan effective has been accepted for filing, Sponsor will fix dates for the Closing of Title to all Units as to which Purchase Agreements are outstanding, in accordance with the provisions of the respective Purchase Agreements. See the Section of this Plan entitled "Terms of Sale" for a discussion of the mechanics of Closing of Title to a Unit.

TERMS OF SALE

The term "Closing" as used herein refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the purchase price for such Unit. The Closing to each Unit shall be held at the offices of Sponsor's attorneys, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038 or at such other place as Sponsor may designate on not less than two (2) business days' prior notice. The Closing to each Unit shall take place only after or concurrently with the following events:

a. the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted;

b. the recording or filing of the Declaration, By-Laws, Floor Plans in the City Register's Office after approval of same in the Real Property Assessment Department of the New York City Department of Finance as required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

c. either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Unit and its appurtenant interest in the Common Elements;

d. the delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least thirty (30) days prior to the Closing Date specified therein, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

e. the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

f. if the Purchaser of the Unit so requests, the issuance of a title insurance policy or certificate committing to insure fee title to the Unit in the purchaser subject only to the encumbrances set forth in Exhibit A annexed to the form of Purchase Agreement, set forth in Part II of this Plan, which policy or certificate will also insure that a valid condominium has been created pursuant to the Condominium Act. A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company, is set forth in Part II of this Plan. For an estimate of the cost to the purchaser of obtaining such title insurance, see the Section entitled "Closing Costs and Adjustments," and

g. the execution and delivery by Purchaser of the Power of Attorney, the form of which is set forth in Part II of the Plan.

The Units are being sold "as is" in the condition in which they exist at the time a purchaser signs a Purchase Agreement, subject to ordinary wear and tear except as otherwise provided in this Plan. All personal property located within a Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed that is owned by Sponsor is included in the conveyance unless specifically excepted in the Plan. Sponsor will maintain the Building and the Common Elements until the First Closing, subject to ordinary wear and tear. Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of Title of such Unit, except for repairs which Sponsor was obligated to make prior to the closing of title. Each purchaser will be given a reasonable opportunity to examine the Unit prior to closing, subject to the rights of any tenant or occupant of such Unit, and is urged to make a careful inspection thereof.

This offering is restricted to individuals the age of eighteen (18) years or older, corporations, partnerships, limited liability companies, trusts, estates and other business entities that may hold title to real estate pursuant to New York Law. If the Purchaser is a trust, the Purchaser must, prior to executing a Purchase Agreement, provide Sponsor's attorney with documentation satisfactory to Sponsor's attorney which shall include, without limitation, a copy of the trust agreement, affidavit from trustee regarding the validity of the trust and all other information as may be required by Sponsor's attorney.

If prior to the expiration of any exclusive purchase period which begins prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Tenant Purchasers, a Tenant Purchaser who executed and submitted a Purchase Agreement and the Down Payment before Sponsor amended the terms of this Plan shall benefit from the more favorable terms and conditions.

If the Purchaser is or becomes the tenant or occupant of the 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 of the Unit or did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workperson. 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 the same. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Unit without such repair. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor unless the Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase 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 in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair.

In the event of the existence of any lien or encumbrance other than Permitted Encumbrances, the sole remedy of Purchasers under the Plan will be to rescind their respective Purchase Agreements within fifteen (15) days after receipt of notice or an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of a Unit will not be entitled to any credit against, or abatement of, the purchase price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects, except as set forth in the Section of the Plan entitled "Effective Date."

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments. If existing mortgages will not be satisfied at or prior to the First Closing, as of the First Closing, each mortgagee will either: (ii) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii)subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in GBL §352-e to survive delivery of the deed.

Upon the Closing of Title to a Unit a Purchaser will thereupon become obligated for the payment of Common Charges, taxes or other assessments charged against the Unit to the Condominium Board (whether or not such Purchaser taken possession of the Unit and whether or not the tenant in possession, if there be one, pays the rent required to be paid by such tenant).

The existing lease of a tenant who has purchased a Unit will be terminated as of the Closing of Title to such tenant's Unit, and such tenant will not have any rights afforded by nor be subject to, the Rent Laws or the GBL.

CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Purchase Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Units. Recording charges, fees and taxes are based on rates in effect on the date of the Plan and are subject to change without notice:

(a) Purchaser will pay a contribution to the working capital fund of the Condominium in an amount equal to one (1) month's Common Charges then applicable to each Unit being purchased.

(b) If Purchaser elects to obtain fee title insurance from Commonwealth Land Title Insurance Company, having an office at 655 Third Avenue, New York, New York 10017, Tel: (212) 949-0100, Fax: (212) 983-8430 or Stewart Title Insurance Company, having an office at 300 East 42nd Street, New York, New York 10017, Tel: (212) 922-0509 extension 114, Fax: (212) 297-2082, Purchaser will pay the cost for title insurance which will vary depending upon the purchase price of the Unit. If ordered from Commonwealth Land Title Insurance Company or Stewart Title Insurance Company the premium as of the date of this Plan for owner's title insurance is currently seventy percent of the sum of $402 for the first $35,000 of fee insurance plus from $6.67 to $2.76 for each $1,000 of additional fee insurance or fraction thereof depending on the amount of insurance. The premium for mortgage title insurance is currently seventy percent of the sum of $344 for the first $35,000 of coverage plus from $5.55 to $2.31 for each $1,000 of additional mortgage title insurance or fraction thereof depending on the amount of insurance. Notwithstanding the foregoing, each title company utilized by a Purchaser must agree to submit all real estate transfer tax forms required to be submitted in connection with the conveyance of a deed to a Unit Owner and all transfer taxes due in connection therewith (as more particularly summarized in subparagraphs (e) and (f) below) and will be obligated to indemnify Sponsor for such title company's failure to file such transfer tax forms and remit the required transfer taxes in connection therewith in a timely manner.

(c) Purchaser will pay a fee for recording the Unit Deed and Power of Attorney, being $42.00 for each deed and $17 for each additional instrument plus $5.00 per page as collected by Commonwealth Land Title Insurance Company (each title company establishes its own additional service and surcharges in this regard);

(d) If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s); alternatively, Sponsor may require, in sole discretion, that a Purchaser, who is financing the purchase of said Unit with a purchase money loan secured by a mortgage (the "Purchase Money Mortgage"), must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, the Purchase Money Mortgage will be exempt from mortgage recording tax under Section 255

of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

(e) Purchaser will pay the New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Unit is one (1%) percent of the purchase price of a Unit if such purchase price is $500,000 or less (1.425% of the purchase price if the purchase price is over $500,000), and the New York State Real Estate Transfer Tax ("NYS Tax"), presently $2.00 for each $500.00 (or part thereof) of the purchase price of a Unit. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Therefore, the steps to compute the tax are:

(i) Multiply the purchase price by the RPT Tax rate to compute the City tentative tax.

(ii) Multiply the purchase price by the NYS Tax rate to compute the tentative NYS Tax.

(iii) Add the tentative taxes to the purchase price.

(iv) Multiply (iii) by the RPT Tax rate to determine the RPT Tax payable.

(v) Multiply (iii) by the NYS Tax rate to determine the NYS Tax payable.

Example:

Purchase price = $620,000

(1)	$620,000.00 x 1.425%	=	$ 8,835.00
(2)	$620,000.00 x .4%	=	$ 2,040.00
(3)	$620,000.00 + $9,307.50	=	$630,875.00
(4)	$630,875.00 x 1.425%	=	$ 8,989.97
(5)	$630,875.00 x .4% (rounded up)	=	$ 2,523.50

Under the current policies of the City of New York Department of Finance, where a purchaser purchases two or more Units that have not been physically combined into a single residence before the transfer, the NYC RPT Tax rate where the consideration is $500,000 or less will be 1.425%, while the tax rate where the consideration is in excess of $500,000 will be 2.625%. The City of New York Department of Finance has taken the position that the consideration for the transfer of a Unit under a deed is not aggregated with the consideration for the transfer of other Units under separate deeds for purposes of

determining total consideration. There is no guarantee that The City of New York will not change its positions with respect to the foregoing or require that each Purchaser's allocable portion of the cost of the Resident Manager's Apartment be included in the total consideration.

(f) If the purchase price of the Unit is $1,000,000 or more, Purchaser will pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," which is currently one (1%) percent of the purchase price (the computation of which shall include the RPT Taxes and NYS Taxes as described above).

(g) The legal fees of Sponsor's attorneys in the amount of $1,250.00 will be payable by a purchaser to Stroock & Stroock & Lavan LLP. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Stroock & Stroock & Lavan LLP, in connection with the closing of title to Purchaser's Unit: If the Purchaser requests the Closing to occur other than at the offices of Stroock & Stroock & Lavan LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan. Sponsor will impose a reschedule fee of $200 if the Purchaser postpones the scheduled Closing (with the consent of Sponsor) less than five (5) business days prior to the date thereof. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement. Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit. In addition to an attendance fee in connection with a completed Unit transfer, Sponsor's attorneys shall also be entitled to an attendance fee if they attend a scheduled closing but the closing is adjourned due to Purchaser's failure to comply with its closing obligations, the determination of which shall be within the sole discretion of Sponsor's attorneys. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

(h) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, for Units, the mortgage recording tax for mortgages under $500,000 is $2.00 for each $100 of principal and such tax for mortgages in the amount of $500,000 or greater is $2.125 for each $100 of principal. This tax is reduced for Units in both instances by $25.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated in paragraph (e) above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the

extent of any mortgage tax credit allowed. In addition, where a Purchaser obtains a mortgage loan, the Purchaser will be responsible for all costs associated therewith, including, without limitation, costs incurred in connection with the mortgage application, bank's attorney, survey, appraisal, credit report and points.

The following table illustrates the projected closing costs (based on current rates) for a typical Unit purchased by a Purchaser at a Purchase Price of $620,000, assuming such Purchaser finances eighty (80%) percent (i.e., $496,000) of the purchase price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)		$ 3,012.77
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)		$ 94.00
Mortgage Loan Closing Costs		
- recording mortgage (assuming 20 pages)		$ 117.00
- mortgage recording tax (at 2.0% of $496,000)(a portion of which will be paid directly to Sponsor)		$ 9,920.00
- mortgage title insurance (if purchased simultaneously with fee title insurance)		$ 2,513.53
- -other bank charges (assuming "points" of 1% of mortgage amount, and appraisal fee of $275 and legal fees of $350 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)		$ 5,585.00
New York City Real Property Transfer Tax and New York State Deed Stamps		$11,513.47
Working Capital Payment (approximate)		$ 650.00
Closing Fee (assuming the closing occurs at the offices of Sponsor's counsel)	+	$ 1,500.00
TOTAL		$34,905.77

The projected closing costs referred to above are approximate and are not guaranteed. Purchasers are advised that they are responsible for all mortgage loan closing costs which vary widely among different lenders and also will vary depending on the loan program chosen.

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the estimated annual

real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

All legal costs, fees and expenses of Sponsor's attorneys, other than those specifically set forth above, will be the sole responsibility of Sponsor.

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. Sponsor may also collect, on behalf of the Condominium Board, Common Charges for the month following the month in which the Closing occurs. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Closing, each Unit Owner will pay a pro rata share (in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). In addition, to the extent the Units will not be separately assessed, Sponsor may collect at Closing, on behalf of the Condominium Board, real estate taxes due and payable for the tax periods in which the Units will not be separately assessed. The Condominium Board will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection "Common Charges: Collection and Lien for Non-Payment, Attachment of Rent" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, interest at the rate of fourteen (14%) percent per annum (or such lower rate per annum which is the legal limit, if 14% per annum exceeds the legal limit) on the total purchase price, computed from the originally scheduled Closing Date until the actual date in which the Purchaser closes title to the Unit.

Except as specifically set out in this Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Units, including, but not limited to, all selling expenses and

commissions payable to Selling Agent for the initial sale of Units pursuant to this Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (see the Section entitled "Rights and Obligations of Sponsor.")

RIGHTS AND OBLIGATIONS OF SPONSOR

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

Sponsor will bear all costs and expenses incurred by it in connection with the preparation of the Plan and all selling expenses and compensation payable to sales or other personnel of Sponsor. In the event that there are title encumbrances (other than Permitted Encumbrances annexed to the Purchase Agreement as Exhibit A and mortgages) affecting the Property at the time of the First Closing, Sponsor shall cause such encumbrances to be cured, remedied and removed, at its sole cost and expense, by the First Closing or within a reasonable time thereafter, except that Sponsor shall have no obligation to cure, remedy, or remove any such encumbrances if the same cannot be accomplished at an aggregate cost and expense of up to 0.5% of the Total Purchase Price to Tenant Purchasers (including attorneys fees and disbursements). The existence of any such encumbrances will not constitute an objection to title or excuse any purchaser from completing payment of the balance due under his Purchase Agreement (without provision for escrow), provided that Sponsor furnishes adequate proof to the Title Company that such encumbrance has been remedied or deposits a reasonable sum to secure Sponsor's obligation to cure and remedy such encumbrance subsequent to the First Closing as determined by the Title Company. At Sponsor's request, the sums so deposited shall be applied towards payment of the cost of curing or remedying the title defect. If the aggregate cost and expense of curing, remedying and removing all such encumbrances exceeds 0.5% of the Total Purchase Price to Tenant Purchasers and Sponsor elects not to accomplish the same, Sponsor shall abandon and withdraw this Plan in accordance with the terms of the Section entitled "Effective Date."

If the Purchaser is or becomes the tenant or occupant of the 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 of the Unit or did not result from the acts of such purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workperson. 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 the same. If Sponsor or (in the event the Declaration is filed) the Condominium Board does not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect, unless the Purchaser agrees to accept such Unit without such repair. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor unless the Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair the damage, the Purchase 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 in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repair.

Immediately following the recording of the Declaration, all assignable service and maintenance contracts and agreements relating to the Units and/or the Common Elements will be assigned to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume the same and indemnify the assignor against all claims and liability thereunder

that relate to matters and events occurring on or after the day upon which the Declaration was recorded.

Sponsor's Obligations with Respect to Asbestos

In accordance with the provisions of 13 NYCRR 23.7(cc), Sponsor has engaged a qualified firm to perform such tests as are necessary to determine whether asbestos containing material ("ACM") is present in insulating or fireproofing material anywhere in the Building. Said firm has prepared a report on ACM in the Building (the "Asbestos Report"). A copy of the Asbestos Report is set forth in Part II of this Plan. Sponsor's obligations under this Plan do not include an obligation to remove any asbestos identified in the Asbestos Report and Sponsor does not intend to perform any such remedial work.

Real Property Law §339-kk

A new subsection kk to Section 339 of the Real Property Law ("RPL"), a copy of which is set forth in Part II of the Plan, was enacted into law July 22, 1998. RPL §339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a condominium association if a sponsor or other non-occupant unit owner of a Unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's units.

RPL §339-kk provides, by its terms, among other things, that with respect to unsold units of a Condominium owned by a sponsor or by any other non-occupant unit owner and occupied by a tenant:

(a) If payment of common charges, assessments or late fees by any non-occupant unit owner is more than sixty (60) days late after the expiration of any grace period within which they are due, payments from a tenant of such unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant unit owner. Where a majority of the Condominium Board has been elected by unit owners who are in occupancy of their respective units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the common charges, assessments and late fees of the non-occupant unit owner have been brought current, the Condominium Board must notify the non-occupant unit owner and tenant within three (3) business days and thereafter the tenant will be payable to the non-occupant unit owner or a designated agent.

(b) Payment by a tenant of rent or the amount required pursuant to the tenant's lease or statutory tenancy to the Condominium pursuant to the RPL §339-kk, relieves the tenant from the obligation to pay rent to the non-occupying unit owner.

(c) Any rights existing under any other Laws are not limited by RPL §339-kk.

(d) A non-occupant unit owner who disputes a Condominium's claim to rental payments is 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 after receipt of notice that the unit owner seeks to dispute the Condominium's claim.

Sponsor makes no representation or guarantee that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so.

RPL §339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) RPL §339-kk 's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant owner and secured by the unit, or whether RPL §339-kk 's enactment or compliance therewith by a tenant constitutes a default by the unit owner under said loan, (ii) RPL §339-kk 's effect on assignments of leases and rents given by a non-occupant owner to a mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board after notice from the Condominium Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's failure to give notice to a tenant (i.e., does failure constitute a waiver of the Condominium's rights?), or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant unit owner is brought current in payment of common charges, assessments and late fees.

Finally, no representation is made about the tax effects of RPL §339-kk.

All prospective purchasers should review RPL §339-kk to determine its effect on their own situation.

General

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to any Unsold Units (for so long as Sponsor owns same) and any other obligations set forth in this Plan on the part of Sponsor to perform, the foregoing sets forth the entire extent of the obligations of Sponsor hereunder and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of purchasers under their respective Purchase Agreements. Sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to the Unsold Units. Sponsor represents that it has the financial resources to meet its obligations respect to the Unsold Units. Sponsor intends to meet its obligations to the Condominium through proceeds from the sale of Units and rental income from Non-Purchasing Tenants. Sponsor makes no representations or warranties other than as set forth in this Plan. The obligations of Sponsor under this Plan and Article 23-A of the General Business Law shall survive the delivery of the deeds to the respective Units. Sponsor shall not be liable for, or obligated to defend, any suits or claims with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of title 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 Closing, except suits or claims arising out of the acts of Sponsor or the representations made by Sponsor in this Plan. . Sponsor makes no representation or warranty as to any work, materials, appliances, equipment or fixtures to be provided or performed by Sponsor or located at the Property other than as set forth in the Plan. Notwithstanding anything to the contrary set forth herein, nothing contained in the Plan shall be

construed as to render Sponsor liable for consequential damages (whether based upon negligence, breach of contract, breach of warranty or otherwise) it being intended that Sponsor's sole obligation shall be to perform its obligations as expressly provided in the Plan.

Sponsor has not furnished any bond or other security for the performance of its obligations under this Plan.

Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B. Please refer to the Section of the Plan entitled "Terms of Sale" for a discussion of Sponsor's obligations to repair damage from a casualty or other causes prior to the closing of title to a Unit.

Sponsor shall have the obligation to defend any suit or proceeding arising out of Sponsor's material acts or omissions or to indemnify the Condominium Board or Unit Owner(s) in any such action or proceeding.

Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer of ten (10) or more Units or twenty percent (20%) of the Units in the Condominium, which ever is less, in connection with Sponsor's liquidation of its interest in the Units, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan, applicable Law and in the event of dissolution or liquidation, the principals of Sponsor shall guarantee the performance of such obligations.

Sponsor will cause the Condominium Board to maintain the Property in substantially the same condition and manner as on the date of presentation until Sponsor no longer controls the Condominium Board.

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 closing of each Unit will survive delivery of the deed.

Leasing and Use of Unsold Units

Sponsor reserves the right, prior to the date of closing title thereto, to rent or lease any Unit for such rent and term and on such other conditions as may be agreed to between Sponsor and any Purchaser who has paid the Down Payment required by the Purchase Agreement. Any such Interim Lease or use and occupancy agreement will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease or use and occupancy agreement will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease or use and occupancy agreement in accordance with applicable Law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any lease or use and occupancy agreement with respect to the Unit which is the subject of the Purchase Agreement will

constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement and to exercise any remedies therein, provided however, that before Sponsor utilizes the default under the lease to declare a default under the Purchase Agreement, Sponsor will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.

Purchasers or any other persons entering into a lease or use and occupancy agreement for a Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. Sponsor anticipates that the lease or use and occupancy agreement will not be subject to governmental regulation as it is expected that such Units will be deregulated as high rent housing accommodations pursuant to the provisions of the RRRA or the Rent Regulation Reform Act of 1997.

Sponsor or its designee reserves the right to use or occupy itself or to rent or lease to a tenant who is not a Purchaser (for such rent and term and on such other conditions as may be agreed to between such parties) any Unit not yet conveyed and occupied or to withdraw Units from the market. Sponsor or its designee further has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale or lease occupied units to others or to retain vacated Units for future rental. Sponsor's right to rent, rather than sell Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Units, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. The By-Laws do not require that members of the Condominium Board be owner-occupants of a Unit. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, such a purchase of a home as opposed to purchase for investment.

Sponsor and its designee reserve the right, without prior notice or amendment to the Plan, to use Unsold Units on any floor of the Building as sales and rental offices and model apartments for the Building and other buildings. In the event Sponsor or its designee thereafter elects to sell any such Unsold Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment or Common Element or in any advertisements with respect thereto, imply or represent that any Unit or Common Element will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser of the Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price for such Unit.

CONTROL BY SPONSOR

Sponsor shall have the right to vote all of the Common Interests attributable to Units owned by Sponsor. At all elections held during the period ending on the earlier of: (i) the Closing of Title with purchasers under this Plan to Units having more than fifty (50%) percent of the aggregate Common Interests appertaining to all Units, or (ii) five years after the First Closing (the "Initial Control Period"), Sponsor may control the Condominium Board.

After the Initial Control Period, Sponsor as owner of Unsold Units, shall not designate and cast its votes for more than two (2) members of the Condominium Board; provided, however, that after the Initial Control Period, Sponsor shall have the right to designate the following minimum number of members of the Condominium Board representing the Unit Owners: (a) two members, for so long as the Common Interests attributable to the Unsold Units equal, in the aggregate, less than 50% but more than 15% of the Common Interests of all Units; (b) one member, for so long as Sponsor owns at least one Unsold Unit.

Notwithstanding anything to the contrary set forth above, Sponsor will not exercise veto power over expenses described in Schedule B, or over expenses required (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over other expenses as more fully described below. The Condominium Board may not, without the consent of Sponsor, reduce or eliminate any services provided to Non-Purchasing Tenants under the Rent Laws or their tenancies or as may be otherwise required by law.

Notwithstanding anything to the contrary set forth above, in the event the regulations promulgated by the New York State Department of Law governing the conversion of occupied residential property to condominium ownership are amended to provide that a Sponsor can elect a majority of its designated board members for a period in excess of five years, or if such regulations are finally determined to be unenforceable by a court of competent jurisdiction, provided that such Sponsor has a sufficient number of votes to cast a majority of the votes of the Unit Owners, then the aforesaid restrictions concerning Sponsor's rights to elect a majority of the Condominium Board shall no longer be effective and Sponsor shall have the same rights to vote its Common Interests as any other Unit Owner, whether or not Sponsor has previously been required to give up control of the Condominium Board.

Within thirty (30) days after the Initial Control Period, the applicable number of members of the Condominium Board which were designated by Sponsor shall resign and their replacement shall be filled by a majority vote of the members of the Condominium Board representing the Unit Owners (excluding members designated by Sponsor) at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Nothing contained herein shall be deemed to limit the right of Sponsor to cast its votes for individuals nominated to the Condominium Board who are not nominated or designated by Sponsor, which individuals, if elected, shall not be deemed Sponsor nominees or designees and shall not be deemed to cause Sponsor to control the Condominium Board after the Sponsor Control Period. The number of members of the Condominium Board representing the Unit

Owners may not be increased without the consent of Sponsor as owner of the Unsold Units for so long as there remain two Unsold Units.

Until Sponsor no longer designates a majority of the members of the Condominium Board, Sponsor will through its control of the Condominium Board have control of the Maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

The Condominium Board shall initially consist of the three (3) members. The Condominium Board will call for a special meeting of the Unit Owners to elect a new Condominium Board (the "First Annual Meeting") no later than one (1) year after the First Closing, unless more than fifty percent (50%) of the Units are sold, in which case the First Annual Meeting will be called within thirty (30) days after the sale of fifty percent (50%) of the Units.. The First Annual Meeting shall be held not less than 10 days nor more than 40 days after the sending of the notice. Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons. The number of Condominium Board members and the number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

Until Sponsor or its designee has conveyed title to all the Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

BOARD OF MANAGERS

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of three (3) members. Initially, the Condominium Board members shall be designated by Sponsor. No later than one (1) year after the First Closing, the Condominium Board will call for the First Annual Meeting of Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date, unless more than fifty percent (50%) of the Units are sold, in which case the First Annual Meeting will be called within thirty (30) days after the sale of fifty percent (50%) of the Units. At the First Annual Meeting, the incumbent Condominium Board shall resign and the Unit Owners shall elect a new Condominium Board consisting of five (5) members. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. The number of Condominium Board members and the number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

Except for Condominium Board members designated by Sponsor or its designee, all members of the Condominium Board must be Unit Owners or certain parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Unit Owner's term of office, said member shall cease to be a Unit Owner or an interested party. All Board members shall serve without compensation.

Until Sponsor or its designee has conveyed title to all the Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. All other determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

As more fully set forth in the By-Laws all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Unit Owners shall elect the five member Condominium Board, subject to any rights of Sponsor to designate Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting of the Condominium to all Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than thirty (30%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to such Unit Owner's Unit or Units.

The principal officers of the Condominium Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The initial members of the Condominium Board shall be Christopher H. Martorella, Jane Gladstein and Steven Hirsch who shall serve as President, Vice President and Treasurer and Secretary of the Condominium Board respectively. Each of these individuals is a principal of or is affiliated with Sponsor or its principals. The Condominium Board may appoint additional officers. Except as otherwise provided by the Condominium Board for which such officer serves, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board.

The term of office of the members of the Condominium Board shall be for one year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

A member of the Condominium Board designated or elected by the Unit Owners may be removed with or without cause by an affirmative vote of a Majority of Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Unit Owners; provided, however, that Condominium Board members designated by Sponsor may only be removed with

cause and replaced by another Sponsor designee. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Unit Owner's term of office, said member shall cease to be a Unit Owner or an interested party as described in Section 2.1 of the By-Laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor or its designee.

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

To the extent permitted by applicable Law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). Condominium Board members shall have no liability to Unit Owners except that a Condominium Board member shall be liable for such Unit Owner's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

All officers, Board members and employees of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium. The amount and cost of the bonds has been provided for in the projected budget for the first year of Condominium operation contained in Schedule B.

Generally, subject to certain exceptions concerning, among other things, Sponsor, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners, provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Sponsor or its designee or the owner of any Unsold Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Unit or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit with respect to any amendment,

modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit.

As more particularly set forth in the Special Risk Section and the Section of the Plan entitled "Rights and Obligations of Sponsor", it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Units, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. The By-Laws do not require that members of the Board be owner-occupants of a Unit. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, such a purchase of a home as opposed to purchase for investment.

In exercising its powers and performing its duties under the Declaration and the By-Laws, the Condominium Board is required to act in good faith as, and shall be, the agent of the Unit Owners the Condominium Board represents, subject to and in accordance with the provisions of the Declaration and the By-Laws.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sales and Leases of Units

Each Unit Owner may sell or lease such Unit Owner's Unit provided such Unit Owner (the "Transferor") first gives the Condominium Board, on behalf of all Unit Owners, notice of such Unit Owner's intention to sell or lease such Unit and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically provided in Article 8 of the By-Laws. If the Condominium Board does not elect to purchase or lease the Unit within twenty days after receipt of the offering Unit Owner's notice, the Transferor will have an additional sixty days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in said notice. In the event such written agreement is not executed by the Transferor within said sixty-day period or such sale or lease is not consummated within an additional sixty days following the expiration of said sixty-day period, the Transferor will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such sixty day periods. The Condominium Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. In any vote of all the Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Condominium Board for the purpose of determining whether the Condominium Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the 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, if permitted by applicable law, shall have the 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 default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease approved by the Condominium Board which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws and with such riders as the Condominium Board deems appropriate in its sole discretion.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Condominium Board.

A Unit Owner may lease, sell or convey the Unit to a spouse, domestic partner, their children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Unit Owner, may convey such Unit Owner's Unit by gift, may devise such Unit Owner's Unit by will, or have it pass by intestacy, without

complying with the foregoing restrictions; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall be subject to, the preceding restrictions. In addition, any Unit Owner may lease, sell or convey the Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws. The Condominium Board shall have the discretion to require documentation relating to any such lease, sale or transfer be provided to the Condominium Board for its approval, in advance for the Board's attorney to review and all expenses thereof shall be the responsibility and obligation of the Unit Owner to pay. At present, a lease entered into by a Unit Owner purchasing under the Plan is not subject to legal limitations on the amount of rent which can be charged but such lease will be subject to various state and local laws governing tenancies (e.g. warranty of habitability). Purchasers are advised to consult with their own attorneys regarding the legal ramifications of leasing a Unit.

The restrictions upon the sale and lease of Units shall not apply to Sponsor or its designee with respect to any Unsold Units or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Condominium Board.

A Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, (a) such Unit Owner's undivided interest in the Common Elements, (b) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to closing. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the Managing Agent.

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Unit, Purchasers are expressly prohibited from advertising, listing the Unit with a broker or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease ("Advertising Activities"). If any Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an event of default under the terms of the Purchase Agreement, thereby entitling Sponsor any and all remedies under the terms of the Purchase Agreement. Purchasers are referred to the Purchase Agreement set forth in Part II of the Plan for further details.

Use of Units

Units shall be used only as a residence (except as described below). The Board, may in its sole discretion, permit a Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations.

Notwithstanding the preceding paragraph, Sponsor or its designee may, without the permission of the Condominium Board (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing Certificate of Occupancy covering such Unit and the user of such Unit complies with all applicable governmental regulations and (b) retain ownership of one or more Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Units in the Condominium or in buildings in the vicinity in which principals of Sponsor may have an interest.

Each Unit Owner shall notify the Condominium Board and the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall Maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Condominium Board and the Managing Agent.

The current zoning Law permits a person who resides in a Unit to use up to 25% of the floor area of such Unit Owner's Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant may be accommodated in a Unit, except in Unsold Units, as permitted by law.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever or whichever shall have the obligation to Maintain or repair such portion of the Property.

No "For Sale," "For Rent," "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Unit, except that these sign restrictions shall not apply with respect to Unsold Units.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building without prior written approval of the Condominium Board. No radio or television aerial, satellites or other similar device shall be erected by Unit Owners on the roof or exterior walls, windows or terraces of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition, in the Condominium Board's sole discretion) may be kept in a Unit without the consent of the Condominium Board or the Managing Agent. In no event will a Unit Owner be entitled to maintain more than two (2) pets in any Unit without the consent of the Condominium Board. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit will be required to abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto and may be required to enter into an agreement with the Condominium Board governing the maintenance of such pets and indemnifying and holding

harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet.

Each Unit Owner shall keep such Unit Owner's Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair such Unit Owner's own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board in accordance with the By-Laws provided that copies thereof are furnished to Unit Owners prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by the Sponsor or its designee, as the case may be). Further restrictions on the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage such Unit Owner's Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by him. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, or such other form customarily used by lenders making loans secured by individual Units, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against such Unit Owner's Unit, other than Permitted Mortgages.

In certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor or its designee, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners are included in their Common Charges, and are allocated among Unit Owners in proportion to their respective Common Interests. Common Charges shall also be deemed to include any special assessment imposed by the Board. The respective Common Interests of each Unit, as estimated by Sponsor, are 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. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the Maintenance to the Common Elements and Limited Common Elements. Common Expenses may include amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit.

Common Expenses which include, among other things, the costs and expenses (including the payment of wages) in connection with Maintenance to the Common Elements and certain other expenses common to all Unit Owners, such as premiums for insurance covering the Building, Managing Agent fees and legal and accounting fees will be determined by the Condominium Board.

In the event that the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Condominium Board to Sponsor and the Unit Owner(s) in proportion to the amount of time Sponsor and each Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Units Owners or, if rebates are made, what the tax consequences of such rebates would be to Unit Owners. See the Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Units by individual Unit Owners.

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet such Common Expenses. Unit Owners shall be responsible to pay Common Charges to the Condominium as provided in the By-Laws with or without having received a bill from the Managing Agent or the Condominium Board.

The Condominium Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such Unit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Board to which they are payable, Common Charges will be payable monthly in advance on the first day of each month.

Common Charges: Collection and Lien
for Non-Payment; Payment of Rent to Board

Under the provisions of the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on any Unit, for Common Charges unpaid to it by the Unit Owner thereof, All such liens, however, to the extent permitted by applicable law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges, against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien.

No Unit Owner may exempt himself from liability for such Unit Owner's Common Charges by waiving use of any of Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying such Unit Owner's Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing.

On a resale of a Unit, the purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to such Unit Owner's acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement (an "Estoppel Letter") from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

A new subsection kk to Section 339 of the Real Property Law ("RPL"), a copy of which is set forth in Part II of the Plan, was enacted into law July 22, 1998. RPL §339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a condominium association if a sponsor or other non-occupant unit owner of a Unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection entitled "Real Property Law §339-kk" for further details.

RPL §339-jj-Borrowing by Condominium

A new subsection jj to Section 339 of the Real Property Law ("RPL"), was enacted into law on August 26, 1997 and authorizes the Condominium Board to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units to which there is appurtenant a majority of the Common Interests.

Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, and routine Maintenance in or to any Unit (other than to the Common Elements included therein), including the individual cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense and in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as Common Expense.

Notwithstanding the above, all normal Maintenance of any Garden and/or Terrace shall be made by the Unit Owner having access to same, at such Unit Owner's own cost and expense, but any structural repairs to such Garden or Terrace (including any structural repairs giving rise to leaks which are not caused by the negligence of the Unit Owner having access to the same) will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense. Any Unit Owner having access to a Garden or Terrace shall keep it free of snow, ice and accumulation of water, to the extent same would cause damage to the Building. In accordance with the By-Laws, the Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces or Gardens and may require a Unit Owner to remove same if the Condominium Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. No Garden or Terrace may be enclosed without the express written consent of the Condominium Board. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Terrace and/or Gardens without the prior written consent from the Condominium Board. The Condominium Board may establish such other rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Each Unit includes, among other things, and each Unit Owner shall be responsible for, the Unit side of the front entrance door and any other entrance doors to such Unit, windows, skylights and green house additions, if any, and the related installations with respect thereto. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The exterior glass surfaces of all windows in the Building may, at the option of the Condominium Board, be washed and cleaned by the Condominium Board and the cost thereof shall be a Common Expense assessed against each Unit Owner; otherwise Unit Owners shall be obligated to clean such windows at their own cost and expense. The Budget for first year of Condominium operation does not include any expenditure for window washing. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Condominium Board at the sole cost and expense of the owner of such Unit (unless such

breakage is caused by the Condominium Board or its agents or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). No replacement, modification or alteration may be made to or of the windows without the consent of the Condominium Board.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water, to the extent same would cause damage to the Building) by the Unit Owner or Condominium Board, whichever is responsible for the Maintenance thereof. In the event any Unit Owner fails to keep such Unit Owner's Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. A Unit Owner shall not permit excessive noise or vibrations to emanate from the Unit. Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

In addition, the Rules and Regulations require that at least eighty (80%) percent of the floor area of Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to such Unit Owner's Unit without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to Sponsor. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Condominium Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. In addition, the Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace

plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board or, if required, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialperson, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to any Sponsor, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Condominium Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Condominium Board, if requested by Sponsor is obligated to execute the Required Documentation. In addition, the power of attorney to be executed by each Unit Owner upon acquisition of the Unit further grants to Sponsor a power of attorney to execute the Required Documentation.

In the event that any alterations, additions, improvements or repairs made by any Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or permanent certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Generally all alterations or improvements in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense.

Sponsor, without the consent of the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Unit or the Common Elements provided that

the work is performed by Sponsor in compliance with governmental laws and regulations and in accordance with all conditions described in the Declaration. In addition, Sponsor may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability of Units for sale or rental any Unsold Unit including, but not limited to, signs on the facade and/or the roofs of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

Local Law 1

New York City's new lead paint hazard reduction law went into effect on August 2, 2004. Local Law 1 of 2004 ("Local Law 1") is a comprehensive new law concerning the prevention of childhood lead poisoning through the remediation of lead paint hazards in housing and day care facilities. This legislation repeals the former lead law, Local Law #38 of 1999. The law covers all pre-1960 multiple dwellings. The law also places certain responsibilities on owners in post-1960 to pre-1978 buildings where the owner knows there is lead based paint. The provisions of Local Law 1 do not apply where title to a multiple dwelling unit is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit and such dwelling unit is occupied by the shareholder of record or the owner of record of such condominium unit, as applicable, or the shareholder's or record owner's family. The law does however apply to cooperative or condominium units occupied by a tenant or subtenant. Unit Owners will be responsible with familiarizing themselves with Local Law 1 and complying with its requirements. Additionally, all construction undertaken on or after August 2, 2004 for renovation work in dwelling units where a child under seven resides and in the Common Elements must be done by trained workers. Sponsor makes no representation regarding the scope or nature of any future enactments regarding lead-based paint or whether Local Law 1 will be further modified or whether the City or State of New York will adopt other laws dealing with lead based paint or what the provisions of such law may be. Prospective purchasers are urged to review Local Law 1 or any successor statute thereto and any regulations or requirements promulgated with respect thereto for a full description of the obligations of a Unit Owners thereunder. A copy of Local Law 1 is set forth in Exhibit 24 in Part II of the Plan. Please refer to Exhibit 24 in Part II of the Plan for further details.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agents, managers, superintendents and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to

safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Sponsor shall have a right of access to any Unit for the purpose of performing punch-list work.

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

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Pursuant to Section 339(j) of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by Law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Repair or Reconstruction after Fire or Other Casualty

In the event that 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.

If the Building is destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on such Unit Owner's Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

Unless the Unit Owners have elected not to restore the Building as provided below, damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the Owner of the affected Unit(s) where such repair or reconstruction does not involve the Common Elements for which the repair or reconstruction is the obligation of the Condominium Board. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment.

If three-fourths or more of the Building is destroyed or substantially damaged and if 75% of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages) 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 to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting of the Unit Owners shall be in at least the sum set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) 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 Permitted Mortgagees. The Condominium Board and all Unit Owners waive any and all subrogation rights.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, the Managing Agent thereof, each Board member and each officer and employee of the Condominium, (2) the Unit Owners, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, exclusive to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners.

The Condominium Board is not required to obtain or maintain any insurance with respect to the Units or any personal property contained in a Unit. Pursuant to the By-Laws, each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the apartment or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The policies shall provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board. The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. In the event a Unit Owner fails to obtain the requisite insurance or deliver evidence of same to the Condominium Board, as required, the Condominium Board may, in its sole and absolute discretion, (i) obtain such insurance on behalf of said defaulting Unit Owner or (ii) impose such fines and penalties as the Condominium Board may determine in its sole discretion, including, without limitation, a per diem penalty for each day that the Unit Owner does not provide evidence of coverage and in either event such sums shall, for all purposes, constitute Common Charges payable by such Unit Owner.

Liability of Board of Managers and Unit Owners

Every contract made by the Condominium Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Unit Owners, as the case may be, and (ii) to the extent permitted by law, unless otherwise determined by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in such Unit Owner's Unit and its appurtenant Common Interest. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any Board member, 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.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, 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.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and its designees have conveyed title to all Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

All Units acquired or leased by the Condominium Board or its designees shall be held by the 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 be assessed against all Unit Owners. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium Board or its designees, on behalf of the 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 accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner, as the case may be, in proportion to such Unit Owner's respective Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and 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 interests in the Common Elements.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent for the Common Elements.

Easements and Name of Condominium

In order to facilitate the operation and Maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Unit Owner to use the Common Elements provided that such easements shall be

exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Sponsor, shall have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect maintain and replace satellite communication equipment and similar equipment, as permitted by law, on the roofs and facade of the Property and elsewhere on the Common Elements which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor and its designees shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "The 505 Court Street Condominium" and may be referred to as "Court Street Lofts, Carroll Gardens." Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Condominium Board or Unit Owner. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor as the sponsor of the condominium offering, together with such other information as Sponsor determines in its sole discretion.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay his pro rata share (in the proportion that his Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

The value of the Property for real estate tax purposes is determined annually by the Real Property Assessment Department of the City of New York. Under current New York State Law, increases in a property's assessed valuation due to changes in its market value are to be phased in over 5 years in equal annual increments of 20%. Any further increase in the assessed value during such 5 year period resulting from a still higher market value is to be similarly phased in over an additional 5 year period from the date of such increase. The full increased assessed value targeted to be paid at the end of 5 years is called the "actual assessed valuation." The amount of such assessed value on which taxes are computed each year is called the "transitional assessed valuation." The tax rate and assessed valuations for the 2000/2001 and subsequent Tax Years are as follows:

Tax Year	Tax Rate per $100 of Assessed Valuation	Transitional Assessed Valuation	Actual Assessed Valuation
2000/2001	10.847	3,189,300	3,685,500
2001/2002	10.792	3,331,500	3,685,500
2002/2003	11.5405	3,515,100	3,892,500
2003/2004	12.620	3,690,000	3,874,500
2004/2005	12.216	3,710,700	3,415,500
2005/2006	12.750(est.)	3,739,500	3,829,500
2006/2007	12.750(est.)	4,395,400(est.)	6,965,000(est.)

Recently enacted revisions to Section 467-a of the New York State Real Property Tax Law provide a partial abatement of real estate taxes for residential condominium and cooperative units through and including the 2007/08 Tax Year (the "Condominium Abatement Program"). The abatement is not available to Sponsor or any party owning no more than three Units in the Condominium or to any Unit receiving J-51 Program benefits. The amount of the abatement available under the "Condominium Abatement Program is equal to 17.50% for the Tax Years 1998/99 through and including 2007/08. Under the Condominium Abatement Program, the Condominium Board must file the application for abatement on behalf of the Unit Owners.

No representation is made or warranty given as to: (a) whether or not there will be (i) a further increase or decrease in the assessed valuation of the Property during the five year phase-in period, or (ii) an increase in the tax rate, or (iii) an increase in the assessed valuation of the

Property by reason of the conversion of the Property to condominium ownership or (b) the method of determining the assessed valuation, or (c) the amount of any increase or decrease in the assessed valuation of the Property or (iv) whether there will be any abatements available under the Condominium Abatement Program.

Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339-y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the property were the property assessed as one parcel.

The estimated real estate taxes for each Unit for the first year of condominium operation following the First Closing assumes that the amount of real estate taxes payable with respect to each Unit will be levied in the proportion that its Common Interest bears to the Common Interests of all Units as set forth on Schedule A. There is no assurance that the New York City taxing authority will allocate taxes among Units in proportion to their respective Common Interests. Accordingly, owners of Units having the same or similar purchase prices may pay different amounts of real estate taxes. Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

The New York City real estate taxes for the first year of condominium operation following the First Closing of $472,724 are determined by taking the tentative transitional assessed valuation of the Property for 2005/2006 of $3,739,500 at an estimated tax rate of 12.750% and an estimated transitional assessed valuation of the Property for 2006/07 of $4,395,400 at an estimated tax rate of $12.750%. See Real Tax Opinion prepared by Stroock & Stroock & Lavan LLP, set forth in Part I of this Plan for further details.

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY OR THE TAX RATE WILL NOT BE CHANGED.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method of allocating real estate taxes which will be employed by the New York City tax assessor; (ii) of the assessed value of the Property during the first year of Condominium Operation or (iii) of the tax rates in effect during the first year of Condominium operation.

The By-Laws provide that the Condominium is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided that each such Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Currently, the public records indicate that there are tax certiorari proceedings pending in the New York Supreme Court with respect to the Property for tax years 2000/01 through and including 2004/05. Any refunds or savings in the payment of taxes resulting from such tax certiorari proceedings applicable to the period prior to the date of the First Closing shall belong to and be the property of Sponsor, and any refunds or savings in the payment of taxes applicable to the period from and after the date of the First Closing and attributable to the Units shall belong to and be the property of the Purchasers thereof; provided, however that Sponsor shall be reimbursed for all attorneys' fees and other expenses incurred by Sponsor and/or any predecessor in interest in obtaining such refunds or savings.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Units by purchasers who use such Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

STROOCK & STROOCK & LAVAN LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT SUCH UNIT OWNER'S OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THIS PLAN.

Deductibility of Mortgage Interest and Real Estate Taxes.

Each Unit Owner will own such Unit Owner's Unit and its appurtenant interest in the Common Elements in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner will own such Unit Owner's 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 Stroock & Stroock & Lavan LLP that a Unit Owner who uses such Unit Owner's Unit as a personal residence and itemizes such Unit Owner's deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $1 million), plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and to the overall allowance of itemized deductions.

Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income earned in connection with the provision of laundry facilities, and interest earned on any reserve funds (less expenses directly connected with the production of such income). Schedule B, Budget for the First Year of Condominium

Operation, does not contemplate any substantial income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership income but does budget for certain minimum taxes that might be due.

Sponsor anticipates that the Condominium will qualify as a homeowners association. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.

The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax Laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Stroock & Stroock & Lavan LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

ATTORNEYS INCOME TAX OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

May 11, 2004

AP Court Street, LLC
c/o Metropolitan Housing Partners
588 Broadway, Suite 1208
New York, New York 10012

Re: Condominium Offering Plan
The 505 Court Street Condominium – (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the offered Units for their own residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences of (i) ownership of any Unsold Units or any Unit that is used for commercial or mixed residential/commercial purposes, (ii) ownership of any Unit purchased for use by the Residential Manager, or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Units will acquire their Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Unit will receive legal title in fee simple to his or her Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Unit who itemizes deductions and who uses his or her Unit as a personal residence will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, real estate taxes assessed against his or her Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective purchaser qualifies for any exemption from real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with

respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a Unit who itemizes deductions and uses his or her Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on any overall limitation on the allowance of itemized deductions.

Each owner of a Unit who uses his or her Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Units.

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on

amounts received as membership dues, fees or assessments from Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as income earned in connection with the provision of laundry facilities and interest earned on any reserve funds (in each case, less expenses directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in the Plan, including Schedule A to the Plan, and assuming that the Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Based upon the foregoing and assuming (i) the Plan becomes effective during the taxable year ending December 31, 2005 (the "2005 Taxable Year"), (ii) the actual gross income and expenditures of the Condominium for the 2005 Taxable Year are the same as (or, if such year is a short taxable year, are in the same proportions as) the estimated gross income and expenditures for the Condominium's first full year of operations, as set forth in Schedule B to the Plan, (iii) the amount designated as the "Reserve for Contingencies" in Schedule B to the Plan (or, if the 2005 Taxable Year is a short taxable year, the pro-rata portion of such amount taken into account in accordance with

assumption (ii)) is actually expended during the 2005 Taxable Year for the acquisition, construction, management, maintenance and care of association property, (iv) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (v) there are no changes in the facts and/or the relevant provisions of current law, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2005 Taxable Year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Condominium Board will act as the agent of the Unit Owners represented by such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium with respect to the Unit Owners. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would be subject

to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated Business Tax, unless it were eligible for and elected treatment under Code Section 528 as a homeowners association.

★★★★★★★★★

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, the Condominium Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Stroock & Stroock & Lavan LLP

Stroock & Stroock & Lavan LLP

1453284v3

339-I OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

April 26, 2005

Court Lofts, LLC
c/o Metropolitan Housing Partners, LLC
588 Broadway, Suite 1208
New York, New York 10012

Re: The 505 Court Street Condominium
505 Court Street
Brooklyn, New York 11231 (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 23.3(aa)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by The Corcoran Group as set forth in its opinion contained in the Plan as required by NYCRR Section 23.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of The Corcoran Group.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212.806.5400 FAX 212.806.6006 WWW.STROOCK.COM

The opinion expressed herein is based solely on New York law.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Stroock + Stroock + Lavan LLP

STROOCK & STROOCK & LAVAN LLP

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212.806.5400 FAX 212.806.6006 WWW.STROOCK.COM

REAL ESTATE TAX OPINION OF STROOCK & STROOCK & LAVAN LLP

STROOCK

April 7, 2005

212-806-5400

Court Lofts, LLC
c/o Metropolitan Housing Partners
588 Broadway - Suite 1208
New York, New York 10012

Re: The 505 Court Street Condominium
505 Court Street
Residential Condominium (Block 476 Lot 6 Brooklyn)

Ladies/Gentlemen:

We have reviewed the information you have furnished us regarding the development and conversion of the above referenced property to a residential condominium. You have requested that we furnish you with a projection of the assessed valuation and an estimate of the real estate taxes applicable to the residential condominium (the "Property") during the first full year of operation, which you indicate will be September 1, 2005 through August 31, 2006. Our projections and estimates are based upon information supplied to us by you or your agents.

Chapter 58, Section 1504(1) of the New York City charter requires New York City to annually assess for taxation all the taxable real property in New York City and to prepare the assessment rolls. The term "assessment", as defined in Real Property Tax Law Section 102 means a determination by assessors of the taxable status and valuation of the property as of the taxable status date, (which in New York City is January 5), and to classify property into one of four classes pursuant to Real Property Tax Law Article 18. To assess each parcel of New York City real property, first the "full value" of such parcel is determined and then the assessed value is derived as a percentage of the full value.

While there has been a consistent methodology utilized by the New York City Department of Finance in assessing properties in the past, it has not been employed uniformly, and it is therefore difficult to estimate or determine the post-renovation/construction assessed valuation of this property with absolute certainty.

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212.806.5400 FAX 212.806.6006 WWW.STROOCK.COM

However, the estimates indicated below are based upon what we believe are the current policies and assessment practices of the department.

New York State Real Property Tax Law Section § 581 requires in effect that condominiums are to be assessed as if they were rental properties. This suggests the use of the Income Capitalization Approach to value. We have, however, chosen not to rely solely on this approach. Our studies of the assessed valuation of newly renovated/constructed residential buildings throughout the borough of Brooklyn indicate that the City's assessments of newly developed residential condominiums may differ from what would normally be indicated by capitalization of imputed income utilizing comparable rents.

The assessment comparisons allow us to derive current assessing policies and practices of the City of New York concerning newly developed residential buildings. We have relied primarily upon this information in arriving at our estimate of real estate taxes, but we cannot guarantee the continuity of those policies and practices. Further, we can not guarantee that the criteria and approaches employed in determining market value will not change in the future, resulting in an assessment differing from the estimate contained herein. Prospective purchasers are therefore advised that although our estimate of the property's assessed valuation is a good faith estimate, the assessment when actually made may be less or greater than as estimated.

You have advised us that upon completion, the residential condominium will be comprised of 124 Class A dwelling units, created through conversion of existing rental apartments, and will have a total floor area of approximately 199,000 gross square feet of residential and residential facility and support space. You have further advised that first full year of condominium operation will run from September 1, 2005 through August 31, 2006, which spans the last ten (10) months of New York City fiscal tax year 2005/06 and the first two (2) months of New York City fiscal tax year 2006/07.

There are three recognized appraisal methods which are utilized by appraisers and the Real Property Assessment Department of the New York City Department of Finance to determine the full market value of real property. These methods are the Cost Approach (reproduction cost less depreciation plus the value of the land), Income (capitalization) Approach, and the Sales Comparison Approach.

The Cost Method is based on the theory that the maximum value of any property is its cost of construction, less depreciation, plus the acquisition cost of the underlying land.

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212.806.5400 FAX 212.806.6006 WWW.STROOCK.COM

This method is considered a significant indicator of value, especially when valuing new buildings. Items of cost include material and labor ("hard" costs), and financing, engineering, architectural fees, land preparation, professional fees, and construction period interest and taxes ("soft" costs).

The basis of the Income Capitalization Approach is that the value of a property is represented by the present worth of anticipated future benefits to be derived from ownership. The annual streams of future income are converted into value by using a capitalization rate. New York City assessors derive discount rates or capitalization rates from the relationship between net income (real or potential) and purchase prices of comparable property.

The Income Capitalization Approach is generally the preferred method for appraising income-producing properties because it most closely reflects the investment rationale and strategy of typical buyers. In addition, because it derives the capitalization rates from, among other data, the sales of comparable properties, it is considered the most reflective of the market place.

By statute, however, aggregate sale prices of individual condominium units may not be used as the basis for arriving at the assessed valuation of a residential condominium (New York State Real Property Tax Law §581, and Real Property Law § 339-y).

Real Property Tax Law Section 581 restricts the use of market data, i.e., sales, in the assessment of residential condominiums and cooperatives, and essentially requires that such properties be treated as rental apartment buildings and valued as income producing properties. Real Property Tax Law Section 581 strips from a residential property that portion of its value which is attributable to its operation as a condominium or cooperative or its potential conversion to either form of ownership. In so doing, it establishes the income approach as the preferred method of valuing residential properties regardless of the form of ownership.

New York City, by an administrative determination in 1983, effective with the 1984/85 assessment roll, chose to assess all Tax Class 2 properties (primarily multiple dwelling residential property) and Tax Class 4 properties (primarily, commercial real property) at 45% of fair market value. Since that time New York City has maintained that policy without change for its assessment-to-market-value ratios. The Property is classified by New York City (for real property tax assessment purposes) as a Tax Class 2 property.

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI
180 MAIDEN LANE, NEW YORK, NY 10038-4982 TEL 212.806.5400 FAX 212.806.6006 WWW.STROOCK.COM

Accordingly, to determine the assessed value of the Property, the Market Value as determined by New York City assessors will be multiplied by 45%.

In arriving at the assessed valuation for each unit in the Condominium, the project is first assessed in its entirety. This total assessment is then apportioned among the units, each of which will be assigned a tax lot designation once the Condominium Declaration has been recorded, the floor plans filed with the office of the City Register and the tax maps changed by the City Surveyor. The apportionment will be based in part upon the proportion the projected selling price presented in the Offering Plan for each unit bears to the gross sellout price for all units available for purchase in the project ("Proportionate Valuation"), percentage of common elements assigned, and other indicia of value, including location, square footage, amenities, income-producing potential and modifications to individual unit plans. At that time, the total assessment will be apportioned among the respective residential units based primarily upon the percentage of common elements, the relative market rental value, sales prices of the units and other criteria discussed above. There is thus no guarantee that the City will apportion the assessment in exact conformity with each unit's percentage of common elements.

The tentative total actual assessment for the Property for the 2005/06 fiscal tax year is $3,829,500, and the corresponding total transitional assessment is $3,739,500. We estimate that the total actual assessment for the condominium for the 2006/07 fiscal tax year will be approximately $6,965,000. This is based upon an estimated assessment factor of $35 per gross square foot. The estimated corresponding total transitional assessment, calculated based upon prevailing laws, policies and practices (all of which may change in the future), is approximately $4,395,400.

Pursuant to the subsection (3) of Section 1805 of the Real Property Tax Law, taxes are to be imposed on the lesser of either the actual or transitional assessment in a given tax year. Therefore, the taxable assessment to be used by the City for the 2005/06 tax year is assumed to be $3,739,500. Further, it is assumed that the taxable assessment to be used by the City in levying taxes for the 2006/07 tax year will be $4,395,400. (Note: The 2005/06 assessments stated herein are tentative, i.e., as proposed by the City, and may be subject to change as a result of the disposition of tax certiorari proceedings or Department of Finance action.) Assuming a Class 2 tax rate of 12.750% for 2005/06 and 2006/07, we estimate that the gross real estate taxes for the first full year of operation will be approximately $472,724.

The above projection is an estimate. It does not take into account any future increases in the parameters applicable to assessed valuation pertaining to residential property. The above opinion is based upon our understanding of the current policies and practices of the New York City Department of Finance. It is not intended to be a guarantee or assurance that the tax assessment or taxes herein listed will be attained. Finally, it does not constitute an opinion as to the Property's eligibility for tax benefits, abatements or exemptions of any nature.

While we believe our opinions are well founded, they are not intended to be, and should not be construed as, representations or warranties that the assessment and taxes will be determined as set forth herein. The foregoing analysis is based upon our experience with the current New York City Department of Finance and the Tax Commission of the City of New York, and their assessment and review practices this opinion is predicated, may be revised in a manner adverse to you or your successors' interests, or there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, the State of New York, or Courts of competent jurisdiction. We shall not be liable because of any changes in laws and/or regulations or judicial policy.

The foregoing analysis is based upon our knowledge and experience of the Real Property Assessment Department and the Tax Commission of the City of New York, and their assessment policies regarding properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor or a change in policy may yield a different result, which we believe would be inconsistent with existing statutes and court decisions.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Stroock & Stroock & Lavan LLP

STROOCK & STROOCK & LAVAN LLP

SSL-DOCS1 1560893v1

RESERVE FUND

The New York City Council enacted Local Law No. 70 which amends Chapter 51 of the Administrative Code of the City of New York (the "Reserve Fund Law"), the full text of which is set forth in Part II of this Plan. The Reserve Fund Law requires the sponsor of an offering plan for the conversion of a building from rental to condominium status to establish a reserve fund (the "Reserve Fund") to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such building. The Reserve Fund shall be in addition to the Working Capital Fund to be funded at each Closing by Purchasers.

Sponsor shall, within thirty (30) days after the First Closing, establish and transfer to the Condominium Board, a Reserve Fund in an amount equal to either:

(i) three (3%) percent of the sum of the cost of all Units offered for sale pursuant to this Plan at the last price which was offered to tenants in occupancy of the Building prior to the Effective Date of this Plan regardless of the number of sales made (the "Total Price"), or

(ii) (A) three (3%) percent of the actual sales prices of all Units offered for sale pursuant to this Plan which are sold by Sponsor at the Effective Date of this Plan, provided, however, that if such amount is less than one (1%) percent of the Total Price, then the Reserve Fund shall be established as a minimum of one (1%) percent of the Total Price; plus

(B) supplemental contributions to be made by Sponsor at a rate of three (3%) percent of the actual sales price of Units for each Unit offered for sale under this Plan held by Sponsor and sold to bona fide purchasers subsequent to the Effective Date of this Plan and within five (5) years of the First Closing notwithstanding that the total amount contributed may exceed three (3%) percent of the Total Price; and provided, further, that if five (5) years from thirty (30) days after the First Closing, the total contributions by Sponsor to the Reserve Fund are less than three (3%) percent of the Total Price, Sponsor shall pay the difference between the amount contributed and three (3%) percent of the Total Price. The supplemental contributions made under this subparagraph (B) shall be made within thirty (30) days of each sale of a Unit under this Plan.

The Reserve Fund may not be reduced by closing adjustments but Sponsor may receive credit against the mandatory initial contribution for the actual cost of capital replacements begun after this Plan is submitted for filing to the Department of Law and before this Plan is declared effective. Such credit may not exceed the lesser of the actual cost of the capital replacements or one (1%) percent of the Total Price. Sponsor anticipates taking a credit against the mandatory initial contribution.

The exact amount of the Reserve Fund under the Reserve Fund Law cannot be determined until the First Closing since it depends on which option Sponsor chooses under the

Reserve Fund Law. Under no circumstances will the Reserve Fund be less than two (2%) percent of the Total Price. No purchaser will be entitled to rescind his Purchase Agreement solely because the actual amount of the Reserve Fund is less than the estimated amount.

The Reserve Fund Law also requires Sponsor, not later than the 30th day following the Filing Date of this Plan and until the First Closing, to post and maintain in a prominent place accessible to all tenants in the Building a list of all violations of record against the Building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within 48 hours of their issuance. Sponsor hereby designates the management office at the Building as a place where such listing will be made available for inspection by the tenants.

In the event that at any time prior to the First Closing, the Reserve Fund Law is repealed, Sponsor will not be obligated to comply with its requirements and may not provide a Reserve Fund. In such event, all purchasers will be given fifteen (15) days after receipt of an amendment disclosing such repeal of the Reserve Fund Law to rescind their Purchase Agreements and be refunded all monies paid thereunder. In the event that on or after the First Closing, the Reserve Fund Law is repealed, Sponsor agrees to comply with its requirements as set forth in this Plan notwithstanding such repeal.

No assurance can be given that the Reserve Fund will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase Common Charges or levy a Special Assessment against the Unit Owners. The Reserve Fund may not be used to reduce Common Charges. No representation can be made, however, that after Sponsor relinquishes control, the Condominium Board may not decide to use the Reserve Fund for a purpose other than for which it has been established.

THE PROPERTY IS BEING OFFERED IN ITS CURRENT CONDITION "AS IS," WITH NO REPRESENTATIONS OR UNDERSTANDINGS EXCEPT AS EXPRESSLY SET FORTH HEREIN. SPONSOR OR THE SELLING AGENT WILL HAVE NO OBLIGATION TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THIS PLAN OR REQUIRED BY LAW. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE RESERVE FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of each Unit shall be required to make a contribution at the Closing of such Unit Owner's Unit(s) to the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to one (1) month's Common Charges in effect for such Unit(s).

At the First Closing, Sponsor will apportion with the Condominium Board the following items as of midnight of the date preceding said Closing:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals, uniforms and all other payments or obligations relative to the employees of the Building;

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the General and Limited Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

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

The Working Capital Fund will be held and used for working capital, for closing costs and adjustments in connection with the Resident Manager's Unit, or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Unit. While Sponsor

controls the Condominium Board (see the Section entitled "Control By Sponsor"), the Working Capital Fund will not be used to reduce estimated Common Charges.

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

In the event that capital expenditures for renewal or replacement of building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, the Condominium Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws the Condominium Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

MANAGEMENT AGREEMENT

The Condominium will enter into a management agreement (the "Management Agreement") with Awaye Realty Management, LLC, having an address at 522A Court Street, Brooklyn, New York 11231 (the "Managing Agent"), with respect to the Building at or prior to the First Closing. The principals of the Managing Agent are not affiliated with Sponsor or its principals.

The management agreement provides for a term of two (2) years commencing on the First Closing, unless earlier terminated as provided in the Management Agreement. Thereafter, the Management Agreement can be extended annually by the Condominium on at least sixty (60) days prior written notice.

If the Managing Agent shall fail to perform or abide by any of its services, agreements, representations, warranties, covenants, or obligations herein, and shall fail to cure said failure within 30 days of notice of said failure sent by the Condominium to the Managing Agent, the Condominium shall have the right to terminate the Management Agreement at the end of any calendar month on not less than thirty (30) days' prior written notice to the Managing Agent. If the Condominium shall unreasonably refuse to comply with or abide by any proper rule, order, determination, ordinance or law of any federal, state or municipal authority having jurisdiction or asserting jurisdiction, the Managing Agent may terminate the Management Agreement at any time on ten (10) days' prior notice in writing to the Condominium. The Managing Agent may otherwise terminate the Management Agreement on sixty (60) days' prior written notice to the Condominium.

The Managing Agent will receive an annual fee of $49,800.00 during the first year of condominium operation and $50,800.00 during the second year of condominium operation, payable in equal monthly installments. In addition, for services rendered to Unit Owners (other than Sponsor or its designee) in connection with processing applications to sell, lease or assign his/her Unit, a Unit Owner will pay the Managing Agent a fee in the amount determined by the Managing Agent not to exceed $450.00 for the services rendered in connection with the processing the application and/or obtaining the waiver of the right of first refusal for the person to whom his/her Unit is being sold, leased or assigned. Commissions will be paid to the Managing Agent in accordance with the Managing Agent's rates then in effect for leasing or renewing leases of space owned by the Condominium, if Managing Agent is specifically retained for this purpose. Services in connection with the supervision of major alterations or capital improvements (costing in excess of $10,000.00) are outside the scope of the Managing Agent's obligations under the Management Agreement. However, coordination of major alterations or capital improvements being supervised by others is within the scope of the Managing Agent's obligations and if such services shall be requested by the Condominium and agreed to by the Managing Agent, the Managing Agent shall be paid a fee equal to 4% of the total cost of the alterations. Such fees shall not apply to the sale, rental or renovation of any Unsold Unit owned by Sponsor or by a Permitted Mortgagee of Sponsor that has acquired title to Unsold Unit or to the sale or lease of a Unit where the Managing Agent has procured the purchaser or to any/all major capital work performed by Sponsor. In addition, refundable fees for move-in may be required of each purchaser. Such fees may be retained by the

Condominium in the event a Purchaser, a tenant or their agents damages the Common Elements during the move in. The fees charged by the Managing Agent are consistent with fees charged with other managing agents managing buildings in Brooklyn.

The duties and services to be rendered by the Managing Agent shall include, but not be limited to, the following:

(1) cause to be hired, paid and supervised, all persons necessary to be employed in order to properly operate and maintain the Property but all such employees in or about the Building shall be employees of the Agent or third party contractor and not of the Condominium.

(2) cause the Property to be maintained in such condition as may be deemed appropriate, including interior and exterior cleaning and cause ordinary and necessary repairs and alterations to be made, including, but not limited to electrical, plumbing, steamfitting, carpentry, masonry, elevator, decorating and such other incidental alterations or changes therein as may be proper and to contract for such services providing no such contract shall be for a term longer than 1 year or require annual payments in excess of $3,000 unless authorized by the Condominium;

(3) cause all such acts and things to be done as shall be necessary or desirable to comply with all contracts (including, but not limited to, labor, elevator, service, laundry, exterminator and water conditioning) that the Condominium is party to, as well as advise the Condominium with respect to bidding, extending, terminating or negotiating such contracts;

(4) cause all such acts and things to be done in or about the Property as shall be necessary or desirable to comply with any and all orders or violations affecting the Property placed thereon by any federal, state or municipal authority having jurisdiction thereover, and orders of the Board of Fire Underwriters or other similar body;

(5) on behalf of and at the expense of the Condominium cause to be effected and maintained, through agents and brokers approved by the Condominium, in such amounts and with such insurance companies as the Condominium shall approve, fire, extended coverage and rent insurance, public liability, elevator liability, boiler, worker's compensation, fidelity bonds covering all members of the Condominium Board, officers and employees of the Agent, to the extent obtainable and such other insurance as the Condominium and Agent deem necessary and reasonably desirable;

(6) check all bills received for services, work and supplies ordered in connection with maintaining and operating the Property, pay or cause to be paid all such bills, mortgage interest, mortgage amortization, water charges, sewer rent, utilities, assessments, real estate taxes and other taxes assessed against the Condominium as and when same shall become due and payable;

(7) Accept applications and references from all prospective Unit Owners and obtain credit reports relating to prospective Unit Owners;

(8) supervise the moving in and out of tenants and Unit Owners and large deliveries requiring use of the service elevator and as far as possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Property and inconvenience to other tenants and Unit Owners;

(9) bill and collect all Common Charges, Special Charges or Assessments and other amounts due and payable by Unit Owners, rents from Common Elements of the Property leased to others and from Units owned by the Condominium and other income from the Property and send late notices to any Unit Owners or tenants of the Condominium who have not made timely payments of the foregoing;

(10) caused to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to employment of the Condominium's employees in the maintenance and operation of the Property, required by any federal, state or municipal authority;

(11) set up and keep in good order a separate, accurate and full set for books for the Condominium;

(12) cooperate with the Condominium's accountant in regard to the annual review of the books of account of the Condominium, including the annual report of the operations of the Property for the calendar year then ended and cooperate with the Condominium's accountants in providing such information as may be necessary to permit the Condominium to comply with its financial reporting requirements;

(13) cooperate with the Condominium's accountants in regard to the preparation and filing on behalf of the Condominium of federal, state and any other tax returns required by any governmental authority;

(14) prepare and submit annually, at least three (3) months prior to the end of each fiscal year, to the Condominium an operating budget setting forth the anticipated income and expenses of the Condominium for the ensuing year and notify Unit Owners of annual and all other assessments of the Common Charges as determined by the Condominium Board;

(15) attend meetings of the Condominium Board and Unit Owners, not to exceed one meeting per month and prepare and send out all notices of Condominium Board meetings and Unit Owner meetings and such other letters and reports as the Condominium Board may request;

(16) to the extent Agent has received notification of the name and address of mortgagees in accordance with Article 7 of the By-Laws, send to the mortgagees of the Units, by registered mail or certified mail, copies of all notices of default given to the owner of such Unit; and

(17) generally, doing all things reasonably deemed necessary or desirable for the proper management of the Property.

The Management Agreement may not be assigned by the Condominium Board or the Managing Agent. The Management Agreement provides that the Condominium shall reimburse the Managing Agent for all costs relative to the employment of all persons necessary to be employed in order to properly operate and maintain the Property, including salary or other compensation, any taxes, insurance or other fringe benefits. The Management Agreement further provides that the Condominium must reimburse the Managing Agent for expenses incurred and to indemnify the agent against liability for acts properly performed by it pursuant to the Management Agreement. The Managing Agent, at the expense of the Condominium, will be required to procure a fidelity bond satisfactory in form to the Condominium and issued by a bonding, insurance or casualty company satisfactory to the Condominium pursuant to which the Condominium will be held harmless by the surety in an amount up to $100,000 (for each occurrence) for any loss of money or other personal property belonging to the Condominium or for which the Condominium is legally liable, caused by larceny, embezzlement, forgery, misappropriation, wrongful abstraction or any dishonest or fraudulent acts committed by the Managing Agent, its directors, officers or employees.

IDENTITY OF PARTIES

Sponsor

Sponsor is Court Lofts, LLC, a New York limited liability company with an office at c/o Metropolitan Housing Partners, LLC, 588 Broadway, Suite 1208, New York, New York 10012 formed on September 9, 2003.

The principals of Sponsor who will be actively involved in this offering are: Christopher H. Martorella, Jane Gladstein and Richard Mack.

Mr. Martorella and Ms. Gladstein are the managing members of Metropolitan Housing Partners, LLC, which is a managing member of Metropolitan Development Holdings, LLC, which is a managing member of Metropolitan Development Partners VIII, LLC, which is a member of Sponsor. Mr. Martorella and Ms. Gladstein have extensive experience in the development and ownership of real property. Mr. Martorella and Ms. Gladstein have participated as principals of the sponsoring entities of the following condominium projects in New York: (i) The Sycamore located at 250 East 30th Street, New York, New York; (ii) Soho 25 located at 25 West Houston Street, New York, New York; (iii) 505 Greenwich Condominium located at 505 Greenwich Street, New York, New York; (iv) 255 Hudson Condominium located at 255 Hudson Street, New York, New York and (v) The 204 Huntington Street Condominium located at 204 Huntington Street, Brooklyn, New York. Mr. Martorella and Ms. Gladstein are current in their financial obligations with respect to these projects.

Mr. Mack is the Executive Committee Member of Excelsior Co-Investors LLC, which is the managing member of The Excelsior Real Estate Fund, LLC, which is the managing member of Sponsor. Mr. Mack has extensive experience in the development and ownership of real property. Mr. Mack has participated as a principal of the sponsoring entities of the following condominium projects in New York: (i) 505 Greenwich Condominium located at 505 Greenwich Street, New York, New York; (ii) 255 Hudson Condominium located at 255 Hudson Street, New York, New York and (iii) The 204 Huntington Street Condominium located at 204 Huntington Street, Brooklyn, New York. Mr. Mack is current in his financial obligations with respect to these projects.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Selling Agent

The Selling Agent for this offering for all Tenant Purchasers is Awaye Realty Management, LLC, having an office at 522A Court Street, Brooklyn, New York 11231. The Selling Agent has been involved in the sale of coops and condominiums in Brooklyn for a number of years.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

The Selling Agent for this offering for all Non-Tenant Purchasers is Corcoran Group Marketing, LLC, a division of The Corcoran Group, a licensed real estate brokerage firm which has an office at 490 Broadway, New York, New York 10012. The Selling Agent has been involved in the sale of coops and condominiums in Manhattan and Brooklyn for a number of years.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Managing Agent

Awaye Realty Management, LLC, having an office at 522A Court Street, Brooklyn, New York 11231 will be the managing agent for the Building. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is not affiliated with Sponsor. The Managing Agent has been engaged in the development and management of New York City residential properties for a number of years.

There have been no prior felony convictions of the Managing Agent, or any principals of the Managing Agent; and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

A list of properties which have been managed by the Managing Agent include:

Wallace Holland Owners Corp. – residential co-op building in Bronx, NY

436 Sterling Place – residential co-op building in Brooklyn, NY

317 Third Street – residential co-op building in Brooklyn, NY

330 E 94th Street – residential co-op building in Manhattan, NY

505 Court Street – residential rental building Brooklyn, NY

204 Huntington Street – residential rental building in Brooklyn, NY

26 & 34 Butler Place – residential rental stabilized buildings, Brooklyn, NY

7115 Third Street – residential co-op building, Brooklyn, NY

307 72nd Street – residential co-op building, Brooklyn, NY

333 Third Street – residential co-op building, Brooklyn, NY

189 Fifth Avenue – residential rental building, Brooklyn, NY

221 Fifth Avenue – residential co-op building, Brooklyn, NY

339 Third Street – residential rental building, Brooklyn, NY

246 Fifth Avenue – residential co-op building, Brooklyn, NY

77 Bryant Avenue – commercial building, Edison, NJ

Attorneys for Sponsor

Sponsor has retained the law firm of Stroock & Stroock & Lavan LLP, having an office at 180 Maiden Lane, New York, New York 10038 to represent it in connection with the Plan. Stroock & Stroock & Lavan LLP prepared the Plan, the Declaration, the By-Laws and the forms of Purchase Agreement, Unit Deed and Power of Attorney and has also rendered an opinion with respect to the estimated real estate taxes, the availability of income tax deductions to purchasers of Units and compliance with Section 339-i of the Real Property Law. Christine Hilla, Esq. had principal responsibility for the preparation of the Plan. Stroock & Stroock & Lavan LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor's Architects/Engineers

The architect for the Building is John Schimenti, P.C., having an office at 126 Atlantic Avenue, Lynbrook, New York 11563, has examined the physical condition of the Building and has rendered its report thereof and a certification which are set forth in Part II of this Plan. The Architect has been providing architectural and engineering services for many years. All statements and representations made in this Plan with respect to the "Description of Property" have been made in reliance upon the Architect and its authority as an expert. The Architect has no financial interest in the Property, Sponsor, the Selling Agent and the Managing Agent, or any other parties interested in this transaction, except for its fee for services rendered.

Sponsor's Condominium Expert

Awaye Realty Management, LLC, having an office at 522A Court Street, Brooklyn, New York 11231, estimated all amounts of income and expenses in Schedule B, "Projected Budget For First Year of Condominium Operation," in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget.

The Corcoran Group Marketing, LLC, a licensed real estate brokerage firm which has an office at 490 Broadway, New York, New York 10012 provided the opinion regarding Sponsor's compliance with Section 339-i of the Real Property Law.

Service of Process

The Secretary of State of the State of New York has been designated to receive service of process for Sponsor which was not formed in New York State.

SPONSOR'S PROFIT

Sponsor acquired the Property on or about April 15, 2005 from AP Court Street, LLC, a Delaware limited liability company and an affiliate of Sponsor.

The purchase price together with Sponsor's approximate cost of capital expenditures undertaken or to be undertaken, the costs associated with acquisition and ownership of the property, including financing costs and the aggregate amount for costs incurred in connection with the conversion such as sales commissions, attorneys' and engineers' fees, printing, advertising, government filing fees and transfer taxes which are estimated to aggregate approximately $73,257,931.00 Sponsor expects to sell Units at full market value. Occupied Units which have not been sold to Tenant Purchasers, will be sold from time to time. The exact profit to be realized by Sponsor cannot now be determined and may increase or decrease substantially depending upon variable factors such as the uncertainty of future market conditions including the availability and cost of money, the length of time required to sell the Units, losses or expenses arising from obligations assumed or waived by Sponsor under this Plan and other contingencies. However, assuming that all of the Units are sold at the purchase price offered to Tenant Purchasers and given Sponsor's estimated costs the Sponsor's profit from the sale of the Units would be approximately $12,873,269.00.

DOCUMENTS ON FILE

In accordance with Section 352-e(a) of the New York General Business Law, copies of this Plan and Parts A, B, C, and D of the Exhibits delivered to the Department of Law containing all exhibits or documents referred to herein shall be available for inspection (without charge) and for copying (at a reasonable charge) by prospective purchasers and by any person who shall have purchased a Unit offered under this Plan, at the office of Selling Agent during business weekday hours and shall remain available for such inspection and copying for a period of six years from the First 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 City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the City Register's Office. All deeds conveying, and all mortgages covering, individual Units will also be recorded in such office.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give Unit Owners annually:

(1) a financial statement of the Condominium prepared by a certified public accountant within four months after the end of each fiscal year, which statement shall be certified while the Sponsor is in control of the Condominium Board;

(2) prior notice of the Annual Unit Owner's meeting; and

(3) a copy of the proposed annual budget of the Condominium delivered to Unit Owners at least ten (10) days prior to the adoption thereof.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Purchase Agreement, form of Unit Deed, form of Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

In conjunction with Sponsor's financing of the acquisition and ownership of the Property certain inspections and environmental assessments were performed to determine, among other things, whether any lead based paint was present at the Property. Although Sponsor understands that these reports did reveal that lead based paint was present in certain common areas of the Building, said reports were commissioned by Sponsor's lender and copies of said reports were never provided to the Sponsor.

Under applicable Federal and local Law, leaded paint can no longer be used in the construction of the Building. New York City's new lead paint hazard reduction law went into effect on August 2, 2004. Local Law 1 of 2004 ("Local Law 1") is a comprehensive new law concerning the prevention of childhood lead poisoning through the remediation of lead paint hazards in housing and day care facilities. This legislation repeals the former lead law, Local Law #38 of 1999. The law covers all pre-1960 multiple dwellings. The law also places certain responsibilities on owners in post-1960 to pre-1978 buildings where the owner knows there is lead based paint. The provisions of Local Law 1 do not apply where title to a multiple dwelling unit is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit and such dwelling unit is occupied by the shareholder of record or the owner of record of such condominium unit, as applicable, or the shareholder's or record owner's family. The law does however apply to cooperative or condominium units occupied by a tenant or subtenant. Unit Owners will be responsible with familiarizing themselves with Local Law 1 and complying with its requirements. Additionally, all construction undertaken on or after August 2, 2004 for renovation work in dwelling units where a child under seven resides and in the Common Elements must be done by trained workers. Sponsor makes no representation regarding the scope or nature of any future enactments regarding lead-based paint or whether Local Law 1 will be further modified or whether the City or State of New York will adopt other laws dealing with lead based paint or what the provisions of such law may be. Prospective purchasers are urged to review Local Law 1 or any successor statute thereto and any regulations or requirements promulgated with respect thereto for a full description of the obligations of a Unit Owners thereunder. A copy of Local Law 1 is set forth in Exhibit 24 in Part II of the Plan. Please refer to Exhibit 24 in Part II of the Plan for further details.

Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Based upon the age of the building, it can be assumed that there is lead-based paint or lead-based paint hazards in the Building, however, Sponsor and has no written records or materials pertaining to same. Sponsor will comply with applicable Law concerning the use of lead-based paint. Set forth as an Exhibit in Part II of this Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead based paint. In accordance with the terms of the rider annexed to the Purchase Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. Please refer to the Purchase Agreement set forth in Part II of the Plan for further details.

In conjunction with Sponsor's financing of the acquisition and ownership of the Property certain inspections and environmental assessments were performed to determine, among other things, whether any lead based paint was present at the Property. These reports did reveal that lead based paint was present in certain common areas and apartments. Sponsor undertook a program of lead based paint abatement using certified and licensed personnel. Copies of the reports are available for inspection and copying at the office of the Selling Agent and will be provided to Purchasers.

Except for the tax certiorari proceedings pending in the New York Supreme Court with respect to the Property for tax years 2000/01 through and including 2004/05, there are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material amendment to the Plan as to which rescission is required by the Department of Law, Purchasers will have a right of rescission which may only be exercised within 15 days from the date of presentation of said amendment. Escrow Agent shall promptly return any Down Payment, together with any interest thereon, to Purchasers who rescind, except that Escrow Agent shall return to Sponsor the Down Payment (and any interest thereon) of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period. If the Plan is substantially amended prior to the First Closing, the exclusive right to Tenant Purchasers to purchase shall be extended as follows: (i) if the presentation of the substantial amendment occurs

during the initial exclusive right to purchase period, such period shall terminate at the later of thirty (30) days after presentation of the substantial amendment or the expiration of the original exclusive right to purchase period and (ii) if the presentation of the substantial amendment occurs after the expiration of the initial exclusive right to purchase period, the substantial amendment must grant to all tenants who had the right to purchase during the initial period a new exclusive right to purchase on the terms offered in the amendment for a period of not less than thirty (30) days from the date of presentation.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

Unless the context otherwise requires, words used in the singular in Part I of the 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.

To the best of Sponsor's knowledge, neither the Property nor the Building have been the subject of any prior public offerings.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Set forth in Part II of the Plan is the "Description of Property." Sponsor is not an architect or engineer, but believes and hereby represents that the "Description of Property," with additional information by Sponsor if any as indicated, set forth in Part II of the Plan, represents accurately the present Building condition. The firm preparing the "Description of Property" has no financial interest in the Property, Sponsor, the Condominium, the Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered. Sponsor knows of no facts or information inconsistent with the report that follows. Elevator inspections for the Building will be current as of the First Closing.

Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Building except as hereinafter set forth in the "Description of Property," the Lenders' Reports and the violations search annexed to said Report. The New York City Department of Buildings has issued Certificate of Occupancy No. 219955 for the Building dated February 2, 1982.

The Units are being sold "as is" in the condition in which they exist at the time a purchaser signs a Purchase Agreement subject to ordinary wear and tear. Purchasers are advised that former or current occupants of the Units may have made alterations to certain Units, including without limitation, installation and/or relocation of interior walls. Consequently, Sponsor makes no representation, warranty or guarantee as to whether any of said alterations were completed in compliance with all applicable governmental laws and regulations. Except as described in the "Description of Property" and/or the Plan, Sponsor makes no representations or guaranties regarding the condition of the Property and has no specific knowledge about problems with or needed repairs to the Building. However, the Building was originally constructed in 1918 as an industrial building and renovated in 1982 as a residential apartment building, as all prudent property owners are aware, a program of ongoing Maintenance is typically required to insure the integrity of a building. Under the terms of Local Law 11 of 1998, property owners are obligated to have the facades of their buildings periodically inspected and perform remedial work as determined by the licensed engineer performing the required inspections. Set forth in Part II of the Plan is copy of the most recent Local Law 11 Inspection Report for the Property. Except as otherwise expressly provided in this Plan, Sponsor's obligation to make repairs in any Unit shall cease upon the Closing of Title to such Unit. Sponsor will, however, Maintain and operate the Building until the First Closing in substantially the same manner and condition as on the Filing Date of this Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by Acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, 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 for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so Maintaining the Building and the Common Elements (or causing the same to be Maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

PART II

The 505 Court Street Condominium
505 Court Street
BROOKLYN, NEW YORK 11231

EXHIBIT "1"

PURCHASE AGREEMENT

PURCHASE AGREEMENT

COURT LOFTS, LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

The 505 Court Street Condominium
505 Court Street
Brooklyn, New York 11231

TABLE OF CONTENTS

		Page
1.	The Plan	1
2.	Definitions	1
3.	The Unit	1
4.	Purchase Price	2
5.	Closing of Title	2
6.	Delivery of The Deed and Power of Attorney	3
7.	Fee Title	3
8.	Closing Adjustments and Real Estate Taxes	3
9.	Mortgage Tax Credit	4
10.	Closing Costs	5
11.	Down Payment	5
12.	Binding Effect of Declaration, By-laws and Rules and Regulations	5
13.	Agreement Subject to Mortgage	5
14.	Rent Security Deposit	5
15.	Default By Purchaser	6
16.	Closing Contingent Upon Plan Being Declared Effective	7
17.	Sponsor's Inability to Convey the Units	8
18.	Fixtures, Appliances And Personal Property	8
19.	Acceptance Of Condition Of Property	8
20.	Damage To The Unit	9
21.	No Representations	10
22.	Prohibition Against Advertising	10
23.	Broker	11
24.	Agreement May Not Be Assigned	11
25.	Sale Subject To Existing Tenancy	11
26.	Tenant Purchaser's Right To Benefit From Improved Terms	12
27.	Purchaser's Representations	13
28.	Binding Effect	13

29. Notices 13
30. Joint Purchasers 14
31. Performance By And Liability Of Sponsor 14
32. Further Assurances 14
33. Agreement Not Contingent Upon Financing 14
34. Costs Of Enforcing And Defending Agreement 14
35. Severability 14
36. Strict Compliance 15
37. Governing Law 15
38. Waiver Of Jury 15
39. Entire Agreement 15
40. Certain References 15
41. Captions 15
42. Rule Of Construction 15
43. Successors And Assigns 15
44. No Oral Changes 15
45. Lead-Based Paint Disclosure 16

UNIT NUMBER _____

The 505 Court Street Condominium
505 Court Street
Brooklyn, New York 11231

(to be executed in quintuplicate)

This agreement (the "Agreement"), made as of the date on the signature page of the Agreement, between Court Lofts, LLC, a New York limited liability company, having an office at c/o Metropolitan Housing Partners, LLC, 588 Broadway, Suite 1208, New York, New York 10012 ("Sponsor"), and

_____, having an address at

_____ ("Purchaser").

W I T N E S S E T H:

1. THE PLAN. Purchaser acknowledges having received and read the Offering Plan for the 505 Court Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") Plan at least three (3) business days prior to Purchaser's signing this Agreement. If Purchaser is not a Tenant Purchaser, Purchaser understands that if Purchaser has not been afforded at least three (3) business days prior to Purchaser's signing this Agreement to receive and read the Plan and all filed amendments, then in such event, Purchaser shall have seven (7) days after delivering this Agreement together with the Down Payment to rescind this Agreement and have the Down Payment refunded promptly by either personally delivering a written notice of rescission to Sponsor or the Selling Agent within the seven (7) day period or mailing the notice of rescission to Sponsor or the Selling Agent and having the mailing postmarked within the seven (7) day period. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

2. DEFINITIONS. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") designated as Unit _____in the Declaration, together with the ____ percentage undivided interest in the General Common Elements of the Condominium appurtenant thereto.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit ("Purchase Price") is $_____

The Purchase Price is payable as follows:

(a) $_____ (the "Down Payment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged; and

(b) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Down Payment shall be made payable to "Stroock & Stroock & Lavan LLP, Escrow Agent." Checks for the balance of the Purchase Price shall be made payable to the direct order of "Court Lofts, LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. CLOSING OF TITLE.

5.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on notice served not less than thirty (30) days' prior to the scheduled date for closing. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser. In the event of such adjournment, a closing may be rescheduled by Sponsor upon written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing. In the event this Agreement is executed after the First Closing, the closing of title shall occur thirty (30) days after the date this Agreement is executed.

5.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

5.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 5.1 hereof.

6. DELIVERY OF THE DEED AND POWER OF ATTORNEY.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

6.2 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge the Power of Attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

6.3 The deed and Power of Attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the Power of Attorney shall be sent to the Managing Agent.

6.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and (ii) each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

7. FEE TITLE. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) Commonwealth Land Title Insurance Company, having an address at 655 Third Avenue, New York, New York 10017 (Tel: (212)949-0100, Fax: (212)983-8430) (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. CLOSING ADJUSTMENTS AND REAL ESTATE TAXES.

8.1 Subject to Paragraph 15 hereof, the following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

8.2 If closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date, the adjustments and collection of taxes under subsection 8.1(a) hereof and future tax payments shall be as described in the Section of the Plan entitled "Closing Costs and Adjustments."

8.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

8.4 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.

8.5 Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. The provisions of this subsection shall survive the closing.

9. 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 shall inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Alternatively, Sponsor may require, in its sole discretion, that a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage.

10. CLOSING COSTS. In addition to those costs and adjustments described in Articles 8 and 9 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11. DOWN PAYMENT. The Down Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law (the provisions of which are set forth in Part II of the Plan and deemed incorporated herein by reference) and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York. Any Down Payment received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Down Payment to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Down Payment, if any. Purchaser will be taxed accordingly on such interest.

12. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

13. 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, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses 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 Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. RENT SECURITY DEPOSIT. If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within forty-five (45) days following the closing,

provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupant will be transferred at closing to Purchaser, who will upon receipt, sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account pursuant to the provisions of Section 7-103 of the New York General Obligations Law (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to sue the tenant to the extent such rent security is insufficient.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the balance of the Purchase Price on the Closing Date designated by Sponsor; or

(ii) Purchaser's failure to duly complete and sign before a notary public and deliver at closing the Power of Attorney or the New York State and City transfer tax returns; or

(iii) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(iv) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(viii) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(ix) If, prior to the closing of title, Purchaser engages in prohibited Advertising Activities (as such term is defined hereinbelow); or

(x) The failure to pay, perform or observe any of Purchaser's other obligations hereunder.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser or bring an action against Purchaser for specific performance. Notwithstanding the foregoing, Sponsor shall not exercise its right to file an action for specific performance against a Tenant Purchaser who purchases the Unit he/she occupied on the Filing Date of the Plan. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.3 If Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 8.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, interest at the rate of fourteen (14%) percent per annum (or such lower rate per annum which is the legal limit, if 14% per annum exceeds the legal limit) on the total purchase price, computed from the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE.

16.1 The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). The Plan will be abandoned or deemed abandoned if it has not been declared effective within the time limits prescribed in the Plan. Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

16.2 If the Plan is abandoned or Sponsor elects not to declare the Plan effective or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Down Payment paid by Purchaser hereunder,

together with interest earned thereon, if any, will be disbursed to Purchaser, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Effective Date." After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

17. SPONSOR'S INABILITY TO CONVEY THE UNITS. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor will 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, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy will be to either (a) 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 Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor will, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser the Down Payment paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Terms of Sale," and, upon making such payment, this Agreement will be terminated and neither party hereto will have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it will be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

18. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. At closing, the Unit will contain only those appliances, countertops, cabinets, sinks, air conditioning units (if any), hardware and other fixtures, equipment and appliances currently installed therein that are owned by Sponsor. The Unit is being sold unfurnished. Any appliances, air conditioning units, furnishings, equipment, fixtures and other personal property owned by any tenant of the Unit are not included in this sale. However, if the Unit is presently occupied by other than Purchaser and the existing tenant removes a stove, dishwasher and/or refrigerator belonging to him, then Sponsor agrees to supply a replacement, which may not be new, but will be in working order and similar in size and quality to the stoves, dishwashers and refrigerators owned by Sponsor that are contained in comparable Units in the Building on the Filing Date of the Plan. Furniture, wall coverings, furnishings, decorations and the like in or about any model unit is for display purposes only and is not included in this sale. Any floor plans or sketches shown to Purchaser or included in the Plan are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon.

19. ACCEPTANCE OF CONDITION OF PROPERTY. The signing of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Property including the Building, the Common Elements, the Unit and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein (hereinafter

collectively called "Installations"), in their respective existing conditions, ordinary wear and tear excepted between the date Purchaser signs this Agreement and delivery of the deed to Purchaser. With the exception of Tenant Purchasers, each Purchaser represents that he/she has not relied upon any information such Purchaser may have seen in any Unit or any models and sales and/or promotion offices in connection with the sale of the Units. Purchaser understands that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Installations, except as may otherwise be set forth in the Plan. Sponsor has agreed in the Plan to Maintain the Building and the Common Elements in substantially the same condition they were in on the Filing Date, until the First Closing (subject to ordinary wear and tear between the Filing Date and the First Closing), unless prevented from so doing by reason of acts or events beyond Sponsor's control, as more particularly set forth in the Plan. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Without limiting the generality of the foregoing, Sponsor hereby disclaims any and all express or implied warranties as to view, light quality, sound and/or odor transmission, the existence of molds, mildew, spores, fungi and/or other toxins within the Condominium. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). Purchaser shall be given a reasonable opportunity to examine the Unit prior to closing and it is recommended that Purchaser make a careful examination at such time. Purchaser acknowledges that Purchaser must make arrangements to move into the Unit following the Closing and Purchaser agrees to follow the move-in procedures established by Sponsor or the Condominium Board. The provisions of this paragraph shall survive Closing.

20. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 If Purchaser is the existing tenant or occupant of the Unit, or if Purchaser is given possession of the Unit prior to closing under an Interim Lease or use and occupancy agreement or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its Installations. However, until closing Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease or Interim Lease or use and occupancy agreement and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Declaration and By-Laws.

20.2 If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, then 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 of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workperson. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

20.3 Except as provided in the preceding paragraph, all other risk of loss prior to closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to

repair the damage or restore the Unit. If Sponsor elects to repair or replace the loss or damage, this Agreement shall continue in full force and effect, 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 shall be entitled to a reasonable period of time to complete, or to permit the Condominium Board to complete, such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until: (i) the Unit has been substantially repaired to as near as reasonably possible to 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 Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing.

20.4 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Condominium Board does not do so and Purchaser declines to accept the Unit without such repairs, this Agreement shall be deemed canceled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall be entitled to retain the Down Payment pursuant to the Paragraph Down Payment."

21. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on such Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan.

22. PROHIBITION AGAINST ADVERTISING. Prior to the closing of title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease ("Advertising Activities"), without Sponsor's prior written consent. If Purchaser engages in any of the foregoing Advertising Activities, it shall be considered an Event of Default under Paragraph 15.1

hereinabove thereby entitling Sponsor any and all remedies set forth in Paragraph 15 of this Agreement.

23. BROKER. Purchaser represents to Sponsor that Selling Agent and [_____] is [are] the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 23 shall survive the closing of title.

24. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____. Any purported assignment by Purchaser in violation of this Agreement will constitute a default hereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser will be required to pay Sponsor's attorneys a fee of $1,000, in advance, for preparation of an assignment agreement.

25. SALE SUBJECT TO EXISTING TENANCY.

25.1 The following is applicable to Purchasers of Units occupied by others:

Complete the following only if Purchaser is not the tenant of the Unit:

Unit is Vacant: Yes ( ) No ( )

If Unit is Occupied: Monthly Rent: $ _____
Current Lease Term Expires: _____
or month-to-month ( ) _____
Rent Security $
Unit is Occupied by a Non-Purchasing Tenant:

Yes ( ) No ( )

25.2 Purchaser understands and agrees that the Unit is being sold hereunder is subject to the lease or tenancy of the present tenant and Section 352-eeee of the New York State General Business Lays (the "GBL") as explained more fully in the Plan under the Section entitled "Rights of Existing Tenants" and Purchaser and Purchaser's successors and assigns shall continue to be bound by such Laws and regulations so long as such occupancy continues.

25.3 Purchaser further understands, as explained in the Plan, that if a Non-Purchasing Tenant is in possession of the Unit on the Closing Date hereunder, Purchaser must notify the Non-Purchasing Tenant of the change in ownership of the Unit promptly after the Closing Date and Purchaser will assume the rights and obligations of Sponsor as the landlord of such tenant, including the right to collect rent (whether the same be greater or less than the Common Charges established from time to time by the Condominium Board) and the obligation to Maintain the Unit (including its equipment and appliances) for the benefit of the existing tenant. From and after delivery of the deed, Purchaser alone will bear the entire costs and expenses of owning the Unit (including, but not limited to, any legal fees and litigation expenses for enforcing the lease and obtaining possession of the Unit).

25.4 Purchaser understands that if the tenant of the Unit exercises any right granted under the Plan (or any amendment thereto) or under the Rent Laws or GBL or other applicable Law, which may or may not exist as of the date of this Agreement, or any administrative or judicial interpretation thereof, to purchase the Unit, then upon the closing of such purchase, this Agreement shall be deemed canceled and, within thirty (30) days after the occurrence of such event, all monies paid by Purchaser hereunder shall be refunded. Upon such repayment, Purchaser, Sponsor, and the Selling Agent, and any other party hereto shall be (and hereby are) released and discharged of all liability or obligations hereunder and under the Plan.

25.5 Purchaser hereby irrevocably appoints the then managing agent of the Building (which managing agent may be replaced from time to time by the Condominium Board) as his agent, coupled with an interest, to provide for the account and at the expense of Purchaser, all services and facilities required by Law on a non-discriminatory basis, to the Non-Purchasing Tenant who has the right to occupy the Unit Purchaser is purchasing until such time as such right of occupancy terminates. Purchaser agrees to deposit with the managing agent at the closing hereunder a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish service and facilities required under the Non-Purchasing Tenant's lease and those required by the GBL. Purchaser agrees that upon written notice by the then managing agent that such deposit has been diminished, that Purchaser shall replenish such fund within thirty (30) days thereafter. Purchaser further understands that Sponsor will guarantee the obligation of the then managing agent to provide all such services and facilities until such time as Sponsor surrenders control of the Condominium Board and Purchaser will indemnify Sponsor for all costs expended by Sponsor on Purchaser's behalf. The provisions of this paragraph shall survive the closing.

26. TENANT PURCHASER'S RIGHT TO BENEFIT FROM IMPROVED TERMS. If prior to the expiration of any exclusive purchase period, which begins prior to the First Closing, Sponsor amends the terms and conditions of the Plan to be more favorable to Tenant Purchasers, then if Purchaser is a Tenant Purchaser who executed and submitted this Agreement

and the Down Payment before Sponsor amended the terms of the Plan, Purchaser shall benefit from the more favorable terms and conditions.

27. PURCHASER'S REPRESENTATIONS.

27.1 If Purchaser was a tenant in occupancy of a Unit in the Building on the Filing Date of the Plan, Purchaser hereby represents that this Agreement was executed and delivered by Purchaser pursuant to an offering made without a discriminatory repurchase agreement or other discriminatory inducement.

27.2 If the Unit to which this Agreement relates is not occupied by Purchaser, Purchaser shall duly complete and sign before a notary public the Statement of Purchase set forth as Schedule B hereto and deliver same to the Selling Agent together with this Agreement.

28. BINDING EFFECT. If Purchaser was a Tenant Purchaser of the Unit on the Filing Date of the Plan, this Agreement shall be accepted by Sponsor, provided Purchaser signs and returns this Agreement, together with the Down Payment, during the time within which Purchaser has the exclusive right to purchase the Unit as set forth in the Plan. If Purchaser was a Tenant Purchaser of the Unit on the Filing Date of the Plan, and signs and returns this Agreement, together with the requisite Down Payment, after the period during which Purchaser has the exclusive right to purchase the Unit, or if Purchaser is not the tenant of record of the Unit, or any other Unit in the Building, this Agreement shall not be binding upon Sponsor until a duplicate hereof, executed by Sponsor or its duly authorized agent, is delivered to Purchaser or Purchaser's attorney. In any such case, unless this Agreement, executed as aforesaid, is delivered to Purchaser within thirty (30) days after same is received by Sponsor or the Selling Agent, it shall be deemed rejected and neither party shall have any further rights or obligations hereunder with respect to the other, except that Sponsor shall be obligated to refund all monies paid by Purchaser within fifteen (15) days after such cancellation. Sponsor shall have the right to reject this Agreement without cause or explanation to Purchaser, provided such rejection is not based on sex, race, creed, color, national origin, ancestry or other ground proscribed by Law.

29. NOTICES. Any notice, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan which shall be served in accordance with the Plan or documents for which the method of notice and or delivery is otherwise set forth in the Plan) shall be in writing and delivered by regular mail as well as hand delivered or sent, postage prepaid, by registered or certified mail, or by Federal Express or other reputable overnight courier, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn.: Christine Hilla, Esq. in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself (including, without limitation, any notices of closing or default which Sponsor's counsel is hereby expressly designated and empowered to issue). A failure by

Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in anyway invalidate such communication. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of Closing Dates or the scheduling or rescheduling of inspections may be made by facsimile to each party's attorneys.

30. 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.

31. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed.

32. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

33. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

34. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

35. SEVERABILITY. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

36. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

37. 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 agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of Law.

38. WAIVER OF JURY. EXCEPT AS PROHIBITED BY 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, THE PLAN THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE CLOSING OF TITLE.

39. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

40. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" 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. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

41. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

42. RULE OF CONSTRUCTION. There shall be no presumption against the draftsperson of this Agreement.

43. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

44. NO ORAL CHANGES. This Agreement cannot be changed or terminated orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

45. LEAD-BASED PAINT DISCLOSURE. Annexed hereto and incorporated herein as Schedule C, is the "Disclosure of Information on Lead-Based Paint and/or Lead Based Paint Hazards" required to be executed pursuant to the provisions of Federal regulation.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

Court Lofts, LLC

By: _____
Name:
Title:

PURCHASER:

_____

(Social Security or Federal
I.D. Number) _____

_____

(Social Security or Federal
I.D. Number) _____

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Unit would show, provided such state of facts would not make title to the Unit uninsurable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, Maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which Commonwealth Land Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for residential purposes.

14. Any lease covering the Unit made from the Sponsor to the Purchaser, or if applicable, any lease covering, or tenancy or occupancy of, the Unit and the rights of such tenant(s) and occupant(s), if any, under the Rent Laws, GBL or other applicable Law.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

16. Any other liens, encumbrances, and title conditions set forth in the Unit Owner's Specimen Title Policy set forth in Part II of the Plan.

SCHEDULE B

BONA FIDE PURCHASER
STATEMENT OF PURCHASE

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

Re: Unit_____
The 505 Court Street Condominium

The undersigned Purchaser(s) represent that Purchaser(s) intend that Purchaser(s) or one or more specified members of Purchasers(s) immediate family intend to occupy the above-referenced Unit when it becomes vacant.

PURCHASER(S):

_____
Signature

_____
Signature

Subscribed and sworn to
before me this ____ day of
_____ 200_.

_____
Notary Public

INTENDED OCCUPANT(S):

_____
Print Name

_____
Print Name

SCHEDULE C

Disclosure of Information on
Lead-Based Paint and/or Lead-Based Paint Hazards
SALES

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'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) ☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller *(Check (i) or (ii) below*):

(i) ☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing *(list documents below*).

(ii) ☐ Seller has no reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

(c) Purchaser has received copies of all information listed above.

(d) Purchaser has received the pamphlet **Protect Your Family from Lead in Your Home.**

(e) Purchaser has (check (i) or (ii) below):

(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)

(f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d 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

Seller	Date	Seller	Date
Purchaser	Date	Purchaser	Date
Agent	Date	Agent	Date

EXHIBIT "2"

POWER OF ATTORNEY

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by Court Lofts, LLC ("Declarant") establishing a plan for condominium ownership of the premises known as The 505 Court Street Condominium and by the street number 505 Court Street, Brooklyn, New York 11231 under Article 9-B of the Real Property Law of the State of New York, dated _____, 20__, and recorded in the Kings County Office of the Register of The City of New York on _____, ___, in Reel _____, page _____, or (b) in the By-Laws of The 505 Court Street 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, _____, the owner of the Condominium Unit (the "Unit") in The 505 Court Street Condominium which is (are) designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ___, in Block 476 of Section 2 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, do(es) hereby 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 Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board, with respect to the General Common Elements and the Condominium Board with respect to the Building deem necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning

Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the General Common Elements or the Building as the case may be, (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Building which the Condominium Board deems necessary or appropriate or (c) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the General Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned, do(es) hereby nominate, constitute and appoint the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 20_.

(ACKNOWLEDGMENT)

EXHIBIT "3"

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20__, between Court Lofts, LLC, a New York limited liability company, having an office at c/o Metropolitan Housing Partners, LLC, 588 Broadway, Suite 1208, New York, New York 10012 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

W I T N E S S E T H:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") in the premises known as The 505 Court Street Condominium and by the street number 505 Court Street, Borough of Brooklyn, City of New York, County of Kings and State of New York, said Unit being designated and described as Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, _____ and recorded in the Kings County office of the Register of The City of New York (the "City Register's Office") on _____, in Reel _____, page ____, and also designated as Tax Lot(s) ____ in Block 476 of Section 2 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, __, as Condominium Map No. ____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the by-laws of The 505 Court Street Condominium. (Said by-laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws.")

Together with an undivided _____ percentage interest in the General Common Elements (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has (have) been encumbered in any way whatever, except as aforesaid.

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 purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

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

Court Lofts, LLC

By: _____
Name:
Title:

_____
Grantee

_____
Grantee

(ACKNOWLEDGMENT)

EXHIBIT A

DESCRIPTION OF THE LAND

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

BEGINNING at the corner formed by the intersection of the southwesterly side of Huntington Street with the southeasterly side of Court Street;

RUNNING THENCE southwesterly along the southeasterly side of Court Street, 91 feet 1-1/2 inches to the southeasterly face of the concrete wall of the building on the premises hereby described;

THENCE southeasterly parallel or nearly so with Huntington Street and along the said southeasterly side of said wall, 54 feet 6 inches;

THENCE southwesterly parallel with Court Street, 57 feet 2 inches;

THENCE southeasterly parallel with Huntington Street, 10 feet;

THENCE southwesterly parallel with Court Street, 51 feet 10 inches to the northeasterly side of West 9th Street;

THENCE southeasterly along said northeasterly side of West 9th Street, 157 feet 6 inches to a point distant 178 feet northwesterly from the northwesterly side of Smith Street;

THENCE northeasterly parallel with Court Street, 100 feet to the center line of the block between Huntington Street and West 9th Street;

THENCE northwesterly parallel with Huntington Street, 7 feet 6 inches;

THENCE northeasterly parallel with Court Street, 100 feet to the southwesterly side of Huntington Street;

THENCE northwesterly along said southwesterly side of Huntington Street, 214 feet 6 inches to the point of place of BEGINNING.

SAID PREMISES BEING KNOWN AS AND BY THE STREET NUMBER 505 COURT STREET.

SCHEDULE B

PERMITTED ENCUMBRANCES

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO PURCHASE AGREEMENT AND SPECIMEN TITLE POLICY

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY

JOHN SCHIMENTI, P.C.
ARCHITECT
126 ATLANTIC AVENUE
LYNBROOK, NY 11563
TEL: 516 – 825 – 3883
FAX: 516 – 825 - 3887

REPORT

on the

PHYSICAL

CONDITION

of the

PROPERTY

at

505 COURT STREET

BROOKLYN, N.Y.

May 7, 2004
Amended: December 10, 2004
Amended: December 27, 2004
Amended: January 3, 2005
Amended: January 14, 2005
AMENDED: FEBRUARY 9, 2005

Table of Contents

INTRODUCTION....1-2
DESCRIPTION....3
CONSTRUCTION....4
SIDEWALK, SERVICE ENTRANCE, AND YARD....5
EXTERIOR....6
CHIMNEY....7
LOCAL LAW 11 REPORT....8
WINDOWS....9
EXTERIOR DOORS....10
ROOFS AND TERRACES....11-12
ENTRANCES, VESTIBULE, AND LOBBY....13
PUBLIC HALLS AND STAIRWAYS....14
COMPACTOR CLOSETS, LAUNDRIES, AND METER ROOMS....15
APARTMENTS....16
CELLAR....17
HEATING AND AIR CONDITIONING....18
PLUMBING AND ROOF TANK....19
GAS, ELECTRICITY, TELEVISION, AND INTERCOM....20-21
ELEVATORS....22
REFUSE DISPOSAL AND PEST CONTROL....23
SPRINKLERS AND STANDPIPES....24
VIOLATIONS....25
METHOD OF MEASURMENT OF UNITS....26
GENERAL AND CERTIFICATION....27

505 Court Street

INTRODUCTION

This Report was prepared for the Sponsor for inclusion in an offering plan for conversion of the Property to condominium ownership. The Report is based on:

a) Visual inspection of 125 apartments and of a sufficiently large representative sampling of the spaces and mechanical equipment as deemed necessary in my professional opinion but not, unless otherwise stated herein, any tests or penetration into walls, ceilings, floors, etc. or removal of any structural or mechanical elements; it is understood that not all aspects of the physical condition of the Property can be ascertained from a visual inspection alone.

b) An inspection of copies of available records relating to the Property in the files of the Brooklyn Building Department.

c) Information provided by the Sponsor and/or it's representatives. However the inspection and Report do not include a survey of asbestos containing materials (ACM) lead based material, oil spills, and other hazardous materials. Information on ACM and other hazardous materials observed during this survey may be included in this Report, but this Report is not to be considered as fulfilling the requirements for an inspection and report on such materials. A separate report is to be provided by the Sponsor.

The visual inspections were conducted on 12/15/03 through 5/1/04 and on December 6, 2004.

This Report fairly describes the condition of the building and improvements on the Property as of the date of inspection with respect to those facts, which could be ascertained from a visual inspection at that time, except as 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 is not intended to be a comprehensive detailed list of every space and piece of equipment or of their condition. Emphasis is on the condition of the Property at the time of the inspection including deficiencies probably unknown to occupants, rather than description of material make-up usually obvious to residents.

The scope of this Report does not include estimates of costs of repairs which would be required to correct the defects brought to light by this Report. In order to obtain such estimates it would be necessary to engage an engineer and/or architect for preparation of detailed plans and specifications for each trade and to secure competitive bids from contractors in that trade.

The contents of this Report are correct to the best of my knowledge and belief. The Report and the conclusions stated herein are, however, limited to actual knowledge based upon visual inspection, undertaken with due diligence, of visible portions of the Property, the records voluntarily supplied by the Sponsor and records supplied by Building Departments. No representation is made, however, as to the truth, completeness or accuracy of those records.

This report is not to be construed as a guarantee or warranty. It is not intended prepared for the purpose of fixing a value to the Property or as an opinion as to advisability or inadvisability to purchase the Property or acquire any of the units be offered pursuant to the Sponsor's Offering Plan.

505 Court Street

DESCRIPTION

The property is located at 505 Court Street on a 31,198 square foot plot of land in the Borough of Brooklyn, New York City, NY, Block 476 Lot 6. The building was originally constructed in 1918 as an industrial building and renovated in 1982 as a residential apartment building. The building consists of 3 contiguous building sections arranged in an L-shape around a central courtyard. The building contains 166,830 gross square feet and 124 residential units. (123 apartments and 1 superintendent apartment totaling 124 apartments) For the purpose of this report the 3 sections will be referred to as Building Section 1, Building Section 2 and Building Section 3. (See enclosed plot plan in ***exhibit-A***.) Building Section 1 is 10-stories fronting Court and Huntington Streets; Building Section 2 is 7-stories fronting Huntington Street and Building Section 3 is 6- and 7-stories fronting 9th Street.

According to the Certificate of Occupancy, the property is a Class A Multiple Dwelling of Class I Fireproof construction located at: 499 – 503 Court Street; S.E. corner of Court St. and Huntington St.

The building was altered under Application, No. 419/79 and was issued a Certificate of Occupancy, No. 219955 dated February 2nd, 1982. According to the Certificate of Occupancy the building is 126 feet high. The building has 10 stories and a cellar. The floors are designated Cellar, one to ten. There are 8 residential apartments and a superintendent apartment on the first floor, 16 residential apartments on floors 2 thru 6, 14 residential apartments on the 7th floor, and 7 residential units on floors 8 thru 10. The apartments range in size from one to three bedrooms with one to three baths. The building Certificate of Occupancy is attached to this report (see ***exhibit-B***) and is to be referred to for unit breakdowns.

The property is located in an R6 district as indicated on zoning map 16C of the New York City Zoning Resolution (see ***exhibit-C***). The building was built in 1918 as an industrial building. In 1979 the property was rezoned from an M1-1 District to an R-6 district which permitted the conversion of the industrial building into a residential apartment building with certain restrictions including no more than 124 dwelling units, any commercial use on the ground floor be limited to Use Group 6 and if any new structure is constructed on the property it will be limited to no more than 6 stories. In 1982 the property was completely renovated into a Class "A" multiple dwelling. Once the C.O. was issued the only use in the building is use groups 1,2,3, and 4.

The building, as occupied, is in compliance with the C of O issued by the New York City Department of Buildings.

CONSTRUCTION

The building is of reinforced concrete construction (floors, columns and exterior walls) and as per the Certificate of Occupancy the typical allowable floor live load is 180 pounds per square foot (psf). Most of the building's structural system is concealed by finished materials.

The limited areas observed appeared to be in generally good condition with no sign of significant movement, cracking or settling.

A portion of the cellar located under private apartment terraces in Building Section 2 shows evidence of water leakage including standing water on large areas of the floor, water stains on walls, peeling paint, delaminated concrete and rusted rebars at the ceiling. A sleeve for telephone cable in this area appeared to be allowing water penetration and stains were observed below the sleeve.

The building foundation components observed consist of cast-in-place reinforced concrete footings, walls and slabs.

Except as noted below, the limited areas observed appeared to be in good condition with no sign of significant movement, cracking or settling.

Upper exterior walls are concrete, stucco, and aluminum coping.

Floor slabs are reinforced concrete 10" to 16" thick with painted ceilings and hardwood flooring in the living areas and ceramic tile in the bathrooms and some kitchens.

According to the building construction plans ceiling heights are: cellar to 1st floor = 8' – 0", 1st floor to 2nd floor = 12'- 0", 3rd floor to 4th floor = 11' - 4", 4th floor to 10th floor = 12'-0". Ceilings have been dropped down (and are lower) in corridors, common areas, and certain areas of apartments, including but not limited to kitchens, to allow for mechanical passage and/or variations from structure.

505 Court Street

SIDEWALK, SERVICE ENTRANCE, AND YARD

The street is a public street paved with asphalt and the curb is steel edge and concrete. The interior courtyard walks are concrete and brick pavers. The City sidewalks on Court Street and Huntington Street are not hazardous or dangerous, but in fair condition as per last inspection on December 6, 2004. The interior courtyard walks and brick pavers are generally in fair condition. There are a number of areas where sidewalks are cracked and will require repair/replacement.

Municipal parking regulations prohibit parking at the curb at certain times.

There are catch basins for storm drainage at intersections in the neighborhood. They lead to the New York City combined storm and sanitary sewer system. The system appeared to be adequate for the building and site. No evidence of ponding or erosion problems were observed.

Access to the site and buildings is from adjacent public sidewalks on Court Street Huntington Street and 9th Street. The main entrance to 505 Court Street is from Court Street. A secondary entrance is provided from 9th Street through the courtyard. Street level lighting is provided by City light poles located on the sidewalks adjacent to the buildings and by building mounted wall sconces. The interior courtyard is also illuminated by light poles and wall sconces.

Access and egress are generally satisfactory and the nighttime lighting provisions appear adequate.

Street lighting is by mercury vapor lamps on aluminum stanchions and is provided by New York City. There are street lamps around to site.

The Siamese standpipe and sprinkler sidewalk hose connections are at the Huntington Street and 9th Street facades.

There are trees in the sidewalk tree plots at the curb protected by iron fences on all three streets.

Refuse is stored in both the compactor room (1st fl. In Building Section 1) and cellar when required for overflow. Building maintenance puts out refuse for collection by the City of New York Department of Sanitation twice a week . Recycle pick-up is once every 2 weeks (as per building management). The refuse room is not air-conditioned and no ventilation was observed

The building is provided with a landscaped courtyard which is enclosed on the south side along 9th Street with a wrought iron fence. Concrete benches are provided at various places in the courtyard. The landscaping and benches appear to be well maintained

Domestic water and firewater are connected to the street main, which is supplied by the City of New York. Electric service is provided to the site by ConEdison. Natural gas service is provided to the site by Keyspan. Sanitary sewer water is discharged through combined City sewers at Huntington Street and 9th Street. Strom water is collected and discharged through the combined City sewers at Huntington Street and 9th Street.

505 Court Street

EXTERIOR

The exterior walls of the building are reinforced concrete with a painted textured cementitious waterproofing coating. Pre-finished sheet metal cladding details band the building at window heads and sill levels. The interior surfaces of the exterior walls are finished with gypsum board on steel studs with batt insulation between the studs.

The textured cementitious waterproof coating on the exterior walls is reported to be 8 years old and is spalling in a number of areas. This finish is reaching the end of its useful life.

While the metal cladding is in generally fair condition, the condition of the façade surface concealed behind the cladding could not be determined. Rust stains are noted emanating from two locations below the window sill cladding.

Window sills and lintels are in fair to poor condition throughout as per inspection on December 6, 2004.

All air conditioners are owned by individual tenants and are mounted through windows. There are no air conditioner sleeves in the walls.

On Court Street, the main entrance to the building has a canvas canopy which is in good condition.

There are 3 apartments: 7P, 7N, 7S that have roof terraces. All first floor apartments have private gardens.

Although the building was built under the old code, the roof parapet is about three feet in height and the coping material is aluminum in some areas. Copings are in fair condition as per inspection on December 6, 2004.

505 Court Street

CHIMNEY

There is a metal stainless steel double insulated chimney that was installed several years ago. The chimney runs up from the boiler room to the roof. The chimney weights 3600 pounds and the structural attachments were designed by an engineer. The chimney is in good condition and only exhausts the heating plant (boiler) in the boiler room at the first floor.

The main laundry room on the first floor lobby area is vented through aluminum ductwork to the outside courtyard.

505 Court Street

LOCAL LAW 11 REPORT – CYCLE

A Report of the Periodic Inspection of Exterior Walls and Appurtenances for the Fifth Examination Cycle was filed with the City of New York Department of Buildings on 2/11/00 by Lawless and Mangione. There report states, "all observed conditions conform to Code Requirements and applicable Rules, Regulations and Directive except for the recommended Repair and Maintenance work described in the report. It is noted in the report that the conditions requiring repair and maintenance work "do not represent unsafe conditions, but rather conditions which need to be corrected to render them safe as part of a repair and maintenance program". The items of significant deterioration listed are:

a) The coping metal seams open and the coping metal missing at west elevation (yard) above entrance.
b) The roof steel is rusted.
c) There are air conditioners mounted in windows.
d) Concrete at roof edge is spalled at Northeast (N) Court Street; South(SE) corner @ 3rd floor; setback South(SE) at 6th floor.

Summary of recommendations for maintenance work:

a) Revit the seams of the metal coping and replace missing metal coping.
b) Scrape and paint roof steel.
c) Check for secure mounting of antennae and air conditioners.
d) Rout cracks and caulk with polyurethane material.
e) Sound concrete at roof edge. Check for further deterioration. Repair any exposed reinforcement. Patch with a cementitious material.

New York City requires a Local Law 11 inspection every five years from the initial required period. The building will require a new Local Law 11 at the end of the next cycle date. The tenant / purchaser should anticipate continuing maintenance in the facade as a requirement of the Report.

THE SPONSOR WILL BE RESPONSIBLE FOR ANY RECOMMENDED LOCAL LAW 10/11 WORK AS REQUIRED BY LAW UNTIL THE BUILDING'S OWNERSHIP IS ASSUMED BY THE CONDOMINIUM.

WINDOWS

Windows are aluminum framed with fixed and single hung lites and with insulating glass. Anodized aluminum header and sill pieces run above and below the windows between the structural piers. The main building entrance and side lights at Court Street are an aluminum framed wall system. Exterior emergency stair exit doors are painted hollow metal.

The existing windows, although they are not a danger or hazard, are in fair to poor condition and do not insulate well.

All glass sliding doors from units to exterior courtyards, terraces etc., are in poor condition and are not in smooth or good working order.

The workmanship of existing caulking is of poor quality, appears to have been applied over the original bead, and is reportedly 9 years old and at the end of its useful life.

The West side of the building has a series of windows that are on the lot line. The Sponsor should notify any purchasers that these windows might be required to be closed in the future.

The Sponsor is in the process of commencing a window replacement project in which windows are scheduled to be replaced or refurbished in the building.

The following units contain lot-line windows: 7B, 8B, 9B, 10B. The lot-line windows are subject to the requirements of the New York City Building Code.

76

505 Court Street

EXTERIOR DOORS

The exterior doors from the stairwells, roofs, and corridors to the exterior are hollow metal doors and buck frames. All doors appear to be rated and are self closing. Some doors have vision panels. A few doors are missing labels. They are in fair condition. A few doors need to be replaced including, but not limited to: lobby, courtyard, private entrance servicing the Superintendent's Apartment (unit 1D) off of Huntington Street.

The exits from the apartments are hollow metal doors with mechanical doorbells and viewers. They are in fair condition.

The main entrance is aluminum storefront and is in fair condition. The entrance doors remain open in wind and need adjustment or replacement. The inner court lobby doors which are aluminum metal frame with full clear glass panels are in good condition.

ROOFS AND TERRACES

The Building Section 1 roof consists of three Penthouse Roofs, the Main Roof, a Cornice Roof at the north and west 10th floor elevations, and projecting Canopy Roof at the first floor level above the three northeast terraces. The Main Roof consists of a 4-ply asphalt and fiberglass felt built-up roofing membrane applied directly to the concrete roof deck. Numerous torch-applied modified bitumen patches have been installed (over 50% of the roof area), the most recent within the last two months. The northeast and southwest Penthouse Roofs consist of torch-applied modified bitumen roofing membranes applied to the 4-ply asphalt built-up roofing membranes that are applied directly to the concrete roof decks. The center Penthouse Roof is a smooth surfaced 4-ply built-up roof applied directly to the concrete roof deck. We did not obtain access to the Cornice Roof or lower Canopy Roofs; however, based on our observations from above, these roofs are extensively patched with modified bitumen roofing membrane, most likely applied to the surface of the original built-up roofs.

The Mezzanine, Main, Cornice and Canopy Roofs on Building Section 1 are not reported to be leaking at this time; however, based on the extent of patching and other items listed above, these roofs are in fair condition.

In general, the roofing system is not hazardous or dangerous to anyone, (tenant or otherwise), and appears to be in fair condition; however, there is no warranty on the installation. Upon inspection on December 6, 2004, leaks were found in Apartment unit 6R & 6N. Sponsor is in the process of replacing the roof on the terrace of Apartments 7N, 7P, and 7S, and the bulkhead roof intended to remedy the leaking conditions in Apartments 6N and 6R below.

The roofing system on Building Section 2 is in good condition. The roofing system on half of the main roof on Building Section 2 consists of an aluminum coated, two-ply torch-applied modified bitumen roofing membrane over insulation mopped to the concrete roof deck. The roofing system on the other half of Building Section 2 consists of an aluminum coated, two-ply torch-applied modified bitumen roofing membrane over an older roofing system (no data was obtained on the lower roofing system). Both of these roofs were installed in 2001 by J&K Roofing Services. No test cuts were taken to verify the roofing system composition since the roof is relatively new.

The 2001 work also included:

- Modified bitumen membrane flashing at the large north wall parapet/cornice structure.
- Modified bitumen membrane roofing at the penthouse roofs.
- Sheet metal wall panels at the parapet and penthouse walls.
- Sheet metal coping at the south and east parapets.
- No warranty was given for the most recent roofing work.

There are two roof systems on Building Section 3. The upper roofs consist of mineral surface roll roofing on sloping concrete roof deck. The north upper roof is drained by a hanging gutter. The south roof is drained by a conductor head and downspout. At the south upper roof, one section of gravel stop is missing.

The upper roofs are in poor condition. No leaks were noted below the lower roof section and items are generally in good to fair condition. Other items not specifically related to the roofing installation, such as the privacy fencing, are in poor condition and require replacement.

The lower terrace roof consists of precast concrete pavers installed over a mineral surfaced modified bitumen roofing membrane. This roof area is drained by internal roof drains. The roof side of the parapet wall is covered with prefinished corrugated metal siding capped with a prefinished sheet metal coping. There is a steel railing on top of the parapet wall. The roof side of the parapet wall is covered with prefinished corrugated metal siding and a prefinished metal coping.

Extensive areas of mineral surfacing and membrane surface deterioration are present all roof surfaces and the perimeter drip edge/gravel stop flashing details are poor. The installations at the lower terrace roof area, including the terminations, are well constructed.

The mechanical building (boiler room) roofing system is in poor condition. There is extensive vegetation on the roof and the perimeter lacks proper termination and drainage provisions. This roof should be replaced and a roof drainage system (scupper/conductor head/ and downspout) should be installed.

Roof parapets are generally reinforced concrete, some with aluminum fascia on the interior of the parapet and with an aluminum cap/fascia piece.

The parapets are generally in fair to good condition.

Several apartments have skylights at the top floors. They appear to be in fair condition.

All existing steel stairs and emergency exiting walkways on the roofs need to be scraped and painted, but are in fair condition, working order, and are not hazardous or dangerous to anyone (tenants or otherwise) based on an inspection on December 6, 2004.

505 Court Street

ENTRANCES, VESTIBLE, AND LOBBY

The main lobby serving Building Sections 1 and 2 is located on the ground floor of Building Section 1 and is accessed via an entrance and stairway down from Court Street, as well as an entrance at grade from the courtyard. The lobby contains a wood and plastic laminate finished reception desk and provides access to the elevators, as well as to the corridor serving the ground floor apartments. Corridors serving the apartments on each floor level of Building Sections 1 and 2 are accessed from the elevators and from two interior stairways, one extending from floors 1 -10 and one from floors 1 - 7. Floor nos. 8-10 are provided with a second means of egress by an exterior metal stair which connects across the roof by means of a covered walkway to the other interior stair. A tenant laundry room is located off the main lobby and contains 8 commercial washers and 8 commercial gas dryers.

Section 3 of the building is entered through a vestibule at the ground floor, opening into the ground floor corridor. Apartments are accessed by corridors with one elevator serving the basement and floor nos. 1 - 6, and the two stairways extending from the basement to floor no. 7.

The main lobby and the laundry room (located in Building Section 1), and the building vestibule (located in Building Section 3) all have tiled floors and painted gypsum board on the walls and on the ceilings. The corridors have carpeted floors and painted gypsum on both the walls and ceilings. The interior stairs have painted concrete on the floors, painted gypsum/plaster on the walls, and painted plaster on the ceilings. All corridor hung ceilings have many access panels.

Common area interior finishes were generally found to be in fair to good condition. Some corridor ceilings contained minor unevenness and should be repaired as required by the in-house maintenance staff.

The main entrance is on Court Street. There is a canopy at the entranceway which is lit and approx. 1 year old to the date of this report.

The entrance vestibule has granite floors and steps down to the lobby.

There are handrails on both sides. The ceiling is gypsum wallboard (sheetrock) with hi-hats. This area appears in good condition.

In the vestibule there is a video-intercom system to the apartments only, not the front desk. The video-intercom system is very old and there are currently several units not functioning.

PUBLIC HALLS AND STAIRWAYS

There are public halls on all floors. Those on the upper floors have carpeted floors, rubber bases, gypsum wallboard (sheetrock) walls and ceilings. Some floors on the upper levels are not smoothly leveled and there is a noticeable "wave" to the finished floor.

The halls are illuminated by fluorescent wall mounted fixtures. There is no emergency lighting in the halls.

The public halls are interior and are ventilated through supply & return registers by ducts leading to exhaust fans on the main roof.

Apartment entrances off the public halls have hollow metal doors with steel bucks and stone saddles. They have viewers and chimes.

There are four (4) stairways. The stairs are made of concrete construction with concrete risers, treads and intermediate landings. Handrails are metal pipes and newels and balusters are metal. Floor landings are painted concrete, walls and ceilings are painted plaster, and overheads are painted metal. There are wire-glass windows in the stairways. Illumination is by fluorescent ceiling fixtures. In addition there are no mounted battery-operated emergency lights in the stairways.

The stairways have self-closing hollow metal doors with double-glazed wire glass viewing panels.

There is a 4-inch standpipe in each stairway. There are flexible hoses in two (2) stairwells. They are about 100 feet long and 116 inches in diameter. They appear to be in good condition.

Other than as described in the foregoing the public halls and stairways are in good to fair condition.

One emergency stair is located in Building Section 1 and one emergency stair is located in Building Section 2. A metal stair fire escape services the roof and floors 8 thru 10 of Building Section 1 and connects via a covered walkway on the roof over the 7TH floor to the emergency stair in building Section 2. Two emergency stairs are provided in Building Section 3.

The steel emergency stairs leading from the high to low roof are rusted and the corrugated metal roof over the connection walkway is in poor condition.

Exit signs in all four (4) stairwells are not lit.

COMPACTOR CLOSETS, LAUNDRY ROOM, AND METER ROOMS

There are compactor closets accessible from the public halls on all floors. They have self-closing hollow metal doors with steel bucks and stone saddles. The closets have tiled floors and wainscoting. Walls about the wainscoting are gypsum wallboard (sheetrock). There is a container for refuse to be recycled in each closet. There is a laundry on the first floor off the main lobby. Laundry interior are ventilated through registers on a common duct leading to an exhaust fan on the roof. The laundry and meter rooms are accessible from the public halls. They have self-closing hollow metal door with steel bucks. The compactor closets on the typical floors have no separate ventilation.

Building Section 1 contains a laundry room, with 8 washers, 8 gas dryers. The laundry contains a slop sink, washer, and a gas dryer. The dryers are vented through a common duct to the roof. The charges are two dollars ($2.00) per wash, and twenty-five cents ($0.25) for per drying cycle. Payment is made by cash card which can be augmented at a cash machine available in the laundry room. The washers are Wascomat, and the dryers are American Dryer Corporation and are maintained by *Coinmach.*

The meter room which contains meters serving the apartments is in the cellar. The building point of entrance is off of West 9th Street.

The building is provided with 2 compactor chutes with hopper doors on each floor and leading to two compactors, one on the ground floor of Building Section I and one in the cellar of Building Section 3.

APARTMENTS

Apartment entrance doors are painted hollow metal in metal frames. Interior doors are typically painted hollow core wood in metal frames.

Kitchen appliances are of a variety of brands, and include 14 to 16 cubic foot refrigerators and natural gas ranges. Most but not necessarily all apartments contain dishwashers. Some of the appliances are original dating back to the original occupancy in 1982.

Apartment lighting is by switch-operated baseboard receptacles and standard ceiling fixtures. Bathrooms have wall-mounted fixtures and required 'GFI' type electrical wall outlets.

Bathrooms contain vitreous china water closets, steel enamel tubs, and plastic laminate vanities with plastic laminate tops and vitreous china lavatories which are in fair to poor condition.

Most apartments have wood floors, which are in generally good condition. A small number of wood floors require repairs. Some apartments may have tiled floors. Apartments have painted gypsum board walls, and textured painted concrete/gypsum ceilings. The kitchen will have ceramic tile or wood floors and painted gypsum board walls and dropped ceilings with soffits approximately 7'-6" high. The bathrooms have ceramic tile floors, painted gypsum/ceramic tile walls, and painted gypsum board ceilings.

Not all units were inspected, but those observed were generally in fair condition.

Apartments have wood floors. Bases are wood. Some floors must be replaced because the mastic between the concrete slab and sleepers is failing.

Bathrooms have ceramic tiled floors. Walls are ceramic tiled to a height of about four feet, except around tubs with showerheads where they are tiled to about seven and a half feet. Some tiled walls need grouting. Some bathroom floors are marble and walls are marble to a height of about three and a half feet except around tubs with showerheads and in stall showers where they are tiled to the ceiling.

Bathroom fixtures include built-in tubs with showerheads, tanks or flushometer water closets, and vanity. Bathroom toilets are back outlets.

Some kitchen and bathroom fixtures have leaky or defective hardware.

A few kitchens are ventilated through windows. The others, and all bathrooms, are ventilated through registers on common ducts to exhaust fans on the main roof. The fans and the exhaust system located on the roof over the 10TH floor runs continuously and is noisy. This exhaust system can be heard from certain units.

Hard-wired smoke detectors are installed in the apartments.

The first floor contains compactor room, meters, workshops, the superintendent's office, the help locker a toilet, storage room and a package room.

CELLAR

The cellar is in good to fair condition. There are openings between some of the spaces in the cellar particularly at pipe penetrations. Based on an inspection on December 6, 2004, this condition has been corrected and is not dangerous or hazardous.

The cellar is sprinkled and contains a machine room, compactor room, refuse room, and storage room. All piping in the cellar is exposed and allows very low headroom to an already low ceiling (+ / - 6'-0" high) in some areas. The cellar is primarily used as a holding area for overflowing refuse, recycle products, de-ice salt and other such products.

There was a leaking drain pipe in the cellar that was repaired satisfactorily based on inspection on December 6, 2004.

There is one area with water seepage and the elevator pit sometimes has water. Based upon an inspection on December 6, 2004 this condition was corrected satisfactorily to correct all previous leaking. There is no dangerous or hazardous condition. The cellar is in good to fair condition.

505 Court Street

HEATING AND AIR CONDITIONING

Heating and hot water is provided by to all units and common areas in all 3 Building Sections by a 12,500 MBH dual fuel (natural gas, #2 oil) steam boiler manufactured in 1975. Oil for the boiler is stored in a 10,000-gallon underground tank. A stainless steel boiler exhaust stack runs from the boiler through the roof of the first floor boiler room and up the exterior of Building Section 1 to the roof-top. The boiler is a Rockwell and the burner is a Iron-Free.

The boiler and burner is well maintained and adequately sized to serve the building, units, and common areas.

The elbow of the boiler flue at the boiler room roof is rusted and requires repair.

Two pumps located in the first floor mechanical room circulate the hot water from the boiler to the apartments.

Heating in the apartments is provided through hot water baseboard fin tube radiators. The baseboard is in poor condition and shows its age. These heaters are centrally controlled by a mechanical thermostat accessed by the building superintendent.

Heat distribution to the apartments is centrally controlled. There are no individual tenant heat controls. The building management knows of shut-off valves for the provided heating units in some (not all) units.

There is no central air conditioning provided to the units or common areas, including the lobby and public corridors. Air conditioning in apartments is by tenant provided individually owned window units. Electrical service is adequate for such use via a dedicated outlet in each apartment. Ventilation for some apartment kitchens and bathrooms and public corridors is provided by roof top exhaust fan. Based upon an inspection performed on December 6, 2004, exhaust fans on roofs have been replaced with new.

The air intake cover at the high roof elevator machine room is rusted and requires repair and replacement.

THE SPONSOR WILL PROVIDE UPDATED INSPECTION CERTIFICATES AND PERMITS BEFORE THE CLOSING TO INCLUDE OIL STORAGE AND BOILER SAFETY AS REQUIRED BY LAW.

78

505 Court Street

PLUMBING AND ROOF TANK

The building, in all its 3 sections, is supplied with water by New York City. Water enters the building from two 4-inch mains. One is for domestic consumption and the other is for the sprinkler system in the cellar. Water for consumption comes from Court Street and the water for the sprinkler system comes from Huntington Street.

Water is untreated. Pressure is generally fair to good.

In the areas inspected, the domestic water plumbing is copper. All floors are supplied with hot and cold water through a series of up-feed risers under pressure from a roof tank. Soil and waste lines are cast iron. Vent lines inside leaders and area drains are galvanized iron. They lead to a house sewer and drain which empty into the New York City combined storm and sanitary sewer system. Most piping is concealed. Exposed lines appear to be in satisfactory condition. Insulation on exposed lines in the cellar appears to be fiberglass. The 2 domestic water circulating pumps are 20 years old and nearing the end of their useful lives. The 2 sump pits currently do not have pumps.

There is a 16,000 gallon wood roof tank that has a conical top covered with tarpaper. It is in fair condition. The feed down to the building has an electric heater coil, which prevents freezing. The steel dunnage for the roof top water tank is rusted and requires repair. The wood walkway under the water tank is deteriorated and the water tank access door is missing.

The gas is master metered.

Domestic hot water is provided by the boiler, which also supplies heat for the building. Two pumps located in the first floor mechanical room circulate the hot water from the boiler to the apartments.

It was reported by the Building Manager that one of the hot water circulating pumps was rebuilt approximately 6 years ago. The other pump is 20 years old. Refer to building managers records for information regarding pumps.

Plumbing fixtures in the units observed include vitreous china water closets, steel enamel tubs, and plastic laminate tops and vitreous china lavatories.

At this time, the hot water provided in the building is adequate for any peak requirements by the tenant for domestic hot water usage.

505 Court Street

GAS, ELECTRICIY, TELEVISION, AND INTERCOM

Gas is master-metered by KeySpan. The gas meters are in the meter room on the first floor. The gas enters the gas meter room from Huntington Street from a main. Gas piping is black iron. It is concealed. Exposed lines appear to be in acceptable condition.

All apartments are provided with individually metered electricity by Con Edison. The main electric switches are in the cellar. Electricity is provided by Con Ed to two separate services in the building. One is located on the first floor in Building Section 1, and one in the cellar under Building Section 3. The service in Building Section 1 is distributed to four main switches, one rated at 600 amps and the others at 800 amps. The 600 amp switch and two 800 amp switches serve apartment meter boards. The remaining 800 amp switch serves the house distribution panel. The second service is rated at 600 amps, 240 volts and serves an apartment meter board, as well as a house distribution panel. All apartments are individually metered. Typical apartments are provided with 60 amps of electrical service, and several larger units are provided with 100 amps. Typical apartment circuit breaker panels are rated at 125 amps.

The building's electrical system appeared to be in fair condition and adequate for air conditioning and modern household usage.

All wiring that was observed was copper. GFI type wall outlets are provided in apartment bathrooms, and one 220 volt circuit is provided for the air conditioning unit in each exterior room. There are no GFI type wall outlets in the kitchens at this time.

Public area lighting and machinery circuits are controlled by switches in the laundry room adjacent to the main lobby. Lighting is in generally acceptable condition and service is adequate for the residential apartments in this building, including all sections in this building.

The building does not have any type of central smoke or fire detection or alarm system. The individual apartments have independent hard-wired smoke detectors that provide smoke detection and audible alarming in their respective apartments only. Based upon sample testing, these smoke detectors appear to function.

A cable TV service is provided to the building through a connection into the hallway outside of the compactor room on the first floor. Time Warner is the cable TV provider. The cable TV connection is brought to a single service point in each apartment. Tenants are responsible for bringing cable to other desired locations within the apartment. Cable TV wiring is primarily surface mounted within apartments.

Phone service is provided to the building through a connection into the cellar from 9th Street and distributed throughout the buildings.
Cable and phone service are optional and billed individually to each apartment.

The building has an exterior closed circuit television (CCTV) security system that consists of 16 remote cameras located throughout the interior and exterior of the building and 16 black & white television monitors located at the Front Desk. The Front Desk staff monitors this system. The system is in good condition, fully operable and properly maintained.

The video-intercom is located in the vestibule to the apartments.

VISITORS

Entrance to the building is controlled by and at the lobby front desk. Individual apartments are controlled thru a video intercom system or a buzzer located at the lobby desk.

ELEVATORS

The building is served by three Admiral passenger elevators and there is service to all floors. The elevators provide automatic collective/selective self-leveling service to all floors.

There are two 2,000 pound elevators that operate 200 feet/minute and 15 horsepower that service floors 1 through 10 in Building Section 1. There is also one 1,800 pound elevator that operates at 100 feet/minute and 7.5 horsepower that services floors 1 through 6 in Building Section 3.

Based upon an inspection made on December 6, 2004 (SEE EXHIBIT 'D'), the elevators are being refurbished and replaced UNDER BUILDING DEPARTMENT APPLICATION NUMBER EA/564/04 including, but not limited to the following:

-New motors – REULAND ELECTRIC VVVFAC, (2) 15HP AND (1) 10 HP, 1200RPM HOIST MOTOR (SEE EXHIBIT 'D')

-New FIXTURE CONTROLS (at elevator stations and inside cabs) – MONITOR CONTROLS VANDAL RESISTANT ADA AND RS18 CODE COMPLIANT. VANDAL RESISTANT LED LIGHT UP PUSH BUTTONS, 2" LED POSITION INDICATOR, ELECTRONIC CHIME DIRECTIONAL LANTERN.(SEE EXHIBIT 'D')

-New CONTROLLERS – O'THOMPSON COMPANY TRICON MODEL CONTROLLER WITH 'MAGNETEK' VVVFAC SOLID STATE MOTOR DRIVE. (SEE EXHIBIT 'D')

-NEW DOOR EQUIPTMENT- GAL MANUFACTURING MODEL MOVFR SOLID STATE CLOSE LOOP, INTERLOCK MODEL MOCPH. (SEE EXHIBIT 'D')

-NEW SHAFTWAY LIMITS - GAL MANUFACTURING NORMAL SLOWDOWN AND FINAL LIMITS SWITCHES. (SEE EXHIBIT 'D')

-NEW ROLLER GUIDES – ELSCO CAR GUIDES MODEL 'B' MODERATE SPEED, COUNTERWEIGHT GUIDES MODEL 'D' MODERATE SPEED. (SEE EXHIBIT 'D')

These upgrades and others are being monitored by the Building's elevator consultant, Van Deusen & Associates located at 7 Penn Plaza, Suite 535, New York, NY 1001.

There is no dangerous or hazardous condition associated with the use of the existing elevators.

Inspection is by the City of New York Department of Buildings. The last five year tests were conducted in 6/30/03.

REFUSE DISPOSAL AND PEST CONTROL

Refuse is dropped by the tenants into the compactor chute hoppers in the closets off the public halls. Refuse for recycling is left by the tenants in containers in the closets. It is collected by the building staff daily and stored in the service passage and yard. It is put out three times weekly for collection free of charge, by the City of New York Department of Sanitation.

At the base of the compactor chute is a hydraulic compactor. It is operational There are sprinkler heads in the compactor and in the compactor room. The compactor room is ventilated to the outside air at Huntington St.

The two existing compactors are 15 years old and rusted.

Based upon an inspection on December 6, 2004, the existing refuse rooms require louvers in the doors to provide more ventilation, but do not pose a dangerous or hazardous condition.

Pest control is currently provided monthly by Sheepshead Bay Pest Control.

SPRINKLERS AND STANDPIPES

The sprinkler system provides for minimum sprinkler coverage for a very small area of the first floor of Building Section 1 and the basement of Building Section 3 (basement, trash compactor room, chutes and laundry room). The system was installed around 1982. The sprinkler water service size appears to be 4". The main sprinkler valves did have locked chains to prevent tampering. The system has an alarm valve that initiates an audible gong, via a small flow alarm panel, located on the outside of the building at the sidewalk level.

The system has been approved utilizing City water pressure only without the assistance of a fire pump.

The Building also has a standpipe system integrated with the domestic water system. The system employs a roof-mounted water storage tank that assists the system with flow volume and water pressure for both the building domestic water needs and the standpipe system. There are 4" standpipes and hose connection valves in the three corridors. There is also a triple manifold hose connection on the roof.

The sprinkler system and its components appear to be in good condition and appear to be well maintained. The small number of sprinkler heads examined have not been included in any recall program for defective sprinkler heads, to the best of our knowledge.

Based upon an inspection on December 6, 2004, all existing sprinkler-heads previously painted over were replaced as required.

The main sprinkler valves for the Building combination sprinkler/standpipe system do not have anti tampering switches installed.

THE SPONSOR WILL PROVIDE UPDATED INSPECTION CERTIFICATES AND PERMITS BEFORE THE CLOSING TO INCLUDE SPRINKLER SYSTEM AS REQUIRED BY LAW.

VIOLATIONS:

Review of the NYC Department of Building's Building Information System revealed four outstanding elevator violations for 505 Court Street. Upon investigation, one elevator violation predated the renovation in 1982 and the three other elevator violations had been corrected but not yet removed from the Buildings Department records. We have also received a copy of the Municipal Department searches performed by Abstracter's Information Service, which indicate 3 Housing Department violations for 505 Court Street, which are attached to this report as **exhibit-E.**

See also attached exhibit of violation search results.



505 Court Street

METHOD OF MEASUREMENT OF UNITS

The approximate floor area of each unit and/or common element has been measured from the exterior side of the glass windows or the façade of exterior building walls, at the building line and/or property line enclosing the unit and/or common element. Or from the midpoint of the interior walls and partitions separating the unit and/or common elements from other unit and/or common elements. Columns and mechanical pipes (whether along the perimeter or within the element) are not deducted from the square foot area of the unit and/or common element. The exterior chimney has not been included in any of the areas.

The vertical measurements of the units and/or common elements are from the lowest concrete floor to the underside of the highest ceiling

505 Court Street

GENERAL

The repairs suggested in this report are consistent with the standards applicable to residential condominiums and cooperative buildings. Additional repairs and replacements may nevertheless be required in the future. Some of the original equipment cannot be expected to last for the full life of the structure proper. Unless the repairs suggested herein are performed and an adequate maintenance program is in place, the building cannot be expected to remain in the condition as described herein which is current only to the date of inspection.

I further certify that I am not owned or controlled by and have no beneficial interest in the Developer and that my compensation for preparing this report is not contingent on the conversion of the property to condominium ownership or the profitability of price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property

John Schimenti, AIA

Stamp



Sworn before me this 17th day of May 2005

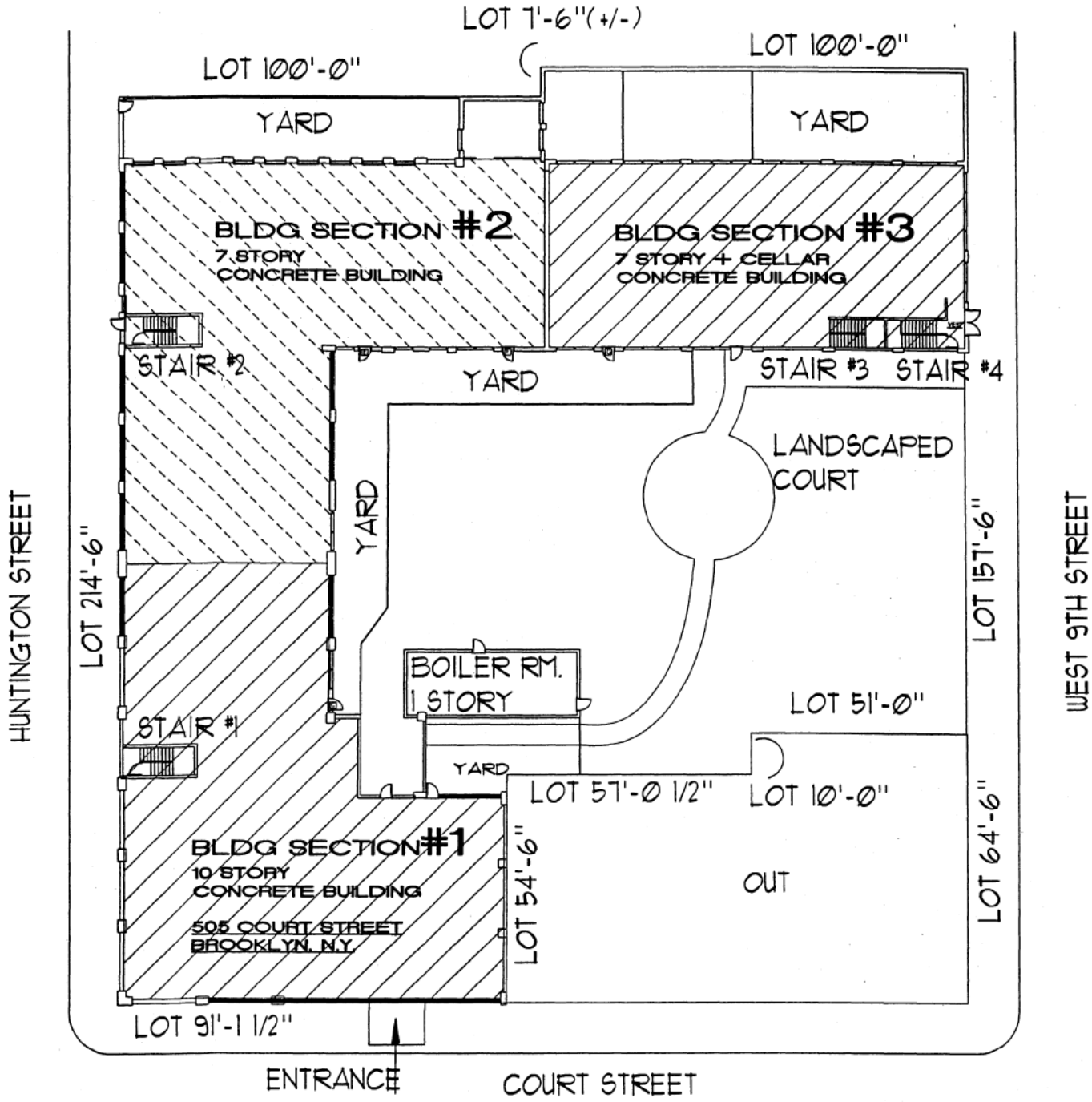
Michael Weiss 20__

NOTARY PUBLIC

MICHAEL S. WEISS
Notary Public, State of New York
No. 30-4643912
Qualified in Nassau County
Commission Expires October 31, 2005

EXHIBIT A

EXHIBIT "A"



SITE PLAN

N

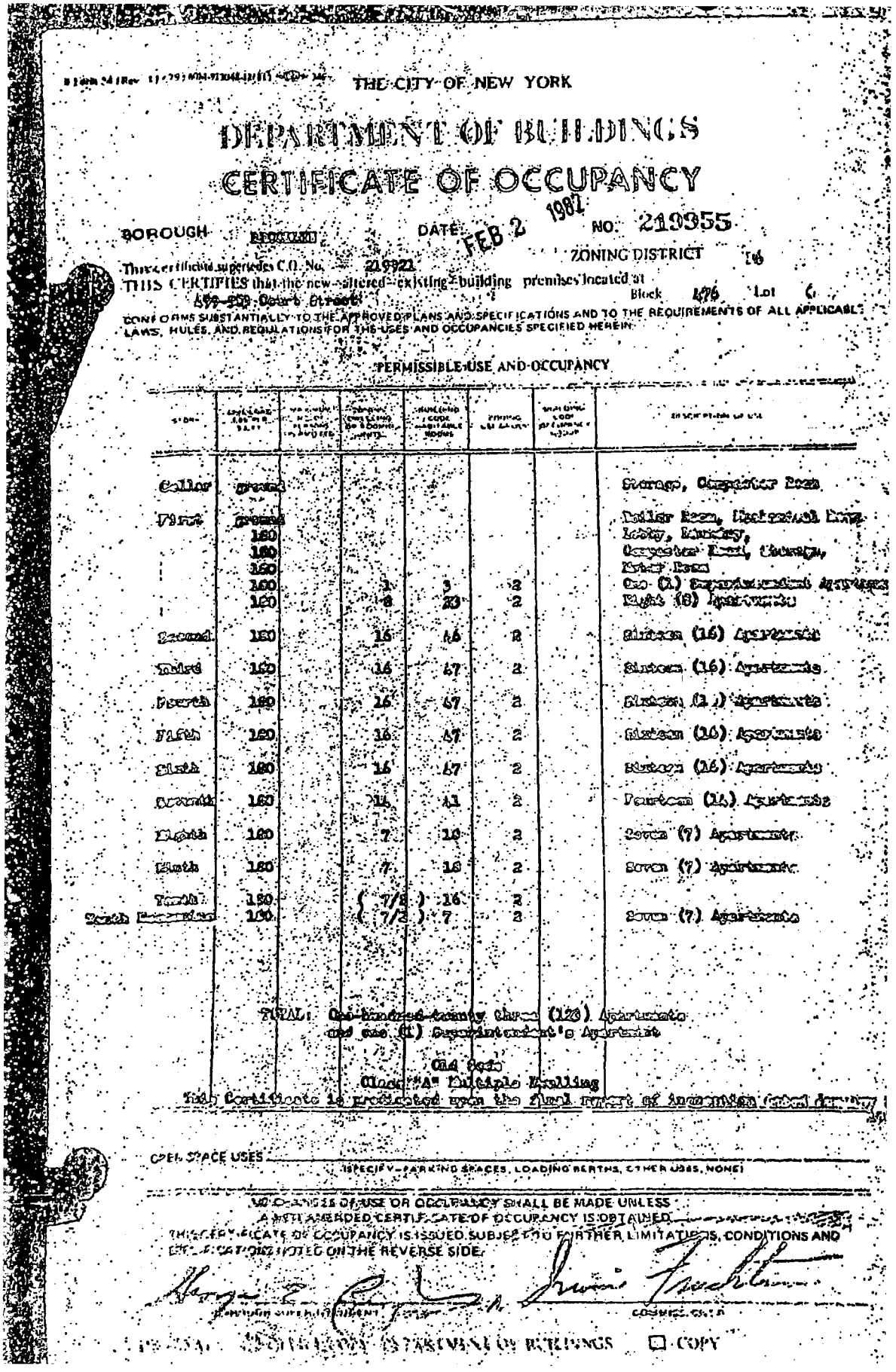
NTS

BLOCK

LOT

ZONE R-6 MAP 16C

EXHIBIT B



THE CITY OF NEW YORK

DEPARTMENT OF BUILDINGS

CERTIFICATE OF OCCUPANCY

BOROUGH Brooklyn DATE FEB 2 1987 NO. 219355

This certificate supersedes C.O. No. 219921 ZONING DISTRICT R6

THIS CERTIFIES that the new ~~altered~~ ~~existing~~ building premises located at 499-509 Court Street Block 476 Lot 6

CONFORMS SUBSTANTIALLY TO THE APPROVED PLANS AND SPECIFICATIONS AND TO THE REQUIREMENTS OF ALL APPLICABLE LAWS, RULES AND REGULATIONS FOR THE USES AND OCCUPANCIES SPECIFIED HEREIN.

PERMISSIBLE USE AND OCCUPANCY

STORY	SQUARE FEET OF FLOOR AREA	NO. OF ROOMS	NO. OF DWELLING OR ROOMING UNITS	MAXIMUM NO. OF OCCUPANTS	ZONING USE GROUP	MULTIPLE DWELLING LAW OCCUPANCY GROUP	DESCRIPTION OF USE
Cellar	Grade						Storage, Superintendent Room
First	Ground						Boiler Room, Mechanical Equipment, Laundry, Elevator Machine, Storage Room
	160						
	160						
	160						
	160		1	3	2		One (1) Superintendent Apartment
	160		8	32	2		Eight (8) Apartments
Second	160		16	46	2		Sixteen (16) Apartments
Third	160		16	47	2		Sixteen (16) Apartments
Fourth	160		16	47	2		Sixteen (16) Apartments
Fifth	160		16	47	2		Sixteen (16) Apartments
Sixth	160		16	47	2		Sixteen (16) Apartments
Seventh	160		14	41	2		Fourteen (14) Apartments
Eighth	160		7	19	2		Seven (7) Apartments
Ninth	160		7	18	2		Seven (7) Apartments
Tenth	160		(7/2)	16	2		
Tenth	160		(7/2)	7	2		Seven (7) Apartments

TOTAL: One-hundred twenty three (123) Apartments and one (1) Superintendent's Apartment

One (1)
Class "A" Multiple Dwelling

This Certificate is predicated upon the final report of inspection dated January

OPEN SPACE USES

(SPECIFY—PARKING SPACES, LOADING BERTHS, OTHER USES, NONE)

NO CHANGES OF USE OR OCCUPANCY SHALL BE MADE UNLESS A NEW AMENDED CERTIFICATE OF OCCUPANCY IS OBTAINED.

THIS CERTIFICATE OF OCCUPANCY IS ISSUED SUBJECT TO FURTHER LIMITATIONS, CONDITIONS AND REQUIREMENTS NOTED ON THE REVERSE SIDE.

Borough Superintendent

COMMR. OF B.

WHITE COPY—DEPARTMENT OF BUILDINGS ☐ COPY

2189818

THAT THE ZONING LOT ON WHICH THE PREMISES IS LOCATED IS BOUNDED AS FOLLOWS:

BEGINNING at a point on the Southerly side of Court Street distant 100 feet Westerly from the corner formed by the intersection of Court Street and Huntington Place

running thence W. 21'16" S. 100' feet; thence [illegible] feet;

thence W. 15'16" N. 52'10" feet; thence [illegible] feet;

thence W. 36'5" feet; thence [illegible] feet;

thence feet; thence feet;

to the point or place of beginning.

N.B. or A.L.T. No. A26. 419/79 DATE OF COMPLETION 1-20-83 CONSTRUCTION CLASSIFICATION 1

BUILDING OCCUPANCY GROUP CLASSIFICATION HEIGHT 20 STORIES 15 FEET

ONE [illegible]

THE FOLLOWING FIRE DETECTION AND EXTINGUISHING SYSTEMS ARE REQUIRED AND WERE INSTALLED IN COMPLIANCE WITH APPLICABLE LAWS.

	YES	NO		YES	NO
STANDPIPE SYSTEM			AUTOMATIC SPRINKLER SYSTEM		
YARD HYDRANT SYSTEM					
STANDPIPE FIRE TELEPHONE AND SIGNALLING SYSTEM					
SMOKE DETECTOR	X				
FIRE ALARM AND SIGNAL SYSTEM	X				

STORM DRAINAGE DISCHARGES INTO:

A) STORM SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

SANITARY DRAINAGE DISCHARGES INTO:

A) SANITARY SEWER ☐ B) COMBINED SEWER ☐ C) PRIVATE SEWAGE DISPOSAL SYSTEM ☐

LIMITATIONS OR RESTRICTIONS:

BOARD OF STANDARDS AND APPEALS CAL. NO.

CITY PLANNING COMMISSION CAL. NO.

OTHERS:

Board of Estimate - 11-2903, 6105

EXHIBIT C

ZI
THE INE
Major
The num
on R, C
use, bul
in the
R –
C –
M –
EFFECT
* 04-
07-
D
E
Mi
FORT GREENE PARK
R6
R7-1
R7-2
R6B
R6A
R7A
R8X
R7B
M1-1
M1-2
M2-1
M3-1
C8-2
C6-1
C6-4
C6-1A
C6-2A
C1-1
C1-2
C1-3
C1-4
C1-5
C2-1
C2-2
C2-3
C2-4
C2-5
CLINTON
WASHINGTON
CLERMONT
ADELPHI
CARLTON
CUMBERLAND
S. OXFORD
S. PORTLAND
S. ELLIOTT
HANOVER PL
CAMBRIDGE
ATLANTIC
FLATBUSH
EASTERN
PARKSIDE
GRAND ARMY PLAZA
PROSPECT PARK
PROSPECT PARK WEST
PROSPECT EXPWY
CARROLL ST
PUBLIC PLACE
SOUTH
0
600
1200
1800 FEET

EXHIBIT D

DUPLICATE

Elevator Application

Please File 5 Copies
Application Must Be Typewritten

1 of 3

10/21/04

Internal Use
EA 1564/04
Application Number
Date Received

1 Filing Status
- ☐ New Building application number:
- ☐ New Installation ☐ Alteration
- ☒ Replacement/Modification
- ☐ Dismantle ☐ Remove
- ☐ Select one: ☒ BEC application number: B259492 or ☐ No BEC filing required

2 Location Information
Borough BROOKLYN
Address 499 COURT STREET
Block 476 Lot 6 BIN
Occupancy Group D5-ELEVATOR APT

3 Applicant Information (Elevator Device Manufacturer/Installer)
Name George Johnson
Title AS AGENT License Number L451-001
Business Name Centennial Elevator Industries
Address 23-82 BQE West
City LIC
State NY ZIP 11103 Phone 718-726-5900

4 Owner Information
Name STEVEN HIRSCH
Title MANAGER
Business Name AP COURTS SERV. c/o METROP.HSG
Address 588 BROADWAY
City NEW YORK
State NY ZIP 10012 Phone 212-925-0700

5 Device Identification

Elevator Plan Numbers	NYC Elevator Numbers	Elevator Plan Numbers	NYC Elevator Numbers
	3P7451		
	3P7452		

CITY OF NEW YORK DEPARTMENT OF BUILDINGS OCT 27 2004 APPROVED ELEVATOR DIVISION

RECEIVED ELEVATOR DIVISION DEPARTMENT OF BUILDINGS

Device Type:
☒ Passenger ☐ Escalator ☐ Manlift ☐ Dumbwaiter ☐ Wheelchair Lift ☐ Other
☐ Freight ☐ Sidewalk ☐ Moving Walk ☐ Amusement-Permanent ☐ Private Residential Elevator

6 Description of Work: ALL WORK TO BE PERFORMED AS PER ANSI/ASME 17.1-1996 & SUPPLEMENT ASME A17.1A-1997 PART XIV RS 18

"SEE ATTACHED ADDITIONAL INFORMATION SHEET"

OCT 28 2004

Conduct all tests and inspections as required by NYC building in the presence of an inspector from the Dept of Buildings
All other equipment to remain in place, No changein weight , speed or capacity

7 General Information
Types of Motive Power:
Elevator Motor ☒ AC ☐ DC Main Supply ☒ AC ☐ DC
Travel from Floor: 1 to Floor: 10
Total travel: 113 feet 7 Number of Stops: 10
Capacity: 2000 lbs. Speed: 150 F.P.M.
Elevator Control:
☐ Resistance ☐ Multi-Voltage
☐ Generator Field Control ☒ Solid State
Mode of Operation: ☒ Automatic P.B. ☐ Constant Pressure
Hoistway: ☐ New ☒ Old
☒ NYC Handicap Provisions
☒ Fire Emergency Service Phase I & II

8 Cars and Counterweight
Car Inside Dimensions: 5 feet 11 in by 3 feet 11 in
Car Inside Area: 23.1 sq. feet
Car Safety Type:
☒ Instantaneous ☐ Flexible Guide ☐ Gradual WC
Counterweight Safety Type: N/A
☐ Instantaneous ☐ Flexible Guide ☐ Gradual WC
☒ Top Emergency Exit: Min Area 400 sq. in Min Side 16 in
Car Opening:
☒ Door ☐ Gate
Operation: ☐ Manual ☒ Power
☒ Contact Type MOVFR Manufacturer GAL

Revised 4/2003 ELV-1 Page 1

Elevator Application

Please File 5 Copies
Application Must Be Typewritten

2 of 3

Internal Use
EA 1564/04
Application Number
Date Received

1 Filing Status
- ☐ New Building application number:
- ☐ New Installation ☐ Alteration
- ☒ Replacement/Modification
- ☐ Dismantle ☐ Remove
- ☐ Select one: ☒ BEC application number: B259492 or ☐ No BEC filing required

2 Location Information
Borough BROOKLYN
Address 499 COURT STREET
Block 476 Lot 6 BIN
Occupancy Group D5-ELEVATOR APT

3 Applicant Information (Elevator Device Manufacturer/Installer)
Name George Johnson
Title AS AGENT License Number L451-001
Business Name Centennial Elevator Industries
Address 23-82 BQE West
City LIC
State NY ZIP 11103 Phone 718-726-5900

4 Owner Information
Name STEVEN HIRSCH
Title MANAGER
Business Name AP COURTS SERV. c/o METROP.HSG
Address 588 BROADWAY
City NEW YORK
State NY ZIP 10012 Phone 212-925-0700

5 Device Identification

Elevator Plan Numbers	NYC Elevator Numbers	Elevator Plan Numbers	NYC Elevator Numbers
	3P7453		

CITY OF NEW YORK DEPARTMENT OF BUILDINGS OCT 27 2004 APPROVED ELEVATOR DIVISION

Device Type:
☒ Passenger ☐ Escalator ☐ Manlift ☐ Dumbwaiter ☐ Wheelchair Lift ☐ Other
☐ Freight ☐ Sidewalk ☐ Moving Walk ☐ Amusement-Permanent ☐ Private Residential Elevator

6 Description of Work: ALL WORK TO BE PERFORMED AS PER ANSI/ASME 17.1-1996 & SUPPLEMENT ASME A17.1A-1997 PART XIV RS 18

"SEE ATTACHED ADDITIONAL INFORMATION SHEET"

OCT 28 2004

Conduct all tests and inspections as required by NYC building in the presence of an inspector from the Dept of Buildings
All other equipment to remain in place, No changein weight , speed or capacity

7 General Information
Types of Motive Power:
Elevator Motor ☒ AC ☐ DC Main Supply ☒ AC ☐ DC
Travel from Floor: B,1 to Floor: 6
Total travel: 69 feet 7 Number of Stops: 7
Capacity: 2000 lbs. Speed: 150 F.P.M.
Elevator Control:
☐ Resistance ☐ Multi-Voltage
☐ Generator Field Control ☒ Solid State
Mode of Operation: ☒ Automatic P.B. ☐ Constant Pressure
Hoistway: ☐ New ☒ Old
☒ NYC Handicap Provisions
☒ Fire Emergency Service Phase I & II

8 Cars and Counterweight
Car Inside Dimensions: 5 feet 5/8 in by 4 feet 7 5/8 in
Car Inside Area: 23.2 sq. feet
Car Safety Type:
☒ Instantaneous ☐ Flexible Guide ☐ Gradual WC
Counterweight Safety Type: N/A
☐ Instantaneous ☐ Flexible Guide ☐ Gradual WC
☒ Top Emergency Exit: Min Area 400 sq. in Min Side 16 in
Car Opening:
☒ Door ☐ Gate
Operation: ☐ Manual ☒ Power
☒ Contact Type MOVFR Manufacturer GAL

Revised 4/2003 ELV-1 Page 1

DUPLICATE

AFFIDAVIT OF PROFESSIONAL CERTIFICATION

The following statement of responsibility shall be signed by the P.E. or R.A. certifying the Elevator Application or Elevator Building Notice is complete and in compliance with ASME 17.1 (1996/1997), RS 18-1, and the New York Building Code (Sub-chapter 18)

"I hereby state that I have exercised a professional standard of care in certifying that the filed application is complete and in accordance with applicable laws as of this date. I am aware the Commissioner will rely upon the truth and accuracy of this statement. If noncompliance is disclosed I agree to notify the owner of the remedial measures which must be taken to meet Department of Buildings' requirements. I further realize that any misrepresentation or falsification of facts made knowingly or negligently by me, my agents or employees or additionally, by others with my knowledge will render me liable for legal or disciplinary action by the Department of Buildings and other appropriate authorities, including but not limited to termination of participation in all Professional Certification Programs at the Department of Buildings and revocation of professional certification, limited supervisory check privileges and/or suspension or revocation of any Department of Buildings issued license held by me."

Elevator Application Number: EA 1564/04

This application is being filed to legalize an existing condition. YES ☐ NO ☒

Address of Premises: 499 Court Street

Borough: Brooklyn

Block: 476 **Lot:** 6

Name of P.E./ R.A: Arno Fierchter

P.E./ R.A Address: 42-12 28th Street, LIC NY 11101

Telephone: (718) 937-4389

Signature: _____ **Date:** 10/20/04

Seal:

CITY OF NEW YORK DEPARTMENT OF BUILDINGS APR 27 2000 RECEIVED ELEVATOR DIVISION

RECEIVED ELEVATOR DIVISION DEPARTMENT OF BUILDINGS OCT 27 2004

APPROVED ISSUED OCT 28 2004

PROFESSIONAL CERTIFICATION
J-4 ELEVATOR DIV. 10/26/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER 7041 OF 2

REGISTERED ARCHITECT ARNO FIERCHTER 7041 CITY OF NEW YORK STATE OF NEW YORK

Falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code and is punishable by a fine or imprisonment or both.

It is unlawful to give a city employee, or for a city employee to accept, any benefit, monetary or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration. Violation is punishable by imprisonment or fine or both.

ELV-15 (Rev 07/03)

NEW YORK CITY DEPARTMENT OF BUILDINGS

Additional Information

1 Filing Status

Job Number 499 COURT STREET — As an attachment to EA 1564/04

Sheet Number 3 of 3 Sheets

2 Additional Information

UPGRADING OF THREE ELEVATORS-DEVICE #3P7451, 3P7452 & 3P7453

1. Furnish and install new controllers (1202.12B)
2. provide Firemen Service complete with phase I & II as per NYC Code. (1202.13)
3. Furnish and install new worm geared traction machine (1202.9A) Device # 3P7451 & 3P7452
4. Furnish and install new AC drive motors and VVVF AC drives (1202.9a)
5. Furnish and install new hoist and governor cables (1202.14)
6. Furnish and install new machine brakes (1202.9A) 3P7451 & 3P7452
7. Furnish and install new deflector sheaves (1202.9A) 3P7451 & 3P7452
8. Furnish and install new car door hangers sheaves , tracks , gate switches and closers (1202.4A)
9. Furnish and install new electronic landing devices (1202.12B)
10. Furnish and install new pit stop switches and GFI outlet in pits (1201.6)
11. Furnish and install new load weighing devices (1202.12A) 3P7451 & 3P7452
12. Furnish and install new hall call buttons (ADA compliant) (1202.12)
13. Furnish and install new car stations (ADA compliant) (1202.12)
14. Furnish and install new hoistway door hangers, sheaves and tracks (1201.12)
15. Furnish and install new emergency communication systems (1203.8H)
16. Furnish and install new top of car inspection boxes and work light (1202.12A)
17. Furnish and install new car direction lanterns and position indicators (1202.13)
18. Furnish and install new shaft limit switches (1202.8H)
19. Furnish and install new traveling cable and wiring as required. (1201.13)
20. Furnish and install new interlocks (1201.11A) Mos # 261, 08
21. Furnish and install new roller guides (1202.8)
22. Furnish and install new door operators complete (1201.12)
23. Furnish and install new hoistway access switches (1201.11D)
24. Furnish and install new electronic safety edges (1202.5)
25. Reline elevator cabs (1202.5)

No increase in loads on overhead steel, speed or capacity. All other existing equipment to remain in place.

Conduct all tests and inspections as required in the presence of an inspector from the Department of Buildings

26. Furnish and install S.W. wedge shackles (1200.5A) mea 99-01RI

CITY OF NEW YORK DEPARTMENT OF BUILDINGS APR 27 2000 RECEIVED ELEVATOR DIVISION

RECEIVED ELEVATOR DIVISION DEPARTMENT OF BUILDINGS OCT 27 2004

APPROVED ISSUED OCT 28 2004

PROFESSIONAL CERTIFICATION
J-4 ELEVATOR DIV. 10/26/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER 7041 OF 2

REGISTERED ARCHITECT ARNO FIERCHTER 7041 CITY OF NEW YORK STATE OF NEW YORK

3 Statements and Signatures

I hereby state that all of the above information is complete and correct to the best of my knowledge.

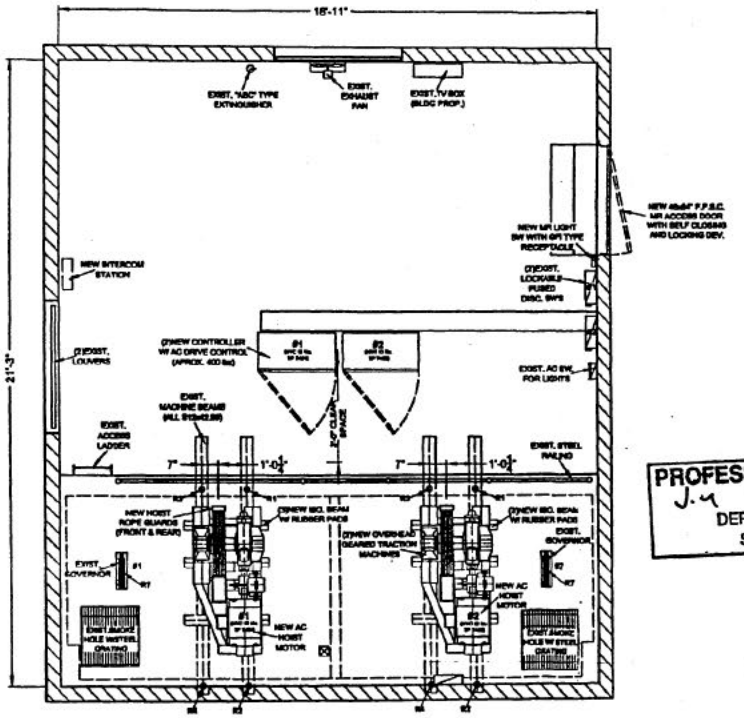
Falsification of any statement is a misdemeanor under § 26-124 of the NYC Administrative Building Code and is punishable by a fine or imprisonment, or both.

It is unlawful to give to a city employee, or for a city employee to accept, any benefit, monetary or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration. Violation is punishable by imprisonment or fine or both.

Applicant Name

Signature _____ Date 10-19-04

Revised 8-2002 AM



MOTOR ROOM

SCALE : 1/4" - 1'-0"

CITY OF NEW YORK
DEPARTMENT OF BUILDINGS
OCT 27 2004
RECEIVED
ELEVATOR DIVISION

LR 1564/64
CITY OF NEW YORK
DEPARTMENT OF BUILDINGS
APR 27 2000
RECEIVED
ELEVATOR DIVISION

PROFESSIONAL CERTIFICATION
ELEVATOR DIV. 10/26/64
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2

REGISTERED ARCHITECT
ARNO FISCHER
7041
UNIVERSITY OF THE STATE OF NEW YORK

MACHINE BEAM REACTION (lbs)	
R1	5,880
R2	2,310
R3	10,255
R4	4,067

GOVERNOR REACTION (lbs)		
CAR	R7	1,157
CTW		

No.	REVISION	BY	DATE

NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-19-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 16)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

* - EXISTING

ELEVATOR GENERAL DATA

ELEVATOR NO:	3P 7451 (CAR #1), 3P 7452 (CAR #2)	*
CLASSIFICATION:	PASSENGER	*
TYPE:	OVERHEAD GEARED TRACTION	NEW
SPEED:	150 F.P.M.	*
CAPACITY:	2000 LBS	*
LANDINGS /OPENINGS:	10 [1st, 2nd to 10th FLOOR] / 10 - FRONT	*
OPERATION:	AUTOMATIC PUSH BUTTON	*
CONTROL:	MICRO-PROCESOR (VVVF DRIVE)	NEW

CONSTRUCTION OF CAR

CROSSHEAD:	C7x9.8#	*
SAFETY PLANK:	C5x6.7#	*
STILES:	C5x6.7#	*
PLATFORM:	WOOD STEEL REINFORSED (2.5" THK)	*
CAR SAFETY:	INSTANTANEOUS (CURTIS ELEV.)	*
CAR SHOES:	ELSCO TYPE "B" (3 - 6" ROLLERS)	NEW
DOOR OPERATION:	POWER, G.A.L (MOVFR)	NEW
CAR DOOR:	36"W x 7'-0"H S/SP (RH) - FRONT - CAR#1	*
	36"W x 7'-0"H S/SP (LH) - FRONT - CAR#2	*
CAR FLOORING:	1/8" VINYL TILE	NEW
CAR DOOR PROTECTION DEV.:	"PANA 40"	NEW
CAR DOOR CONTACT:	G.A.L TYPE "G"	NEW

COUNTERWEIGHT

CROSSHEAD:	1/2"x6" PLATE	*
STILES:	C4x5.4#	*
PLANK:	1/2"x8" PLATE	*
CTW SHOES:	ELSCO TYPE "D" (1-3.25" ROLLERS)	NEW
CTW SAFETY:		N/A

MACHINE ROOM EQUIPMENT

MACHINE:	H-W 844 OVERHEAD GEARED TRACTION	NEW
HOIST MOTOR:	16HP, AC, 1200 R.P.M (REULAND ELECTRIC)	NEW
POWER SUPPLY:	208V, 3PH, 60HZ	*
TRANSFORMER:		N/A
CAR GOVERNOR:	CURTIS ELEV. (CENTRIFUGAL)	*
CONTROLLER:	TRICON CONTROL SYS., SELECTIVE - COLLECTIVE	NEW

HOISTWAY EQUIPMENT

CAR GUIDE RAILS:	15 LBS/FT, STEEL	*
COUNTERWEIGHT GUIDE RAILS:	8 LBS/FT, STEEL	*
CAR BUFFER:	2 - SPRING W/ 4" STROKE	*
CTW BUFFER:	1 - SPRING W/ 4" STROKE	*
DEFLECTOR:	H-W (24"DIA.)	NEW
HOIST ROPES:	4 - 1/2"DIA., 8x19, TRACTION STEEL	NEW
CAR GOVERNOR ROPE:	1 - 3/8"DIA., 8x19, TRACTION STEEL	NEW
GOVERNOR TENSION WEIGHTS:	SWING TYPE -12"DIA.	*
COMPENSATION:		N/A
HOISTWAY ENTRANCES:	36"W x 7'-0"H S/SP (RH) - FRONT - CAR#1	*
	36"W x 7'-0"H S/SP (LH) - FRONT - CAR#2	*
HOISTWAY DOOR PANELS:	37"Wx7'-1"H, (1 1/2 HOUR FIRE RATE)	*
HATCH DOORS EQUIPMENT:	DOOR TRACKS, HANGERS, CLOSERS	NEW
HOISTWAY DOOR INTERLOCK:	G.A.L TYPE "MO"	NEW
LIMIT SWICHES:	G.A.L TYPE "LS"	NEW
LEVELING DEVICE:	IP 8300 PLUS	NEW

ESTIMATED WEIGHT (lbs)

SLING & SAFETY:	893	COUNTERWEIGHT:	3674
PLATFORM:	386	MACHINE & MOTOR:	1925
EST. WEIGH OF CAB :	1400	MACHINE BEAMS:	617
MISCELLANEOUS:	315	DEFLECTOR:	325
TOTAL CAR:	3074	HOIST ROPES:	208
40% OVERBALANCE:	800		

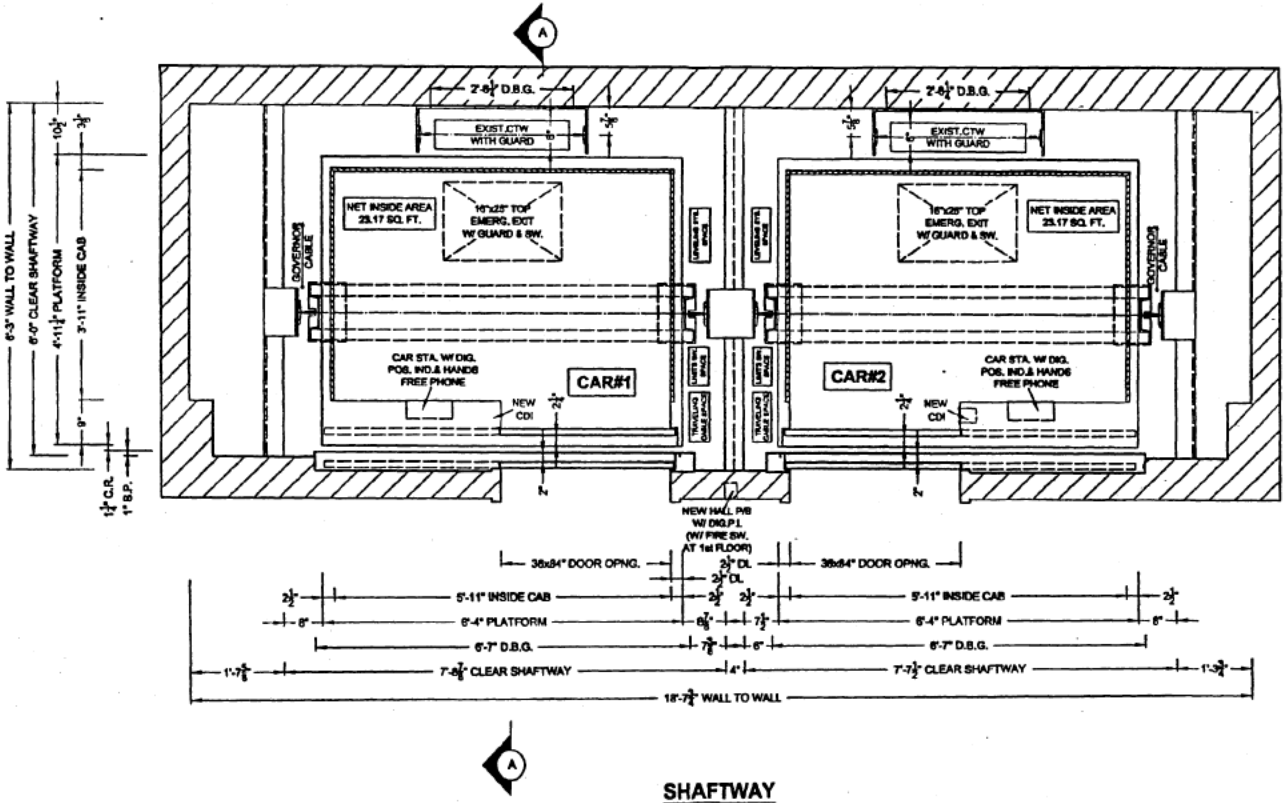
REACTIONS (lbs)

LOADS INDICATED ON OVERHEAD SUPPORTS HAVE BEEN DOUBLED FOR IMPACT
WEIGHT OF CONCRETE SLAB OR GRATING NOT INCLUDED

CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-02 B.Q.E WEST, LONG ISLAND CITY, N.Y.11103, TEL. (718)726-9900 FAX. (718)728-0217

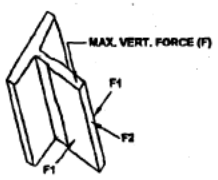
JOB ADDRESS: 4447 COURT STREET
LOCATION : BROOKLYN | BLOCK : 476 | LOT : 6
LAYOUT DRAWING BY : ROKON TECH L.L.C, TEL./FAX (718) 429-0729
DRAWN BY : MANFRED KONRAD | DATE : AUGUST 06, 2004
SCALE : AS NOTED | JOB # : | SHEET : 1 OF 4

CAR No.	NYC ID No.
CAR #1	3P 7451
CAR #2	3P 7452



SHAFTWAY

SCALE : 1/2" - 1'-0"



RAIL FORCES (lbs)	
F1	98
F2	259
F	5,074

RAIL FORCES

PROFESSIONAL CERTIFICATION
J.M
ELEVATOR DIV. 10/26/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2

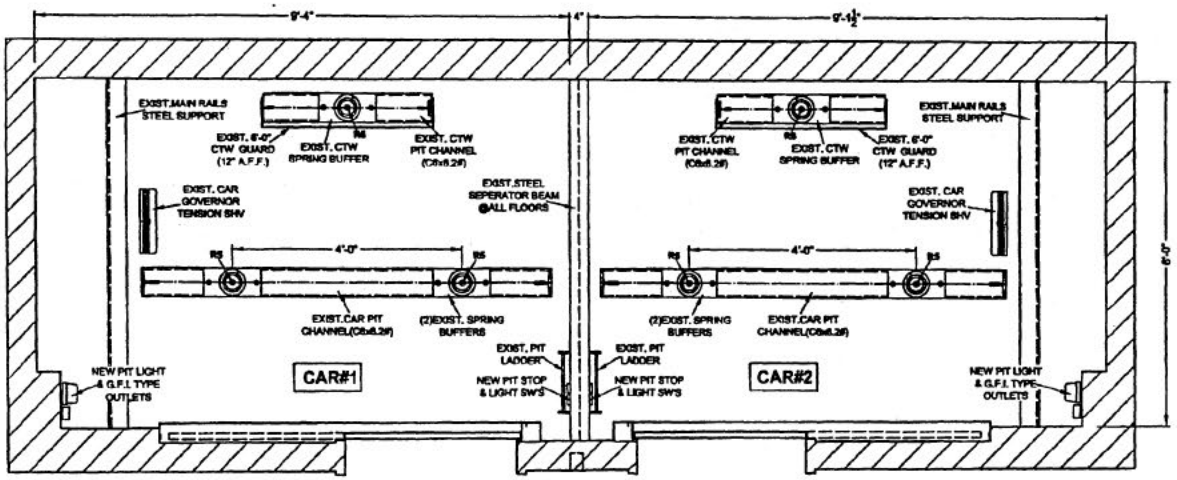
No.	REVISION	BY	DATE

NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-18-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 16)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-62 B.Q.E WEST, LONG ISLAND CITY, N.Y.11103, TEL. (718)726-5900 FAX. (718)728-0217

JOB ADDRESS : 1199 COURT STREET		
LOCATION : BROOKLYN	BLOCK : 470	LOT : 8
LAYOUT DRAWING BY : ROKON TECH L.L.C,	TEL./FAX (718) 429-0729	
DRAWN BY : ANDRZEJ ROKOSZAK	DATE : AUGUST 06, 2004	
SCALE : AS NOTED	JOB # :	SHEET : 2 OF 4

CAR No.	NYC ID No.
CAR #1	3P 7451
CAR #2	3P 7452



PIT VIEW

SCALE : 1/2" - 1'-0"

BUFFER REACTION (lbs)		
CAR	R5	8,548
CTW	R6	13,053

PROFESSIONAL CERTIFICATION
JY ELEVATOR DIV. 10/26/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2

No.	REVISION	BY	DATE

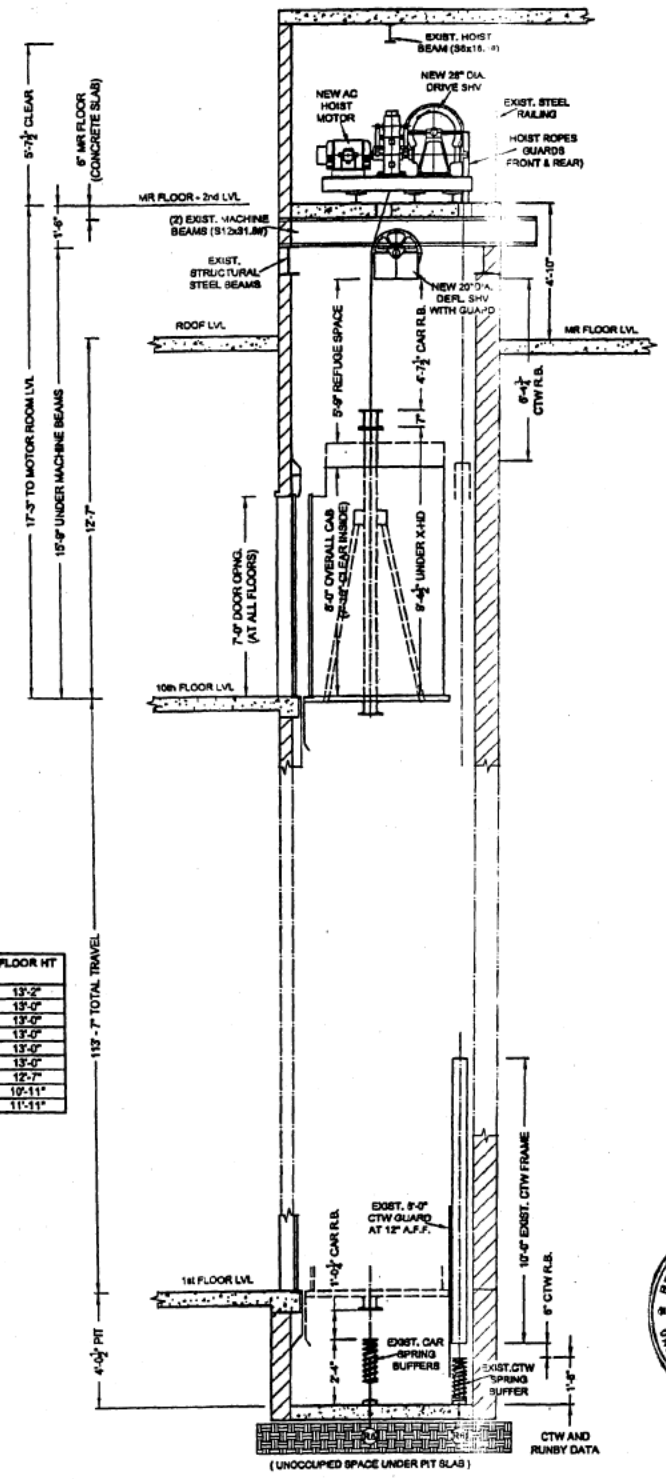
NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-18-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 18)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-82 B.Q.E WEST, LONG ISLAND CITY, N.Y.11103, TEL:(718)726-5900 FAX.(718)726-0217

JOB ADDRESS: 455 COURT STREET

LOCATION: BROOKLYN	BLOCK: 476	LOT : 6
LAYOUT DRAWING BY : ROKON TECH L.L.C,	TEL./FAX (718) 429-0728	
DRAWN BY : ANDRZEJ ROKOSZAK	DATE : AUGUST 06, 2004	
SCALE : AS NOTED / JOB # :	SHEET : 3 OF 4	

CAR No.	NYC ID No.
CAR #1	3P 7451
CAR #2	3P 7452



LANDING	OPENING FRONT	REAR	SIDE	FLOOR HT
10 th FLOOR	X	-	-	13'-2"
9 th FLOOR	X	-	-	13'-0"
8 th FLOOR	X	-	-	13'-0"
7 th FLOOR	X	-	-	13'-0"
6 th FLOOR	X	-	-	13'-0"
5 th FLOOR	X	-	-	13'-0"
4 th FLOOR	X	-	-	12'-7"
3 rd FLOOR	X	-	-	10'-11"
2 nd FLOOR	X	-	-	11'-11"
☆ 1st FLOOR	X	-	-	

BUFFER REACTION (lbs)		
CAR	R5	8,648
CTW	R6	13,053

REGISTERED ARCHITECT ARNO FISCHER 7041 UNIVERSITY OF THE STATE OF NEW YORK

PROFESSIONAL CERTIFICATION
ELEVATOR DIV. 10/21/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2

ELEVATION / SECTION (A-A)

SCALE : 1/4" = 1'-0"

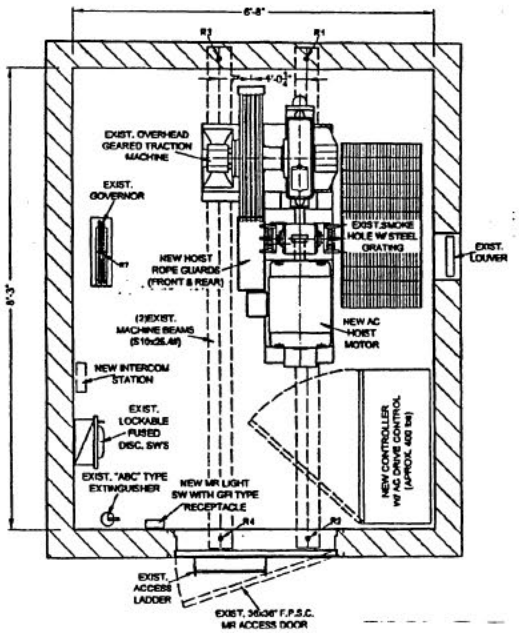
No.	REVISION	BY	DATE

NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-16-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 16)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-02 B.Q.E WEST, LONG ISLAND CITY, N.Y.11103, TEL. (718)729-5600 FAX. (718)729-0217

JOB ADDRESS : 499 COURT STREET		
LOCATION: BROOKLYN	BLOCK : 476	LOT : 6
LAYOUT DRAWING BY : ROKON TECH L.L.C.	TEL./FAX (718) 429-0729	
DRAWN BY : ANDRZEJ ROKOSZAK	DATE : AUGUST 06, 2004	
SCALE : AS NOTED JOB # :	SHEET : 4 OF 4	

* - EXISTING



MOTOR ROOM
SCALE : 1/4" - 1'-0"

CITY OF NEW YORK
DEPARTMENT OF BUILDINGS
OCT 27 2004
RECEIVED
ELEVATOR DIVISION

CITY OF NEW YORK
DEPARTMENT OF BUILDINGS
APR 27 2000
RECEIVED
ELEVATOR DIVISION
CA1564/00

REGISTERED ARCHITECT
ARNO FISCHER
7041
UNIVERSITY OF THE STATE OF NEW YORK

PROFESSIONAL CERTIFICATION
ELEVATOR DIV. 10/26/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2

MACHINE BEAM REACTION (lbs)	
R1	6,294
R2	1,899
R3	11,015
R4	2,973

GOVERNOR REACTION (lbs)		
CAR	R7	1,122
CTW		

No.	REVISION	BY	DATE

NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-16-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 18)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

ELEVATOR GENERAL DATA

ELEVATOR NO:	3P 7463 (CAR #3),	*
CLASSIFICATION :	PASSENGER	*
TYPE:	OVERHEAD GEARED TRACTION	*
SPEED:	150 F.P.M.	*
CAPACITY:	2000 LBS	*
LANDINGS /OPENINGS:	7 (B, *1st, 2nd to 6th FLOOR) / 7 - FRONT	*
OPERATION:	AUTOMATIC PUSH BUTTON	*
CONTROL:	MICRO-PROCEBOR (VVVF DRIVE)	NEW

CONSTRUCTION OF CAR

CROSSHEAD:	C7x9.8#	-
SAFETY PLANK:	C5x6.7#	*
STILES:	C6x8.7#	*
PLATFORM:	WOOD STEEL REINFORSED (2.5" THK)	*
CAR SAFETY:	INSTANTANEOUS (CURTIS ELEV.)	*
CAR SHOES:	ELSCO TYPE "C" (6 - 3.25" ROLLERS)	NEW
DOOR OPERATION:	POWER, G.A.L (MOVFR)	NEW
CAR DOOR:	36"W x 7'-0"H CP/SP - FRONT	*
		*
CAR FLOORING:	1/8" VINYL TILE	NEW
CAR DOOR PROTECTION DEV.:	"PANA 40"	NEW
CAR DOOR CONTACT:	G.A.L TYPE "G"	NEW

COUNTERWEIGHT

CROSSHEAD:	1/2"x6" PLATE	-
STILES:	C4x5.4#	-
PLANK:	1/2"x6" PLATE	*
CTW SHOES:	ELSCO TYPE "D" (3-3.25" ROLLERS)	NEW
CTW SAFETY:		N/A

MACHINE ROOM EQUIPMENT

MACHINE:	OVERHEAD GEARED TRACTION	*
HOIST MOTOR:	10HP, AC, 1200 R.P.M (REULAND ELECTRIC)	NEW
POWER SUPPLY:	208V, 3PH, 60HZ	-
TRANSFORMER:		N/A
CAR GOVERNOR:	CURTIS ELEV. (CENTRIFUGAL)	*
CONTROLLER:	TRICON CONTROL SYS., SELECTIVE - COLLECTIVE	NEW

HOISTWAY EQUIPMENT

CAR GUIDE RAILS:	8 LBS/FT, STEEL	*
COUNTERWEIGHT GUIDE RAILS:	8 LBS/FT, STEEL	*
CAR BUFFER:	2 - SPRING W/ 4" STROKE	*
CTW BUFFER:	1 - SPRING W/ 4" STROKE	*
DEFLECTOR:	20"DIA.	*
HOIST ROPES:	4 - 1/2"DIA., 8x19, TRACTION STEEL	NEW
CAR GOVERNOR ROPE:	1 - 3/8"DIA., 8x19, TRACTION STEEL	NEW
GOVERNOR TENSION WEIGHTS:	SWING TYPE -12"DIA.	*
COMPENSATION:		N/A
HOISTWAY ENTRANCES:	36"W x 7'-0"H CP/SP - FRONT	-
		*
HOISTWAY DOOR PANELS:	19"Wx7'-1"H, (1 1/2 HOUR FIRE RATE)	*
HATCH DOORS EQUIPMENT:	DOOR TRACKS, HANGERS, CLOSERS	NEW
HOISTWAY DOOR INTERLOCK:	G.A.L TYPE "MOCP"	NEW
LIMIT SWICHES:	G.A.L TYPE "LS"	NEW
LEVELING DEVICE:	IP6300 PLUS	NEW

ESTIMATED WEIGHT (lbs)

SLING & SAFETY:	651	COUNTERWEIGHT:	3846
PLATFORM:	399	MACHINE & MOTOR:	1925
EST. WEIGH OF CAB :	1400	MACHINE BEAMS:	464
MISCELLANEOUS:	318	DEFLECTOR:	325
TOTAL CAR:	3046	HOIST ROPES:	146
40% OVERBALANCE:	800		

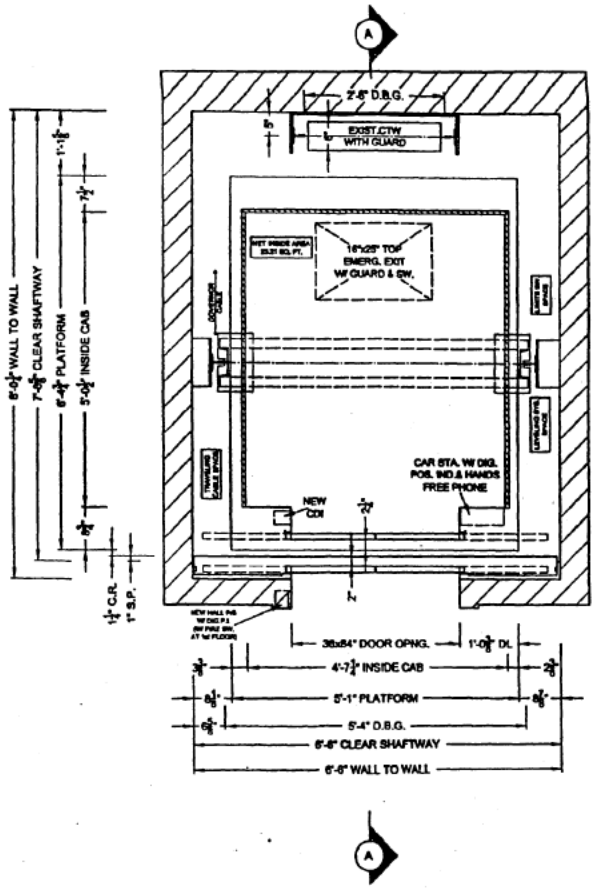
REACTIONS (lbs)

LOADS INDICATED ON OVERHEAD SUPPORTS HAVE BEEN DOUBLED FOR IMPACT
WEIGHT OF CONCRETE SLAB OR GRATING NOT INCLUDED

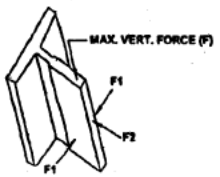
CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-02 B.Q.E WEST, LONG ISLAND CITY, N.Y.11103, TEL. (718)726-6900 FAX. (718)726-0717

JOB ADDRESS :	444 COURT STREET		
LOCATION :	BROOKLYN	BLOCK : 478	LOT : 6
LAYOUT DRAWING BY :	ROKON TECH L.L.C,	TEL./FAX (718) 429-0729	
DRAWN BY :	ANDRZEJ ROKOSZAK	DATE :	AUGUST 06, 2004
SCALE : AS NOTED	JOB # :	SHEET : 1 OF 4	

CAR No.	NYC ID No.
CAR #3	3P 7453



SHAFTWAY
SCALE : 1/2" - 1'-0"



RAIL FORCES (lbs)	
F1	138
F2	206
F	5,046

RAIL FORCES

REGISTERED ARCHITECT ARNO FISCHER 7041 UNIVERSITY OF THE STATE OF NEW YORK

PROFESSIONAL CERTIFICATION
ELEVATOR DIV. 10/26/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2

No.	REVISION	BY	DATE

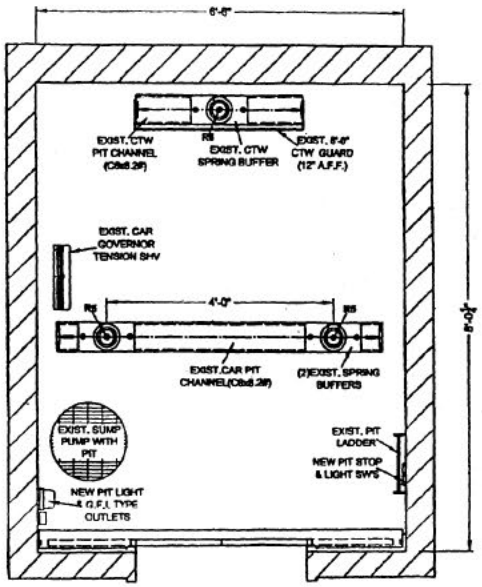
NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-18-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 18)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-62 B.Q.E WEST, LONG ISLAND CITY, N.Y.11103, TEL. (718)729-5900 FAX. (718)729-0217

JOB ADDRESS : 494 COURT STREET

LOCATION : BROOKLYN	BLOCK : 476	LOT : 6
LAYOUT DRAWING BY : ROKON TECH L.L.C.	TEL./FAX (718) 429-0729	
DRAWN BY : MANFRED KONRAD	DATE : AUGUST 06, 2004	
SCALE : AS NOTED	JOB # :	SHEET : 2 OF 4

CAR No.	NYC ID No.
CAR #3	3P 7453



PIT VIEW
SCALE : 1/2" - 1'-0"

BUFFER REACTION (lbs)		
CAR	R5	6,988
CTW	R6	10,652

REGISTERED ARCHITECT
ARNO FISCHER
17040
STATE OF NEW YORK

PROFESSIONAL CERTIFICATION
ELEVATOR DIV. 10/26/04
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2

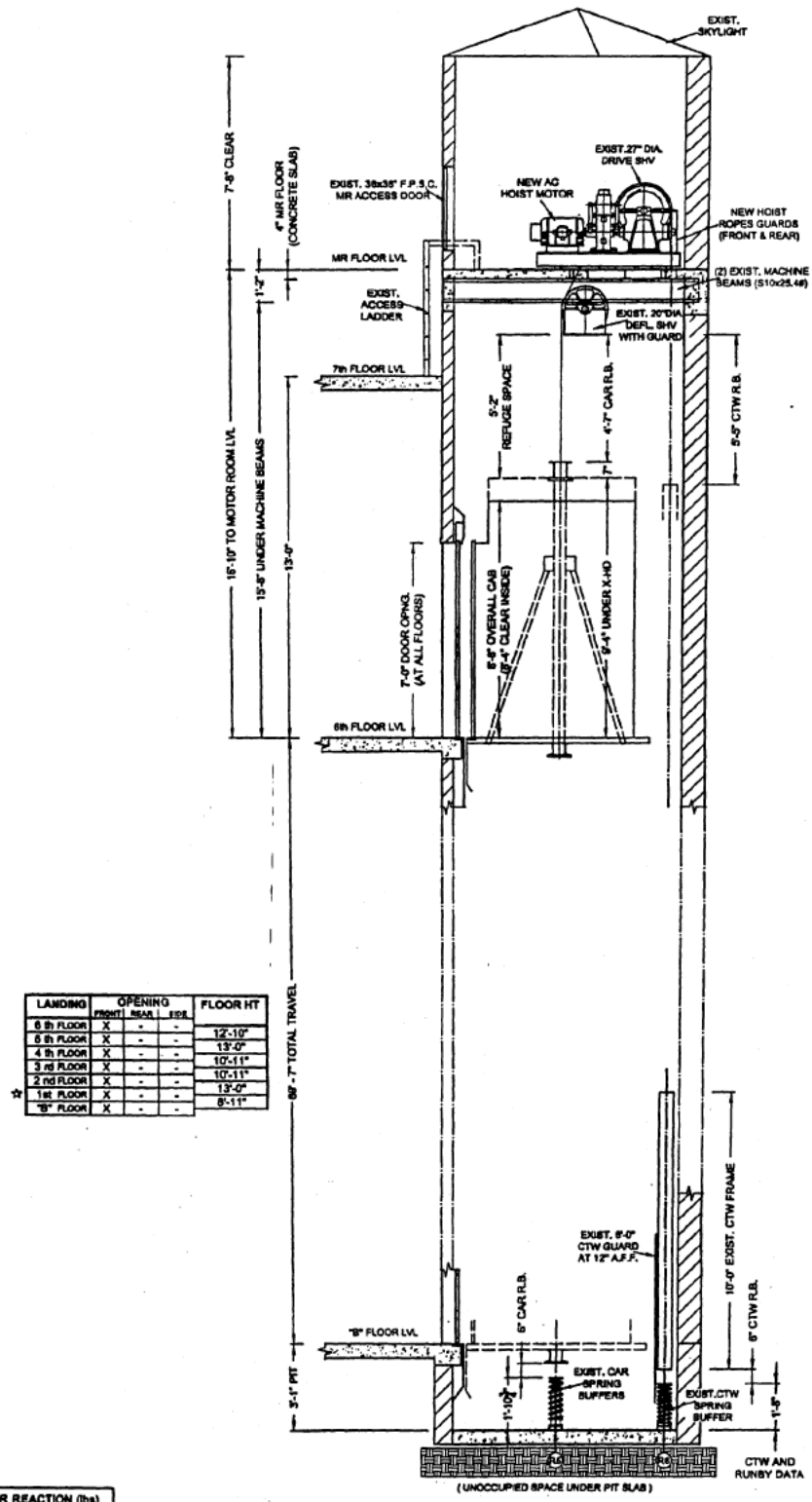
No.	REVISION	BY	DATE

NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-16-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 16)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-52 51ST WEST, LONG ISLAND CITY, N.Y. 11103, TEL. (718)728-8000 FAX. (718)728-0217

JOB ADDRESS : 499 COURT STREET		
LOCATION : BROOKLYN	BLOCK : 476	LOT : 6
LAYOUT DRAWING BY : ROKON TECH L.L.C,	TEL./FAX (718) 429-0729	
DRAWN BY : ANDRZEJ ROKOSZAK	DATE : AUGUST 08, 2004	
SCALE : AS NOTED	JOB # :	SHEET : 3 OF 4

CAR No.	NYC ID No.
CAR #3	3P 7453



LANDING	OPENING FRONT	OPENING REAR	OPENING SIDE	FLOOR HT
6 th FLOOR	X	-	-	12'-10"
5 th FLOOR	X	-	-	13'-0"
4 th FLOOR	X	-	-	10'-11"
3 rd FLOOR	X	-	-	10'-11"
2 nd FLOOR	X	-	-	13'-0"
1st FLOOR	X	-	-	8'-11"
"B" FLOOR	X	-	-	

BUFFER REACTION (lbs)		
CAR	R5	6,966
CTW	R6	10,652

REGISTERED ARCHITECT ARNO FISCHER 7041 STATE OF NEW YORK

ELEVATION / SECTION (A-A)

SCALE : 1/4" = 1'-0"

PROFESSIONAL CERTIFICATION
ELEVATOR DIV.
DEPARTMENT OF BUILDINGS
STAMP NUMBER . OF 2
10/12/04

No.	REVISION	BY	DATE

NOTE :ALL NEW WORK TO COMPLY WITH ANSI/ASME A17.1-1996/97, RS-18-1, AND NEW YORK BUILDING CODE (SUB-CHAPTER 18)
NOTE :CONTRACTOR TO FIELD VERIFY ALL DIMENSIONS AND EQUIPMENT LAYOUT

CENTENNIAL ELEVATOR INDUSTRIES, INC.
23-62 B.Q.E WEST, LONG ISLAND CITY, N.Y.11103, TEL. (718)726-5900 FAX. (718)726-0217

JOB ADDRESS : 499 COURT STREET

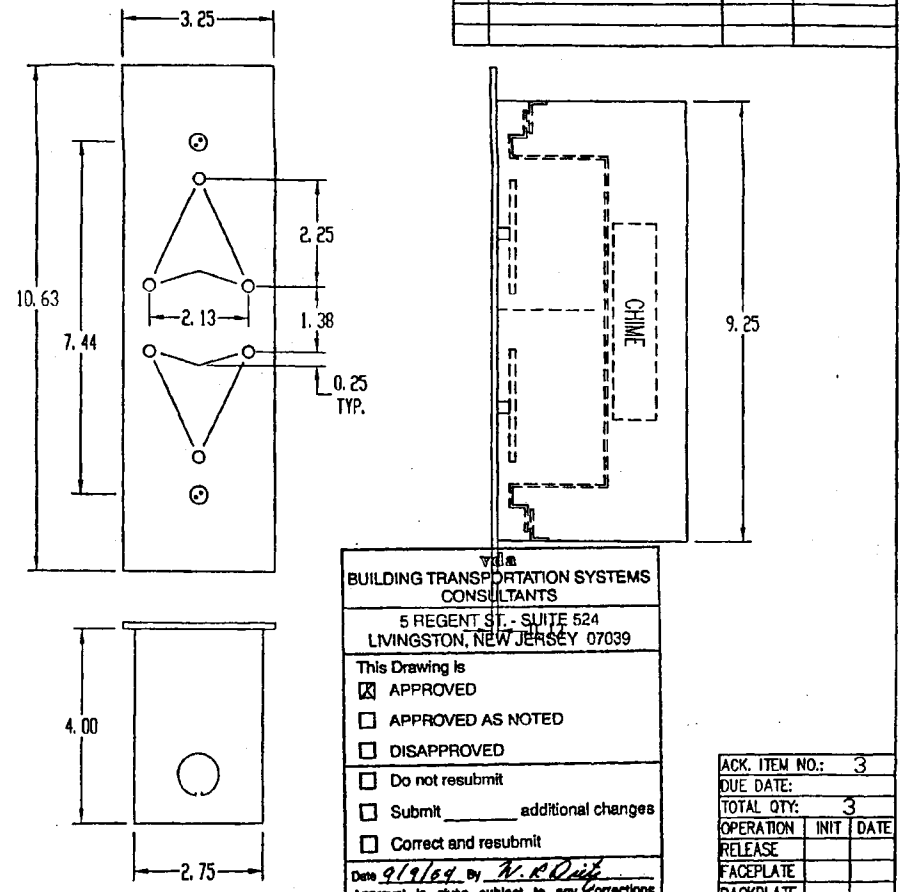
LOCATION : BROOKLYN | BLOCK : 476 | LOT : 8

LAYOUT DRAWING BY : ROKON TECH L.L.C, TEL./FAX (718) 429-0729

DRAWN BY : ANDRZEJ ROKOSZAK | DATE : AUGUST 06, 2004

SCALE: AS NOTED | JOB #: | SHEET : 4 OF 4

REV	DESCRIPTION	APPV'D	DATE



vdm
BUILDING TRANSPORTATION SYSTEMS CONSULTANTS
5 REGENT ST. - SUITE 524
LIVINGSTON, NEW JERSEY 07039

This Drawing is
- [X] APPROVED
- [ ] APPROVED AS NOTED
- [ ] DISAPPROVED
- [ ] Do not resubmit
- [ ] Submit _____ additional changes
- [ ] Correct and resubmit

Date 9/9/04 By W. R. Dick

Approval is given subject to any corrections noted on the drawing and to the condition that the Contractor is not relieved of responsibility for coordination, correct measurements, quantities, materials or for deviations from the contract drawings and specifications.

ACK. ITEM NO.:	3	
DUE DATE:		
TOTAL QTY:	3	
OPERATION	INIT	DATE
RELEASE		
FACEPLATE		
BACKPLATE		
BOX		
ENGRAVING		
SEE FINAL INSPECTION FORM FOR DETAILS (SEE FORM # MONINSP3.00)		
SHIPPING		

SPECIFICATIONS

MATERIAL:
COVER - .125" ST/ST WITH #4 BRUSHED FINISH AND BEVELED EDGES
BOX - 9-1/4" x 2-3/4" x 4", 14 GA. GALVANIZED STEEL (P/N BX-1073-01)
MOUNTING SCREWS - 8-32 x 1"L, SPANNER HEAD

ARROWS:
1/4" DIA. EPOXY FILLED JEWELS, ILLUMINATE: UP-GREEN & DOWN-RED

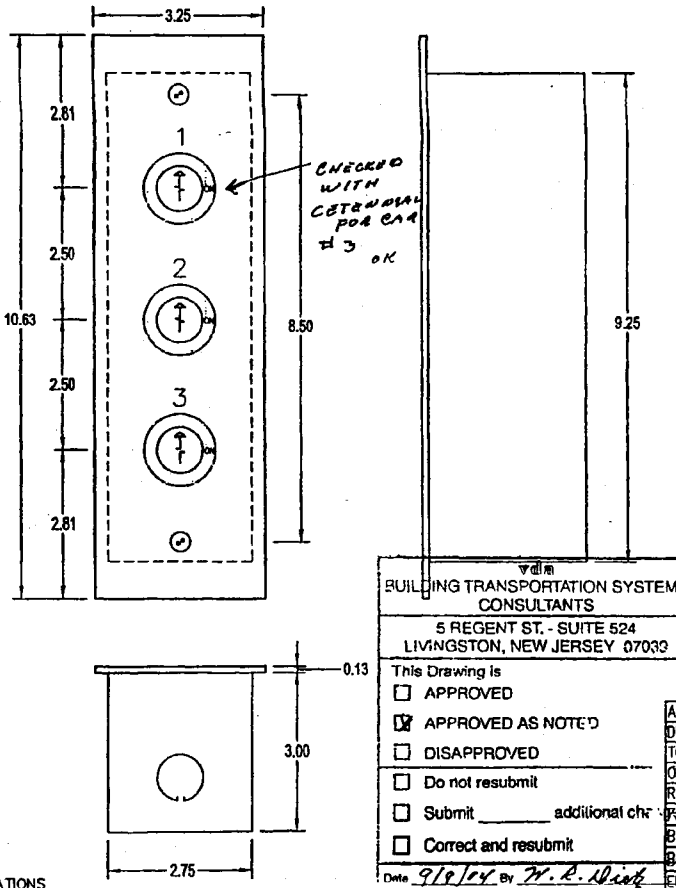
LIGHTS & CHIME:
120VAC. RED/GREEN LED BOARDS; TG120-BF1 CHIME

ENGRAVING: 1/8" THK. ARROW LINES BETWEEN JEWELS

MONITOR CONTROLS Inc.
125 Ricefield Lane, Hauppauge, New York 11788

TOLERANCES	CUSTOMER	DWN.	ENGR
DECIMAL ±.063	CENTENNIAL ELEVATOR	PB	PB
FRACTIONAL ±1/32	ADDRESS 505 COURT STREET, NY	DATE	9-3-04
ANGULAR ±°	TITLE CAR LANTERN, ENGR, T.R.	SCALE	NONE
	DWG. NO. C.L.-14837	REV.	-

REV	DESCRIPTION	APPV'D	DATE



CHECKED WITH CETRONIA FOR CAR #3 OK

vdm
BUILDING TRANSPORTATION SYSTEMS CONSULTANTS
5 REGENT ST. - SUITE 524
LIVINGSTON, NEW JERSEY 07039

This Drawing is
- [ ] APPROVED
- [X] APPROVED AS NOTED
- [ ] DISAPPROVED
- [ ] Do not resubmit
- [ ] Submit _____ additional changes
- [ ] Correct and resubmit

Date 9/9/04 By W. R. Dick

Approval is given subject to any corrections noted on the drawing and to the condition that the Contractor is not relieved of responsibility for coordination, correct measurements, quantities, materials or for deviations from the contract drawings and specifications.

ACK. ITEM NO.:	12	
DUE DATE:		
TOTAL QTY:	1	
OPERATION	INIT	DATE
RELEASE		
FACEPLATE		
BACKPLATE		
BOX		
ENGRAVING		
SEE FINAL INSPECTION FORM FOR DETAILS (SEE FORM # MONINSP3.00)		
SHIPPING		

SPECIFICATIONS

MATERIAL:
COVER - .125" ST/ST w/#4 BRUSHED FINISH AND BEVELED EDGES
BOX - 14 GA. GALVANIZED STEEL
MTG SCREWS - 8-32 x 1" SPANNER HEAD

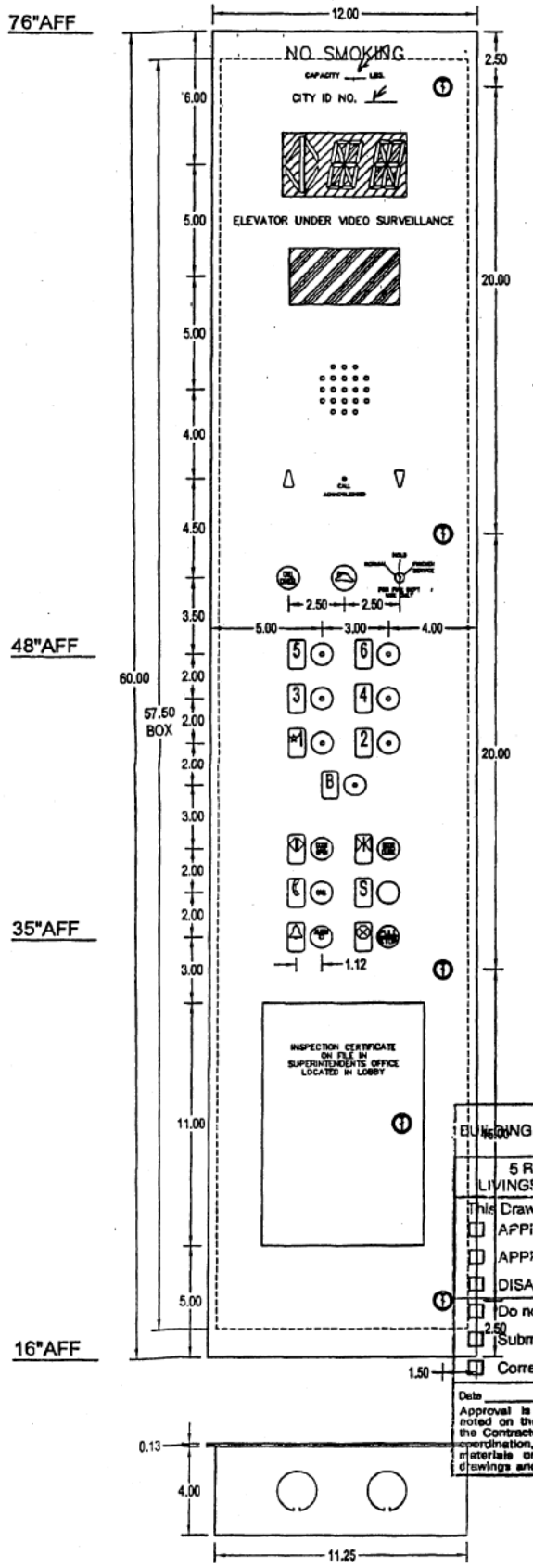
KEYSWITCH:
J200 (DP/DT) W/ 1-3/8" BLACK INSERT

ENGRAVING:
1/2" - BLACK - 1, 2, 3

MONITOR CONTROLS Inc.
125 Ricefield Lane, Hauppauge, New York 11788

TOLERANCES	CUSTOMER	DWN.	ENGR
DECIMAL ±.063	CENTENNIAL ELEVATOR	PB	PB
FRACTIONAL ±1/32	ADDRESS 505 COURT STREET, NY	DATE	9-3-04
ANGULAR ±°	TITLE CAR TO LOBBY PANEL	SCALE	NONE
	DWG. NO. C.T.L.-14837	REV.	-

REV	DESCRIPTION	APPV'D	DATE



SPECIFICATIONS

MATERIAL:
COVER – 0.125" ST/ST W/ #4 BRUSHED FINISH AND BEVELED EDGE
BACKING PLATE – 0.090" ALUMINUM
BOX – 14 GA. GALVANIZED STEEL

BUTTONS: 1" DIA., FLAT ST/ST, UNLESS OTHERWISE SPECIFIED
FLOOR – L/U – 3/16" DIA. JEWEL W/ 2 N.O. CONTACTS
DO, DC – NON L/U – RED ENGR W/ 2 N.O. CONTACTS
ALARM – L/U – 3/16" JEWEL, RED ENGR W/ 2 N.O. CONTACTS
PULL EM. STOP – NON L/U – RED ENGR W/ DP/DT CONTACTS
CALL CANCEL – NON L/U – RED ENGR W/ 1 N.O./1 N.C. CONTACT
CALL – NON L/U – BLACK ENGR W/ 2 N.O. CONTACTS
AUD – NON L/U – BLANK W/ 1 N.O./1 N.C. CONTACT
UP, DN, PASS – NON L/U – 1.040" DIA. WHT PLST W/ CLEAR CAP – BLACK ENGR W/ 1-3/8" HALO W/ 2 N.O. CONTACTS

**BUTTON VOLTAGE – 24V (AMBER LED)

BRAILLE PLATES: VISIONMARK
3/4" x 1-5/16" METAL BRAILLE PLATE W/ BLACK BACKGROUND NUMBERS AND SYMBOLS ARE 5/8" H. NUMBERS, SYMBOLS AND BRAILLE DOTS ARE RAISED 0.030".

ENGRAVING:
5/8" – BLACK – NO SMOKING
3/8" – BLACK – CITY ID NO. ____
3/8" – BLACK – ELEVATOR UNDER VIDEO SURVEILLANCE
1/4" – BLACK – CAPACITY ____ LBS.
1/4" – BLACK – CERT ON FILE
3/16" – BLACK – CALL ACKNOWLEDGED
3/16" – RED – FIRE SERVICE SWITCH – SEE DWG. FOR DETAILS

SWITCHES: 1-3/8" DIA. BLACK PLASTIC INSERT, WHITE LETTERING, UNLESS OTHERWISE SPECIFIED
J200 – LIGHT, 2 SPEED FAN, ATTN, INDP.
J200 – DOOR & COVER, NO INSERT REQUIRED
J217 – INSPECTION
EMERGENCY LIGHT TEST BUTTON – MOMENTARY CONTACT

FIRE SERVICE: NYC FIRE CODE
YALE 2642 – KEY REMOVABLE @ NORMAL, HOLD
FIRE JEWEL – 1.040" DIA. PLASTIC INSERT W/ 1-1/8" DIA. CLEAR CAP, L/U
BUZZER – 24V
CALL CANCEL BUTTON

COMMUNICATIONS:
HANDSFREE PHONE – EMS MODEL PNB SUPPLIED BY MONITOR, MOUNTED BY MONITOR
SPEAKER HOLES – 3/16" DIA. ON 1/2" CENTERS
CALL ACK. JEWEL – 3/16" DIA. EPOXY FILLED, L/U
CALL BUTTON

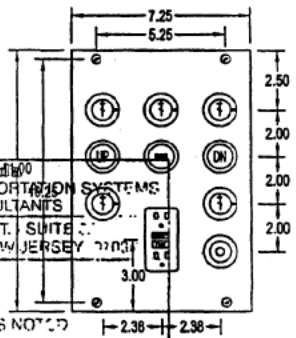
ATTENDANT SERVICE:
ATTENDANT KEYSWITCH
UP/DN/PASS BUTTONS
DIRECTION ARROWS – 3/4"H. EPOXY FILLED; ILLUMINATE: UP-GREEN, DOWN-RED
BUZZER – 24V

WIRING:
NO WIRING REQUIRED – SEND TO TRICON

ACCESSORIES:
DIG. READOUT – E-MOTIVE MS5520HR1, 2"H. DISPLAY W/ 2-7/8"H x 5-5/8"W. RUBY RED LENS
EMERGENCY LIGHT – 2-1/2"H. x 5"W. FLUSH WHITE PLASTIC LENS & BATTERY POWER PACK
LOCKED SERVICE COMPARTMENT – 11"H. x 7-1/4"W.
GFI DUPLEX OUTLET
NUDGING BUZZER – 24V
PASSING CHIME – 24V

NOTES:
HINGE SIDE – ____ (TELESCOPING)

↑ DENOTES CONTRACTOR FILL IN



BUILDING TRANSPORTATION SYSTEMS CONSULTANTS
5 REGENT ST., SUITE ...
LIVINGSTON, NEW JERSEY ...

This Drawing is
☐ APPROVED
☐ APPROVED AS NOTED
☐ DISAPPROVED
☐ Do not resubmit
☐ Submit ____ additional changes
☐ Correct and resubmit

Date ____ By ____

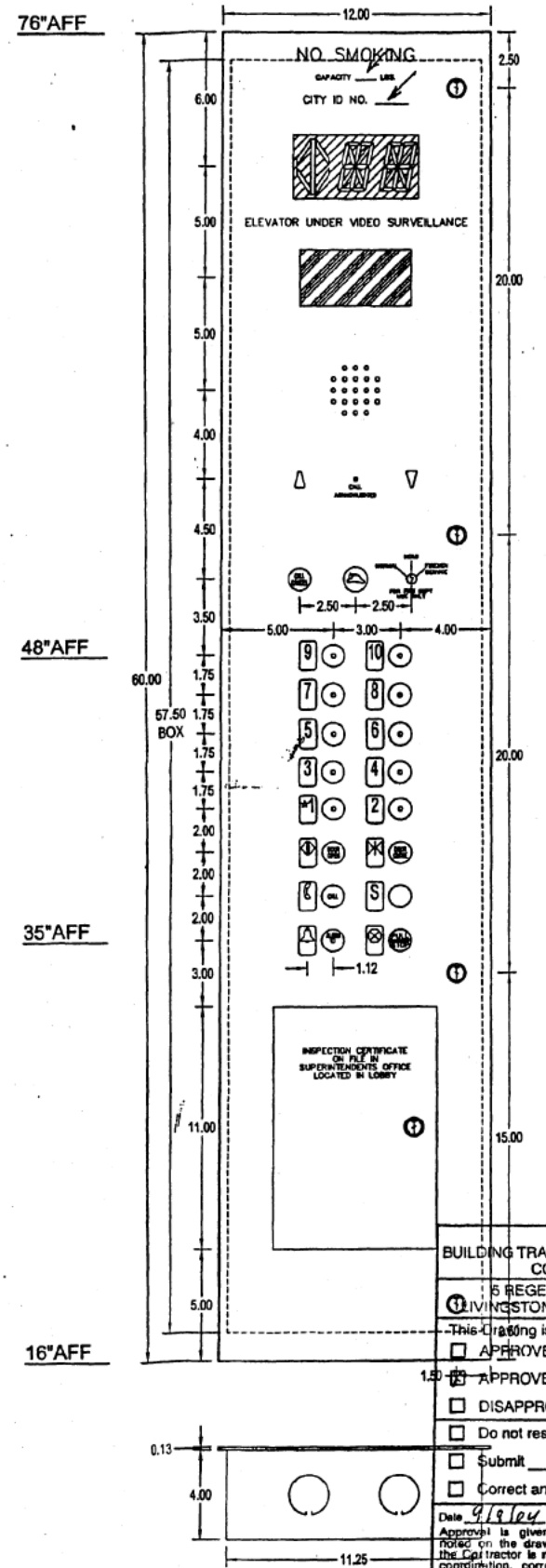
Approval is given subject to any corrections noted on the drawing and to the condition that the Contractor is not relieved of responsibility for coordination, correct measurements, quantities, materials or for deviations from the contract drawings and specifications.

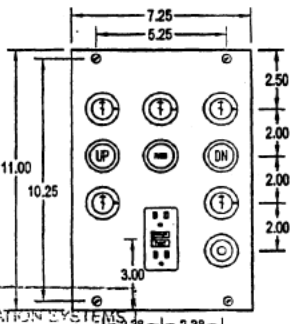
ACK. ITEM NO.:	2	
DUE DATE:		
TOTAL QTY:	1	
OPERATION	INIT	DATE
RELEASE		
FACEPLATE		
BACKPLATE		
BOX		
ENGRAVING		
SEE FINAL INSPECTION FORM FOR DETAILS (SEE FORM # MONINSP3.00)		
SHIPPING		

MONITOR CONTROLS Inc.
125 Ricefield Lane, Hauppauge, New York 11788

TOLERANCES	CUSTOMER	DWN.	ENGR
DECIMAL ±.063	CENTENNIAL ELEVATOR	PB	PB
FRACTIONAL ±1/32	ADDRESS 505 COURT STREET	DATE	9-3-04
ANGULAR ±°	TITLE CAR STATION 3	SCALE	NONE
	DWG. NO. C.S.-14837-2	REV.	-

REV	DESCRIPTION	APPV'D	DATE





* DENOTES CONTRACTOR FILL IN

SPECIFICATIONS

MATERIAL:
COVER – 0.125" ST/ST W/ #4 BRUSHED FINISH AND BEVELED EDGE
BACKING PLATE – 0.090" ALUMINUM
BOX – 14 GA. GALVANIZED STEEL

BUTTONS: 1" DIA., FLAT ST/ST, UNLESS OTHERWISE SPECIFIED
FLOOR – L/U – 3/16" DIA. JEWEL W/ 2 N.O. CONTACTS
DO, DC – NON L/U – RED ENGR W/ 2 N.O. CONTACTS
ALARM – L/U – 3/16" JEWEL, RED ENGR W/ 2 N.O. CONTACTS
PULL EM. STOP – NON L/U – RED ENGR W/ DP/DT CONTACTS
CALL CANCEL – NON L/U – RED ENGR W/ 1 N.O./1 N.C. CONTACT
CALL – NON L/U – BLACK ENGR W/ 2 N.O. CONTACTS
AUD – NON L/U – BLANK W/ 1 N.O./1 N.C. CONTACT
UP, DN, PASS – NON L/U – 1.040" DIA. WHT PLST W/ CLEAR CAP – BLACK ENGR W/ 1-3/8" HALO W/ 2 N.O. CONTACTS

**BUTTON VOLTAGE – 24V (AMBER LED)

BRAILLE PLATES: VISIONMARK
3/4" x 1-5/16" METAL BRAILLE PLATE W/ BLACK BACKGROUND NUMBERS AND SYMBOLS ARE 5/8" H. NUMBERS, SYMBOLS AND BRAILLE DOTS ARE RAISED 0.030".

ENGRAVING:
5/8" – BLACK – NO SMOKING
3/8" – BLACK – CITY ID NO. ___
3/8" – BLACK – ELEVATOR UNDER VIDEO SURVEILLANCE
1/4" – BLACK – CAPACITY ___ LBS.
1/4" – BLACK – CERT ON FILE...
3/16" – BLACK – CALL ACKNOWLEDGED
3/16" – RED – FIRE SERVICE SWITCH – SEE DWG. FOR DETAILS

SWITCHES: 1-3/8" DIA. BLACK PLASTIC INSERT, WHITE LETTERING, UNLESS OTHERWISE SPECIFIED
J200 – LIGHT, 2 SPEED FAN, ATTN., INDP.
J200 – DOOR & COVER, NO INSERT REQUIRED
J217 – INSPECTION
EMERGENCY LIGHT TEST BUTTON – MOMENTARY CONTACT

FIRE SERVICE: NYC FIRE CODE
YALE 2642 – KEY REMOVABLE @ NORMAL, HOLD
FIRE JEWEL – 1.040" DIA. PLASTIC INSERT W/ 1-1/8" DIA. CLEAR CAP, L/U
BUZZER – 24V
CALL CANCEL BUTTON

COMMUNICATIONS:
HANDSFREE PHONE – EMS MODEL PNB SUPPLIED BY MONITOR, MOUNTED BY MONITOR
SPEAKER HOLES – 3/16" DIA. ON 1/2" CENTERS
CALL ACK. JEWEL – 3/16" DIA. EPOXY FILLED, L/U
CALL BUTTON

ATTENDANT SERVICE:
ATTENDANT KEYSWITCH
UP/DN/PASS BUTTONS
DIRECTION ARROWS – 3/4"H. EPOXY FILLED; ILLUMINATE: UP-GREEN, DOWN-RED
BUZZER – 24V

WIRING:
NO WIRING REQUIRED – SEND TO TRICON

ACCESSORIES:
DIG. READOUT – E-MOTIVE MS5520HR1, 2"H. DISPLAY W/ 2-7/8"H. x 5-5/8"W. RUBY RED LENS
EMERGENCY LIGHT – 2-1/2"H. x 5"W. FLUSH WHITE PLASTIC LENS & BATTERY POWER PACK
LOCKED SERVICE COMPARTMENT – 11"H. x 7-1/4"W.
GFI DUPLEX OUTLET
NUDGING BUZZER – 24V
PASSING CHIME – 24V

NOTES:
HINGE SIDE – ___ (TELESCOPING)

BUILDING TRANSPORTATION SYSTEMS CONSULTANTS
6 REGENT ST. - SUITE 424
LIVINGSTON, NEW JERSEY 07039

This Drawing is
☐ APPROVED
☒ APPROVED AS NOTED
☐ DISAPPROVED
☐ Do not resubmit
☐ Submit ___ additional changes
☐ Correct and resubmit

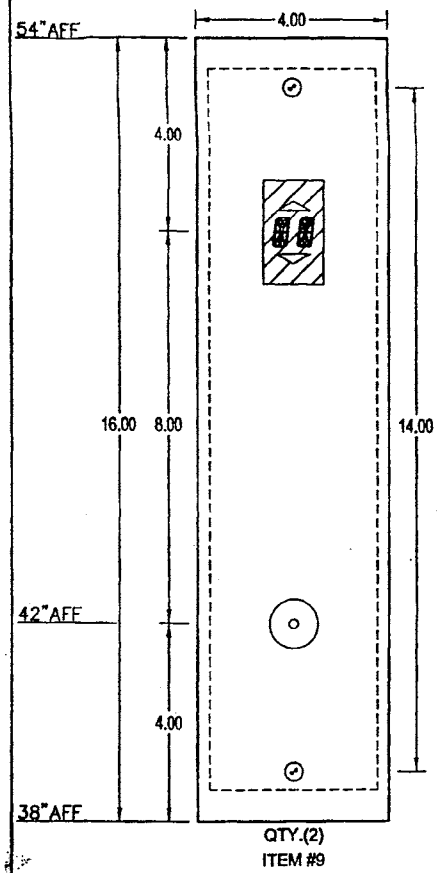
Date 9/9/04 By W. R. Duff

Approval is given subject to any corrections noted on the drawing and to the condition that the Contractor is not relieved of responsibility for coordination, correct measurements, quantities, materials or for deviations from the contract drawings and specifications.

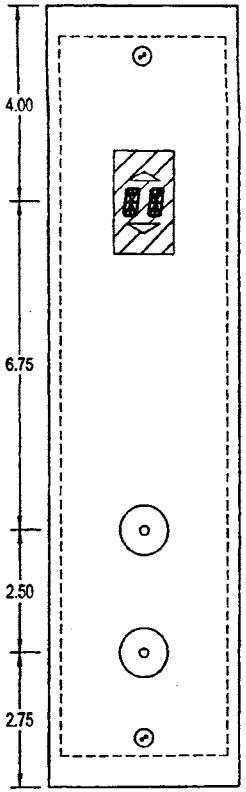
ACK. ITEM NO.:	1	
DUE DATE:		
TOTAL QTY:	2	
OPERATION	INIT	DATE
RELEASE		
FACEPLATE		
BACKPLATE		
BOX		
ENGRAVING		
SEE FINAL INSPECTION FORM FOR DETAILS (SEE FORM # MONINSP3.00)		
SHIPPING		

MONITOR CONTROLS Inc.
125 Ricefield Lane, Hauppauge, New York 11788

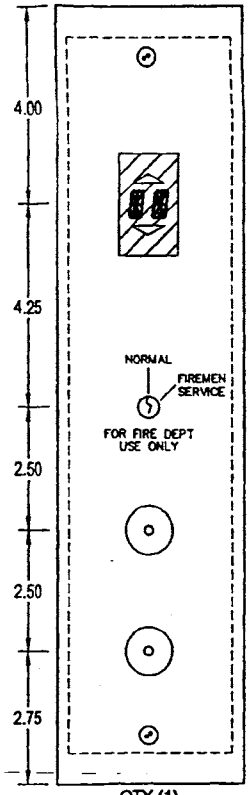
TOLERANCES	CUSTOMER	DWN.	ENGR
DECIMAL ±.005	CENTENNIAL ELEVATOR	PB	PB
FRACTION ±1/32	ADDRESS 505 COURT STREET	DATE 9-3-04	
ANGULAR ±°	TITLE CAR STATIONS 1 & 2	SCALE NONE	
	DWG. NO. C.S.-14837-1	REV. -	



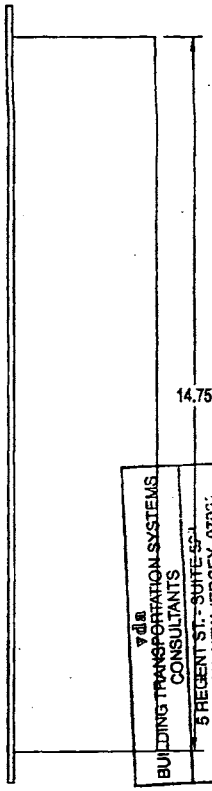
QTY.(2)
ITEM #9

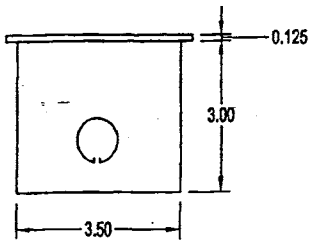


QTY.(4)
ITEM #10



QTY.(1)
ITEM #11





REV	DESCRIPTION	APPV'D	DATE

SPECIFICATIONS

MATERIAL:
COVER – 0.125" ST/ST w/#4 BRUSHED FINISH AND BEVELED EDGES
BOX – 14 GA. GALVANIZED STEEL
MTG SCREWS – 8–32 x 1" SPANNER HEAD

BUTTONS:
1" DIA. FLAT, ST/ST W/ 3/16" DIA. JEWEL AND 2 N.O. CONTACTS; L/U – ___V (AMBER LED)

KEYSWITCH:
YALE 2642 – FIRE SERVICE

ENGRAVING:
F/S KY/SW – 3/16" – RED

DIGITAL:
0.6"H. E-MOTIVE MS1220VR1 W/ 2-1/8"H. x 1-1/4"W. RUBY RED LENS

vda
BUILDING TRANSPORTATION SYSTEMS CONSULTANTS
5 REGENT ST. - SUITE 521
LIVINGSTON, NEW JERSEY 07039

This Drawing is
☒ APPROVED
☐ APPROVED AS NOTED
☐ DISAPPROVED

☐ Do not resubmit ☐ Submit ___ additional ch: ges ☐ Correct and resubmit

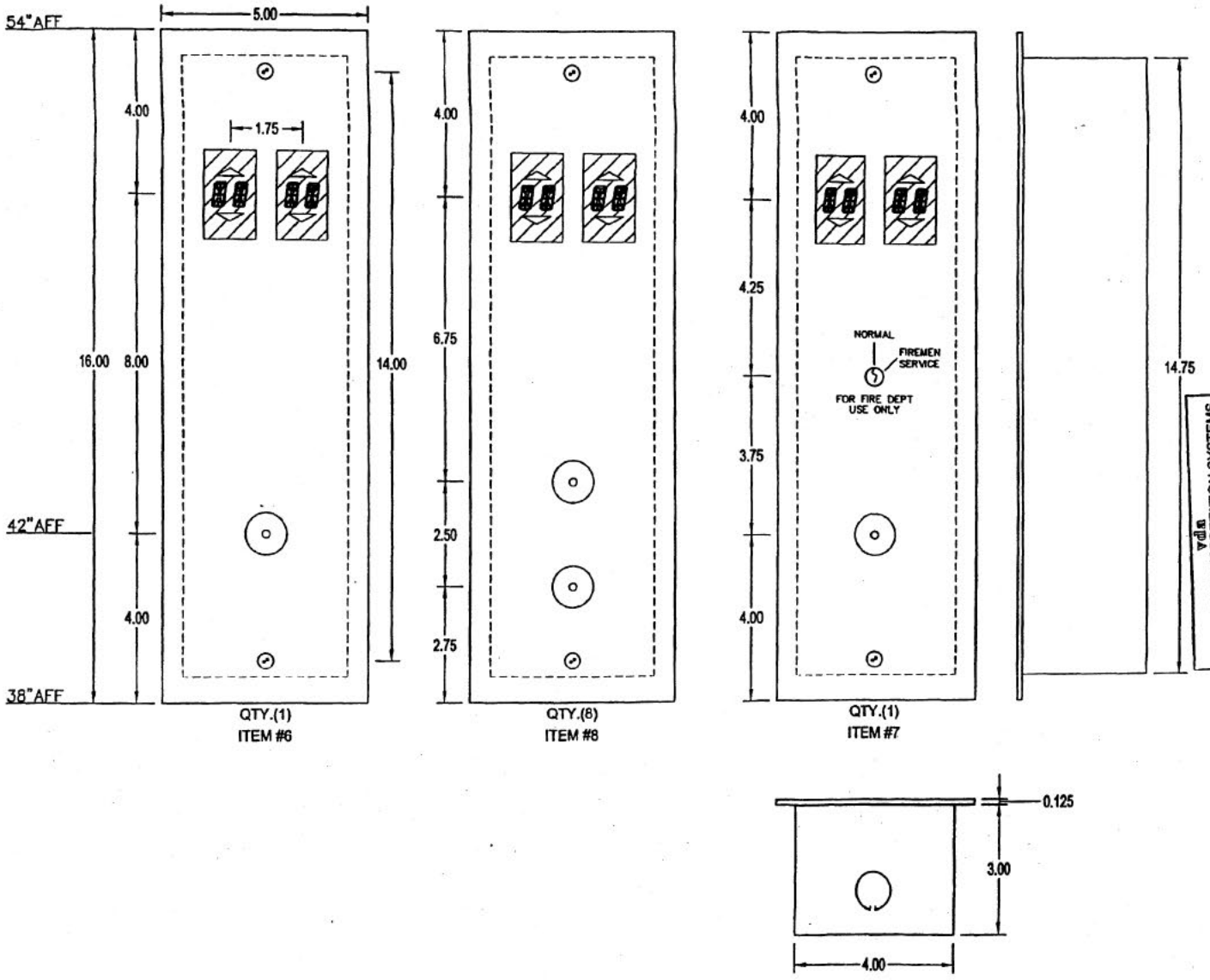
Date 9/9/04 By M. Patel

Approval is given subject to any corrections noted on the drawing and to the condition that the Contractor is not relieved of responsibility for the coordination, correctness of measurements, quantities, fabrication processes, deviations from the contract requirements and specifications.

ACK. ITEM NO.: 9-11		
DUE DATE:		
TOTAL QTY:	7	
OPERATION	INIT	DATE
RELEASE		
FACEPLATE		
BACKPLATE		
BOX		
ENGRAVING		
SEE FINAL INSPECTION FORM FOR DETAILS (SEE FORM # MONINSP3.00)		
SHIPPING		

MONITOR CONTROLS Inc.
125 Ricefield Lane, Hauppauge, New York 11788

CUSTOMER	CENTENNIAL ELEVATOR	DWN. PB	ENGR PB
ADDRESS	505 COURT STREET, NY	DATE 9-3-04	
TITLE	HALL STATIONS (3)	SCALE NONE	
DWG. NO.	H.S.-14837-2	REV. -	



REV	DESCRIPTION	APPV'D	DATE

SPECIFICATIONS

MATERIAL:
COVER – 0.125" ST/ST w/#4 BRUSHED FINISH AND BEVELED EDGES
BOX – 14 GA. GALVANIZED STEEL
MTG SCREWS – 8-32 x 1" SPANNER HEAD

BUTTONS:
1" DIA. FLAT, ST/ST W/ 3/16" DIA. JEWEL AND 2 N.O. CONTACTS; L/U – ___V (AMBER LED)

KEYSWITCH:
YALE 2642 – FIRE SERVICE

ENGRAVING:
F/S KY/SW – 3/16" – RED

DIGITAL:
0.6"H. E-MOTIVE MS1220VR1 W/ 2-1/8"H. x 1-1/4"W. RUBY RED LENS

BUILDING TRANSPORTATION SYSTEMS CONSULTANTS
5 REGENT ST. - SUITE 524
LIVINGSTON, NEW JERSEY 07039

This Drawing is
☒ APPROVED ☐ APPROVED AS NOTED ☐ DISAPPROVED

☐ Do not resubmit ☐ Submit ___ additional c. ☐ Correct and resubmit

Approval is given subject to any corrections noted on the drawing and to the condition that the contractor is not relieved of responsibility for any deviation, correct measurements, quantities, materials or for deviations from the contract drawings and specifications.

Checked by: 6-8
Date: 10

OPERATION	INIT	DATE
RELEASE		
FACEPLATE		
BACKPLATE		
BOX		
ENGRAVING		
SEE FINAL INSPECTION FORM FOR DETAILS (SEE FORM # MONINSP3.00)		
SHIPPING		

MONITOR CONTROLS Inc.
125 Eiseffield Lane, Hauppauge, New York 11788

CUSTOMER	CENTENNIAL ELEVATOR	DWN. PB	ENGR PB
ADDRESS	505 COURT STREET, NY	DATE 9-3-04	
TITLE	HALL STATIONS (1 & 2)	SCALE NONE	
DWG. NO.	H.S.-14837-1	REV. -	

EXHIBIT E

FAX

GAMILL ENGINEERING, P.C.
197 COURT STREET
BROOKLYN, N.Y. 11201
TEL. (718) 522 - 5232
FAX (718) 522 - 5286

Name: Mr.Steven Hirsch
Metropolitan Housing Partners, LLC
Fax: (212) 925 - 0944

From: Jack Gamill
Date: January 13, 2005
Subject: Violation searches.

Pages: 21 PAGES INCLUDING COVER

Comments:

Steven,

Attached please find complete violation searches.

Should you have any further questions or issues please contact me directly.

Regards,

Jack Gamill
Gamill Engineering, P.C.

Cc: Christine Hilla via Fax (212) 806-2628
Arlene Awaye via Fax (718) 330-0070

EXPRESS research services

50 Court Street
Brooklyn, N.Y. 11201
Tel: (718)624-6969
Fax: (718)624-0201

1 Dupont Street
Plainview, NY 11803
Tel: (631)981-7510
Fax: (631)585-7392

Fire Department of the City of New York
Bureau of Fire Prevention
250 Livingston Street
Brooklyn, N.Y. 11201-5884

RECORD SEARCH REQUEST

Mail to:

Express Research Services
50 Court Street, Suite 210
Brooklyn, NY 11201

Checked by: _____
Search Number: _____

Title #: GAMIL BRUCEG 12-30

The undersigned requests the following information re: Premises

aka 183/195 WEST 9th STREET
aka 182/200 HUNTINGTON STREET
499/505 COURT STREET — **KINGS**
ADDRESS — BOROUGH

☒ 1. Record of existing Fire Department Violations _____ Fee: $10.00

☐ 2. Record of Permit for _____ Fee: $10.00

☐ 3. Other _____ Fee: $10.00

State applicants interest in or relations to premises: Total Fee: _____

(The City of New York is not being sued nor is there any intention to sue the City of New York)

Signed: EXPRESS RESEARCH SERVICES
Date: December 30, 2004

Do not write below this line

Gentlemen:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M., 12/15/2004 our records show the following:

83-001730

Searched by: _____

Chief In Charge
Division of Fire Prevention

Violations recorded above are only those which are a matter of record in headquarters of the division of fire prevention, and may not include violations issued by local units.

83-1730.

CITY OF NEW YORK
FIRE DEPARTMENT
DIVISION OF FIRE PREVENTION

VIOLATION ORDER

D 144055

To 505 Court Street Brklyn Recycling Center
ADDRESS NAME OF OWNER, LESSEE, OCCUPANT, ETC.
ROOM NO. OR FLOOR TYPE OF OCCUPANCY ACCOUNT NO.

Sir: . An inspection this date of the above premises indicates the existence of the following violations under the enforcement jurisdiction of this Department. You are hereby directed to correct such violations by compliance with the following order:

STANDARD ORDER FORM NO.	ITEM NO.	83-01730
	(1)	Obtain a certificate of fitness for the maintenance of the sprinkler system.
	(2)	Obtain a certificate of fitness for the maintenance of the standpipe system.
	(3)	Maintain monthly inspection records of the sprinkler and standpipe systems (post at control valves)

If this order has not been complied with, in 30 days of the issuance date, A SUMMONS will be issued for violation of Chapter 19 of the Administrative Code of the City of New York.

J. SUMMONS

For Numbering

Deputy Chief R. Bakan
Fire Commissioner

This is to certify that I have made an inspection of said premises and have issued the above order to:

[redacted] - SUPT.

NAME OF PERSON WHO RECEIVED THIS ORDER

INSPECTOR 1/26/83 Fire Prevention
DATE UNIT

For information, inspector or division may be contacted at:

Unit Address 250 Livingston Street Unit Telephone (718) 403-7318

EXPRESS research services

Fire Department of the City of New York
Bureau of Fire Prevention
250 Livingston Street
Brooklyn, N.Y. 11201-5884

50 Court Street
Brooklyn, N.Y. 11201
Tel: (718)624-6969
Fax: (718)624-0201

1 Dupont Street
Plainview, NY 11803
Tel: (631)961-7510
Fax: (631)585-7392

RECORD SEARCH REQUEST

Mail to:

Express Research Services
50 Court Street, Suite 210
Brooklyn, NY 11201

Checked by: _____
Search Number: _____

Title #: GAMIL BRUCEG 12-30

The undersigned requests the following information re: Premises

499/505 COURT STREET — **KINGS**
ADDRESS — BOROUGH

☐ 1. Record of existing Fire Department Violations _____ Fee: $10.00

☐ 2. Record of Permit for _____ Fee: $10.00

☒ 3. Other **FUEL OIL PERMIT** Fee: $10.00

State applicants interest in or relations to premises: Total Fee: _____

(The City of New York is not being sued nor is there any intention to sue the City of New York)

Signed: **EXPRESS RESEARCH SERVICES**

Date: _____

Do not write below this line

Gentlemen:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M., 12/15/2004 our records show the following:

ACCOUNT #.....08332536
BALANCE DUE.....: 0.00
PERMIT EXPIRE.....: 9/04
SIZE OF TANK.....: N/A
DIST. OFF.....: 11

Searched by: _____

Chief in Charge
Division of Fire Prevention

Violations recorded above are only those which as a matter of record in headquarters of the division of fire prevention, and may not include violations issued by local units.



50 Court Street
Brooklyn, N.Y. 11201
Tel: (718)624-8968
Fax: (718)624-0201

1 Dupont Street
Plainview, NY 11803
Tel: (631)961-7510
Fax: (631)585-7392

HIGHWAY VIOLATION SEARCH

TITLE # GAMIL BRUCEG 12-30 DATE: 12/30/2004

PREMISES: 499/505 COURT STREET
aka 182/200 HUNTINGTON STREET
aka 183/195 WEST 9th STREET

COUNTY: KINGS

DISTRICT: SECTION:

BLOCK: 476 LOT: 6

KINDLY CONDUCT A SEARCH IN YOUR DEPARTMENT FOR ANY VIOLATIONS AGAINST THE ABOVE PREMISES.

SIDEWALK VIOLATIONS: NONE

VERY TRULY YOURS,

BY: EXPRESS RESEARCH SERVICES

ANY RELEASE OR DISMISSAL OF VIOLATION DOES NOT ENTITLE PROPERTY OWNERS TO A CANCELLATION OF BILLS ON RECORD IN THE OFFICE OF THE CITY COLLECTOR.

THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCY WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED HEREIN. NO LIABILITY IS ASSUMED. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY.

THIS SEARCH PREPARED FOR EXCLUSIVE USE BY GAMIL ENGINERING
DOC ID: BRUCEG 12-30 HI



50 Court Street
Brooklyn, N.Y. 11201
Tel: (718)624-6969
Fax: (718)624-0201

1 Dupont Street
Plainview, NY 11803
Tel: (631)981-7510
Fax: (631)585-7392

EMERGENCY REPAIR SEARCH

TITLE # GAMIL BRUCEG 12-30 DATE: 12/30/2004

PREMISES: 499/505 COURT STREET
aka 182/200 HUNTINGTON STREET
aka 183/195 WEST 9th STREET

COUNTY: KINGS

DIST: SECT:

BLOCK: 476 LOT: 6

THIS SECTION FOR OFFICE USE ONLY

The search of the last printed lien book reveals the following repair money due:

DATE: 09/24/2004

AMOUNT: 0.00

The result of the work-in-progress search reveals that:

[X] No Emergency Repairs have been given out at the above-captioned premises subsequent to the above lien date.

[ ] The attached Emergency Repairs have been given out at the above-captioned premises and are not posted in the last printed lien book.

[ ] HPD lien records reflect property on Demolition Seal up listings.

[ ] HPD records reflect property listed on Relocation of Tenants listings.

FOR FURTHER DETAILS CONTACT HPD AT 100 GOLD STREET, NEW YORK, NY. IT IS RECOMMENDED TO ORDER A PAYOFF LETTER PRIOR TO CLOSING.
THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCY WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED HEREIN. NO LIABILITY IS ASSUMED. THIS REPORT IS SUBMITTED FOR INFORMATIONAL PURPOSES ONLY.

Express Research shall bear no liability for erroneous or inaccurate information provided by the Department of Finance or Housing Preservation and Development including but not limited to errors due to loading, key entry, processing, data communications, hardware or software problem or the backdating of information. Responsibility limited to those items and installments that are liens as of the date of this report and reflected on the public records. Recent payments reflected may be subject to collection.

The City of New York
Department of Environmental Protection
59-17 Junction Boulevard
Flushing, New York
11373-5108

Christopher O. Ward
Commissioner

Date: 12/30/2004

Express Research Services
50 Court Street
Brooklyn, NY 11201

TITLE # GAMIL BRUCEG 12-30
PREMISES: 499/505 COURT STREET
aka 182/200 HUNTINGTON STREET
aka 183/195 WEST 9th STREET

COUNTY: KINGS
BLOCK: 476 LOT: 6

Dear Sir/Madam:

Please be advised, it is a violation of the New York City Administrative Code, Title 24, Air Pollution Control Code, to operate fuel-burning, refuse or process equipment as specified in the Code without a valid Certificate. If such equipment exists, although unknown to us it is automatically in violation of the law. This provision applies regardless of the information provided herein.

The Division of Air/Noise Permitting, Enforcement and Policy has searched its records regarding the above referenced premise and has found:

_____ No records for this premise.

__X__ No outstanding record of violation(s).

_____ Additional information. See attachment(s). Please note that a certificate that has expired may be subject to violation unless the certificate is renewed or canceled by the current or potential owner. The owner, on the date of issuance of any violation, is responsible for both penalty and compliance.

RECORDS CONTROL UNIT
(718)595-3855

EXPRESS RESEARCH SERVICES REPRESENTS THAT THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED HEREIN. NO LIABILITY IS ASSUMED. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY.

THIS SEARCH PREPARED FOR EXCLUSIVE USE BY GAMIL ENGINERING
DOC ID: BRUCEG 12-30 AR

Bureau of Environmental Compliance

59-17 Junction Blvd., Corona, N.Y. 11368
Records Control

Date: 01/03/05
Time 8:06 PM

Facility No.:3 X1FH
Expires On:

CA006682K

Certificate to Operate
Under Review

Owner:

AP COURT ST. LLC.
22A COURT STREET
BROOKLYN NY 11231

Facility
M. G. ST. DAVID LLC.
505 COURT STREET
BROOKLYN NY 11231

Last Fee Assessed:	$ 470.00	08/02/98
Last Pay Amount:	$ 470.00	05/20/04
Balance Due:	$ .00	

Floor B

Boiler Make & Model : ROCKMILLS-MP-300 # of Identical Units: 1
Boiler Type: 2 Source Code: A7320 Air Intake: 1 Heat Input: 11.2 x 10^6 Gross BTU Rating: 12.6

Burner 1 Make & Model : IRON FIREMAN PAGO-2-15 Fuel Type: 32
Burner Type: 51 # of Burners: 1

Usage : Avg. Fuel/Hr: 65 Max Fuel/Hr: 80 Avg. Fuel/Year: 118625 Fuel Supplier: ALSO USING NATURAL GAS @ 112(
% By Season : Winter: 55 Spring: 20 Summer: 5 Fall: 20 Hours/Day: 5 Days/Year: 365

Burner 2 Make & Model.: Fuel Type: 0
Burner Type: # of Burners: 0

Usage : Avg. Fuel/Hr.: 0 Max Fuel/Hr: 0 Avg. Fuel/Year: 0 Fuel Supplier:
% By Season : Winter: 0 Spring: 0 Summer: 0 Fall: 0 Hours/Day: 0 Days/Year: 0



50 Court Street
Brooklyn, N.Y. 11201
Tel: (718)624-6969
Fax: (718)624-0201

1 Dupont Street
Plainview, NY 11803
Tel: (631)981-7510
Fax: (631)585-7392

HOUSING AND BUILDING DEPARTMENT SEARCH

TITLE # GAMIL BRUCEG 12-30 DATE: 01/05/2005

PREMISES: 499/505 COURT STREET
aka 182/200 HUNTINGTON STREET
aka 183/195 WEST 9th STREET

COUNTY: KINGS

BLOCK: 476 LOT: 6

MDR #:: 375072

A search of the records of the Department of Buildings, and the Rent and Housing Maintenance Department of the City of New York was made on 01/05/2005 and the following violations were reported pending:

BUILDING DEPARTMENT: POSTING DATE: 06/27/2004

A search by the Building Department shows VIOLATIONS. See Attached.

RENT AND HOUSING MAINTENANCE DEPARTMENT:

A search of the Rent and Housing Department shows VIOLATIONS. See Attached.

BUILDING CLASSIFICATION: MD CAA 124 APTS

Multiple Dwelling X

Not a Multiple Dwelling

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

EXPRESS RESEARCH SERVICES DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENT AGENCIES WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED THEREIN.

NOTE: SEARCH IS PERFORMED BY CITY EMPLOYEES - LIABILITY IS LIMITED TO PRICE OF SEARCH.

EXPRESS RESEARCH SERVICES IS SUBMITTING THIS REPORT FOR INFORMATION PURPOSES ONLY. NO LIABILITY IS ASSUMED HEREUNDER. THIS SEARCH DOES NOT INCLUDE OTHER AGENCIES VIOLATIONS.

THIS SEARCH PREPARED FOR EXCLUSIVE USE BY GAMIL ENGINERING

DOC ID: BRUCEG 12-30 HB

ECB Violation Details

NYC BUILDINGS

NYC.gov always open

NYC Department of Buildings

ECB Violation Details

Premises: 406 COURT STREET BROOKLYN BIN: 3008141 Block

Filed At: 506 COURT STREET , BKN , NY 11231

ECB Viol Number: 35142169M VIOL ACTIVE Status: OVER

Respondent Info:
PREMIERE MANAGEMENT LTD , 506 COURT STREET , BKLYN , NY 11231

CB: 306
GEO Flag: 1

Viol Issue Date:	10/14/2003	Delivered Date:	10/14/2003		
Viol Type:	EL - ELEVATOR	DOB Viol Number:	101403E1041D06		
Issuing Insp ID:	1041	Tax Lien Serv:	NO		
Device Type:	ELEVATOR	Device Number:	3P7452		
Sched Hrg Date:	06/07/2004	Hearing Time:	8:30	Location:	BKN
Amount Imposed:	$350.00	Amount Paid:	$0.00		
Hearing Status:	V - IN VIOLATION	Compl Status:	O - OVERDUE COMPL		
Compl By Date:	09/21/2004	Compl Met Flag:			
Compl Met Date:		Viol Severity:	B - MODERATE		

Infraction Codes:
BP7 27-987 FAILURE TO MAINTAIN ELEVATOR

Description of Violation:
55B55/55 55/55O2/10M7/10H11/17M7/17H11/54H11/61H14/64L11/69I10/41L10 1 7-M REAR LOBBY GIB 17-H LOBBY 54-H LOBBY SADDLE 61-H CWT LANDING 69-I CAR BUFFER SPRING 41-L MADE FALSE DOWN STOP IN LOBBY.

Historical Event Dates:

CUR:	HRG: 07/06/2004	COM:	DEF: 12/06/2003	STIP ACC:	
AJR:	ASGI: 06/07/2004	WRI:	Reinspection Compliance:		

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

ECB Violation Details

NYC BUILDINGS

NYC.gov always open

NYC Department of Buildings

ECB Violation Details

Premises: 406 COURT STREET BROOKLYN BIN: 3008141 Block

Filed At: 406 COURT STREET , BKN , NY 11231

ECB Viol Number: 35140081Y VIOL ACTIVE Status: NO COA

Respondent Info:
PREMIERE MANAGEMENT DEV L , 522A COURT STREET , BKLYN , NY 11231

CB: 306
GEO Flag: 1

Viol Issue Date:	11/24/2003	Delivered Date:	11/24/2003
Viol Type:	EL - ELEVATOR	DOB Viol Number:	112403E1041D01
Issuing Insp ID:	1041	Tax Lien Serv:	NO
Device Type:	ELEVATOR	Device Number:	3P7453
Sched Hrg Date:	11/08/2004	Hearing Time:	8:30 Location: BKN
Amount Imposed:	$150.00	Amount Paid:	$0.00
Hearing Status:	V - IN VIOLATION	Compl Status:	N - NO COMPL RECORD
Compl By Date:	03/19/2005	Compl Met Flag:	
Compl Met Date:		Viol Severity:	B - MODERATE

Infraction Codes:
BP7 27-987 FAILURE TO MAINTAIN ELEVATOR

Description of Violation:
555505

Historical Event Dates:

CUR:	HRG: 12/27/2004	COM:	DEP: 01/20/2004	STIP ACC:	
AJR:	ASG: 11/09/2004	WRI:	Reinspection Compliance:		

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

ECB Violation Details

NYC BUILDINGS

NYC.gov always open

NYC Department of Buildings

ECB Violation Details

Premises: 488 COURT STREET BROOKLYN BIN: 3008141 Block:

Filed At: 506 COURT STREET , BKN , NY 11231

ECB Viol Number: 35162158K VIOL ACTIVE Status: OVEF

Respondent Info: CB: 306

PREMIERE MANAGEMENT LTD . 506 COURT STREET , BKLYN , NY 11231 GEO Flag: 1

Viol Issue Date:	10/14/2003	Delivered Date:	10/14/2003		
Viol Type:	EL - ELEVATOR	DOB Viol Number:	101403ESY1041D04		
Issuing Insp ID:	1041	Tax Lien Serv:	NO		
Device Type:	ELEVATOR	Device Number:	3P7451		
Sched Hrg Date:	06/07/2004	Hearing Time:	9:30	Location:	BKN
Amount Imposed:	$350.00	Amount Paid:	$0.00		
Hearing Status:	V - IN VIOLATION	Compl Status:	O - OVERDUE COMPL		
Compl By Date:	09/21/2004	Compl Met Flag:			
Compl Met Date:		Viol Severity:	B - MODERATE		

Infraction Codes:
BP7 27-997 FAILURE TO MAINTAIN ELEVATOR

Description of Violation:
55B/05/06B/06/10M07/10H11/17M7/17H11/35C2/53O2/38AB/55Y13/55E10/55F10/
58Y2/59Y2/64M7/81H14 17-M LOBBY 5,10 17H,L,3,4,7,8,9,10, 38-A REMOVE L
OOSE 50LB WEIGHT FROM CROSSHEAD 55-E NOISE AND VIBTATION UP DIR.64-M C

Historical Event Dates:

CUR:	HRG: 07/08/2004	COM:	DEF: 12/06/2003	STIP ACC:	
AJR:	ASC: 06/07/2004	WRI:	Reinspection Compliance:		

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

Jan 13 2005 10:32 P.12

ELVP-01 (12/02)

PVT 86429 YO

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

NAME: M C ST DAVID LLC

MAILING ADDRESS:

STREET	CITY	STATE	ZIP CODE
505 COURT STREET APT 2F	BROOKLYN	NY	11231-3951

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCLUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS. ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

Commissioner, AIA
PATRICIA J. LANCASTER

PLACE OF OCCURRENCE: 505 COURT STREET	BORO: BK	DATE OF VIOLATION: 11/4/03	Type: E
No. of Stories: 10	Block: 476	Lot: 6	Agency No.: 9444
Occupancy at time of inspection: APT			Badge #: 3
SECTION(S) VIOLATED: Administrative Code Section(s) 27-987 & RS-18		Device No.: 3P7458	

☐ 27-987 FAILURE TO MAINTAIN (BP7) ☐ 27-987 FAILURE TO MAINTAIN - HAZARDOUS (BP8)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame

OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators

TOP OF CAR
22. Top emergency exit cover
23. Governor release carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and ducts
33. Overhead & deflector sheave
34. Traveling cable & junction

MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
50. Main machine (circled)
51. Visual check gears/bearings (circled)
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch

PIT
55. Pit light
56. Pit stop switch
57. Pit
58. Car guide-rails & brackets
59. Cwt. guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, rope & switch

ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button

ALL TYPES
73. Entire device
74. Miscellaneous (circled)
75. Current five-year test (circled)

VIOLATING CONDITION

A. Altered; B. Insufficient; C. Padlocked; D. Unsecured; E. Rubbing; F. Lost motion; G. Improper fuses; H. Worn; I. Damaged (circled); J. Misaligned; K. Rusted; L. Defective; M. Missing (circled); N. By-passed; O. Dirty; P. No means of access; Q. Unguarded; R. Illegal; S. Not fire-retardant; T. Unlabeled; U. Device not tagged; V. Not level; W. Unlocked; X. Inoperative; Y. Oil leak; Z. Water leak

SUGGESTED REMEDY

01. Adjust; 02. Clean; 03. Install guards (circled); 04. Patch; 05. Perform & file test; 06. Properly secure; 07. Provide; 08. Regroove; 09. Remove; 10. Renew; 11. Repair (circled); 12. Replace; 13. Reshackle; 14. Seal; 15. Shorten; 16. Tag device; 17. Provide means of access

☐ CEASE USE

ELEVATOR PART	75	74	50	51
VIOLATING CONDITION	I	1	M	I
SUGGESTED REMEDY	05	05	03	11

ADDITIONAL INFORMATION: 5 YR TEST [illegible] DUE - 5 YEAR TESTS OVERDUE
ROPE GUARD MISSING - NO EMERGENCY [illegible] ON CONTROL
BOX - GEAR [illegible] ON MAIN MACHINE VERY NOISY

D GORMAN
PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

Donald M Gorman
AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

[illegible] FAX: 718-625-5948 Jan 13 2005 10:32 P.13

ELEVPOL (12/02)

PVT 86430 YD

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

NAME:
MG ST DAVID LLC

MAILING ADDRESS:

STREET	CITY	STATE	ZIP CODE
505 COURT ST APT 2B	BROOKLYN	NY	11231-3951

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCLUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS, ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

(signature) AIA
Commissioner
PATRICIA J. LANCASTER

Place of Occurrence: 505 Court Street Boro: BK	Date of Violation	Type	Agency No.	Seq #
No of Stories: 10 Block: 476 Lot: 6	11/4/03	E	9444	3
Occupancy at time of inspection: APT				
Sections violated: Administrative Code section(s) 27-987 & RS-18	Elevator No. 5P 7-152			

☒ 27-987 FAILURE TO MAINTAIN (SP7) ☐ 27-987 FAILURE TO MAINTAIN - HAZARDOUS (SP8)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame

OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators

TOP OF CAR
22. Top emergency exit cover
23. Governor release carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and ducts
33. Overhead & deflector sheave
34. Traveling cable & junction

MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
(50.) Main machine
51. Visual check gears/bearings
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch

PIT
55. Pit light
56. Pit stop switch
57. Pit
58. Car guide-rails & brackets
59. Cwt. guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, rope & switch

ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button

ALL TYPES
73. Entire device
(74.) Miscellaneous
(75.) Current five-year test

VIOLATING CONDITION

A. Altered
B. Insufficient
C. Padlocked
D. Unsecured
E. Rubbing
F. Lost motion
G. Improper fuses
H. Worn
I. Damaged
J. Misaligned
K. Rusted
L. Defective
M. Missing
N. By-passed
O. Dirty
P. No means of access
Q. Unguarded
R. Illegal
S. Not fireretardant
(T.) Unlabeled
U. Device not tagged
V. Not level
W. Unlocked
X. Inoperative
Y. Oil leak
Z. Water leak

SUGGESTED REMEDY

01. Adjust
02. Clean
(03.) Install guards
04. Patch
(05.) Perform & file test
06. Properly secure
07. Provide
08. Regroove
09. Remove
10. Renew
11. Rebolt
12. Replace
13. Reshackle
14. Seal
15. Shorten
16. Tag device
17. Provide means of access

☐ CEASE USE

ELEVATOR PART	73	74	50
VIOLATING CONDITION	T	T	M
SUGGESTED REMEDY	05	05	03

ADDITIONAL INFORMATION: 5YR TEST OVERDUE 2YR TESTS OVERDUE
[illegible] ROPE GUARD ON EMERGENCY #3 ON MAIN LINE

D GORMAN
PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

Donald M. Gorman
AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

ELVP-01 (12/02)

PVT 108233

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

NAME: COURT STREET LLC

MAILING ADDRESS:

STREET	CITY	STATE	ZIP CODE
1301 AVENUE OF AMERICAS	NEW YORK	NY	10019

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCLUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS, ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

Commissioner, FAIA
PATRICIA J. LANCASTER

PLACE OF OCCURRENCE: 505 COURT ST	BORO: 3	DATE OF VIOLATION: 10/11/04	Type: E
No of Stories: 7	Block: 476 Lot: 6	Agency No.: 9011	Boro #: 3
Occupancy at time of inspection: RESIDENTIAL			
SECTIONS VIOLATED: Administrative Code section(s) 27-987 & RS-18		Device No. 3P0 7453	

☑ 27-987 FAILURE TO MAINTAIN (BP7) ☐ 27-987 FAILURE TO MAINTAIN - HAZARDOUS (BP8)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame

OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators

TOP OF CAR
22. Top emergency exit cover
23. Governor release carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and ducts
33. Overhead & deflector sheave
34. Traveling cable & junction

MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
50. Main machine
51. Visual check gears/bearings
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch

PIT
55. Pit light
56. Pit stop switch
57. Pit
58. Car guide-rails & brackets
59. Cwt. guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, rope & switch

ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button

ALL TYPES
73. Entire device
74. Miscellaneous
75. Current five-year test

VIOLATING CONDITION

A. Altered, B. Insufficient, C. Padlocked, D. Unsecured, E. Rubbing, F. Lost motion, G. Improper fuses, H. Worn, I. Damaged, J. Misaligned, K. Rusted, L. Defective, M. Missing, N. By-passed, O. Dirty, P. No means of access, Q. Unguarded, R. Illegal, S. Not fireretardant, T. Unlabeled, U. Device not tagged, V. Not level, W. Unlocked, X. Inoperative, Y. Oil leak, Z. Water leak

SUGGESTED REMEDY

01. Adjust, 02. Clean, 03. Install guards, 04. Patch, 05. Perform & Re test, 06. Properly secure, 07. Provide, 08. Regroove, 09. Remove, 10. Renew, 11. Repair, 12. Replace, 13. Reshackle, 14. Seal, 15. Shorten, 16. Tag device, 17. Provide means of access

☐ CEASE USE

ELEVATOR PART	57	[illegible]	46	74
VIOLATING CONDITION	Z	[illegible]	M	[illegible]
SUGGESTED REMEDY	02	01	07	07

ADDITIONAL INFORMATION: WATER IN PIT - ROPES NOT RESTRICTED - ON ROPE DATA TAG CAR TOP LIGHT NOT GUARDED

John Bohm
PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

John Bohm
AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

ELVP-01 (12/02)

PVT 108232

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

NAME: COURT STREET LLC

MAILING ADDRESS:

1301 AVENUE OF AMERICAS	NEW YORK	NY	10019
STREET	CITY	STATE	ZIP CODE

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCLUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS, ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

Commissioner, MIA

PATRICIA J. LANCASTER

PLACE OF OCCURRENCE	BORO	DATE OF VIOLATION	Type	Agency No.	Boro #
285 COURT ST	3	10/11/04	E	9011	3
No. or Bldg: 10	Block: 429	Lot: 2			
Occupancy at time of inspection: COMMERCIAL					
SECTIONS VIOLATED: Administrative Code section(s) 27-857 & 98-18		Device No. 3P7432			

☐ 27-857 FAILURE TO MAINTAIN (SP7) ☐ 27-857 FAILURE TO MAINTAIN - HAZARDOUS (SP8)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame
OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators
TOP OF CAR
22. Top emergency exit cover
23. Governor release carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and cable
33. Overhead & deflector sheaves
34. Traveling cable & junction
MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
50. Main machine
51. Visual check gears/bearings
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch
PIT
55. Pit light
56. Pit stop switch
57. Pit
58. Car guide-rails & brackets
59. CWT guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, ropes & switch
ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button
ALL TYPES
73. Entire device
74. Miscellaneous
75. Current five-year test

VIOLATING CONDITION

A. Altered
B. Insufficient
C. Padlocked
D. Unsecured
E. Rubbing
F. Lost motion
G. Improper sizes
H. Worn
I. Damaged
J. Misaligned
K. Rusted
L. Defective
M. Missing
N. By-passed
O. Dirty
P. No means of access
Q. Unguarded
R. Illegal
S. Not fireretardent
T. Unlabeled
U. Device not tagged
V. Not level
W. Unlocked
X. Inoperative
Y. Oil leak
Z. Water leak

SUGGESTED REMEDY

01. Adjust
02. Clean
03. Install guards
04. Patch
05. Perform 5 lb test
06. Properly secure
07. Provide
08. Reprogram
09. Remove
10. Renew
11. Repair
12. Replace
13. Reshackle
14. Seal
15. Shorten
16. Tag device
17. Provide means of access

☐ CEASE USE

ELEVATOR PART	60	59	60	45	57	57	30
VIOLATING CONDITION	H	F	Y	Q	S	Q	Q
SUGGESTED REMEDY	11	11	11	02	11	02	02

ADDITIONAL INFORMATION: Worn sheave at Governor - Lost motion at Governor - Oil Leak Drum Motor - Oil on floor - Brakes not Lubricated - Motor room Dirty

John Bohm
PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

ELVP-01 (12/02)

PVT 108231

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

NAME:

COURT STREET LLC

MAILING ADDRESS:

STREET	CITY	STATE	ZIP CODE
1301 AVENUE OF AMERICAS	NEW YORK	NY	10019

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCLUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS, ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

PATRICIA J. LANCASTER, FAIA
Commissioner

PLACE OF OCCURRENCE	BORO	DATE OF VIOLATION	Type	Agency No.	Boro #
305 COURT ST	3	10/11/04	E5	9011	3
No of Stories: 10	Block: 476	Lot: 6			
Occupancy at time of inspection: RESIDENTIAL					
SECTIONS VIOLATED: Administrative Code and/or RCNY: 27-887 & AC-18		Division No.: EP1431			

☑ 27-887 FAILURE TO MAINTAIN (EPT) ☐ 27-887 FAILURE TO MAINTAIN - HAZARDOUS (EPH)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame

OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators

TOP OF CAR
22. Top emergency exit cover
23. Governor tripping carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and cables
33. Overhead & deflector sheaves
34. Traveling cable & junction

MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
50. Main machine
51. Visual check gears/bearings
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch

PIT
55. Pit Right
56. PR stop switch
57. Pit
58. Car guide-rails & brackets
59. Cwt. guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, rope & switch

ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button

ALL TYPES
73. Entire device
74. Miscellaneous
75. Current five-year test

VIOLATING CONDITION

A. Altered
B. Insufficient
C. Padlocked
D. Unsecured
E. Rubbing
F. Less motion
G. Improper fuses
H. Worn
I. Damaged
J. Misaligned
K. Rusted
L. Defective
M. Missing
N. By-passed
O. Dirty
P. No means of access
Q. Ungoverned
R. Illegal
S. Not fireretardant
T. Unlabeled
U. Device not tagged
V. Not level
W. Unlocked
X. Inoperative
Y. Oil leak
Z. Water leak

SUGGESTED REMEDY

01. Adjust
02. Clean
03. Install guards
04. Paint
05. Perform 5 fire test
06. Properly secure
07. Provide
08. Regroove
09. Remove
10. Rerope
11. Repair
12. Replace
13. Reshackle
14. Seal
15. Shorten
16. Tag device
17. Provide means of access

☐ CEASE USE

ELEVATOR PART	56	59	60	35	37	24
VIOLATING CONDITION	H	F	Y	O	T	O
SUGGESTED REMEDY	11	11	11	02	12	02

ADDITIONAL INFORMATION: Noise Weld Bent - Leak Pit Top Right Door - Oil Leak Drive Motor - Motor Room Floor Oil - Fuses On Controller Not Labeled

John Bohn
PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 28-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

Jan 13 2005 10:35 P.17

ELVP-01 (8/02)

PVT 67281

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

1/29/03

NAME: M G STUDIO LLC

MAILING ADDRESS:

STREET	CITY	STATE	ZIP CODE
505 COURT ST APT 2R	BROOKLYN	NY	11231

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS, ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

Bloc 74 #8

PATRICIA J. LANCASTER, AIA
Commissioner

Place of Occurrence: 505 COURT ST	Boro: BKLYN	Date of Violation	Type	Agency No.	Borough #
No of Stories: 10	Block: 476	Lot: 6	1/17/03	E	9013	3
Occupancy at time of inspection: RESIDENTIAL						
Sections Violated: Administrative Code section(s) 27-987 & RS-18			Elevator No. 1P 7452			

☒ 27-987 FAILURE TO MAINTAIN (SF7) ☐ 27-987 FAILURE TO MAINTAIN - HAZARDOUS (SF8)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame

OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators

TOP OF CAR
22. Top emergency exit cover
23. Governor release carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and ducts
33. Overhead & deflector sheave
34. Traveling cable & junction

MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
50. Main machine
51. Visual check gears/bearings
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch

PIT
55. Pit light
56. Pit stop switch
57. Pit
58. Car guide-rails & brackets
59. Cwt. guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, rope & switch

ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button

ALL TYPES
73. Entire device
74. Miscellaneous
75. Current five-year test

VIOLATING CONDITION

A. Altered
B. Insufficient
C. Padlocked
D. Unsecured
E. Rubbing
F. Lost motion
G. Improper fuses
H. Worn
I. Damaged
J. Misaligned
K. Rusted
L. Defective
M. Missing
N. By-passed
O. Dirty
P. No means of access
Q. Unguarded
R. Illegal
S. Not fire-standard
T. Unlabeled
U. Device not tagged
V. Not level
W. Unlocked
X. Inoperative
Y. Oil leak
Z. Water leak

SUGGESTED REMEDY

01. Adjust
02. Clean
03. Install guards
04. Patch
05. Perform & file test
06. Properly secure
07. Provide
08. Regroove
09. Remove
10. Renew
11. Repair
12. Replace
13. Reshackle
14. Seal
15. Shorten
16. Tag device
17. Provide means of access

☐ CEASE USE

ELEVATOR PART	46	37	63	09	50	[illegible]
VIOLATING CONDITION	E	E	E	H	[illegible]	[illegible]
SUGGESTED REMEDY	15	11	11	10	[illegible]	[illegible]

ADDITIONAL INFORMATION: 46-E-15 SHORTEN HOIST CABLES 37-E-11 PROPERLY ALIGN SELECTOR PULLEY & SECURE IT 63-E-11 GOVERNOR [illegible] MAKING NOISE IN PIT 09-H-10 DOOR GIBS WORN

Peter Tetfordlla
PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

ELVP-01 (8/02)

PVT 67280

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

NAME: MG ST MAVIA LLC

MAILING ADDRESS:

STREET		CITY	STATE	ZIP CODE
505 COURT ST	APT 3R	Brooklyn	NY	11231

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS, ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

PAGE 79 7

Commissioner
PATRICIA J. LANCASTER

PLACE OF OCCURRENCE: 505 COURT ST — BORO: Brooklyn	DATE OF VIOLATION	Type	Agency No.	Boro #
No of Stories: 10 — Block: 476 — Lot: 6	1/17/03	E	9013	3
Occupancy at time of inspection: RESIDENTIAL				
SECTIONS VIOLATED: Administrative Code section(s) 27-987 & RS-18	Elevator No. 3P 7457			

☒ 27-987 FAILURE TO MAINTAIN (BPT) ☐ 27-987 FAILURE TO MAINTAIN - HAZARDOUS (BPS)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame

OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators

TOP OF CAR
22. Top emergency exit cover
23. Governor release carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and ducts
33. Overhead & deflector sheave
34. Traveling cable & junction

MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
50. Main machine
51. Visual check gears/bearings
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch

PIT
55. Pit light
56. Pit stop switch
57. Pit
58. Car guide-rails & brackets
59. Cwt. guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, rope & switch

ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button

ALL TYPES
73. Entire device
74. Miscellaneous
75. Current five-year test

VIOLATING CONDITION

A. Altered
B. Insufficient
C. Padlocked
D. Unsecured
E. Rubbing
F. Lost motion
G. Improper fuses
H. Worn
I. Damaged
J. Misaligned
K. Rusted
L. Defective
M. Missing
N. By-passed
O. Dirty
P. No means of access
Q. Unguarded
R. Illegal
S. Not fireretardant
T. Unlabeled
U. Device not tagged
V. Not level
W. Unlocked
X. Inoperative
Y. Oil leak
Z. Water leak

SUGGESTED REMEDY

01. Adjust
02. Clean
03. Install guards
04. Patch
05. Perform & file test
06. Properly secure
07. Provide
08. Regroove
09. Remove
10. Renew
11. Repair
12. Replace
13. Reschedule
14. Seal
15. Shorten
16. Tag device
17. Provide means of access

☐ CEASE USE

ELEVATOR PART	46	52	09	73	50
VIOLATING CONDITION	B	A	H	O	Y
SUGGESTED REMEDY	15	01	10	02	14

ADDITIONAL INFORMATION: 46-B-15 SHORTEN HOIST CABLES 52-A-01 ADJUST BRAKE ELEVATOR SLIPPING HAZARD 09-H-10 DOOR GIBS WORN

Peter Tehomal

PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

Jan 13 2005 10:36 P.19

ELV-01 (12/03)

PVT 86431

DEPARTMENT OF BUILDINGS NOTICE OF VIOLATION

NAME: MG ST DAVID LLC

MAILING ADDRESS:

STREET	CITY	STATE	ZIP CODE
505 COURT ST. APT 2R	BROOKLYN	NY	11231-3951

NEW YORK CITY DEPARTMENT OF BUILDINGS
NOTICE OF VIOLATION(S) AND ORDER TO CORRECT VIOLATION(S)

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED HEREIN. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTIONS 26-115 AND 26-116 OF TITLE 26 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK. IN ADDITION TO THE ITEMS CHECKED BELOW, REPAIR OR REPLACE ALL WORN, DEFECTIVE, MISSING AND IMPROPERLY MAINTAINED ELEMENTS WHICH CONTRIBUTE TO THE MALFUNCTION OF THE ELEVATOR.

ALL REQUESTS FOR REINSPECTION TO REMOVE THIS VIOLATION MUST BE IN WRITING, INCLUDE A COPY OF THE VIOLATION AND BE ADDRESSED TO THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS, ATTENTION: VIOLATION REINSPECTION UNIT, 280 BROADWAY, NEW YORK, N.Y. 10007, 4th FLOOR. ALL OTHER INQUIRIES MAY BE DIRECTED TO TEL. # (212) 566-5514.

Commissioner, AIA
PATRICIA J. LANCASTER

PLACE OF OCCURRENCE: 505 COURT STREET	BORO: BK	DATE OF VIOLATION	Type	Agency No.	Boro #
No of Stories: 6	Block: 476 Lot: 6	11/4/03	E	9444	3
Occupancy at time of inspection: APT					
SECTIONS VIOLATED: Administrative Code section(s) 27-987 & RS-18		Device No. 5P7451			

☒ 27-987 FAILURE TO MAINTAIN (SP7) ☐ 27-987 FAILURE TO MAINTAIN - HAZARDOUS (SP8)

ELEVATOR PART

INSIDE CAR
01. Emergency stop switch
02. Alarm system
03. Car enclosure
04. Side emergency exit
05. Car door/gate
06. Car door/gate contact
07. Door reopening device
08. Car door to landing sill
09. Car door gibs
10. Car button station
11. Car lighting
12. Emergency lighting
13. Car mirror
14. Certificate frame
OUTSIDE HOISTWAY
15. Hoistway doors
16. Hoistway door gibs
17. Vision panel
18. Interlocks
19. Parking device
20. Hall button station
21. Indicators
TOP OF CAR
22. Top emergency exit cover
23. Governor release carrier
24. Door hangers & connectors
25. Door operator
26. Normal limits
27. Final limits
28. Guide shoes
29. Counterweight
30. Hoistway
31. Electric wiring
32. Pipes and ducts
33. Overhead & deflector sheave
34. Traveling cable & junction
MACHINE ROOM
35. Machine room
36. Machine room door
37. Controller - selector
38. Reverse phase relay
39. Traction sheave
40. Governor
41. Governor switch
42. Drum
43. Pump unit
44. Generator
45. Slack cable switch
46. Hoist cables
47. Governor cable
48. Car counterweight cable
49. Drum counterweight cable
(50.) Main machine
51. Visual check gears/bearings
52. Machine brake
53. Lighting machine space
54. Machine/disconnect switch
PIT
55. Pit light
56. Pit stop switch
57. Pit
58. Car guide-rails & brackets
59. Cwt. guide-rails & brackets
60. Buffers
61. Car safety & tail rope
62. Underside platform
63. Tension weight
64. Comp. chains, rope & switch
ESCALATOR/MOVING WALK
65. Fire shutters
66. Skirt switch
67. Comb plate teeth
68. Comb plate/threshold switch
69. Handrails
70. Step/tread
71. Key switch
72. Emergency stop button
ALL TYPES
73. Entire device
(74.) Miscellaneous
(75.) Current five-year test

VIOLATING CONDITION

A. Altered B. Insufficient C. Padlocked D. Unsecured E. Rubbing F. Lost motion G. Improper fuses H. Worn I. Damaged J. Misaligned K. Rusted L. Defective (M.) Missing N. Bypassed O. Dirty P. No means of access Q. Unguarded R. Illegal S. Not fireretardant (T.) Unlabeled U. Device not tagged V. Not level W. Unlocked X. Inoperative Y. Oil leak Z. Water leak

SUGGESTED REMEDY

01. Adjust 02. Clean (03.) Install guards 04. Patch (05.) Perform & file test 06. Properly secure 07. Provide 08. Regroove 09. Remove 10. Renew 11. Repair 12. Replace 13. Reshackle 14. Seal 15. Shorten 16. Tag device 17. Provide means of access

☐ CEASE USE

ELEVATOR PART	75	74	50
VIOLATING CONDITION	T	T	M
SUGGESTED REMEDY	05	05	03

ADDITIONAL INFORMATION: 5YR TEST OVERDUE - 2 YR TEST OVERDUE
NO ROPE GUARDS - NO EMERGENCY # ON CONTROL PANEL

D. GORMAN
PRINT AGENCY INSPECTOR'S NAME

I PERSONALLY OBSERVED THE VIOLATING CONDITIONS CITED

Donald M. Gorman
AGENCY INSPECTOR'S SIGNATURE

I understand that the falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code punishable by a fine or imprisonment or both and may result in disciplinary action by the Department of Buildings.

The City of New York
Department of Housing Preservation and Development
Division of Code Enforcement

Violation Summary Report

Building Location:

Address: 505 COURT STREET — Range: 469-505
Boro: 3 — Zip: 11231 — Lot: 0008
Block: 00476 — CD: 6 — Census Tract: 7709

Building Profile:

A Units: 124 — Ownership/Prog: PVT
B Units: 0 — Bldg Class: COMMERCIAL ALTERED
No. of Stories: 10
MDR #: 575072

Last Insp Dt: 03252004
ERP Repair Ind:
Last ERP:

Story	Apt	Date Reported	Hazard Class	Order No	Violation Seq No	Item No	Violation Status	Status Dt	Certification Status	NOV Issue Dt	Cert Dly 1st Lead	Cert Dly 2nd Lead
		04122002	A	556	1284304	2	NOT COMPLIED	04152002		05261987	09181987	

D26-12.01 ADM CODE: PAINT WITH LIGHT COLORED PAINT TO THE SATISFACTION OF THIS DEPARTMENT WALLS & CEILING 6 STY APT 6R 2ND ROOM FROM EAST.

		04122002	A	556	1284305	3	NOT COMPLIED	04152002		05261987	09181987	

D26-12.01 ADM CODE: PAINT WITH LIGHT COLORED PAINT TO THE SATISFACTION OF THIS DEPARTMENT WALLS & CEILING 6 STY APT 6R 3RD ROOM FROM EAST.

		04122002	A	556	1284306	4	NOT COMPLIED	04152002		05261987	09181987	

D26-12.01 ADM CODE: PAINT WITH LIGHT COLORED PAINT TO THE SATISFACTION OF THIS DEPARTMENT WALLS & CEILING 6 STY APT 6R 4TH ROOM FROM EAST.

		07282004	B	710	5049014		NOV SENT	07282004		07282004	09202004	

§ 27-2050 ADM CODE: FILE WITH THE BOROUGH CHIEF INSPECTOR OF THIS DEPARTMENT A SPRINKLER TEST REPORT FOR THE CURRENT YEAR.

Total Violations: 4 — Total: A= 3 B= 1 C= 0 I= 0 Other= 0

01/13/2005 10:02:08 AM

Jan 13 2005 10:37 P. 20

297

EXHIBIT "5"

ASBESTOS REPORT

DALTON
ENVIRONMENTAL, LTD.

P.O. Box 222
New Suffolk, NY 11956
Tel. 631 - 734 - 6450
Fax 631 - 734 - 5152

ASBESTOS REPORT

- for -

505 Court Street
Brooklyn, NY

Prepared For

Apollo Real Estate Advisors, LLP
1301 Avenue of the Americas
New York, NY 10019

by

DALTON ENVIRONMENTAL, Ltd.

First Street P.O. Box 222
New Suffolk, NY 11956
631 - 734 - 6450
Fax 631 - 734 - 5152

Date: November 14th, 2003
DEL # 031001-259-911

COPYRIGHT © 2003 DALTON ENVIRONMENTAL, Ltd. ALL RIGHTS RESERVED.

ASBESTOS REPORT

505 Court Street
Brooklyn, NY 11231

TABLE OF CONTENTS

EXECUTIVE SUMMARY

1.0 GENERAL INFORMATION
- 1.1 Site Assessment Methods

2.0 SITE DESCRIPTION and CHARACTERISTICS
- 2.1 Physical Site Inspection

3.0 FINDINGS
- 3.1 Inspection Notes - Common and Utility Areas
- 3.2 Inspection Notes - Apartments

4.0 CONCLUSIONS AND RECOMMENDATIONS
- 4.1 Conclusion
- 4.2 Recommendation, Remediation
- 4.3 Operations and Maintenance Protocol
- 4.4 Lead-based Paint Regulation Disclosure

5.0 LIMITED WARRANTY
- 5.1 Disclaimer

APPENDICES
- APPENDIX A - Bulk Sample Analyses
- APPENDIX B - Photographs
- APPENDIX C - Model Operations and Maintenance Program
- APPENDIX D- Qualifications

EXECUTIVE SUMMARY

Property Location: 505 Court Street, Brooklyn, NY 11231
Site Inspection Visit(s): October 8th, 2003 and November 12th, 2003
Inspection Supervisor: **DALTON ENVIRONMENTAL Ltd.,** by D. Truglia, J.D., M.S., C.A.I.
Owner's Representatives Present: Superintendent William Harris and Thomas O'Malley

Scope: This asbestos investigation was limited to compliance with the requirements of the New York State Attorney General for the disclosure of the presence of asbestos containing material under Part 23 of Title 13 NYCRR.

Inspection Opinion: No asbestos containing material (ACM) found in common areas or utility rooms; no asbestos containing material found in any apartment units accessed. See detailed summary of findings Section 3.0.

Exposure Risk Factor: None; see apartment inspection notes, Section 3.2.

Recommendation: Non-specific, however, caution is suggested when opening walls, utility access panels or other normally inaccessible components containing any thermal system installation; suspect materials found in those areas should be presumed asbestos and analyzed for confirmation as the situation arises.

Addendum

Lead-Based Paint Disclosure: Pursuant to various federal, state or local laws mandating the disclosure of information concerning the presence of lead-based paint in residential housing, the sponsor will make all documents concerning the presence of lead-based paint which it has in its possession, if any, available for inspection at its office, during business hours via appointment. Sponsor will distribute to each tenant, a copy of EPA 747-K-94-001, or other similar publication, detailing lead-based paint information and sponsor will comply with all laws and applicable regulations pursuant to the requirements of the New York State Attorney General in Part 23 of Title 13 NYCRR, see Section 4.4.

1.0 GENERAL INFORMATION

DALTON ENVIRONMENTAL Ltd., has performed an asbestos survey to investigate the presence of asbestos containing material (ACM) in the subject premises and to render an opinion for further study, treatment, or, such operations and maintenance program as is deemed advisable. The scope of the report is limited to compliance with the requirements of the New York State Attorney General, regarding disclosure of the presence of ACM in offering plans for buildings undergoing conversion to residential cooperative or condominium status. The required information must include an evaluation of the ACM in the building, recommended methods of removal and/or treatment, and a protocol for the future management of ACM which will remain in the building, via an operations and maintenance (O&M) program.

"Asbestos" is the name of a class of magnesium-silicate minerals that occur in fibrous form. The most common minerals that are included in this group are chrysotile, amosite, and crocidolite. Whenever any of these materials is subjected to physical disturbance, vibration, or an airstream of significant velocity and duration, there is a likelihood of the release of respirable (breathable) airborne asbestos fibers. The exact relationship between exposure level to asbestos and health risk is a matter of debate although some epidemiological studies have established a correlation between exposure to respirable particles and some forms of fibrogenic disease. The US Environmental Protection Agency's efforts to regulate and control ACM in buildings is based upon its finding that airborne asbestos constitutes a hazardous emission as defined by 40 CFR 61, Subpart M, (National Emission Standards for Hazardous Air Pollutants).

Asbestos containing material has been used in a wide variety of manufactured goods and building materials including various types of fire proofing and thermal system (pipe, tank, boiler,) insulation such as is commonly found in older buildings in New York City.

The potential for an asbestos-containing product to release breathable fibers depends on its degree of friability. "Friable" means that the material can be crumbled with hand pressure and is therefore likely to emit fibers upon minimal physical disturbance. Asbestos pipe, tank or surfacing insulation may be friable whenever they are damaged or deteriorated. Conversely, asbestos containing materials which are not friable, *e.g.,* vinyl composition floor tile (VCT), may be managed in-place indefinitely until ultimately replaced during renovation.

1.1 Site Assessment Methods

The site assessment and review were conducted by DALTON ENVIRONMENTAL, Ltd. under the direct supervision of Dunewood Truglia, (M.S. Environmental Science,) a NYC Certified Asbestos Investigator qualified by experience, education and training in the investigation of asbestos containing building materials and approved bulk sampling techniques for suspected asbestos containing materials.

The inspection was limited to accessible space in the subject premises and was made in the presence of a representative of the owner or managing party. In order to determine whether or not a suspected material contains asbestos it is usually necessary to collect bulk samples for subsequent laboratory analysis. It is our opinion that all reasonably accessible areas were inspected with samples collected and analyzed as needed.

Bulk samples collected at the site were analyzed by standard petrographic polarized light microscopy (Dispersion Staining) which was performed by an independent testing laboratory qualified for asbestos analysis and certified in NIST/NVLAP and NYS ELAP programs. Analysis protocol was EPA's "Interim Method for the Determination of Asbestos Bulk Insulation Samples," 600/—4-83-020 (PLM/DS). Asbestos containing materials as defined by federal, state and local law are those materials which contain more than 1% asbestos.

Site inspection methods, document review and analytical protocol employed in this investigation were appropriate to and commensurate with experience, knowledge, observation, and familiarity with similarly situated property in this locale. The opinion of Dalton Environmental Ltd., is rendered with a reasonable degree of environmental inspection certainty, however, no warranties of any nature may be inferred and no representation to the contrary is intended. Caution is recommended when opening walls, access panels, or other normally inaccessible spaces or components containing thermal system installation; suspect materials found in those areas should be presumed asbestos until sampled and analyzed for confirmation as the situation arises.

Photographs were taken during the site visits, which fairly and accurately depict the conditions observed at the time of the inspection and the locations from which the bulk samples, if any, were collected. The findings therefore are representative of the general conditions observed at the time of the site inspections.

2.0 SITE DESCRIPTION and CHARACTERISTICS

2.1 Physical Site Inspection

The subject property is a ten story residential building with penthouse level, and is located in the Red Hook section of Brooklyn. The building as originally constructed circa 1919, was used for manufacturing and commercial use, then converted to residential space. It was totally renovated in 1982 when the residential certificate of occupancy was issued. The structure has 124 apartments containing such amenities as multi-level configurations, multiple bedroom and baths and high ceilings. The building is constructed of concrete and masonry with all utility and common areas located at grade level. The building's configuration encloses a landscaped garden courtyard. Three elevators and 4 sets of enclosed stairways provide access to all floors.

DALTON ENVIRONMENTAL, Ltd., conducted physical site inspections of the common areas and the residential portion of the building. Thirteen apartments were accessed during the site inspection. No ACM was found in any of the units.

Bulk samples of suspected ACM materials were collected from the ceiling material in two of the apartments, a utility room and a roof area during the site visit. The samples were sent to an approved laboratory and the results tabulated and included in Appendix A.

3.0 FINDINGS

No asbestos was found in any of the bulk samples taken from the apartments or from common and utility areas as detailed below.

3.1 Inspection Notes - Common and Utility Areas

The building's boiler room (accessed from the courtyard) contained a gas fired Rockmills Boiler with associated piping running from the unit to supply the building with heat and hot water. Most of the insulating material was readily identifiable as mineral wool, fiberglass or other non-asbestos material, see Fig. 9, Appendix B. The boiler unit's surfacing material (front side) appeared to have been sampled on a prior occasion due to the presence of a sample marker tag. Management sources reported that prior sampling had been performed and that no asbestos was found. One additional sample of suspected material from the opposite side of the unit was collected during this inspection, see Fig. 8, Appendix B. Analysis confirmed that the material was negative for ACM, (see Sample 505-02, Appendix A).

No suspected ACM was observed in hallways, lobby, laundry room, stairwells, Super's shop or elevator motor rooms. One sample of suspected joint insulation material taken from the heating plant's makeup tank, located on the roof level, (see Fig. 7 Appendix B) was negative for ACM, (see Sample 505-01, Appendix A).

3.2 Inspection Notes - Apartments

Typically apartments were observed to have hardwood, or ceramic tile flooring with plaster/sheetrock walls and ceilings. Metal or wooden staircases were present in some of the units which had open plan multi-level configurations, see Fig. 4 Appendix B.

Ceiling heights varied from 8' to approximately 18' in several of the unit spaces. Ceilings were uniformly finished with a non-asbestos textured paint finish over the existing concrete slab, see

Fig. 5, Appendix B. Some ceilings had sprinkler heads and pipe runs insulated with mineral wool or other non-asbestos product. Two samples of ceiling material were collected from apartments 4P and 5D, neither of which contained asbestos, (Samples 505-4P and 505-5D, Appendix A).

Heat was supplied through convection or baseboard units which were present in several different configurations. Various types of metal enclosures were utilized with no asbestos containing insulation present in any of the units. (See Fig. 6, Appendix B for representative types.)

Inspections were performed in 13 typical apartments (10% of building total) accessed during the site visit: 10C, 10F, 9D, 7A, 6E, 5R, 3F, 2R, 2S, 1A, 1B, 1G and 1H. All had similar finish and construction. No ACM was found in any of the units.

4.0 CONCLUSIONS and RECOMMENDATIONS

4.1 Conclusion

No asbestos containing material was observed to be present in any of the common areas, utility spaces or apartments accessed. Building personnel confirmed that the 13 apartments which were inspected were typical both in construction and type of material, of all of the units in the building.

4.2 Remediation, Recommendations

Although no suspected ACM was observed in the premises, and no remediation is necessary, wherever pipe chase access hatches or enclosed areas are present, caution is suggested whenever opening walls, utility access panels or other normally inaccessible components containing any thermal system installation. Suspect materials found in any those areas should be presumed asbestos and analyzed as the situation arises during repair or renovation.

Applicable Asbestos Standards

Federal -

29 CFR 1910.1001;51 CFR 1926.58; 29 CFR 1910.134
29 CFR 1910.145; 30 CFR 230 & 231; 40 CFR 61 Subpart M
40 CFR 763 (as applicable)

State of New York -

New York State Environmental Conservation Laws
Article 27 Title 3 Part 364
Article 27 Title 6 & 7 Part 360
Chapter 775 of the Laws of the State of New York
Labor Law, Article 30, Industrial Code Rule 56
Title 12 NYCRR as applicable

Title 13 NYCRR, Parts 18, 20 and 21

City of New York -

Local Laws 70 and 76 of 1985 City of New York (where applicable),
Local Law 21 of 1987 City of New York (where applicable), each as codified in Title 15 of the Rules of the City of New York

4.3 Not Applicable

4.4 Lead-based Paint Regulation Disclosure

Due to age and construction configuration of the subject premises, it is possible that lead-based paint may be present in a variety of areas throughout the building. Pursuant to various federal, state or local laws mandating the disclosure of information concerning the presence of lead-based paint in residential housing, sponsor will distribute to each tenant's apartment, a copy of EPA 747-K-94-001 detailing important lead-based paint information. Under subdivision (6) of Section 23.3(kk), the regulation requires disclosing the existence of applicable federal, state or local laws concerning lead-based paint, see regulatory advice below. Under subdivision (dd) of Section 23.7 of Title 13 NYCRR, a sponsor must disclose any records, reports, violation and any other information know or available to the sponsor or its agents concerning the presence of lead-based paint and/or lead-based paint hazards. Therefore the sponsor will make all documents concerning the presence of lead-based paint which it has in its possession, available for inspection at its office, during regular business hours via appointment. Finally, the sponsor will comply with all laws and applicable regulations concerning lead-based paint pursuant to the requirements of the New York State Attorney General in Part 23 of Title 13 NYCRR.

Applicable Lead-based Paint Regulations

Federal -
42 USC 485 2d, 24 CFR Part 35, EPA HUD final Rule, 40 CFR Part 745

State -

Part 23 of Title 13 NYCRR (subdivision(6) of Section 23.3(kk) and subdivision (dd) of Section 23.7) of the regulations of the New York State Attorney General

Local -

NYC Local Law 1 codified at NYC Housing Maintenance Code § 27-2013(h) and *cf.*, Title 28 RCNY 11

5.0 LIMITED WARRANTY

Dalton Environmental, Ltd., warrants that it uses reasonable and ordinary care in the site inspection, compilation and transcription of data which it obtains from a variety of government and non-government sources. This limited warranty is in lieu of all other express warranties which might otherwise arise with respect to this report. No one is authorized to change or add to this limited warranty. This limited warranty is extended by Dalton Environmental, Ltd., only to the original purchaser of the accompanying asbestos report and it may not be assigned to any other person. The period of warranty coverage is six months from the date of the report and said warranty will automatically expire after that period.

5.1 Disclaimer of Liability

Dalton Environmental, Ltd., has used reasonable and ordinary care in compiling the findings and information contained in the report by physical observation of factors or conditions which are patent and reasonably susceptible to observation and interpretation during a usual and customary site inspection. Information is included which is obtained from a variety of sources (government, owner, manager, laboratory, etc.,) and errors are common in such information. Dalton Environmental, Ltd., cannot warrant the accuracy or completeness of the information contained in the report or the uses which may be made of the information contained therein, THEREFORE ALL LIABILITY TO ANYONE FOR ANY EVENT ARISING OUT OF THE USE OF THE INFORMATION CONTAINED HEREIN IS DISCLAIMED. DALTON ENVIRONMENTAL, LTD., SHALL INCUR NO LIABILITY FOR ANY DAMAGE, CAUSED DIRECTLY OR INDIRECTLY, THROUGH THE USE OF THE INFORMATION CONTAINED IN THE REPORT, WHETHER OR NOT DALTON ENVIRONMENTAL, LTD., HAS BEEN ADVISED OR HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH DAMAGE AND IN ADDITION THERETO, DALTON ENVIRONMENTAL, LTD., DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.

DALTON ENVIRONMENTAL, Ltd.

by: /S/

Dunewood Truglia, President

APPENDIX A

Bulk Sample Analyses

Analytical Data - Bulk Samples

(Samples 505-01, 505-02, 505-4P and 505-5D)

Subject Property

505 Court Street
Brooklyn, NY

AIRTEK ENVIRONMENTAL CORP.
39 WEST 38TH STREET
12TH FLOOR
NEW YORK, NY 10018

DALTON ENVIRONMENTAL
505 COURT STREET

SAMPLE DATE: 10/8/03
DATE RECEIVED: 10/10/03

TEST REPORT
POLARIZED LIGHT MICROSCOPY (PLM)
PROJECT: 03-1035

Sample/ Lab ID	LOCATION	APPEARANCE	SAMPLE TREATMENT	ASBESTOS TYPE %	FIBROUS TYPE %	NON-FIBROUS TYPE %
505-01 124778	JOINT INSULATION MAKE- UP TANK ON ROOF	TAN FIBROUS HETEROGENEOUS	TEASED/ DISSOLVED	NONE DETECTED	CELLULOSE 11% FIBERGLASS 8% MIN. WOOL 2%	CARBONATES MICA 79%
505-02 124779	BOILER INSULATION (ROCKMILLA UNIT)	GREY/BROWN FIBROUS HETEROGENEOUS	TEASED/ DISSOLVED	NONE DETECTED	FIBERGLASS 15% MIN. WOOL 4%	CARBONATES MICA 81%

Approved Signatory: _____ Analyst: A. GOSS Date Analyzed: 10/11/03

Microscope: Nikon Labophot POL Method: PLM With DS EPA 600/R-93/116 and ELAP 198.1
Methods of stratified point-counting or negative scanning are used on 4 mounts. Polarized light microscopy is not consistently reliable in detecting asbestos in floor covering/non-friable organically bound materials (NOB's). NOB's should be analyzed by quantitative TEM. The above test report relates only to item tested. Layered samples are analyzed by layer. Any positive layer will be reported separately. Asbestos % is based on visual estimate using point counting rules described in ELAP 198.1. Airtek collects samples in accordance with EPA 40 CFR Part 763. This report should not be used to claim product endorsement by NVLAP and may not be reproduced, except in full, without written approval by Airtek.

Currently approved by ELAP (ELAP # 11040)
Currently accredited by NVLAP (NVLAP # 102011)

AIRTEK ENVIRONMENTAL CORP.
39 WEST 38TH STREET
12TH FLOOR
NEW YORK, NY 10018

DALTON ENVIRONMENTAL
505 COURT STREET/ 204 HUNTINGTON STREET

SAMPLE DATE: 11/12/03
DATE RECEIVED: 11/14/03

TEST REPORT
POLARIZED LIGHT MICROSCOPY (PLM)
PROJECT: 03-1145

Sample/ Lab ID	LOCATION	APPEARANCE	SAMPLE TREATMENT	ASBESTOS TYPE %	FIBROUS TYPE %	NON-FIBROUS TYPE %
505-4P 125300	CEILING MATERIAL- 4P, 505 COURT STREET APT. 4P	WHITE/GREY NON-FIBROUS HETEROGENEOUS	CRUSHED/ DISSOLVED	NONE DETECTED	CELLULOSE <1%	GYPSUM CARBONATES MICA 100%
505-5D 125301	CEILING MATERIAL- 5D, 505 COURT STREET APT. 5D	WHITE NON-FIBROUS HOMOGENEOUS	CRUSHED/ DISSOLVED	NONE DETECTED	CELLULOSE <1%	GYPSUM PERLITE 100%
204-1L 125302	CEILING MATERIAL- 1L, 204 HUNTINGTON, APT. 1L	WHITE/BROWN NON-FIBROUS HETEROGENEOUS	CRUSHED/ DISSOLVED	NONE DETECTED	CELLULOSE <1%	GYPSUM CARBONATES MICA 100%
204-1K 125303	CEILING MATERIAL- 1K, 204 HUNTINGTON, APT. 1K	WHITE NON-FIBROUS HOMOGENEOUS	CRUSHED/ DISSOLVED	NONE DETECTED	CELLULOSE <1%	GYPSUM PERLITE 100%

Approved Signatory: _____ Analyst: E. MARTINEZ Date Analyzed: 11/14/03

Microscope: Nikon Labophot POL Method: PLM With DS-EPA 600/R-93/116 and ELAP 198.1
Methods of stratified point-counting or negative scanning are used on 4 mounts. Polarized light microscopy is not consistently reliable in detecting asbestos in floor covering/non-friable organically bound materials (NOB's). NOB's should be analyzed by quantitative TEM. The above test report relates only to item tested. Layered samples are analyzed by layer. Any positive layer will be reported separately. Asbestos % is based on visual estimate using point counting rules described in ELAP 198.1. Airtek collects samples in accordance with EPA 40 CFR Part 763. This report should not be used to claim product endorsement by NVLAP and may not be reproduced, except in full, without written approval by Airtek.

Currently approved by ELAP (ELAP # 11040)
Currently accredited by NVLAP (NVLAP # 102011)

APPENDIX B

PHOTOGRAPHS

(October 8,th 2003)

Subject Property:

505 Court Street
Brooklyn, NY

Fig. 1 Exterior
Fig. 2 Rear Courtyard
Fig. 3 Valve Access Hatch
Fig. 4 Typical Interior Construction
Fig. 5 Textured Paint on Ceiling
Fig. 6 Typical Convection Heat units
Fig. 7 Joint Insulation, Sample 505-01
Fig. 8 Boiler Insulation, Sample 505-02
Fig. 9 Non-ACM thermal system insulation in Boiler Room
Fig. 10 Laundry
Fig. 11 Typical uninsulated standpipe, stairwell
Fig. 12 Super's Shop room

Photographs - 505 Court Street



Fig.1 - 505 Court Street

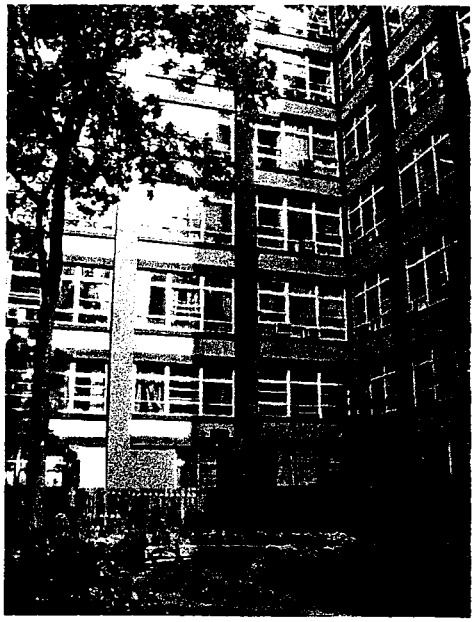


Fig.2 - rear courtyard

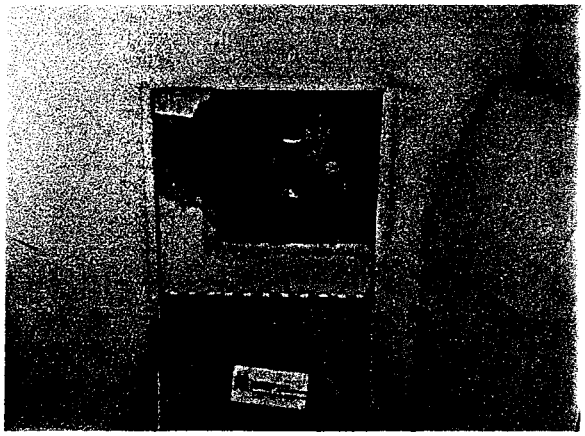


Fig. 3 - Valve access hatch, 10F



Fig. 4 - Typical interior, 10F

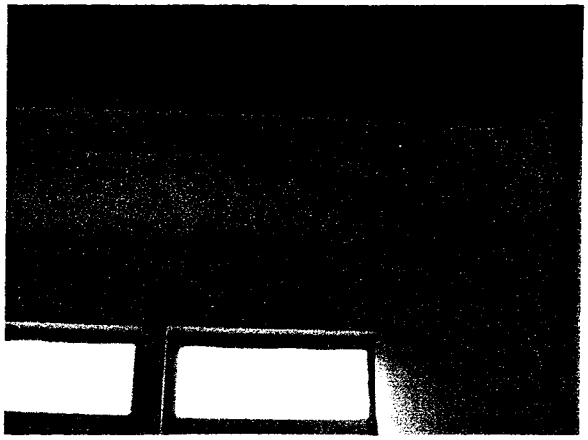


Fig. 5 - Textured, non-ACM, ceiling 2S

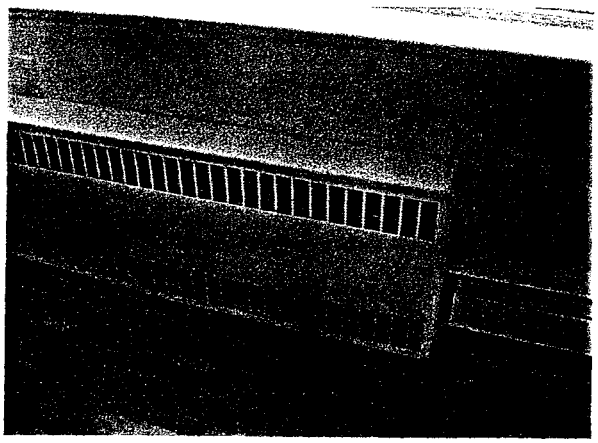


Fig. 6 - Convection unit, metal cover, 6E



Fig. 7 Joint ins., roof tank, Sample 505-01

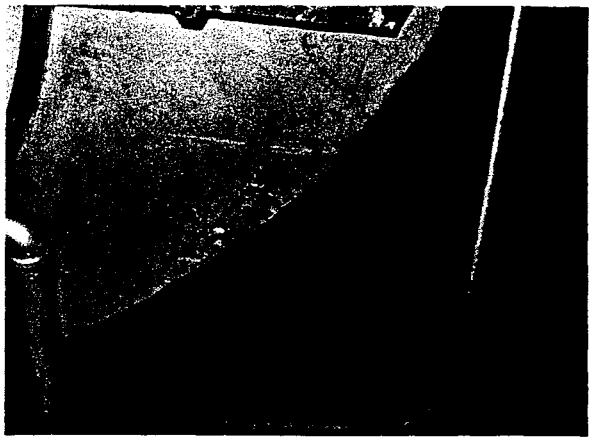


Fig. 8 - Rockmills Boiler, Sample 505-02

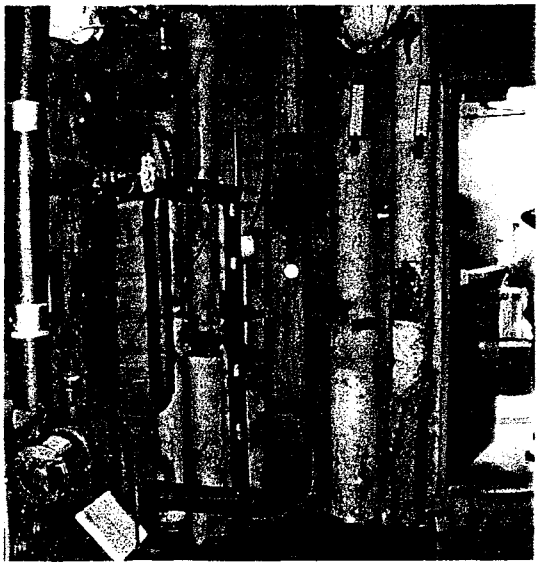


Fig. 9 Thermal insulation, non-ACM



Fig. 10, Laundry, non-ACM pipe insulation

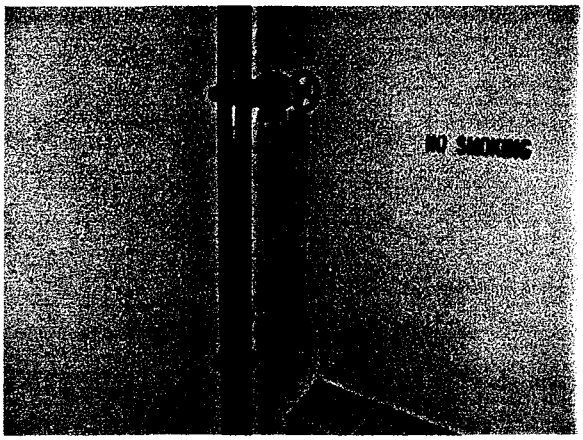


Fig. 11 - Fifth Floor standpipe, typical



Fig. 12 - Super's shop room, non-ACM

APPENDIX D

DUNEWOOD TRUGLIA

PRESIDENT

Education

J.D., Widener College, The Delaware Law School, 1976; Admitted in NY and Washington, DC; also M.S., Environmental Science, Hunter College, CUNY, Honors.

Environmental Project Experience

Since 1986, director and coordinator for more than eight hundred environmental inspections, remediation and quality assurance monitoring projects. Author of numerous legal and trade publication articles on the science of environmental management, regulated medical waste and OSHA regulatory compliance matters.

Formerly principal, **THE COURDITH-ROBERTS GROUP**, an environmental science and engineering firm specializing in the management of environmental projects, compliance audits, the production of technical specifications, air monitoring and forensic support services. Current principal, **DALTON ENVIRONMENTAL, Ltd.**, a Long Island based environmental consultant specializing in environmental/ legal matters.

US EPA AHERA Training; Director, CRG Continuing Education Program; Courses at The McCrone Institute in Polarized and Phase Contrast Light Microscopy; Robert Wood Johnson University, Mid-Atlantic Asbestos Training Center, NIOSH 582, Phase Contrast Microscopy and Polarized Light Microscopy; NYC Certified Asbestos Investigator, (NYC DEP) NYS Certified Investigator,(NYS DOL); NJ Certified Asbestos Safety Technician (SNJ DCA); former CRG Lab QA/QC Director; OSHA 40 Hr. training.

Teaching Experience

Part-time lecturer, St. George's University, School of Medicine, Granada, WI, 1981 to 1989; (Regulatory Update Seminars,) New York University, The Real Estate Institute, 1987 to 1989; Instructor in US EPA AHERA regulatory compliance for National Asbestos Training Institute; Guest lecturer, various organizations. 1991 through present, Principal Consultant, Dalton Environmental, Ltd.

EXHIBIT "6"

LOCAL LAW 11 REPORT

OCT.13.2003 11:32AM VALCON CONSTR CONSLT NO.207 P.2/13

RECEIVED MAR - 6 2000

LAWLESS & MANGIONE
ARCHITECTS & ENGINEERS, LLP

Robert E. Lawless
Ronald P. Mangione
Bruno Pietrosanti
Frank Eliseo III

February 29, 2000

Mr. Thomas O'Malley
Premiere Management and Development
505 Court Street
Brooklyn, New York 11231

RE: Local Law 10/80
Fifth Cycle at
505 Court Street
New York, New York
Our File No.: 00034

Dear Thomas:

Enclosed, please find one filed executed stamped copy of the LL-10 (5th Cycle) report for your records.

If you have any questions, or require further information, please feel free to contact this office.

Sincerely yours,

Basil F. Taha
Senior Associate

BFT:pg\omalley.

cc: R. Lawless, R.A.

480 NORTH BROADWAY • YONKERS, NY 10701-1945 • (914) 423-8844 / (212) 475-0870 • FAX (914) 423-8981
e-mail: Architect@ArchEng.com

OCT.13.2003 11:32AM VALCON CONSTR CONSLT NO.207 P.3/13

E CITY OF W YORK
PARTM. OF BUILDINGS

Technical Report
Periodic Inspection of
Exterior Walls and Appurtenances

February 21, 1999 - February 21, 2002
Please File 3 Copies
This Form Must Be Typewritten and Microfilmed with the Report

Control # for location
From DOB LL 11/80 Master printout
2/24/2000

Cycle Number: 5

Filing Status

[X] Initial Filing | [ ] Amended Filing Indicate initial filing date: ___/___/___ | [ ] Supplemental Cycle 4 Local Law 11/98 Filing
Was filing made for any previous cycles (yes/no)? If yes, indicate last filing date: 02/27/96 | Indicate initial filing date: ___/___/___

2 Location

Borough: Brooklyn | Block: 476 | Lot(s): 6 | BIN:
House No(s): 505 | Street Name: Court Street
[ ] A.K.A. address(es)

3 Applicant

Last Name: Lawless | First Name: Robert | M.I.: E
Business Name: Lawless and Mangione | Business Phone: (914) 423-8644
Address: 480 North Broadway | City: Yonkers | State: NY ZIP: 10701
[ ] P.E. [X] R.A. | Lic. No.: 10284

4 Owner

Last Name: O'Malley | First Name: Thomas | M.I.
Business Name: Premiere Management and Development Ltd | Business Phone: (718) 488-0800
Address: 505 Court Street | City: Brooklyn | State: NY ZIP: 11231

5 Building Characteristics

Number of Stories: 10 | [ ] Exterior Wall Type: Concrete

6 Prior Status - Last Cycle Local Law 10/80

[ ] Ongoing Maintenance Program | [ ] Precautionary Conditions | [ ] Unsafe Conditions
[ ] Conformed with Code Requirements | Current Completion of Work Estimated to be ___% | Current Completion of Work Estimated to be ___%

7 Current Field Report - Critical Examination

[ ] SAFE: All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives.

[X] SAFE WITH A REPAIR AND MAINTENANCE PROGRAM: All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for the recommended Repair and Maintenance work described in the report and below.

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

8 Statements and Signatures

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

P.E. /R.A. seal

Applicant's name (print): Robert E. Lawless	Owner's name (print): TOM O'MALLEY
I, hereby state that the owner has authorized me to make this application. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.	I, hereby state that I am the owner of the premises referenced in the attached report. Furthermore, I hereby state that I have received a copy of the attached report and that I am aware of the required repairs and/or maintenance, if any, and the recommended time frame for same.
Applicant's signature:	Owner's signature: T. O'Malley
Date:	Date: 2/15/00

SEE INSTRUCTIONS ON REVERSE SIDE

TR-0 Revised 05-98

LOCAL LAW 10/11

FIELD SURVEY REPORT Job # 00034

PERFORMED BY: Ahmad Alzubi

WEATHER AND TEMPERATURE: Cloudy 45°

REPORT DATE: February 12, 2000 INSPECTION DATE: February 11, 2000

ADDRESS: 505 Court Street BOROUGH: Brooklyn

AKA:

Location:

BUILDING INFORMATION:

of Apartments 124 # of Stores 0 # of Offices 0

Stories: 10 Age: 75 Garage (Y/N): N

Exterior Wall Construction: Concrete

Block No. 476 Lots No. 6 C./O. No. 219955

Appurtenances Not Otherwise Noted: None

Client: Premiere Management & Development Ltd.

Address: 505 Court Street, Brooklyn, New York 11231

Contact Person: Mr. Thomas O'Malley

Telephone No. (718) 488-0800

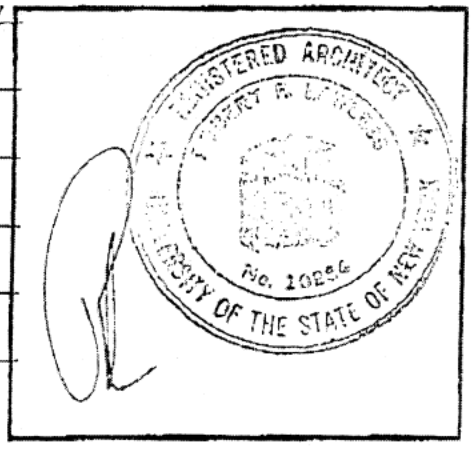
Owner: ---

Address: ---

Superintendent: [redacted]

Address:

Tel. No. [redacted]



EQUIPMENT AND METHODS OF INSPECTION:

1. Visual inspection with 10 x 50 binoculars from ground and roof level.

2. Record photographs with telephoto lens.

3. Discussion with site management staff.

4. Scaffold inspection drops.

EXTERIOR WALL REQUIRING INSPECTION PER LOCAL LAW 10/80:

All facades inspected.

STATUS OF EXTERIOR REPAIR AND MAINTENANCE:

The Fourth Cycle Local Law 10/80 report was available and the review is attached.

SUMMARY OF FINDINGS

SUMMARY OF UNSAFE CONDITIONS

No conditions noted.

CONDITIONS REQUIRING MAINTENANCE WORK

1. The coping metal seams open and the coping metal missing at west elevation (yard) above entrance.
2. The roof steel is rusted.
3. There are air conditioners mounted in windows.
4. Concrete at roof edge is spalled at Northeast (N) Court Street; South (SE corner @ 3rd floor; setback South (SE) at 6th floor.

SUMMARY OF RECOMMENDATIONS FOR UNSAFE CONDITIONS

No conditions noted.

SUMMARY OF RECOMMENDATIONS FOR MAINTENANCE WORK:

1. Revit the seams of the metal coping and replace missing metal coping.
2. Paint roof steel.
3. Check for secure mounting of antennae and air conditioners.
4. Rout cracks and caulk with polyurethane material.
5. Sound concrete at roof edge. Check for further deterioration. Repair ant exposed reinforcement. Patch with a cementitious material.

REVIEW OF PREVIOUS INSPECTION REPORTS

DATES OF PREVIOUS REPORTS:

February 27, 1996

INSPECTION AND REPORTS BY:

Antonucci and Lawless
480 North Broadway
Yonkers, New York 10701

PREVIOUS REPORT ITEMS:

1. Roof and base flashings were detericrated.

ITEMS NOTED SINCE LATEST REPORT:

See items listed under Conditions Requiring Maintenance Work.

GENERAL NOTES

1. The Architect represents to the Owner that the Architect's services shall be performed in accordance with those usual and customary standards of professional care, skill and diligence which are at the time of performance of services under this Agreement commonly followed by Architects performing the same or similar services in the locale in which the Architect's office and the Owner are located.

2. The accuracy of the Local Law 10-80 inspection and report is limited to what can be reasonably expected utilizing binocular surveillance from the street and limited use of platforms, scaffolding and rigging.

3. The services to be performed by the Architect pursuant to this Agreement are intended solely for the benefit of the Owner, and no benefit is meant to be conferred upon any person or entity nor shall it be entitled to rely on the Architect's performance of its services hereunder, and no right to assert claim against the Architect shall accrue to the Contractor or to any subcontractor, consultant, engineer, supplier, fabricator, manufacturer, lender, tenant, insurer, surety or any other third party as a result of this Agreement or the performance or non-performance of the Architect's services hereunder.

4. The Local Law 10-80 report prepared by the Architect shall not be used.

   a. As any representative or as the basis of any such building referred to, either for sale as cooperatives or any other sale.

   b. As a determination of causes of conditions noted in the report.

   c. As a criticism of previous designers, contractors or anyone responsible for the building.

   d. As a contract or part of a contract for maintenance work.

   e. As a legal description of the property.

   f. For any purpose other than filing a Local Law 10-80 report.

5. Conditions of the building noted and identified in the Local Law 10-80 report are limited to the date of the report.

6. The condition of glass has been included only if it is obviously cracked and obviously in danger of falling from the building.

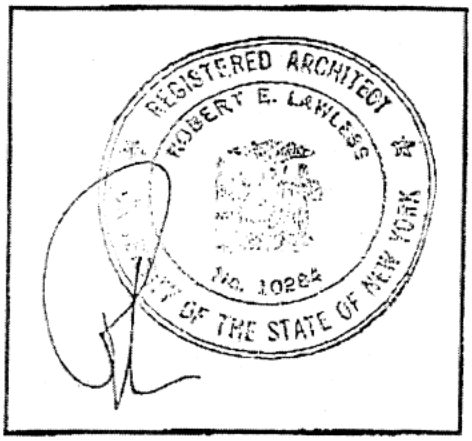
7. The Owner's responsibilities include:

   a. Correcting immediately all conditions noted in the Local Law 10-80 report as "unsafe".

   b. Notifying the Building Department of the corrections made for "unsafe" conditions.

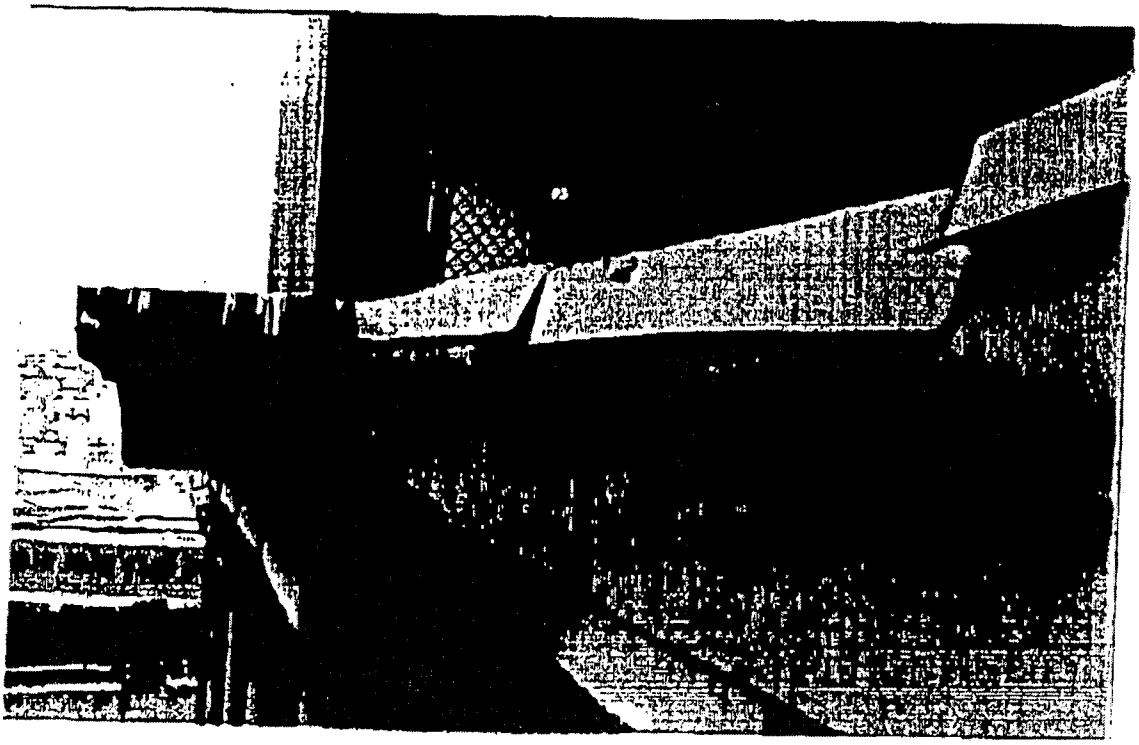
   c. Preparing a maintenance program for the correction of any conditions noted as "maintenance" conditions.

   d. Complying with all laws, rules and regulations of the New York City Building Department pertaining to Local Law 10-80.



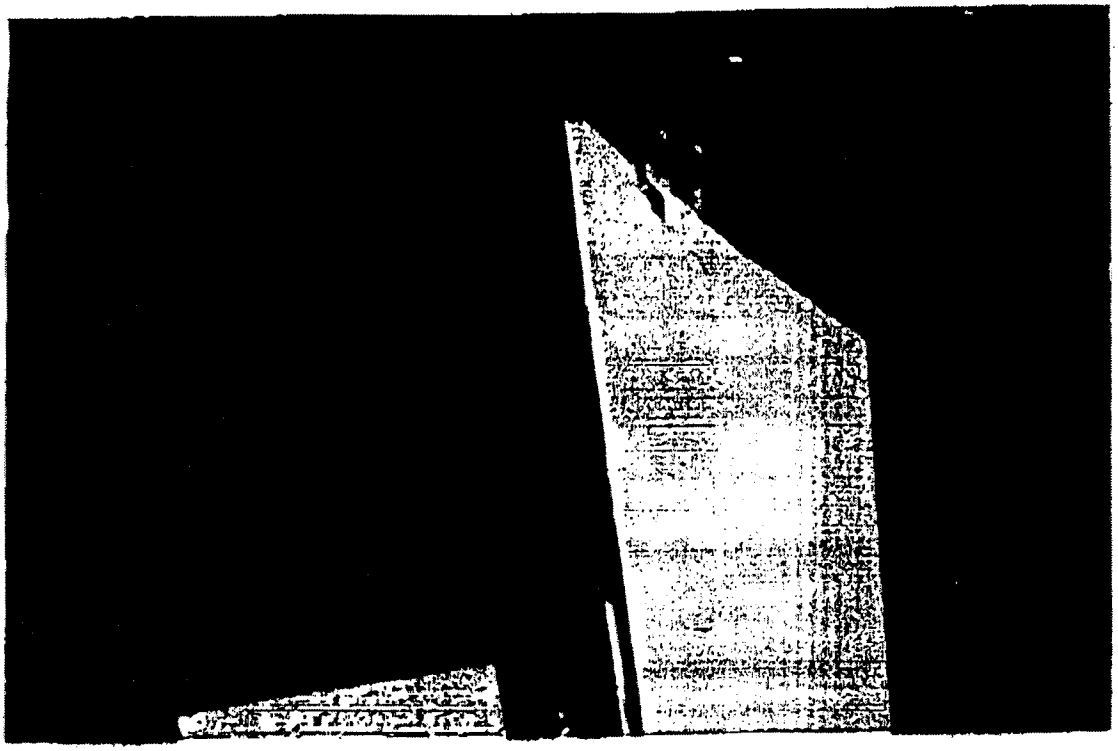


Missing metal at the roof edge.

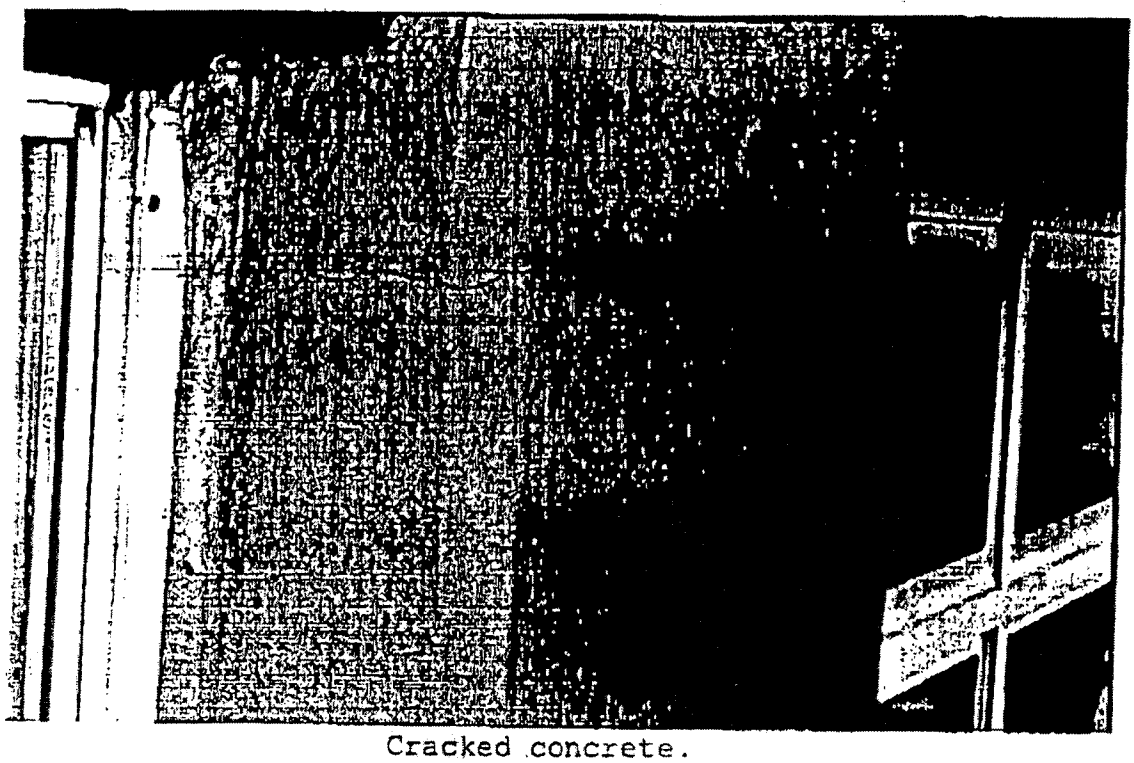


Open seams at metal.

505 Court Street

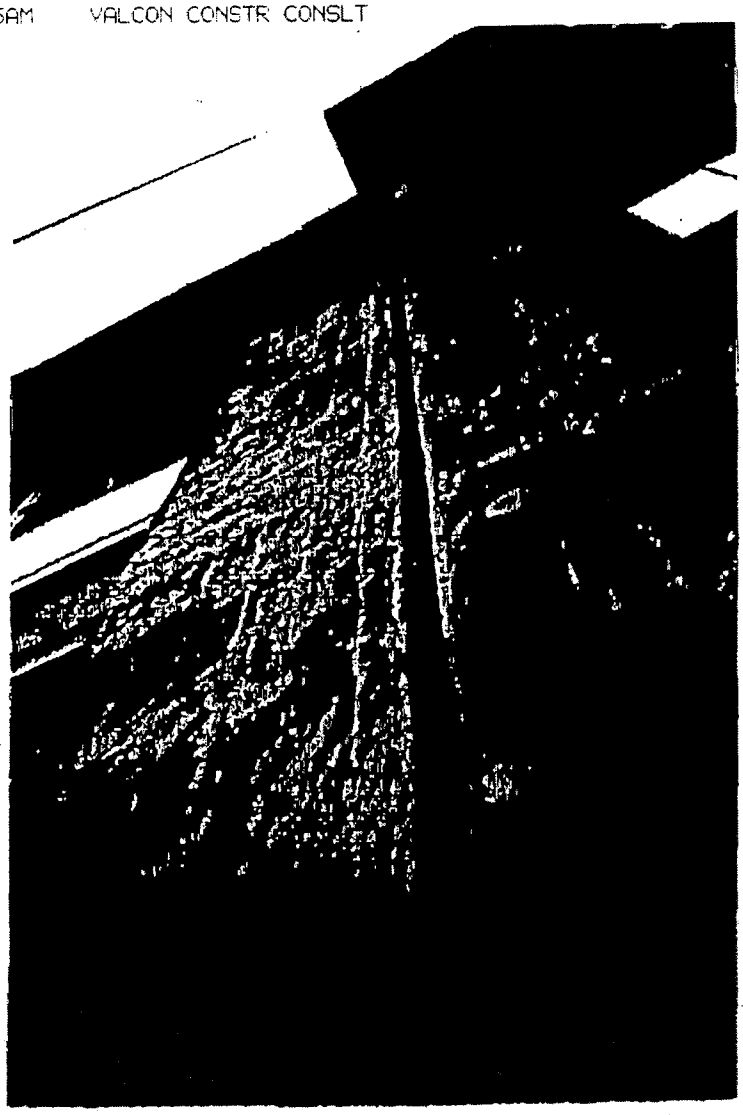


Spalled concrete at south elevation.

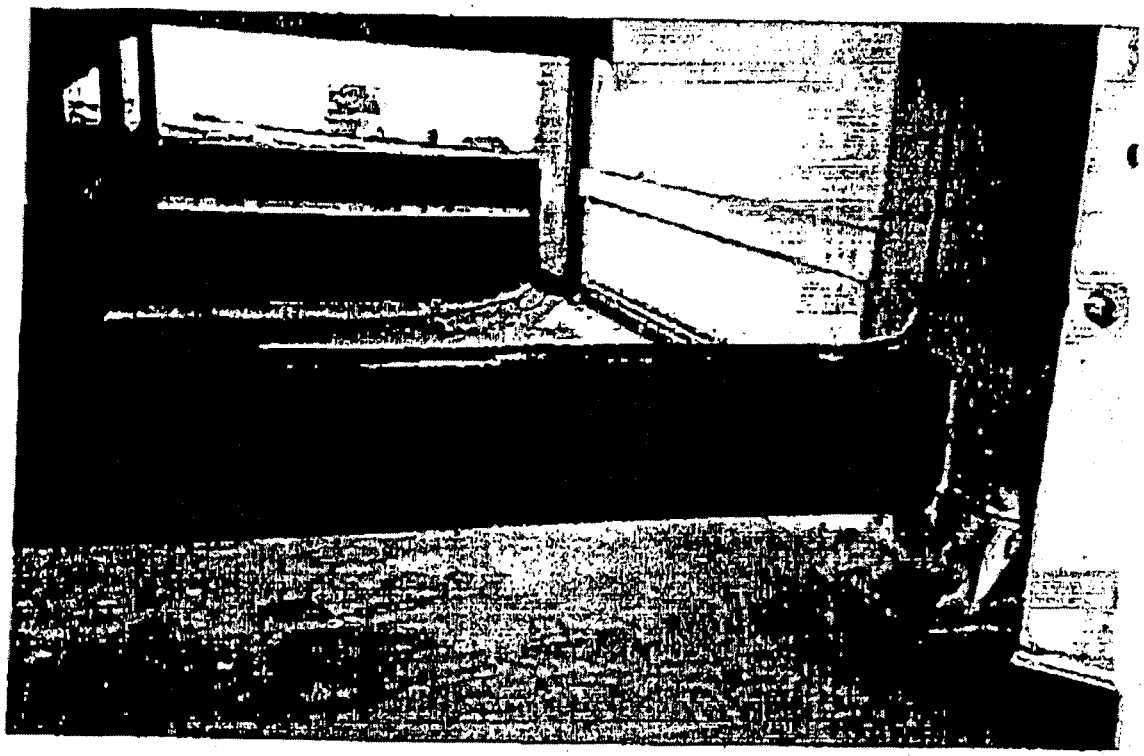


Cracked concrete.

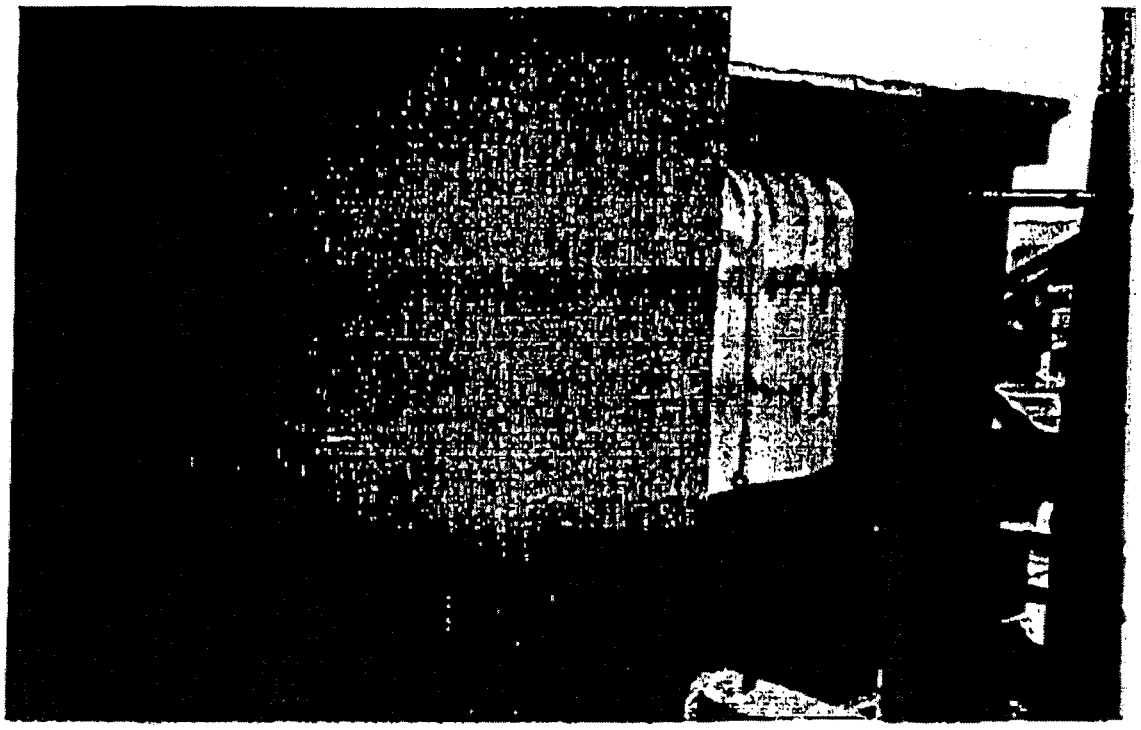
505 Court Street



Opened expansion joint.



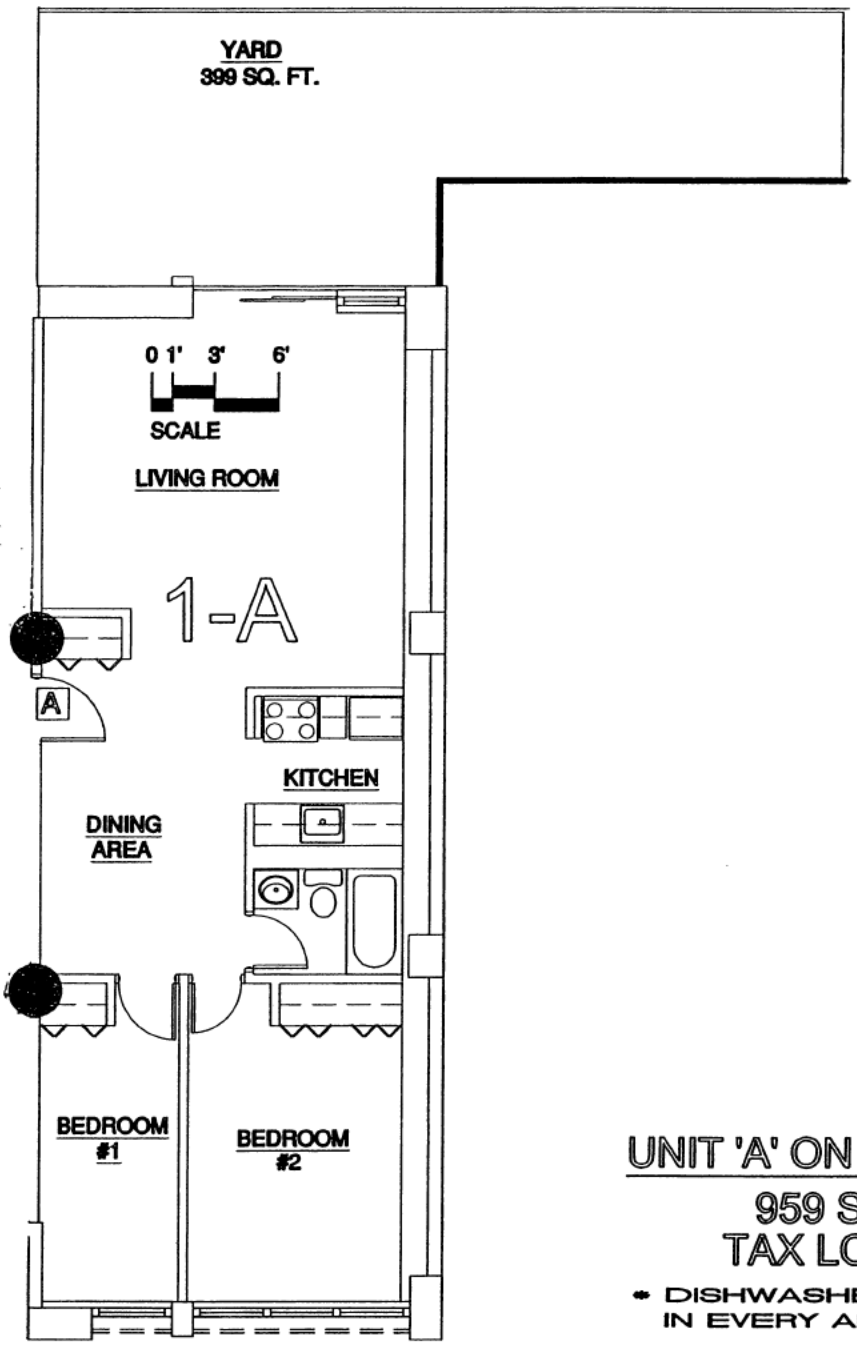
Rusted roof steel.



Hairline crack at bulkhead.

EXHIBIT "7"

FLOOR PLANS



UNIT 'A' ON FIRST FLOOR

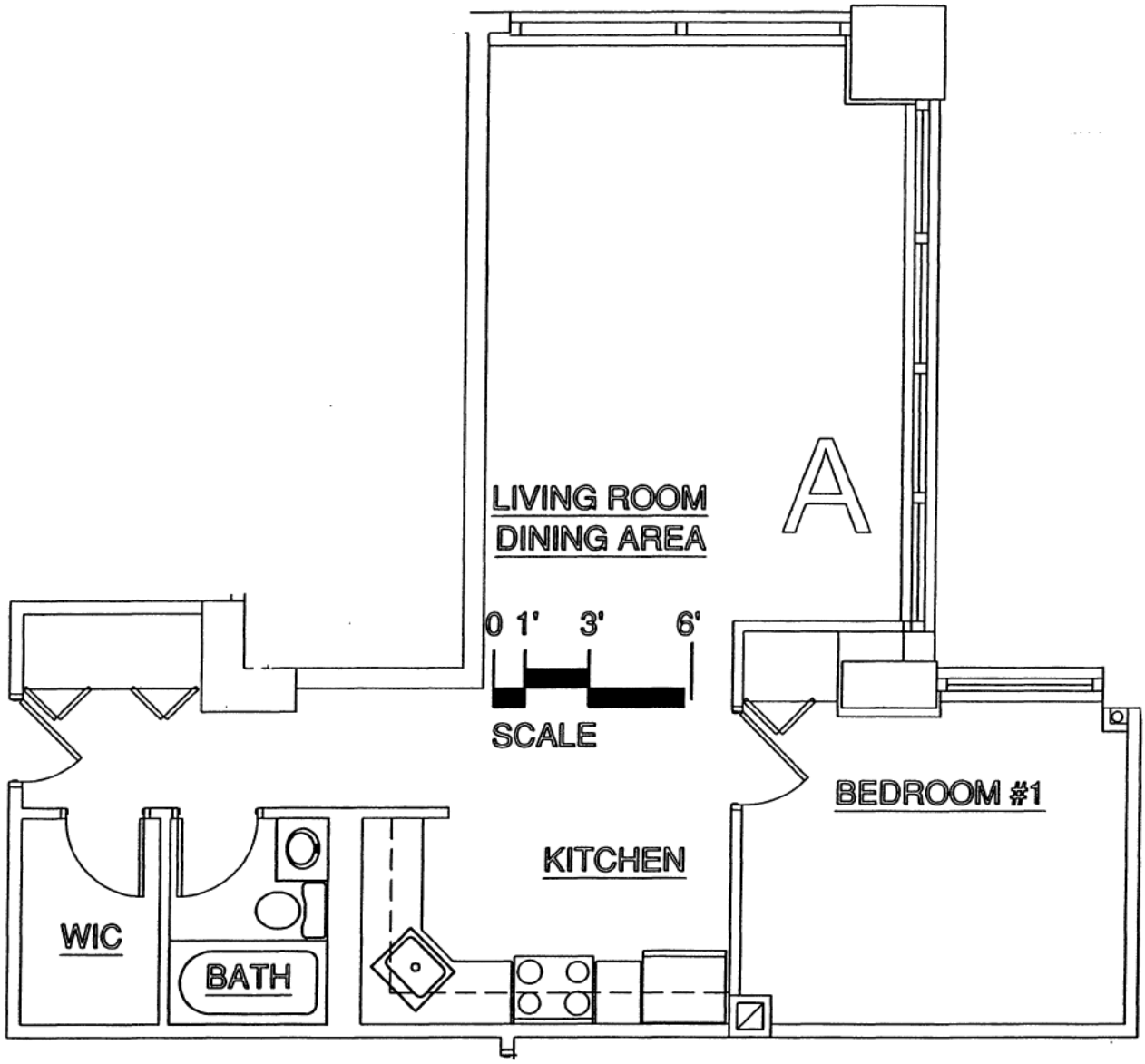
959 SQ. FT.
TAX LOT: 1001

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 A APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



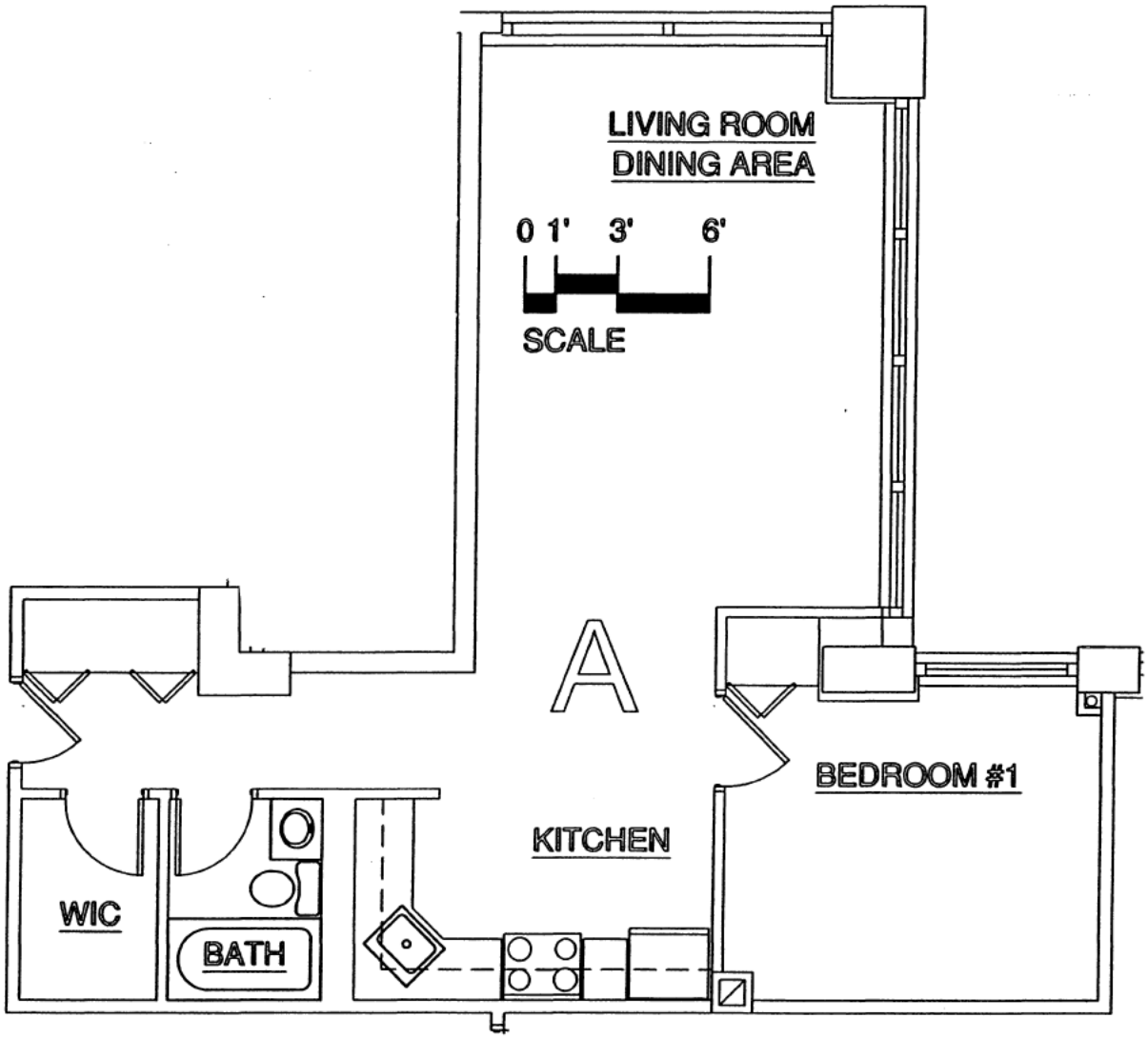
UNIT 'A' ON FLOORS 2-6
729 SQ. FT.

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1010, 1026, 1042, 1058, 1074

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 A APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



• DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'A' ON FLOORS - 7,8,9

UNIT AREA = 729 SQ. FT.

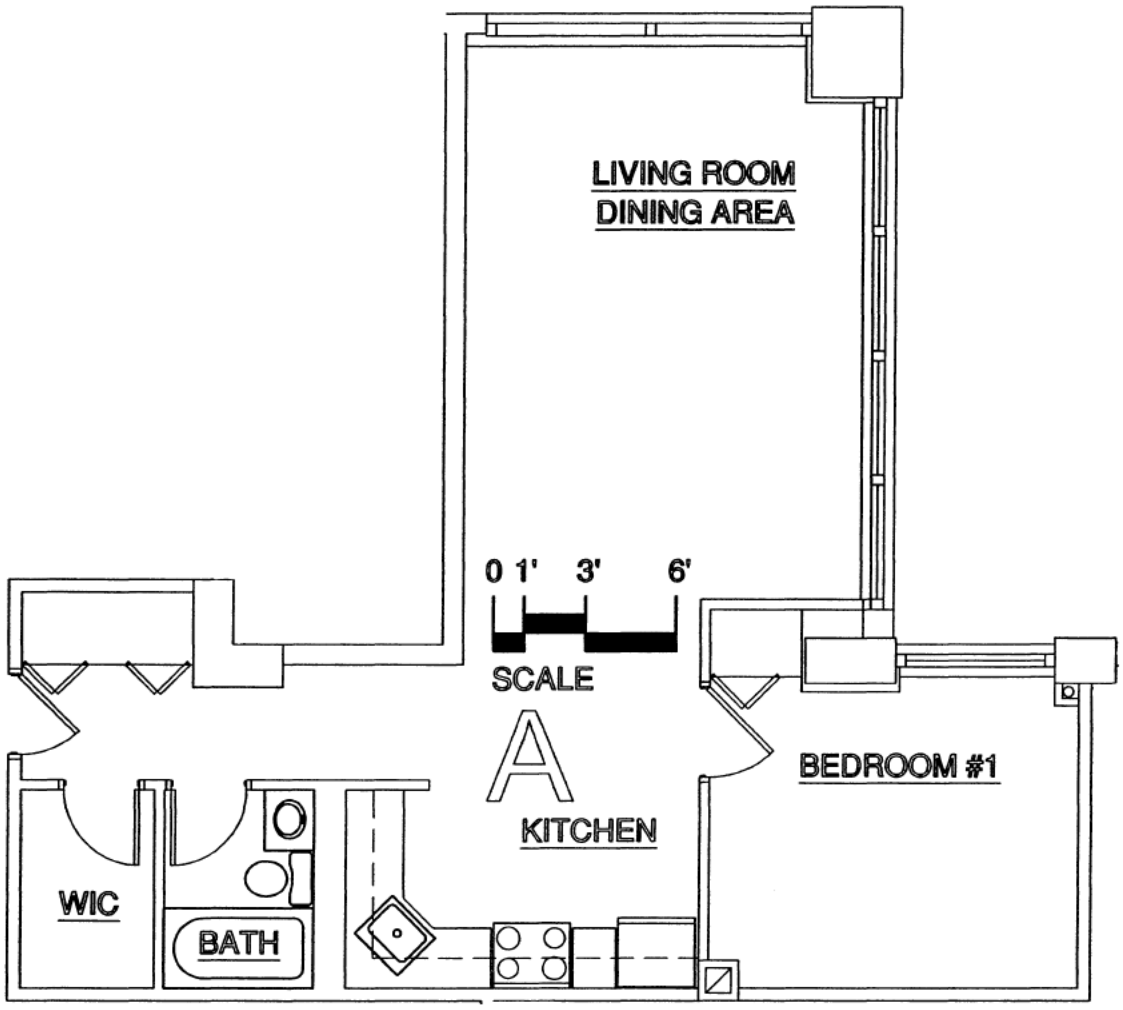
FLOORS: (7) (8) (9)

TAX LOTS: 1090, 1104, 1111

• DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7-9 A APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

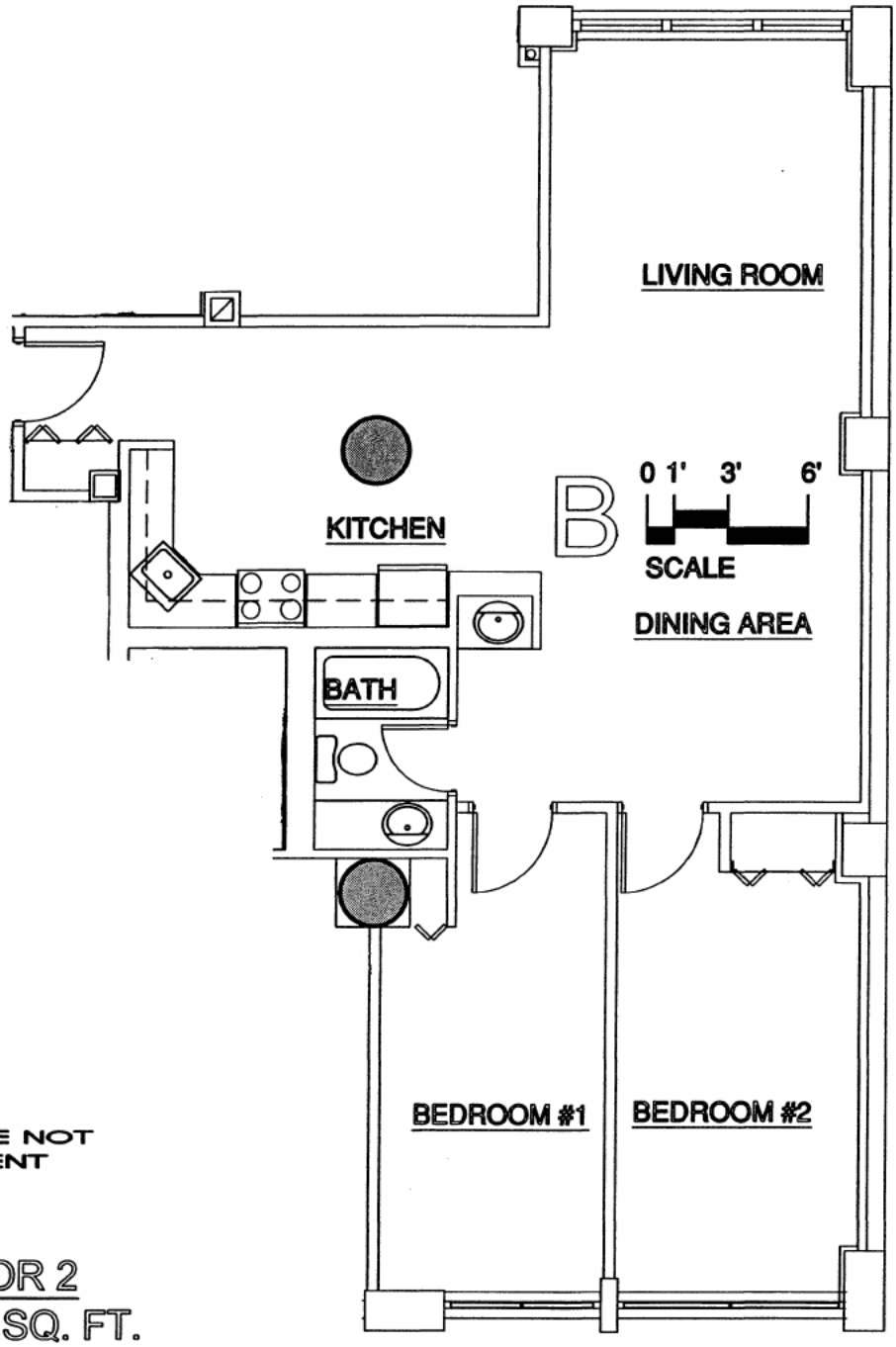
UNIT 'A' ON FLOOR 10

UNIT AREA = 729 SQ. FT.
TAX LOT: 1118

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

PH A APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



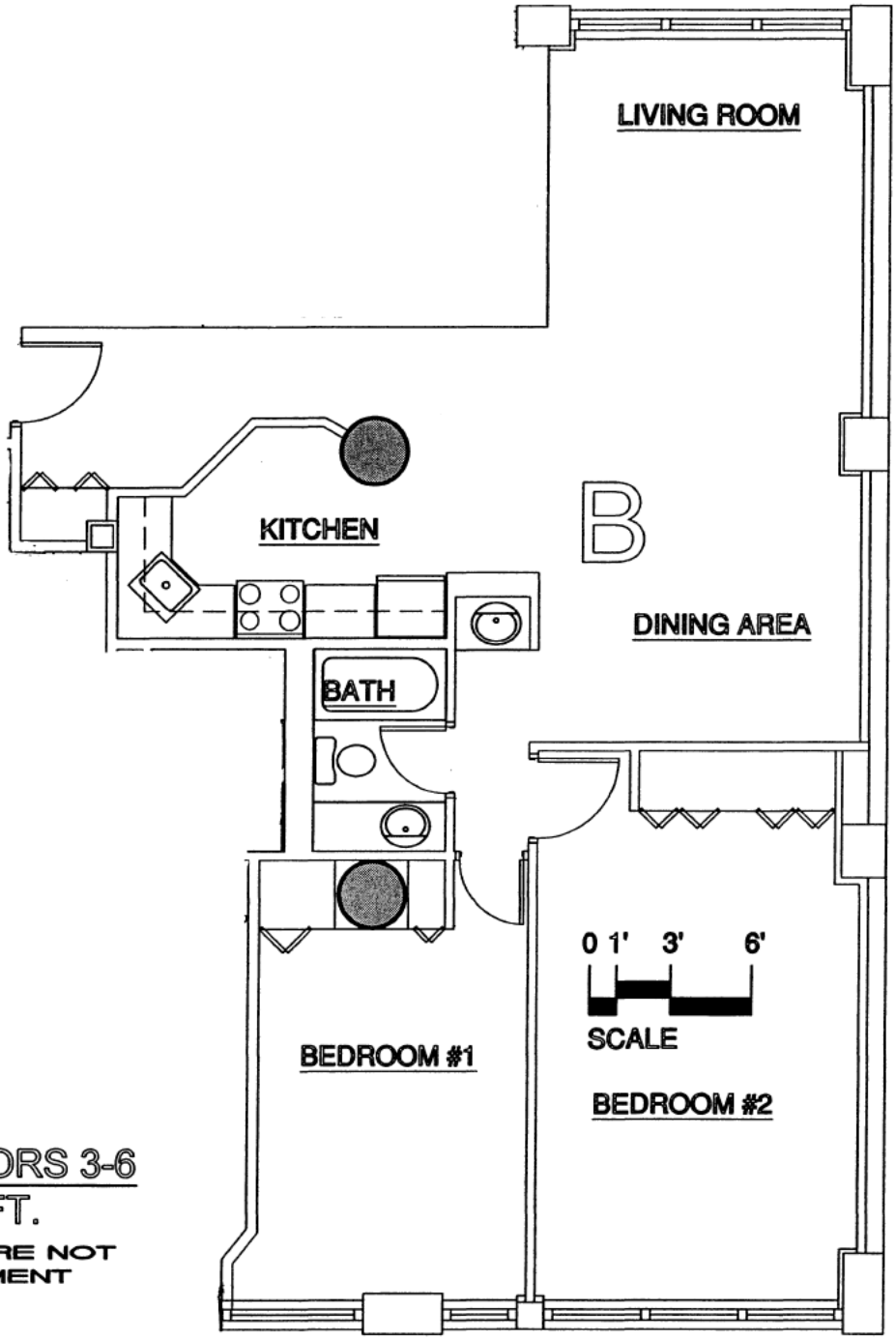
* DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'B' ON FLOOR 2
UNIT AREA = 1,035 SQ. FT.
TAX LOT: 1011

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2 B APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'B' ON FLOORS 3-6
1,133 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

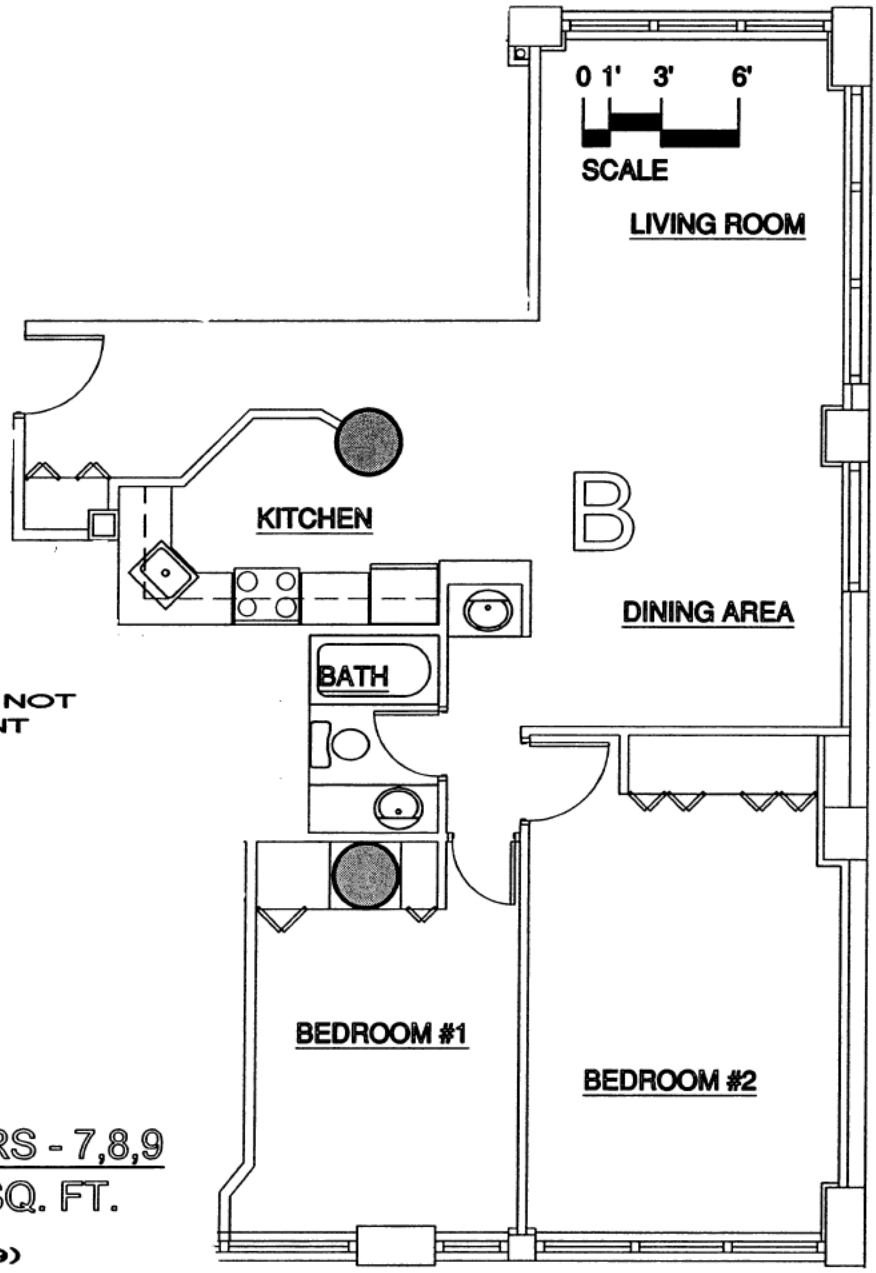
FLOORS: (3) (4) (5) (6)

TAX LOTS: 1027, 1043, 1059, 1075

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

3-6 B APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'B' ON FLOORS - 7,8,9

UNIT AREA = 1,097 SQ. FT.

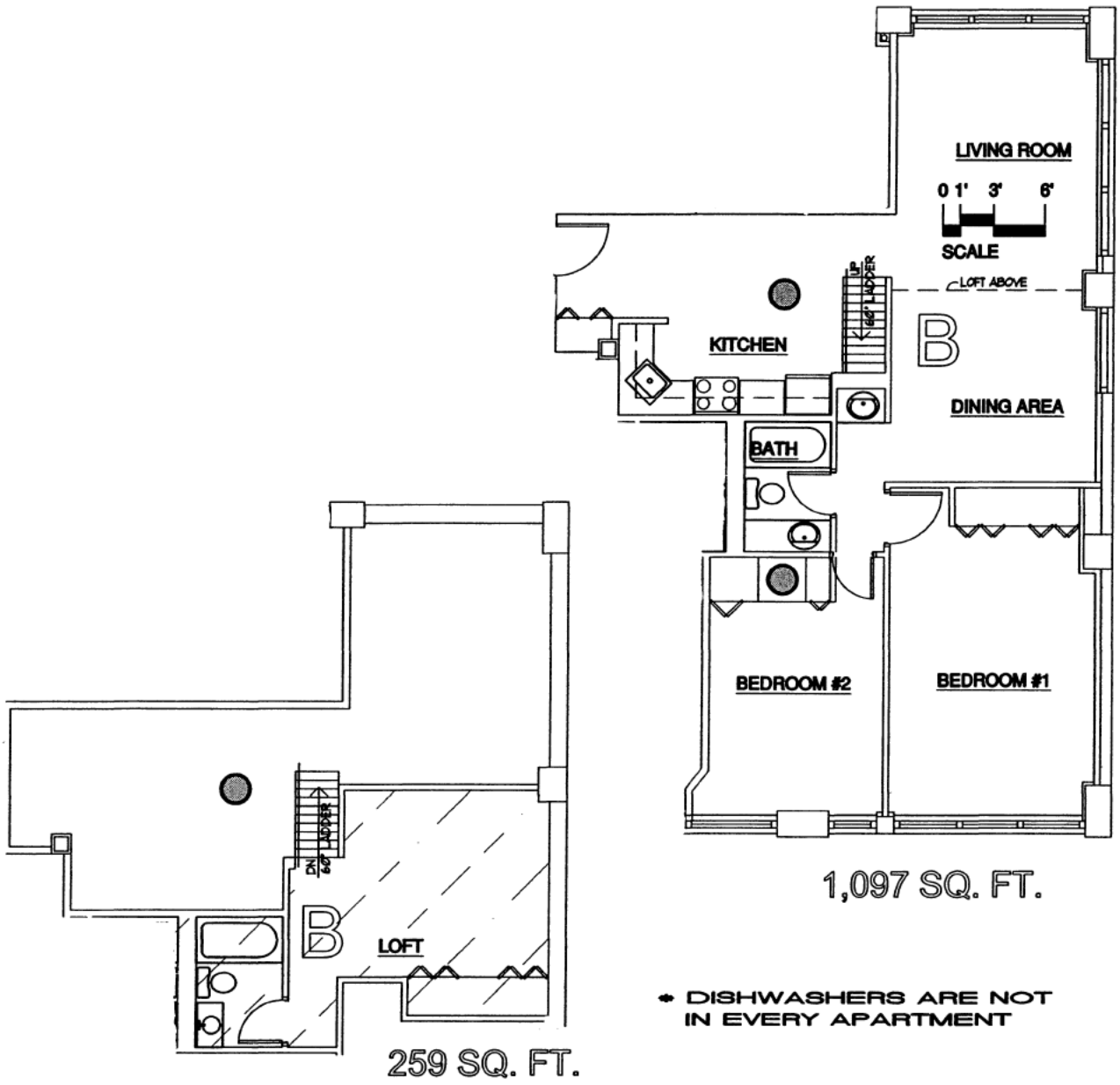
FLOORS: (7) (8) (9)

TAX LOTS: 1091, 1105, 1112

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7-9 B APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'B' ON FLOOR 10

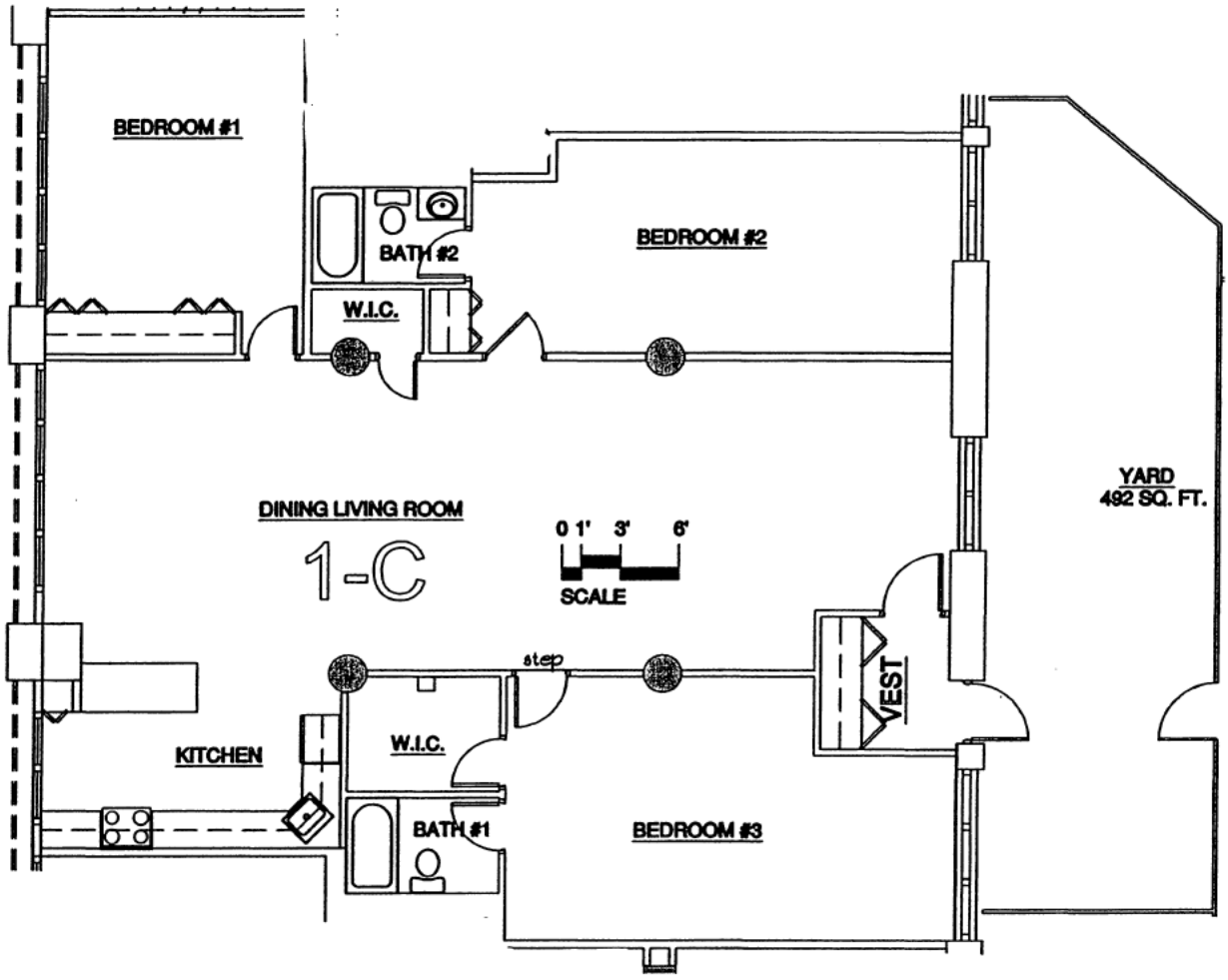
UNIT AREA = 1,097 + 259 = 1,356 SQ. FT.

TAX LOT: 1119

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

PH B APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'C' ON FIRST FLOOR

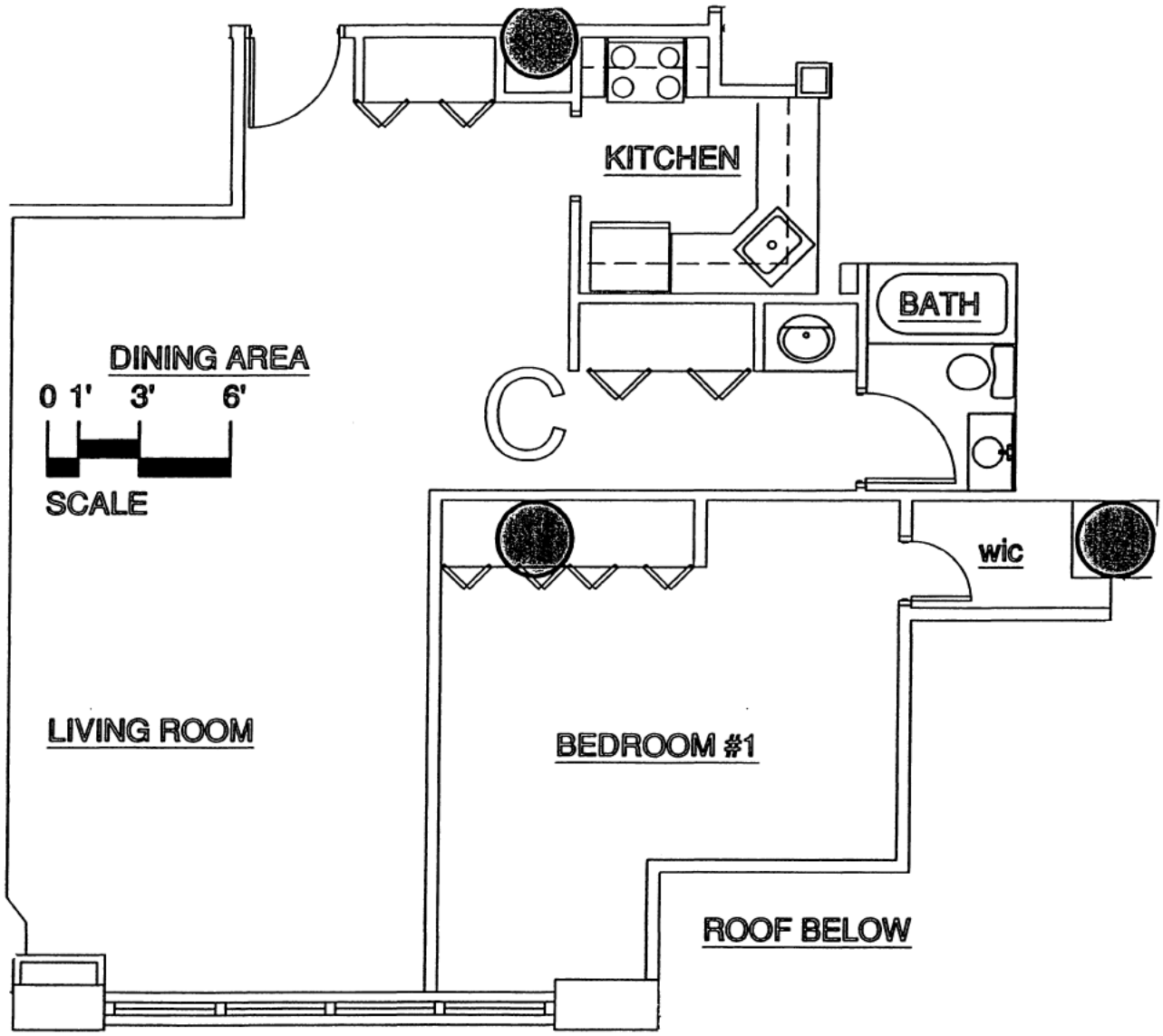
2,121 SQ. FT.
TAX LOT: 1003

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 C APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'C' ON FLOOR 2

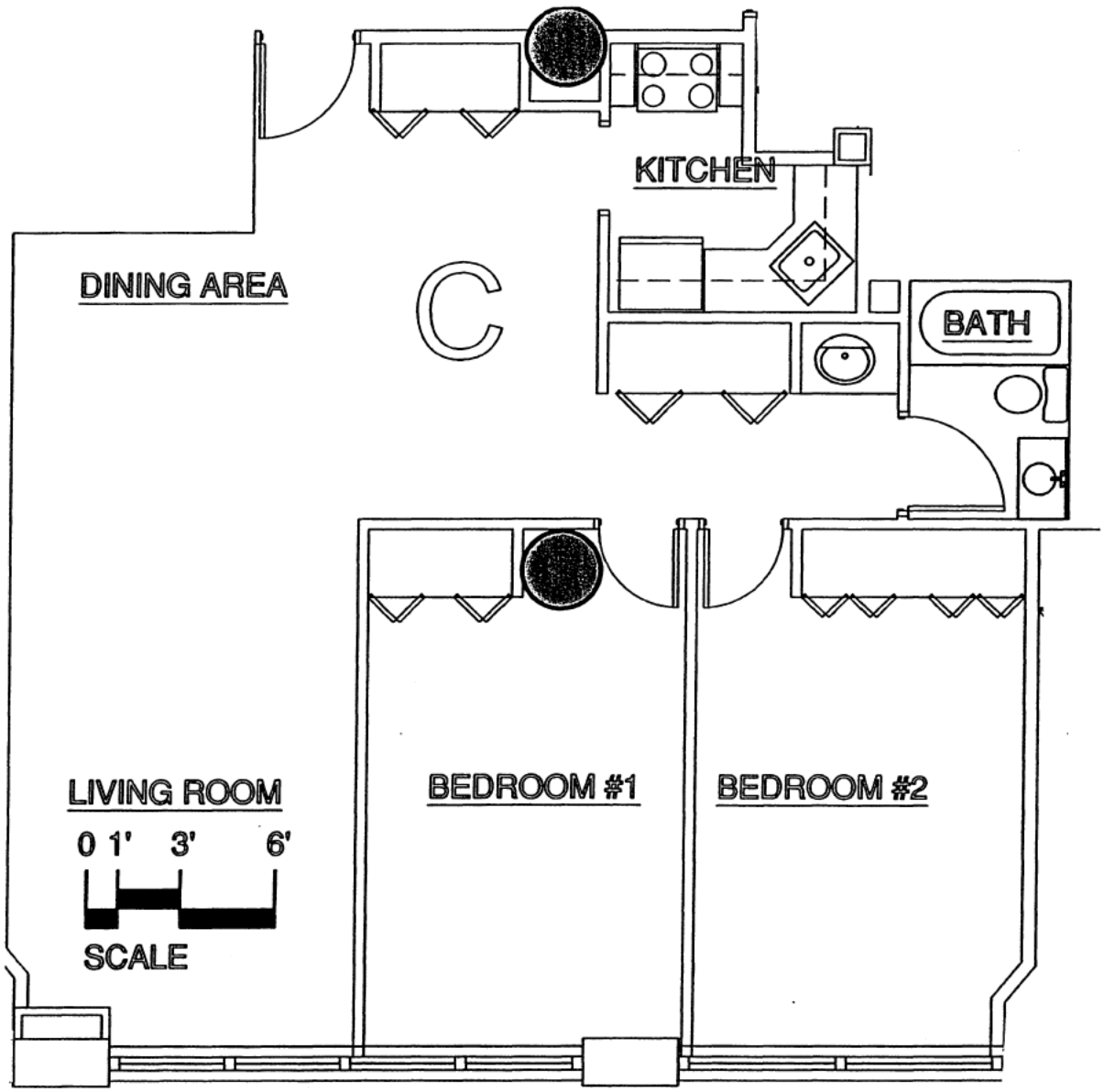
UNIT AREA = 937 SQ. FT.
TAX LOT: 1012

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2C APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'C' ON FLOORS 3-6

986 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

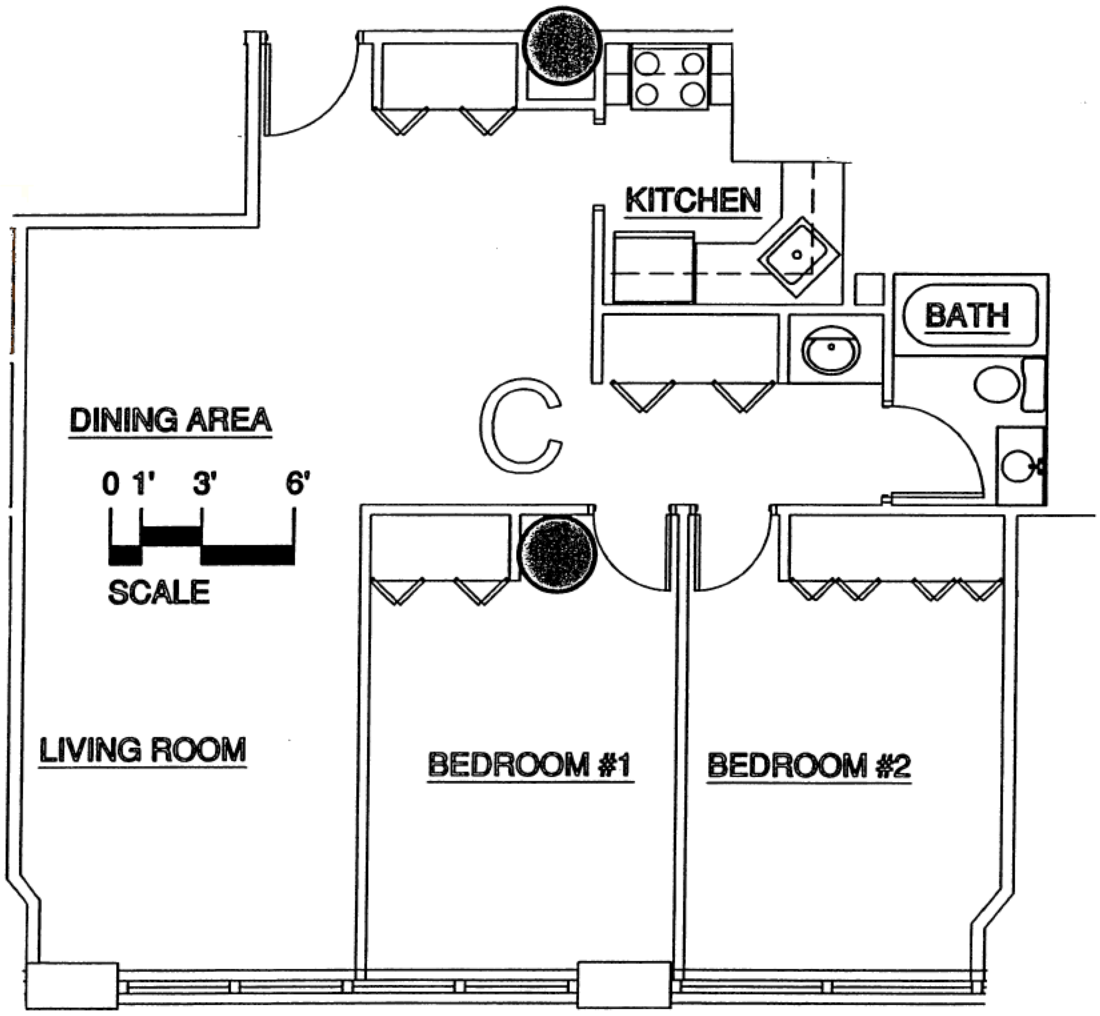
FLOORS: (3) (4) (5) (6)

TAX LOTS: 1028, 1044, 1060, 1076

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

3-6 C APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'C' ON FLOORS - 7,8,9
UNIT AREA = 937 SQ. FT.

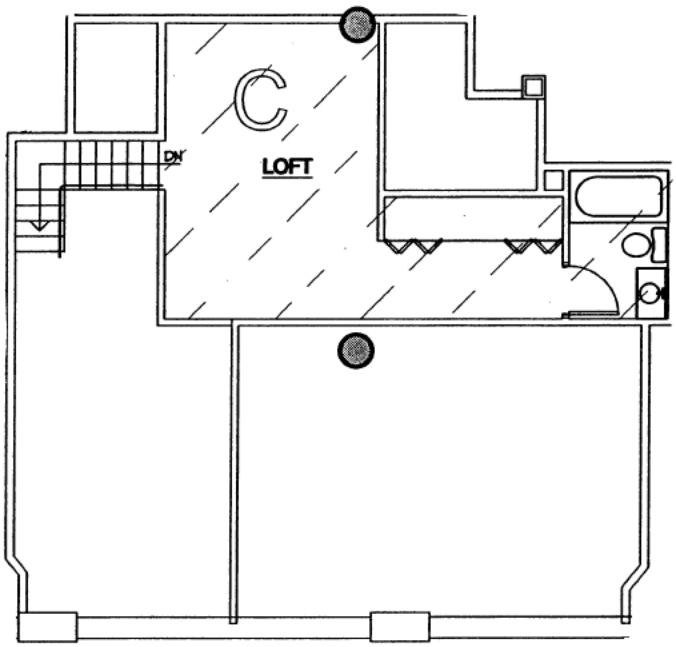
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (7) (8) (9)
TAX LOTS: 1092, 1106, 1113

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

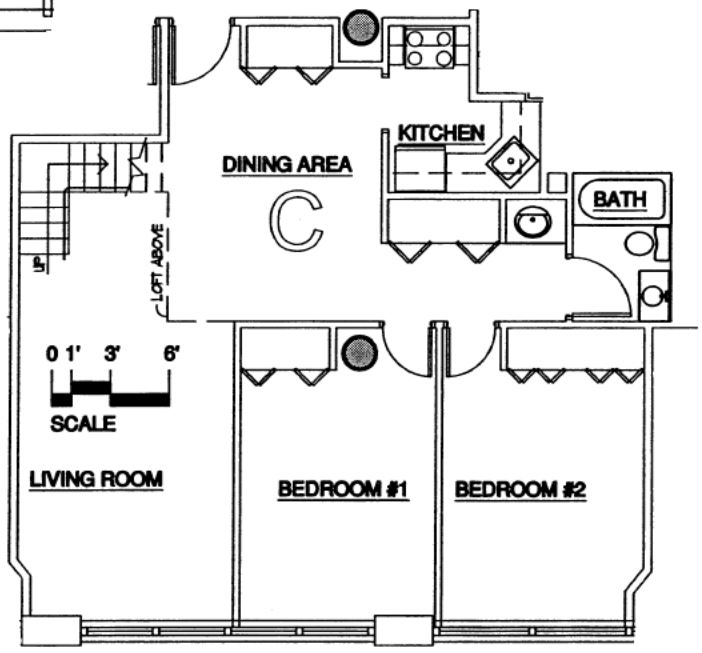
5-4-04

7-9 C APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



296 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT



937 SQ. FT.

UNIT 'C' ON FLOOR 10

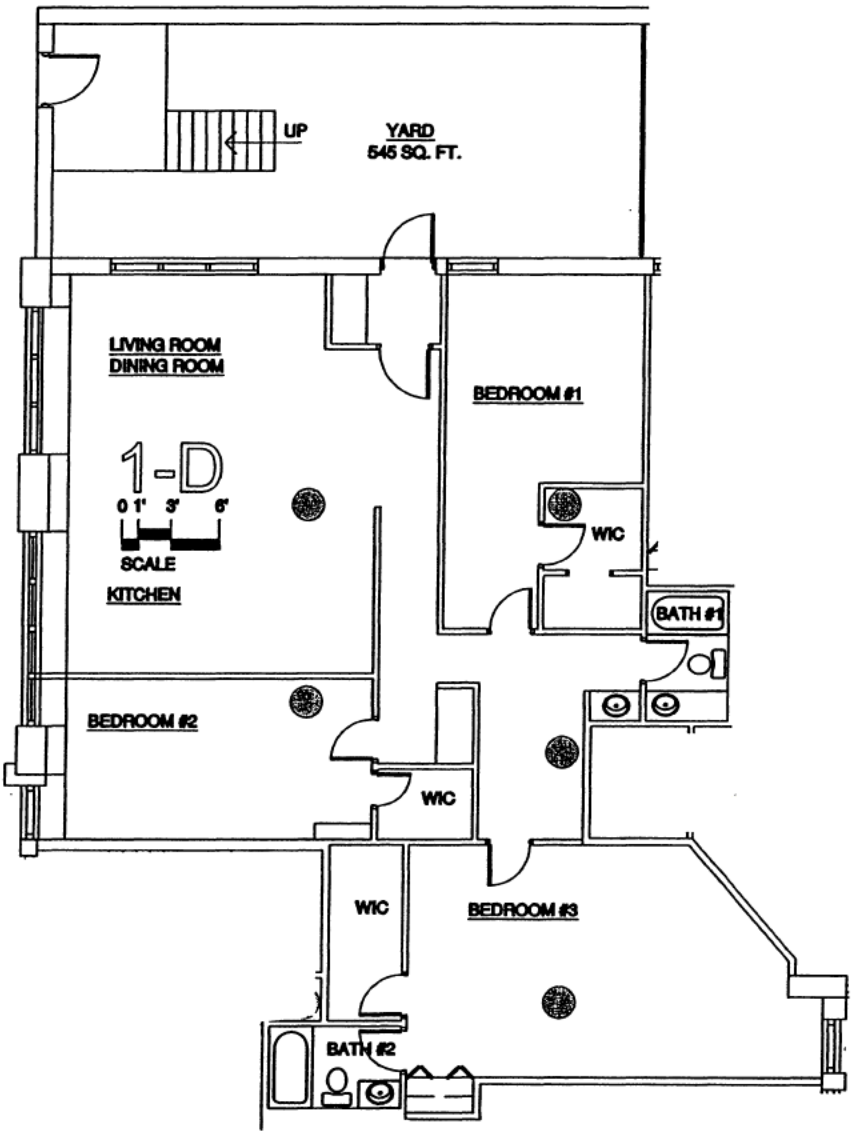
UNIT AREA = 937 + 296 = 1,233 SQ. FT.

TAX LOT: 1120

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

PH C APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'D' ON FIRST FLOOR

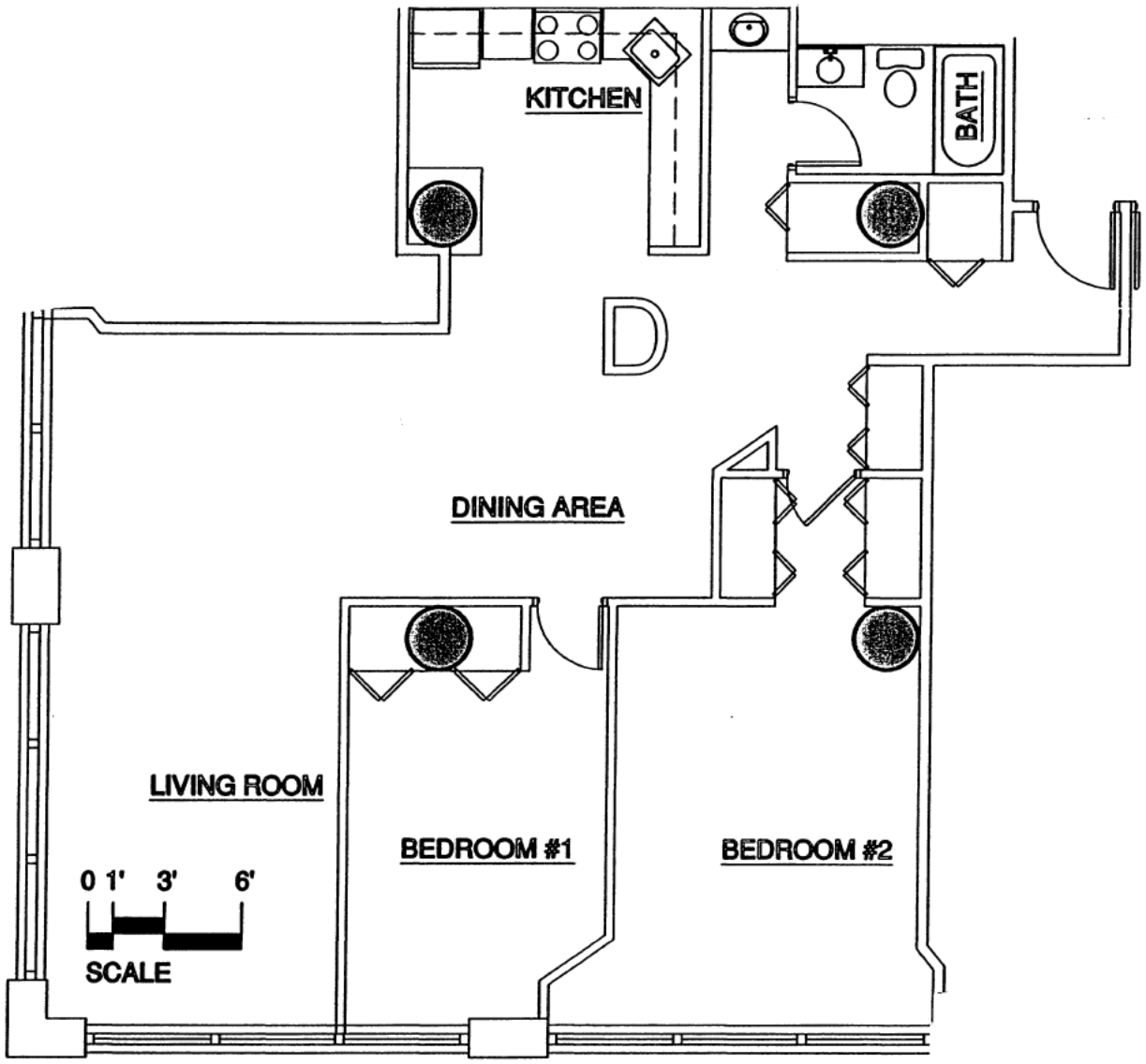
1,842 SQ. FT.

TAX LOT: 1004

* DISHWASHERS ARE NOT IN EVERY APARTMENT
* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 D APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'D' ON FLOORS 2-6

1,333 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

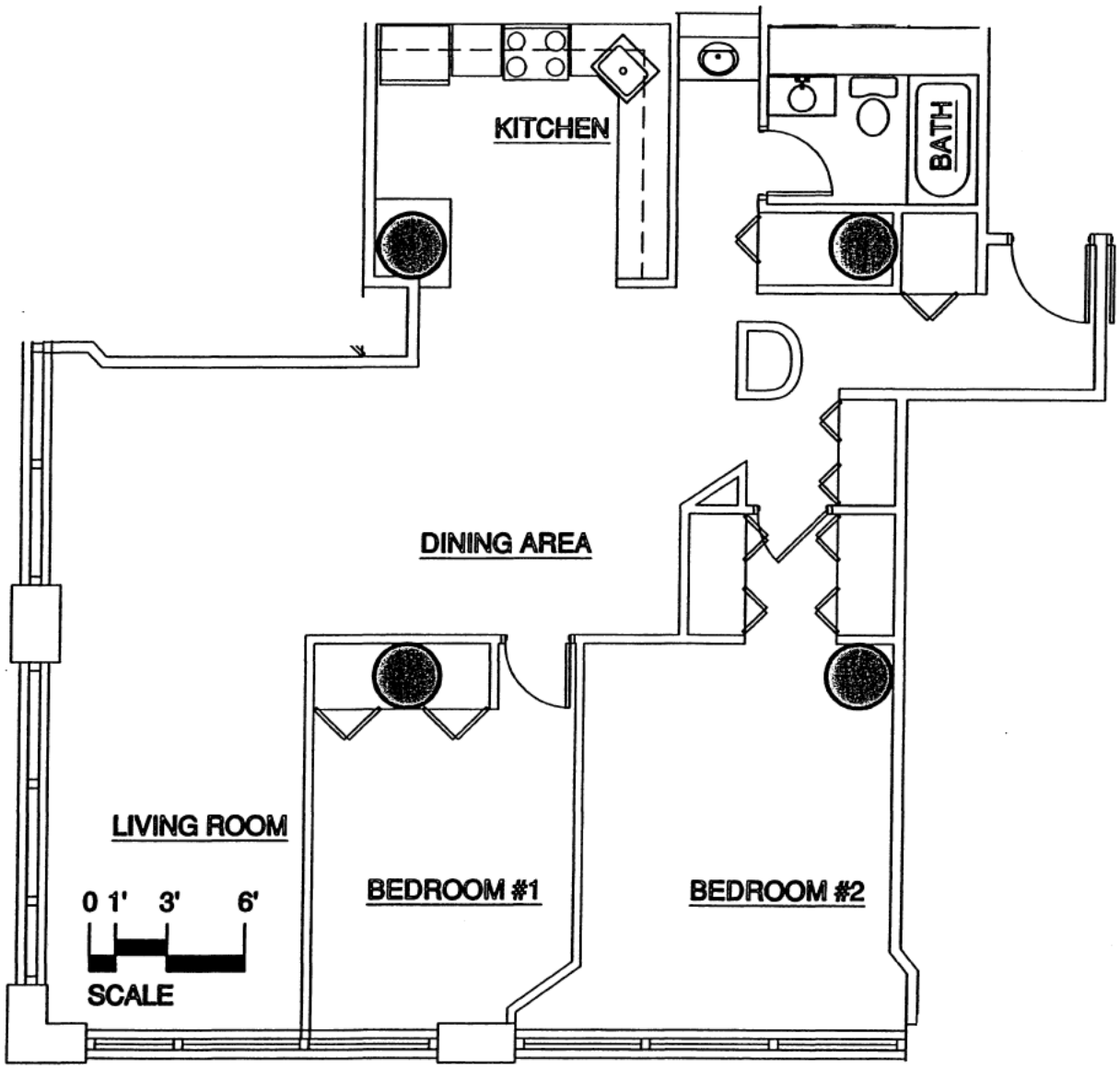
FLOORS: (2) (3) (4) (5) (6)

TAX LOTS: 1013, 1029, 1045, 1061, 1077

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 D APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'D' ON FLOORS - 7,8,9
UNIT AREA = 1,240 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

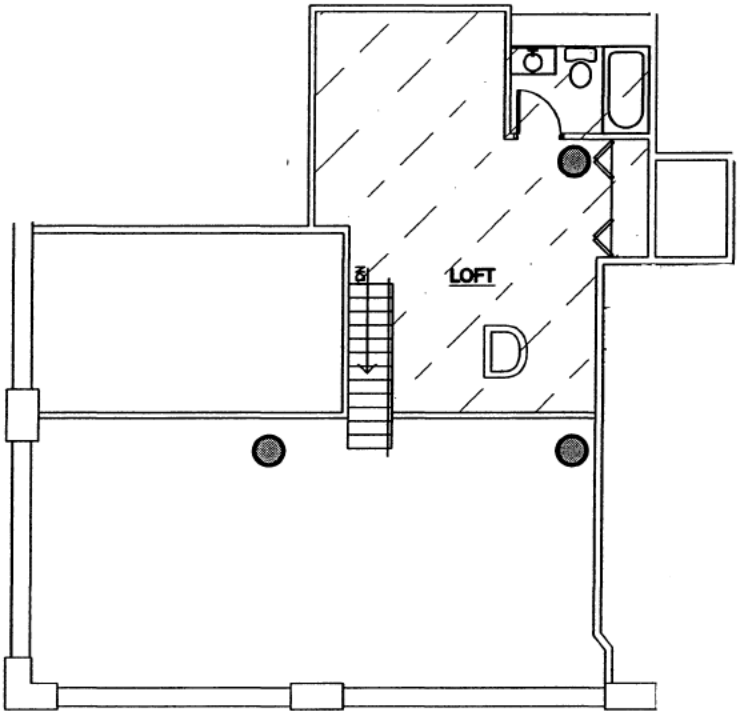
FLOORS: (7) (8) (9)

TAX LOTS: 1093, 1107, 1114

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

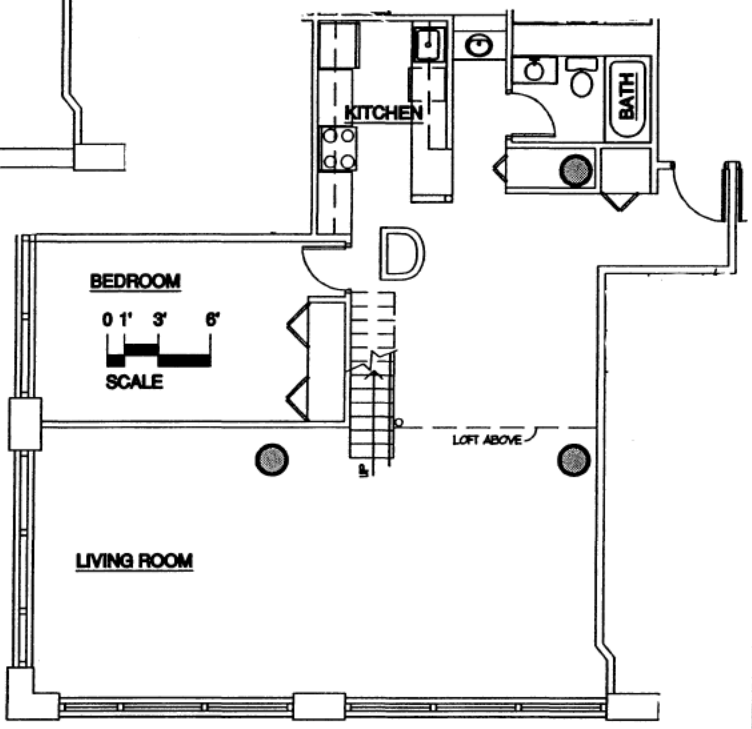
5-4-04

7-9 D APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



391 SQ. FT.

• DISHWASHERS ARE NOT IN EVERY APARTMENT



1,202 SQ. FT.

UNIT 'D' ON FLOOR 10

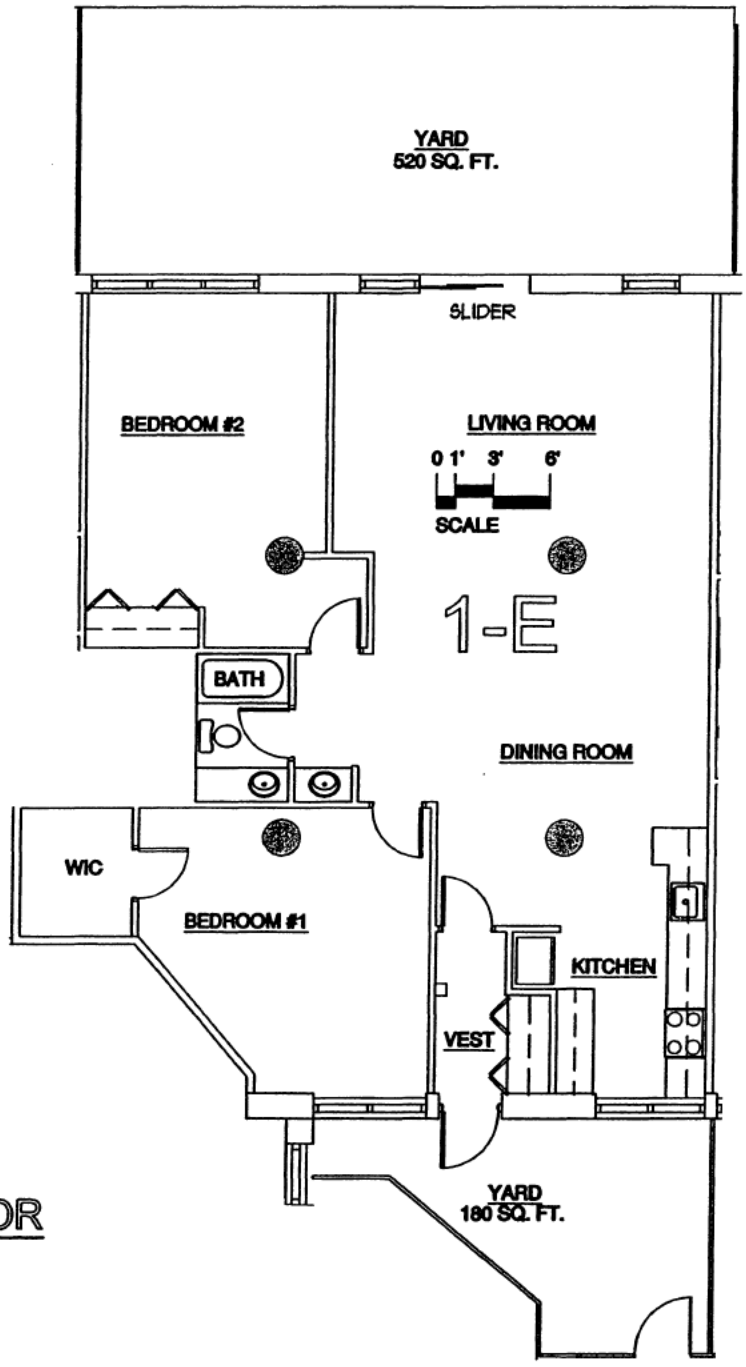
UNIT AREA = 1,202 + 391 = 1,593 SQ. FT.

TAX LOT: 1121

• DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

PH D APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



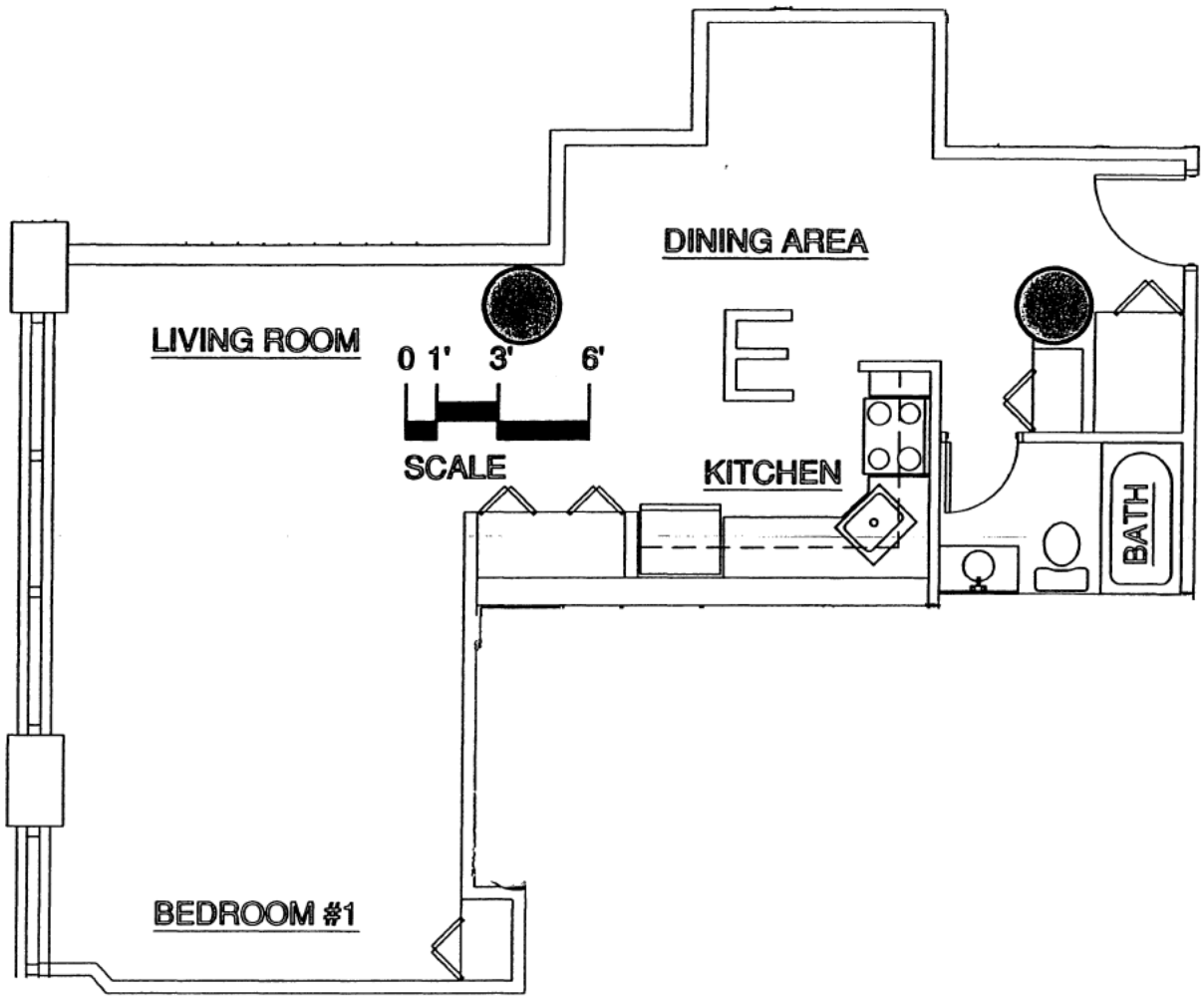
UNIT 'E' ON FIRST FLOOR

1,439 SQ. FT.
TAX LOT: 1005

- DISHWASHERS ARE NOT IN EVERY APARTMENT
- DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 E APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'E' ON FLOORS 2-6

733 SQ. FT.

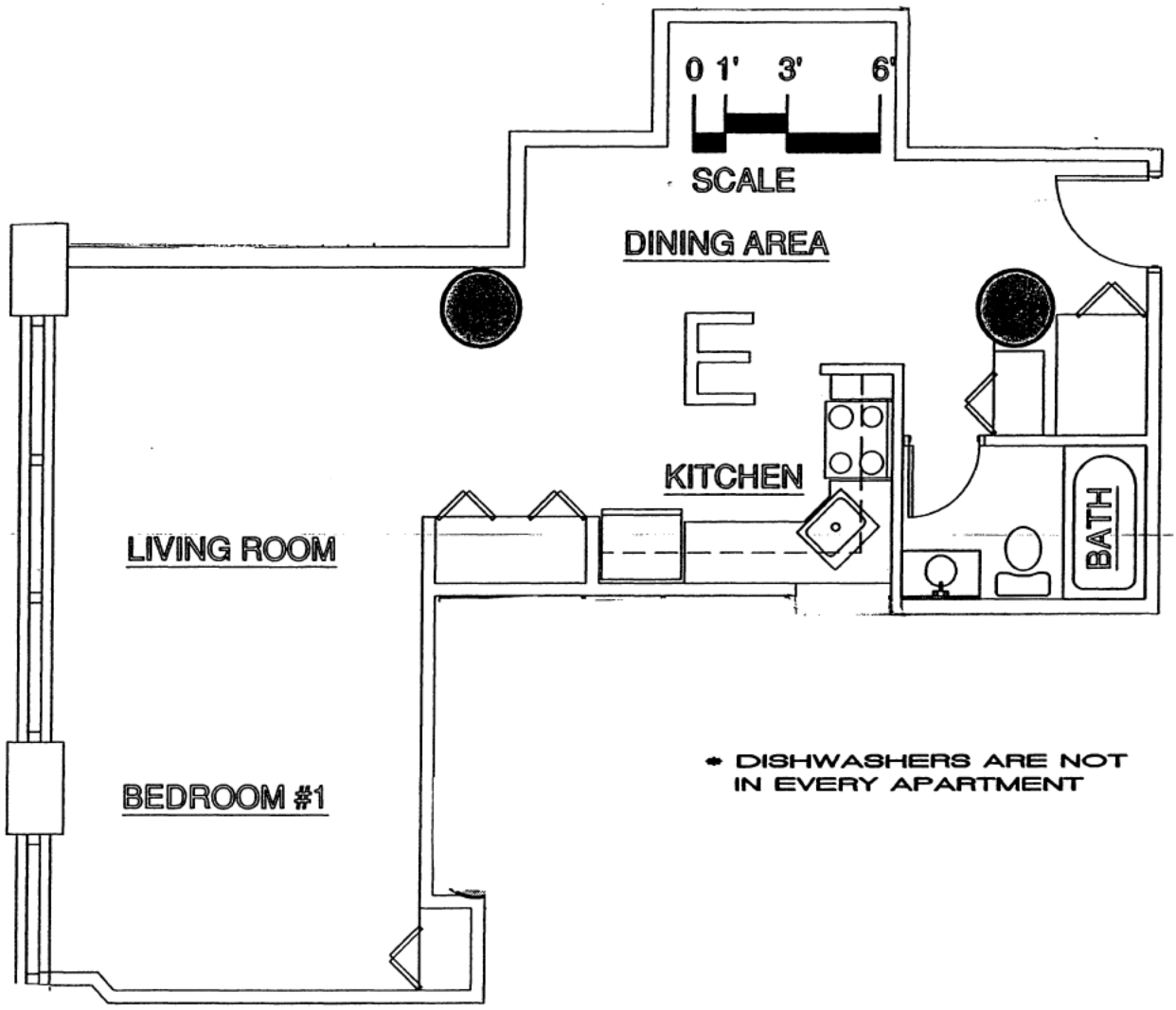
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1014, 1030, 1046, 1062, 1078

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 E APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

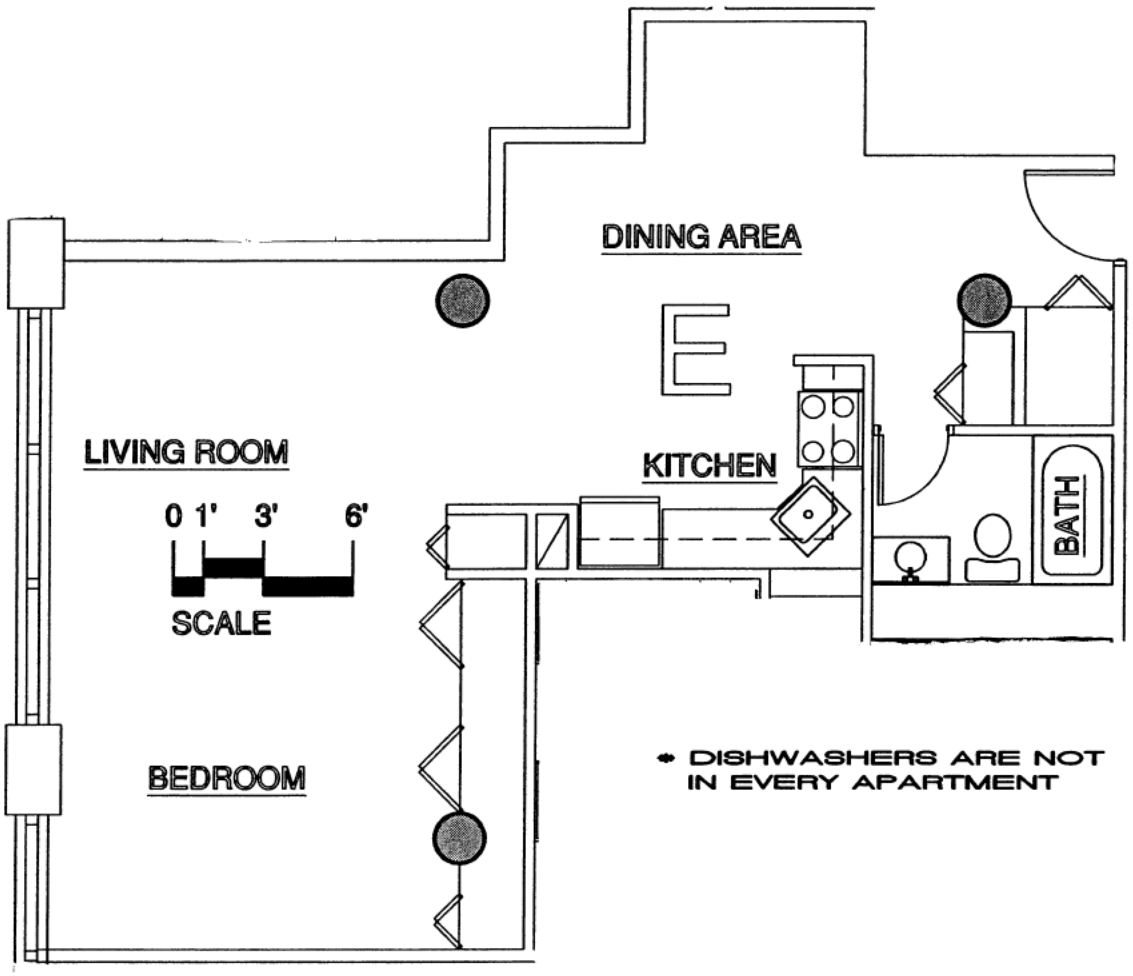
UNIT 'E' ON FLOORS - 7,8,9
UNIT AREA = 695 SQ. FT.

FLOORS: (7) (8) (9)
TAX LOTS: 1094, 1108, 1115

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7-9 E APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION

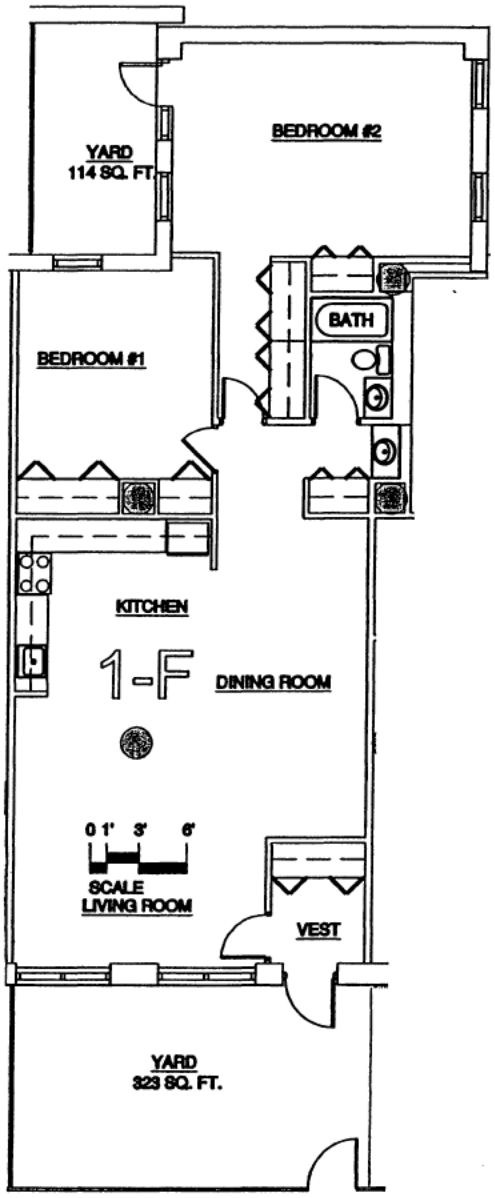


UNIT 'E' ON FLOOR 10
UNIT AREA = 733 SQ. FT.
TAX LOT: 1122

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

PH E APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'F' ON FIRST FLOOR

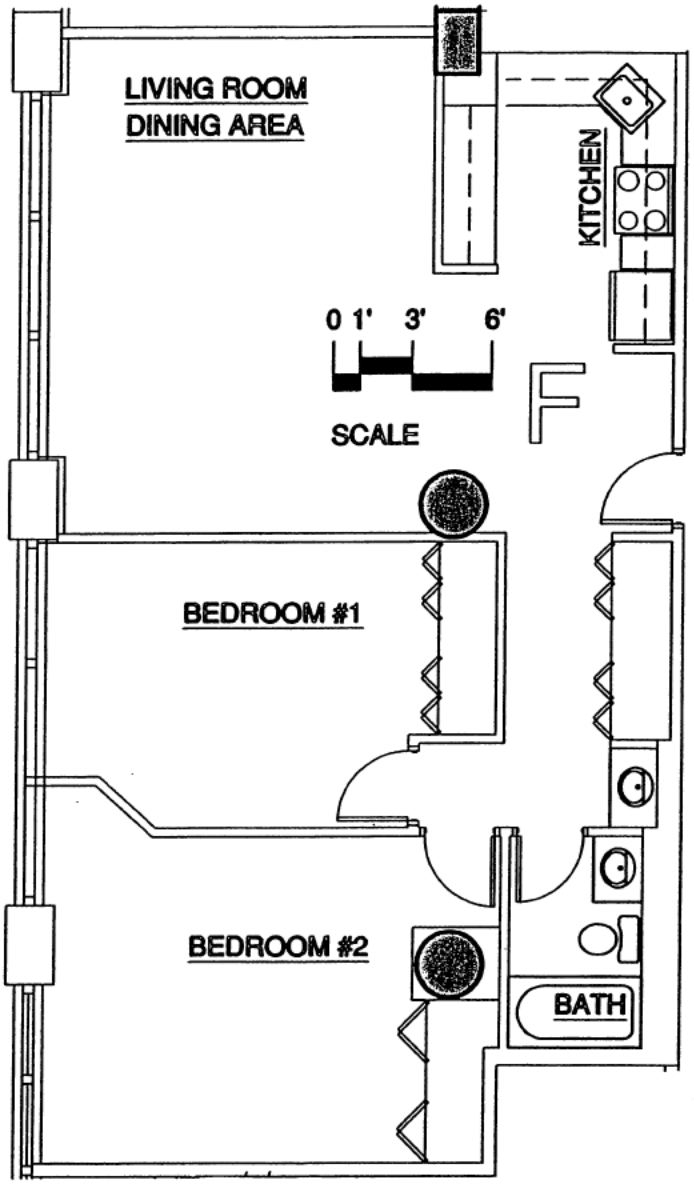
1,264 SQ. FT.
TAX LOT: 1006

- DISHWASHERS ARE NOT IN EVERY APARTMENT

- DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 F APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'F' ON FLOORS 2-6

1,036 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

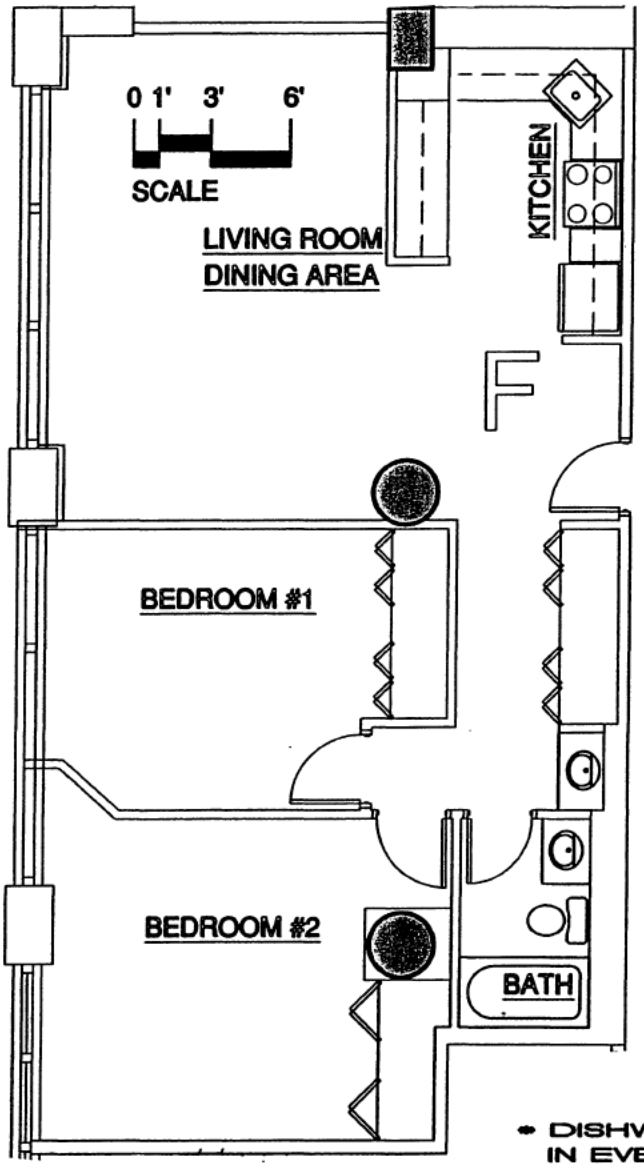
FLOORS: (2) (3) (4) (5) (6)

TAX LOTS: 1015, 1031, 1047, 1063, 1079

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 F APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

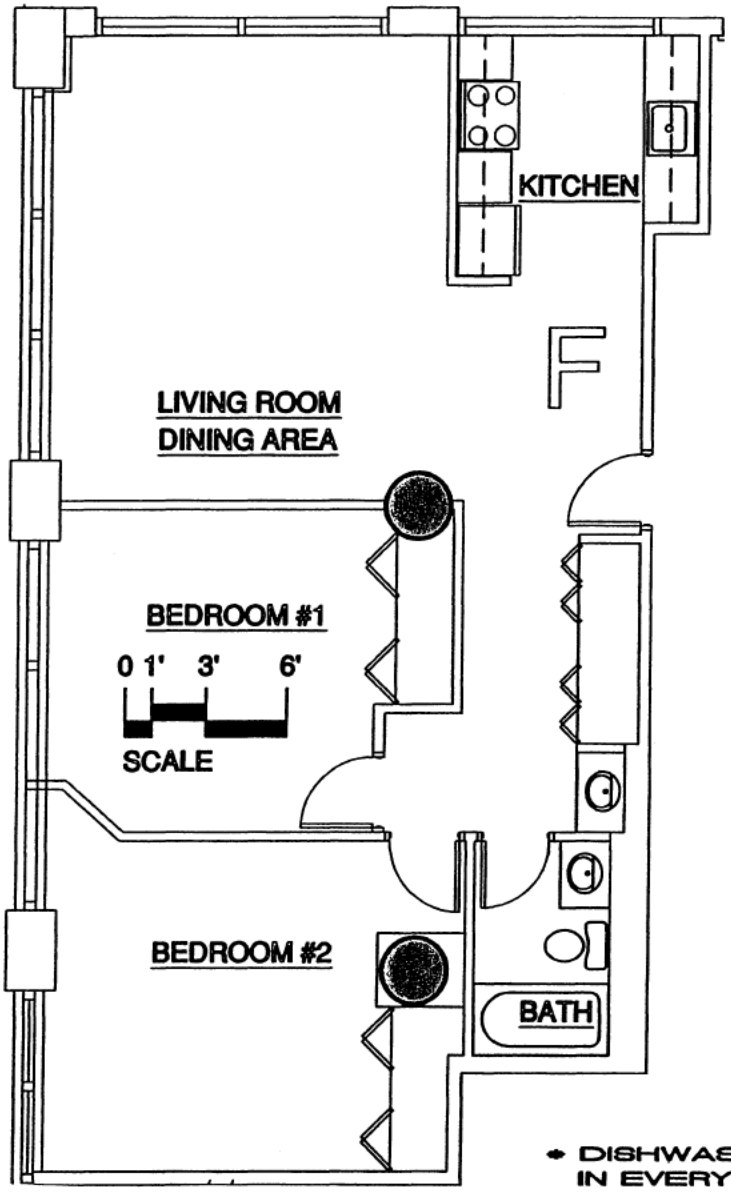
UNIT 'F' ON FLOOR - 7

UNIT AREA = 972 SQ. FT.
TAX LOT: 1095

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 F APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'F' ON FLOORS - 8,9

UNIT AREA = 999 SQ. FT.

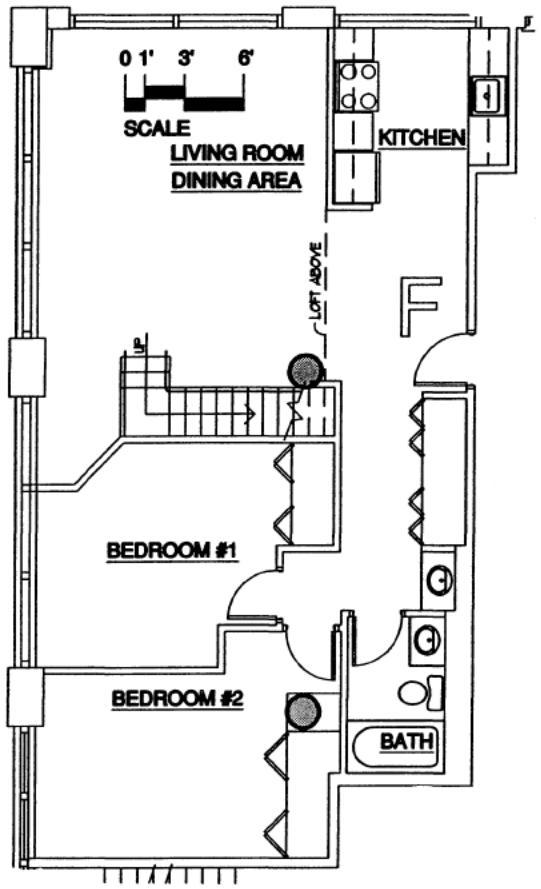
FLOORS: (8) (9)

TAX LOTS: 1109, 1116

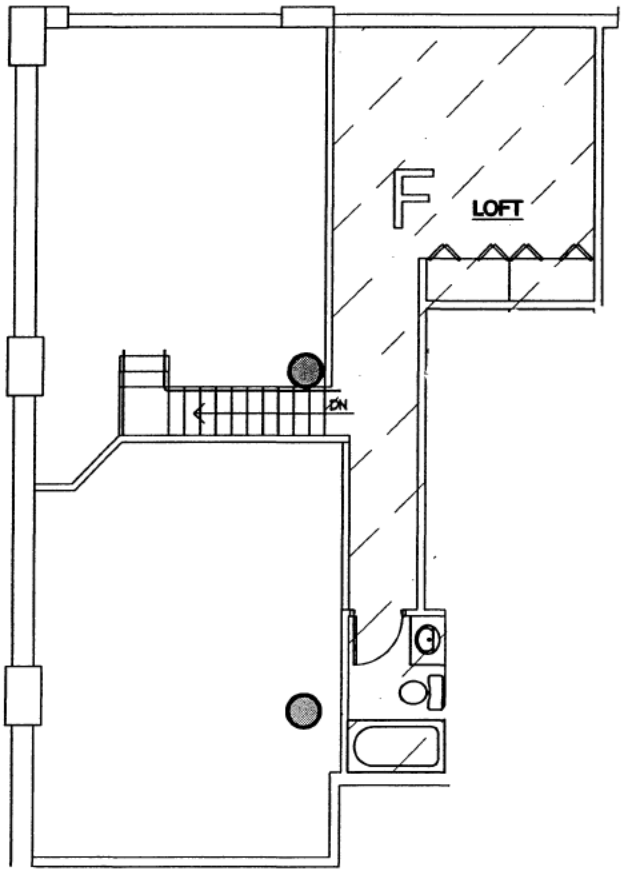
* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

8-9 F APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



999 SQ. FT.



334 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

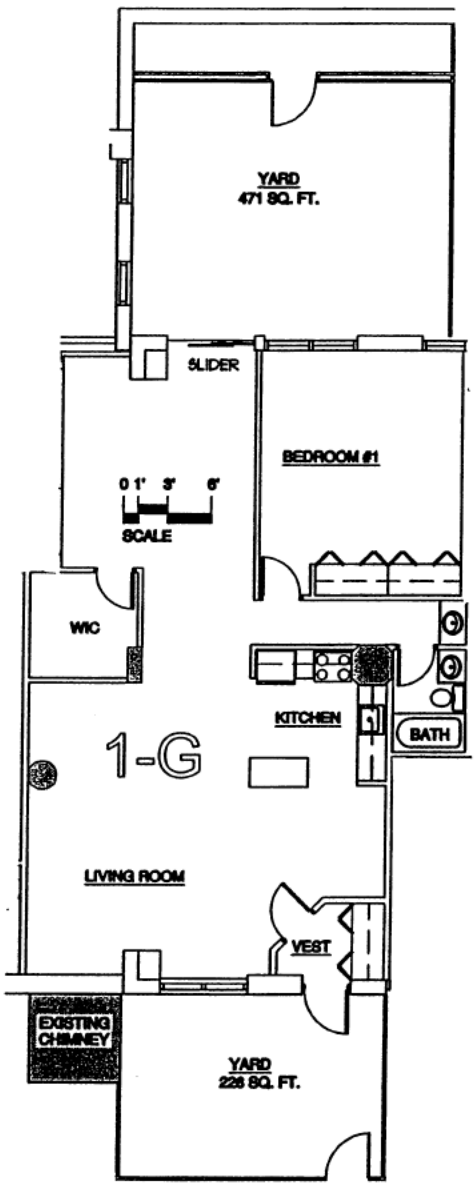
UNIT 'F' ON FLOOR 10

UNIT AREA = 999 + 334 = 1,333 SQ. FT.
TAX LOT: 1123

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

PH F APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'G' ON FIRST FLOOR

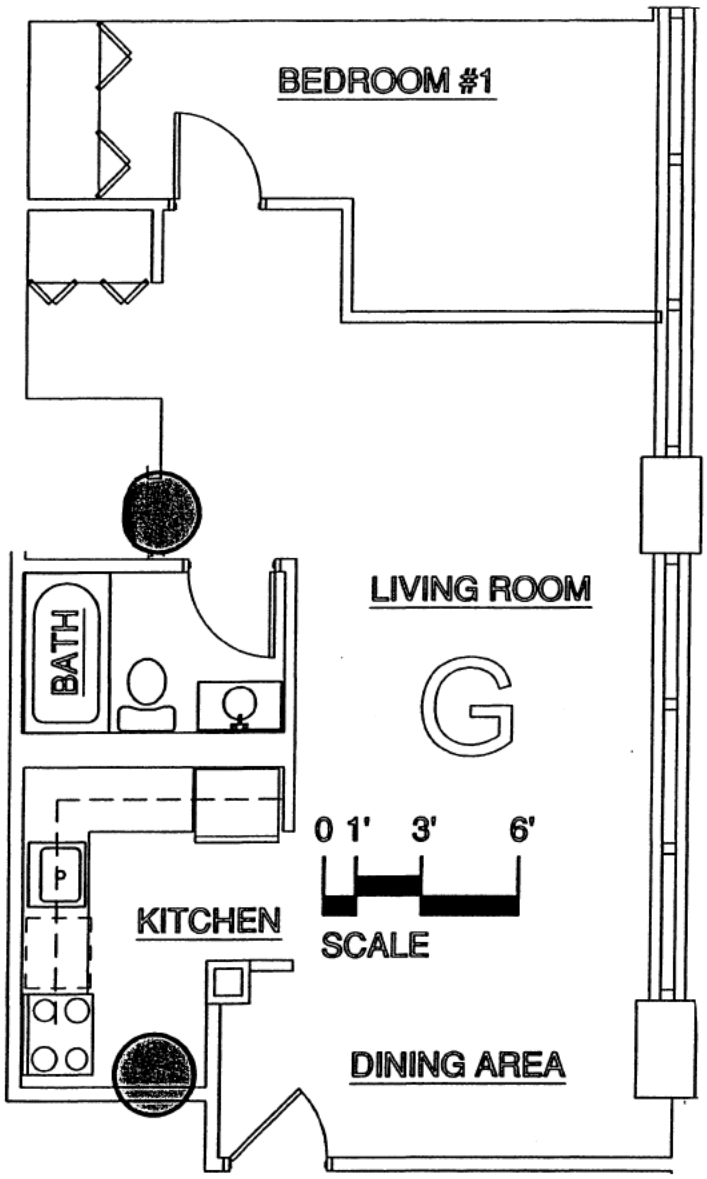
1,247 SQ. FT.
TAX LOT: 1007

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 G APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



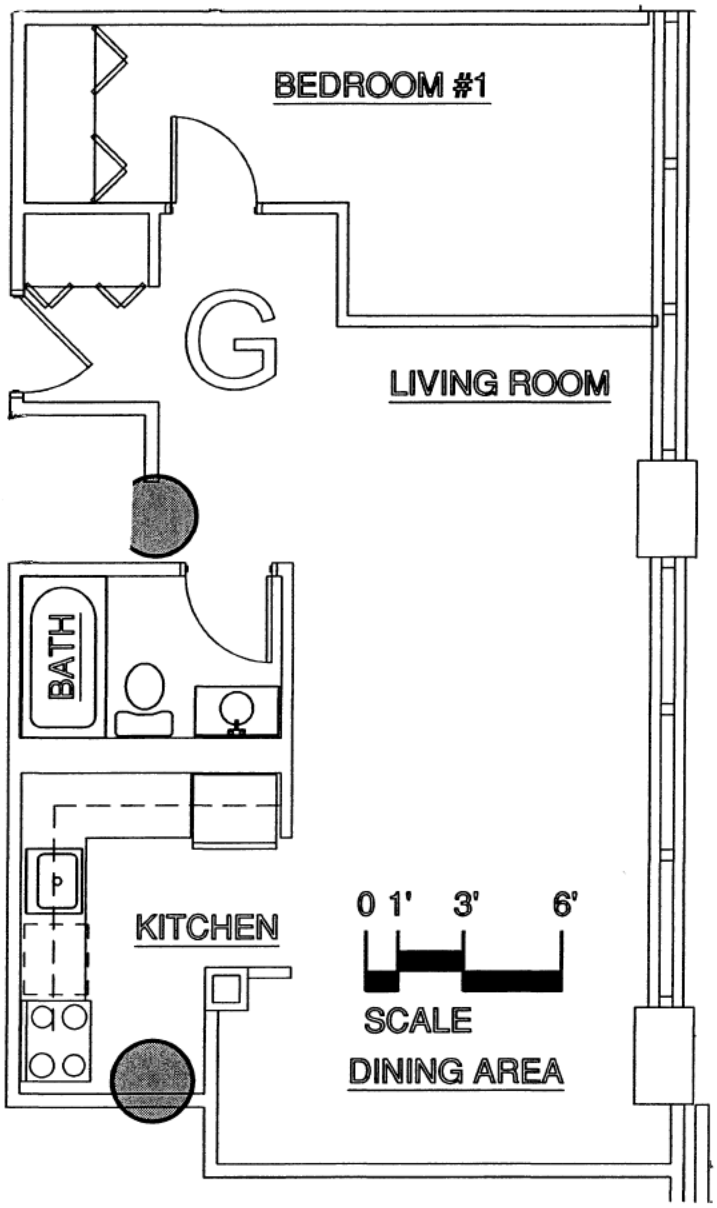
UNIT 'G' ON FLOOR 2
702 SQ. FT.
TAX LOT: 1016

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2 G APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'G' ON FLOORS 3-6
702 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

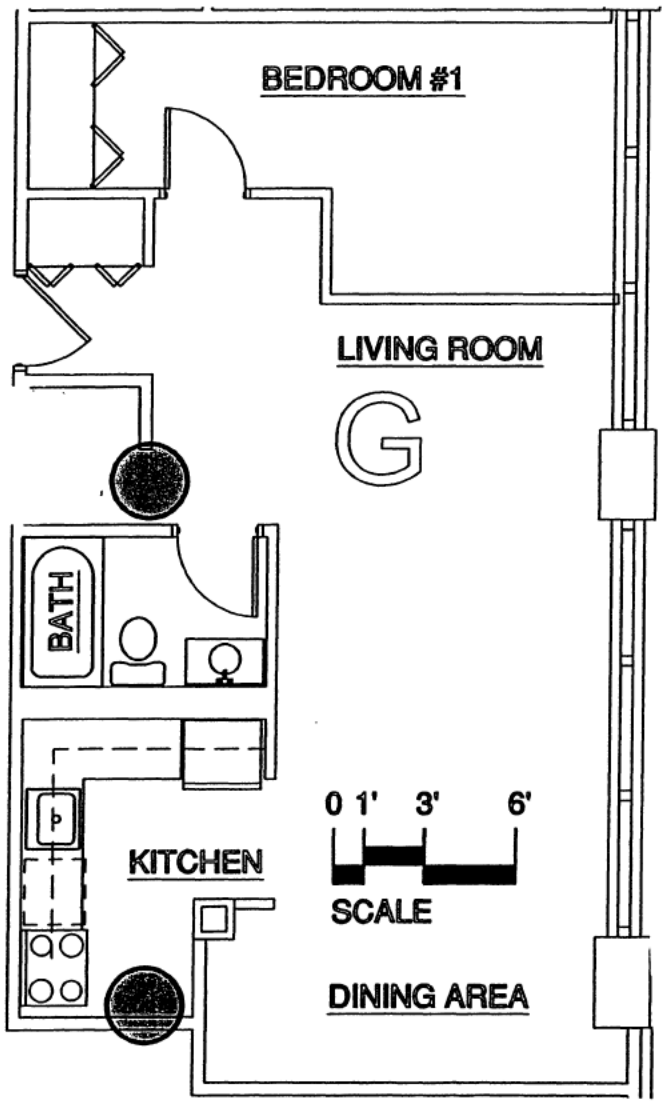
FLOORS: (3) (4) (5) (6)

TAX LOTS: 1032, 1048, 1064, 1080

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

3-6 G APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'G' ON FLOOR - 7

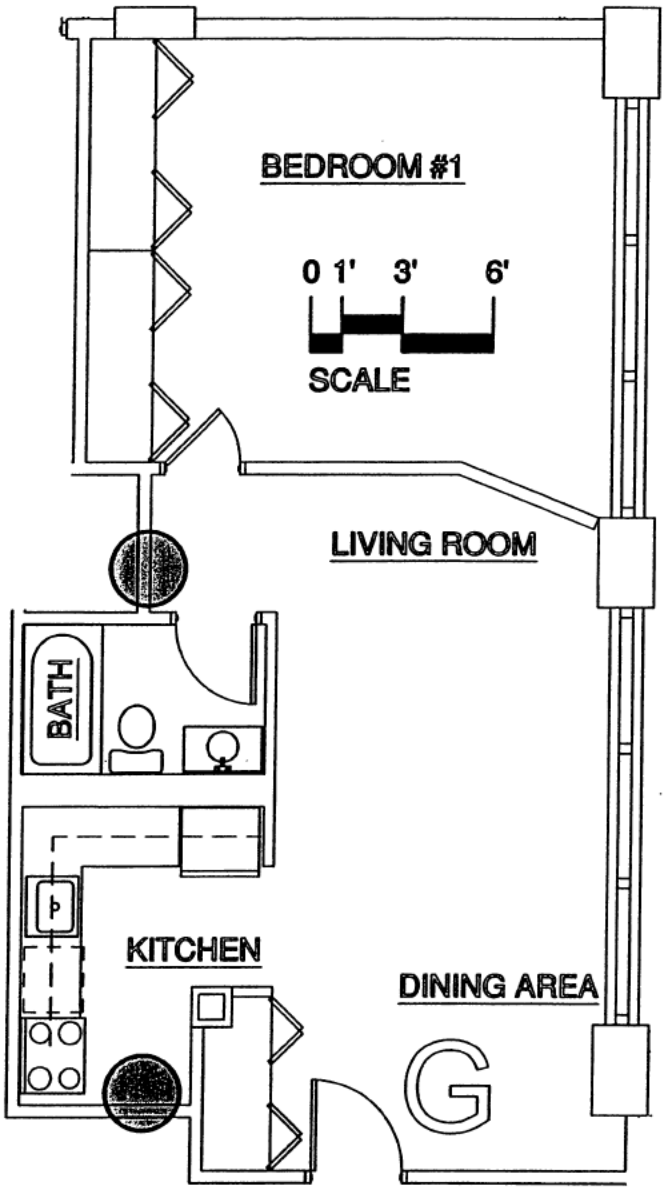
UNIT AREA = 703 SQ. FT.
TAX LOT: 1096

• DISHWASHERS ARE NOT IN EVERY APARTMENT

• DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 G APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'G' ON FLOORS - 8,9

UNIT AREA = 731 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

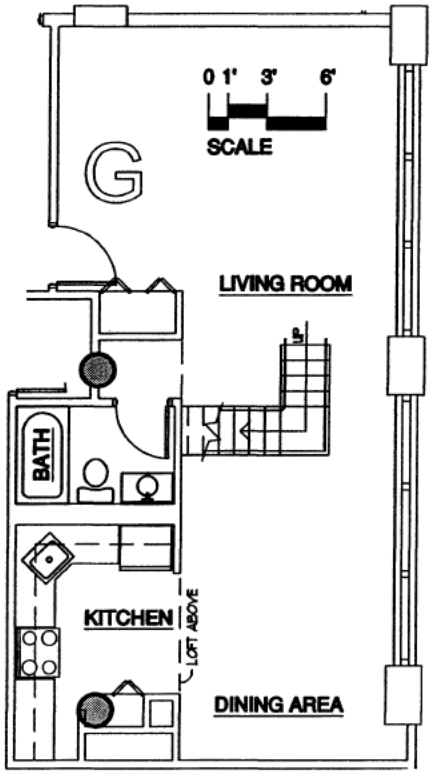
FLOORS: (8) (9)

TAX LOTS: 1110, 1117

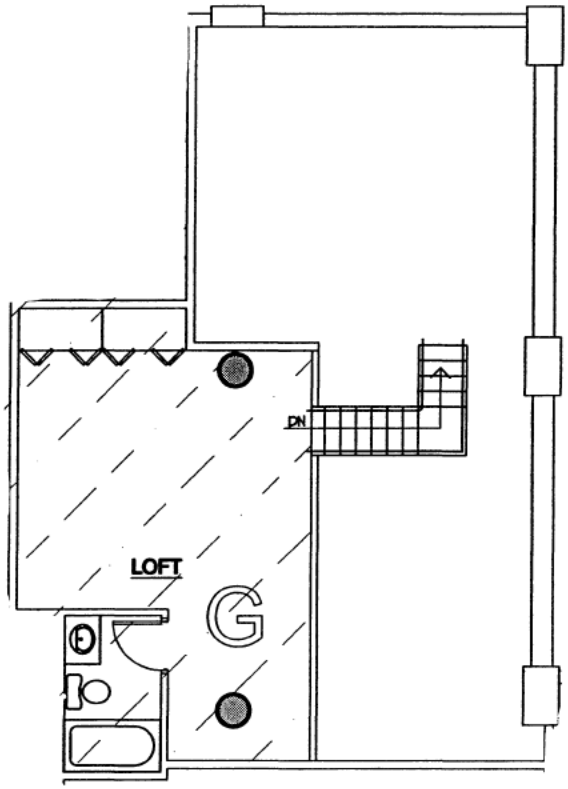
* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

8-9 G APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



743 SQ. FT.



348 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

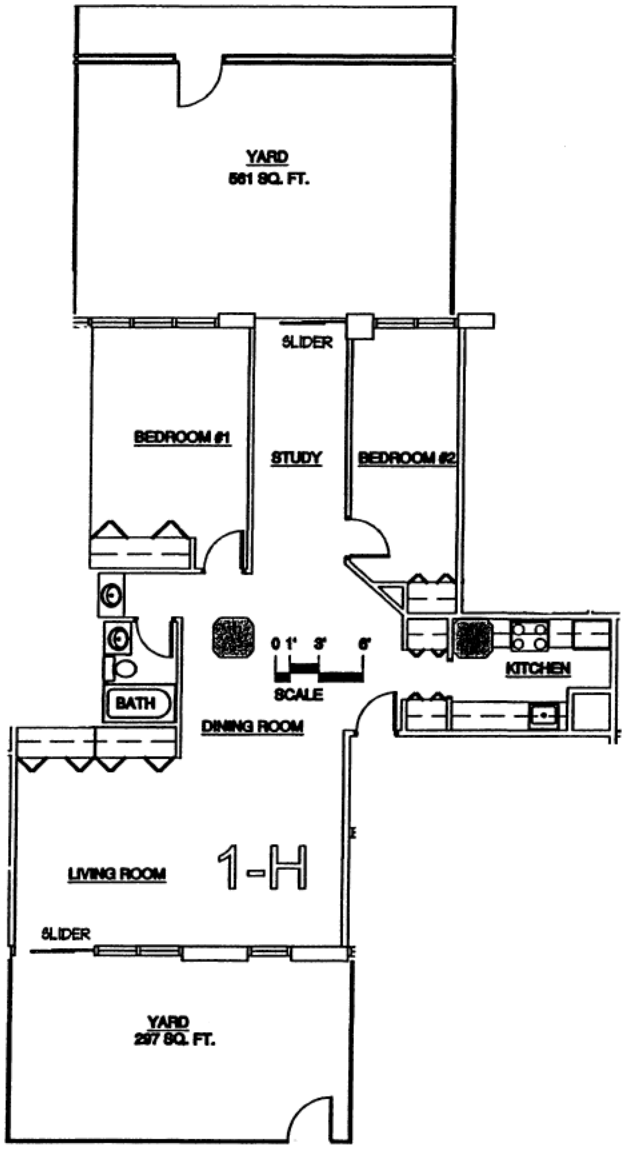
UNIT 'G' ON FLOOR 10

UNIT AREA = 743 + 348 = 1,091 SQ. FT.
TAX LOT: 1124

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

PH G APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'H' ON FIRST FLOOR

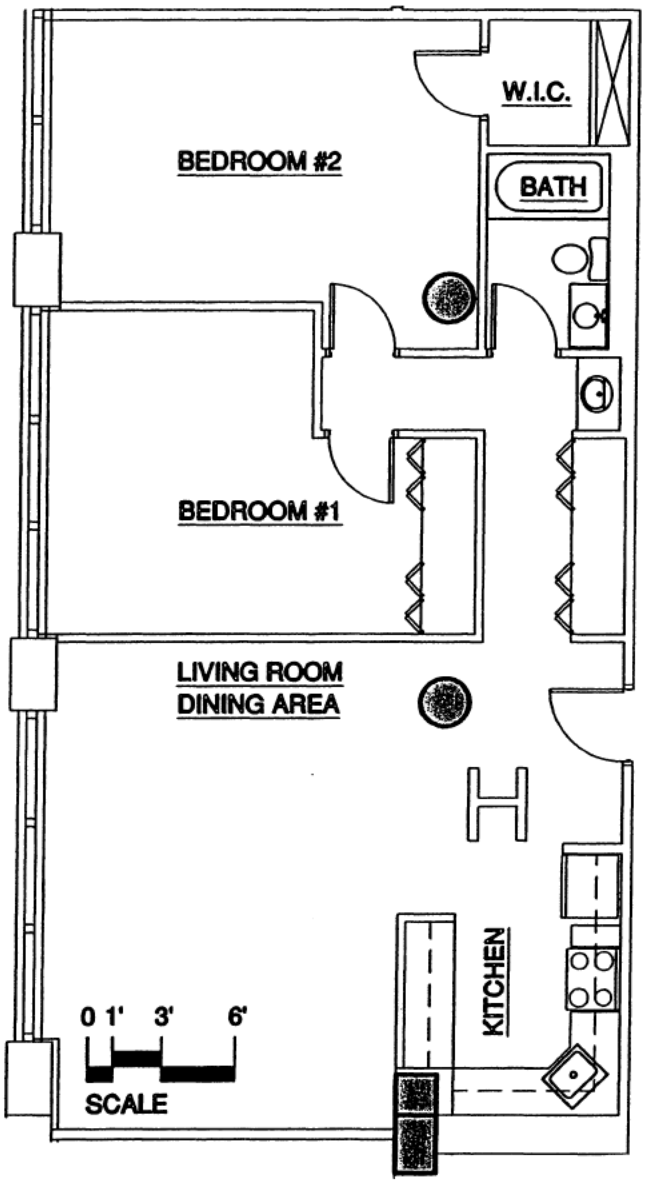
1,203 SQ. FT.
TAX LOT: 1008

- DISHWASHERS ARE NOT IN EVERY APARTMENT

- DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 H APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'H' ON FLOORS 2-6

1,136 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

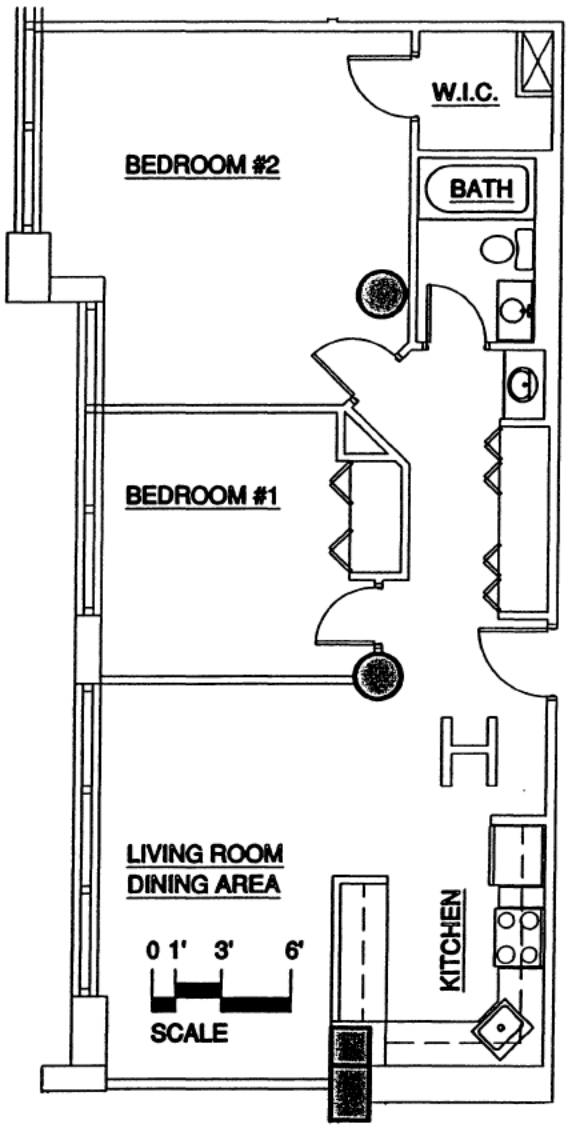
FLOORS: (2) (3) (4) (5) (6)

TAX LOTS: 1017, 1033, 1049, 1065, 1081

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 H APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

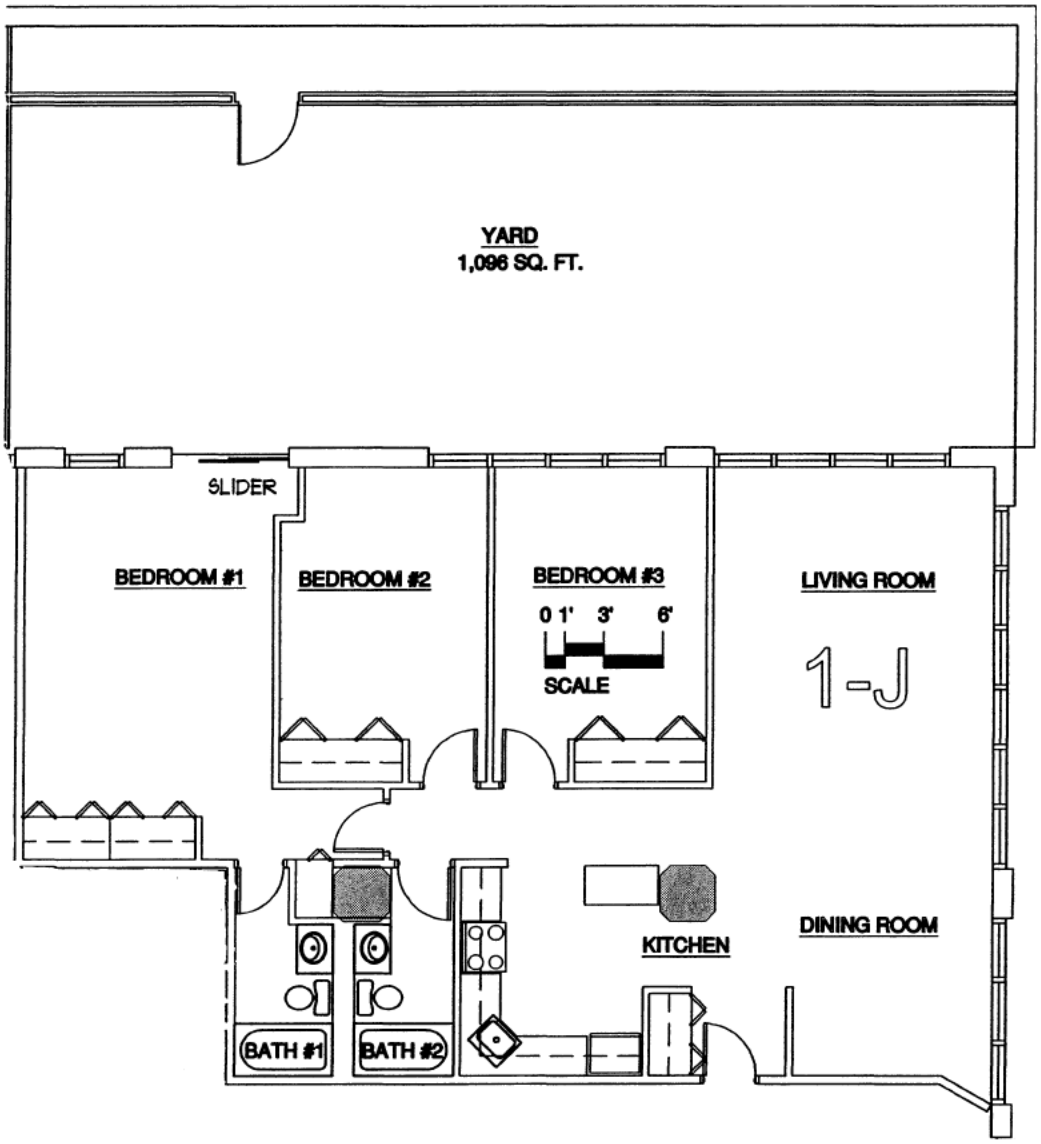
UNIT 'H' ON FLOOR - 7

UNIT AREA = 977 SQ. FT.
TAX LOT: 1097

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 H APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'J' ON FIRST FLOOR

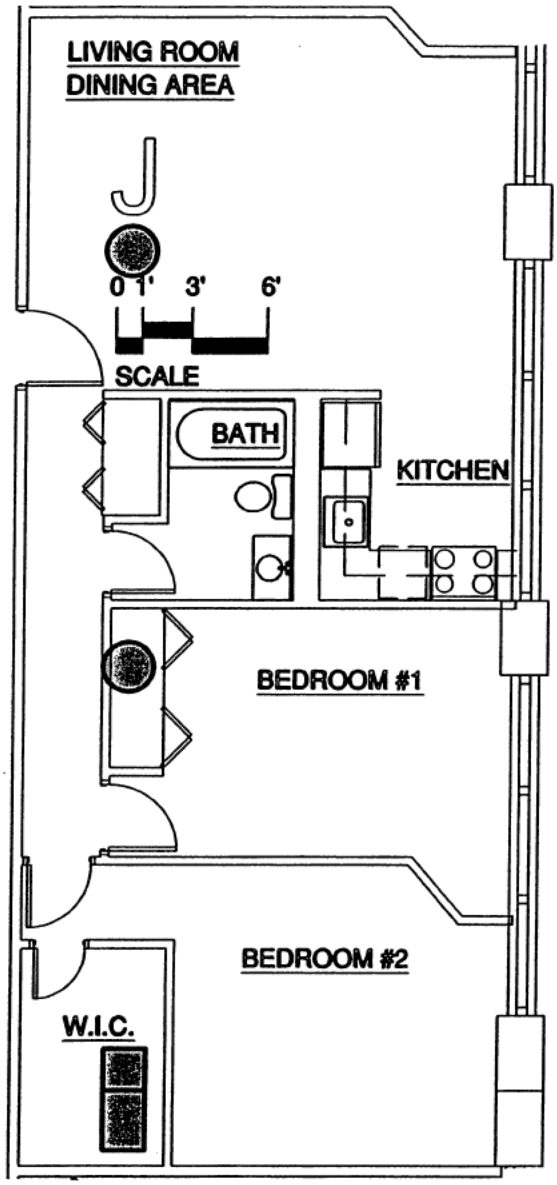
1,507 SQ. FT.
TAX LOT: 1009

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

1 J APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'J' ON FLOORS 2-6
950 SQ. FT.

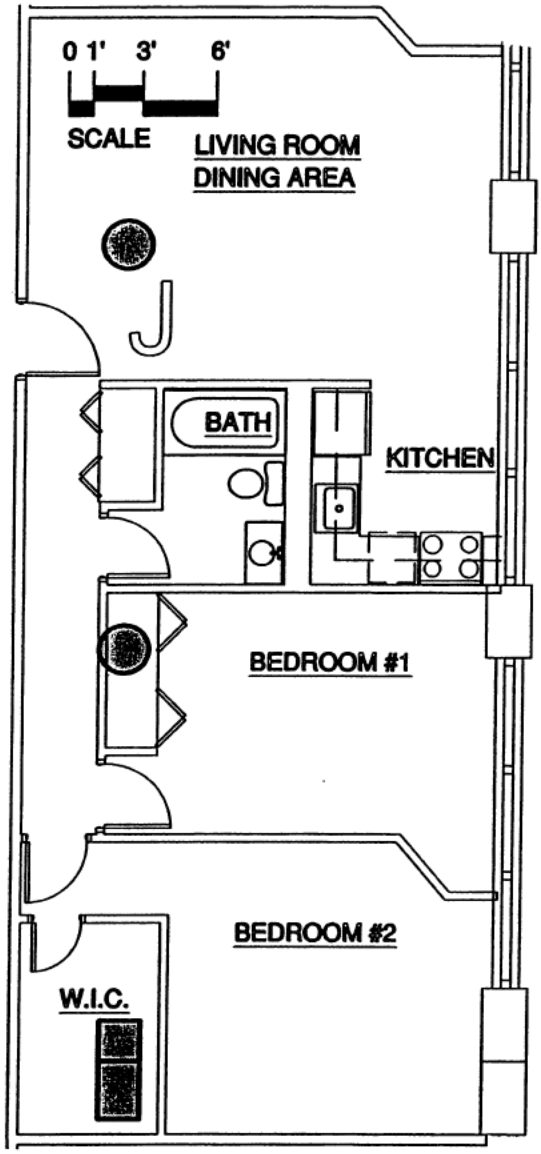
FLOORS: (2) (3) (4) (5) (6)

TAX LOTS: 1018, 1034, 1050, 1066, 1082

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 J APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'J' ON FLOOR - 7

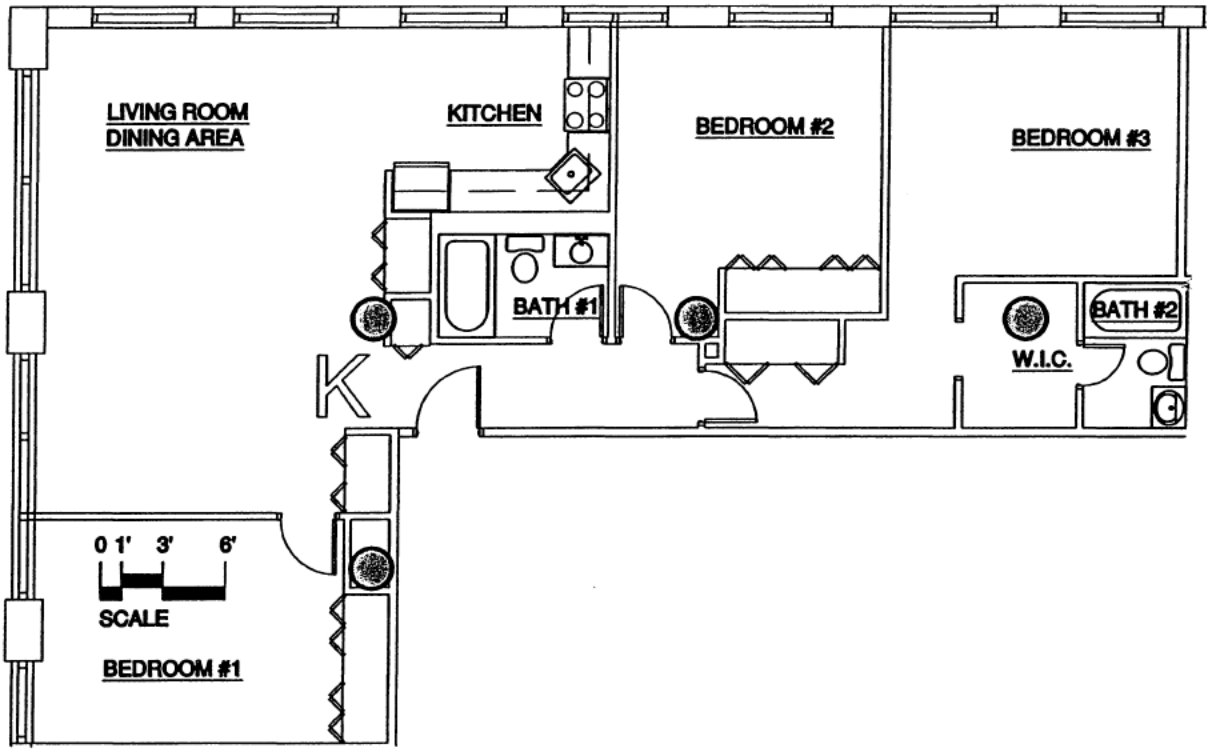
UNIT AREA = 950 SQ. FT.
TAX LOT: 1098

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 J APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'K' ON FLOORS 2-6
1,446 SQ. FT.

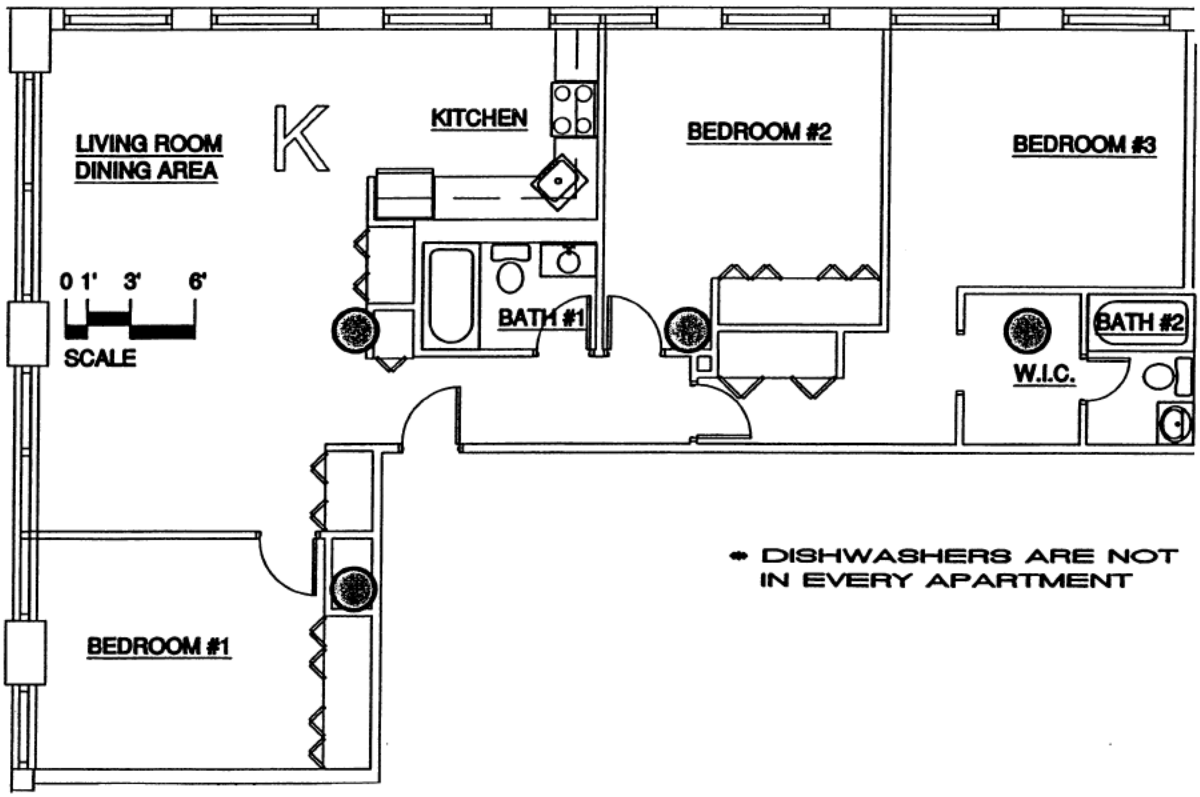
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1019, 1035, 1051, 1067, 1083

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 K APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'K' ON FLOOR - 7

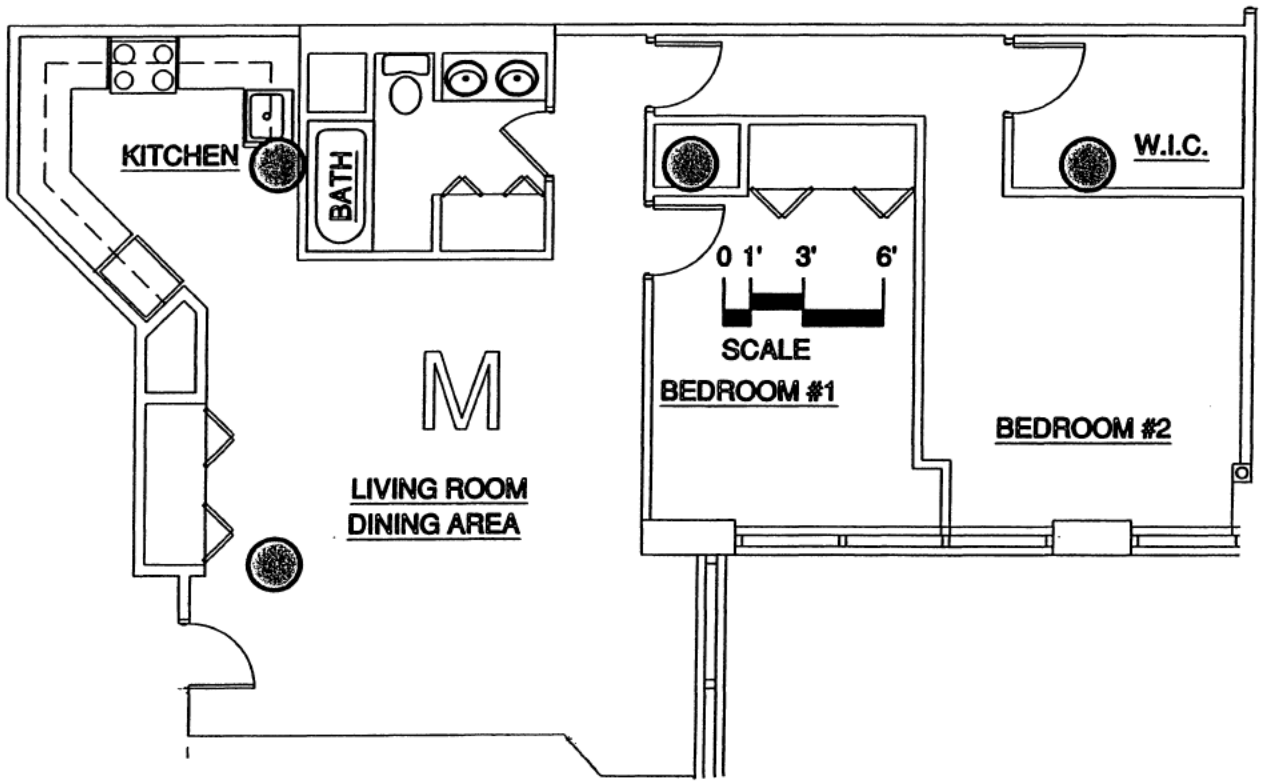
UNIT AREA = 1,391 SQ. FT.

TAX LOT: 1099

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 K APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'M' ON FLOOR 2

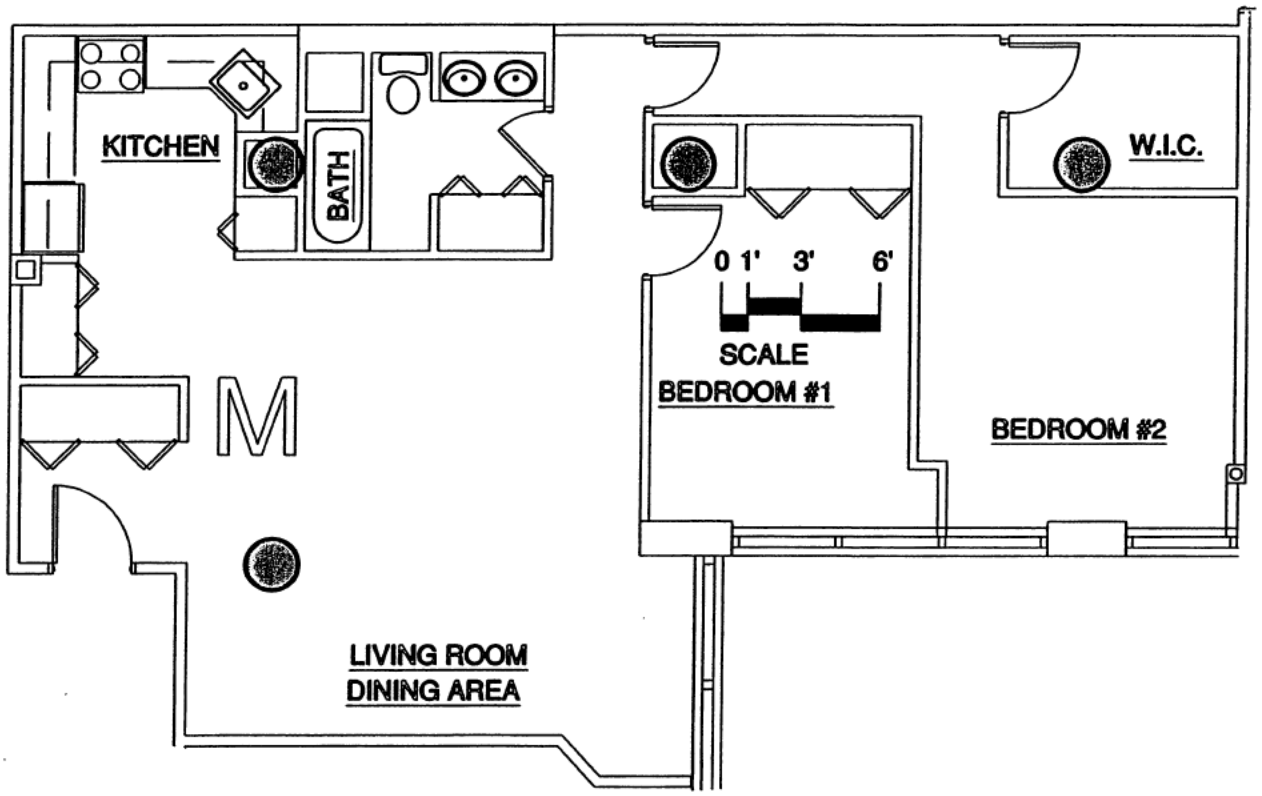
UNIT AREA = 1,048 SQ. FT.
TAX LOT: 1020

* DISHWASHERS ARE NOT IN EVERY APARTMENT

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2 M APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'M' ON FLOORS 3-6

1,103 SQ. FT.

* DISHWASHERS ARE NOT IN EVERY APARTMENT

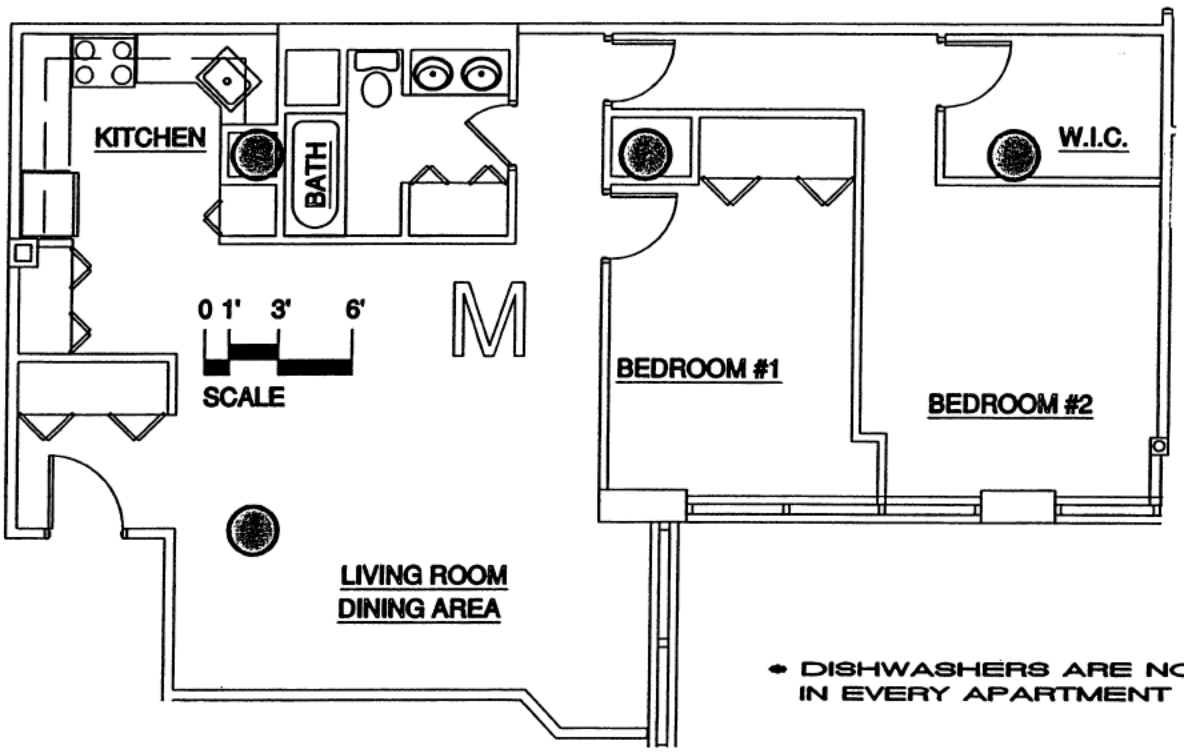
FLOORS: (2) (3) (4) (5) (6)

TAX LOTS: 1020, 1036, 1052, 1068, 1084

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

3-6 M APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



• DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'M' ON FLOOR - 7

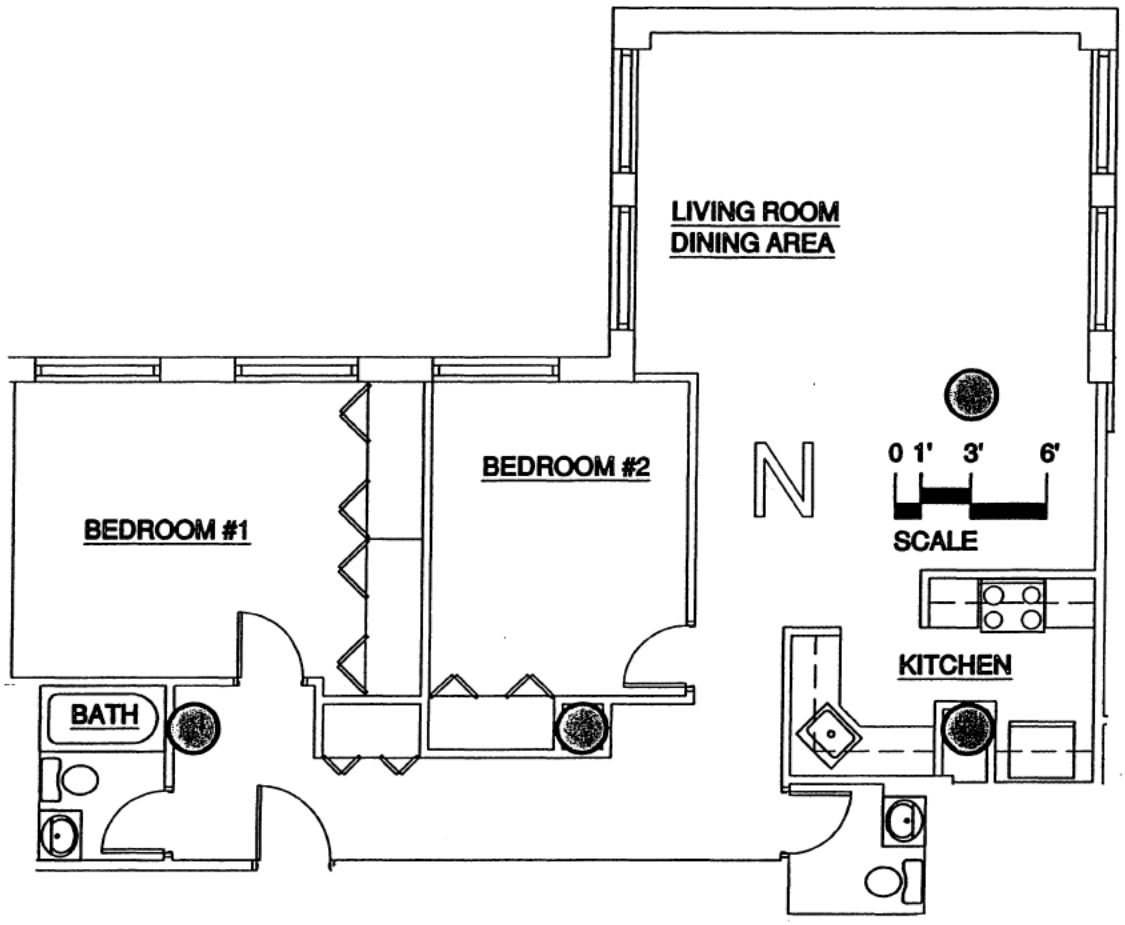
UNIT AREA = 1,102 SQ. FT.

TAX LOT: 1100

• DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 M APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'N' ON FLOORS 2-6
1,175 SQ. FT.

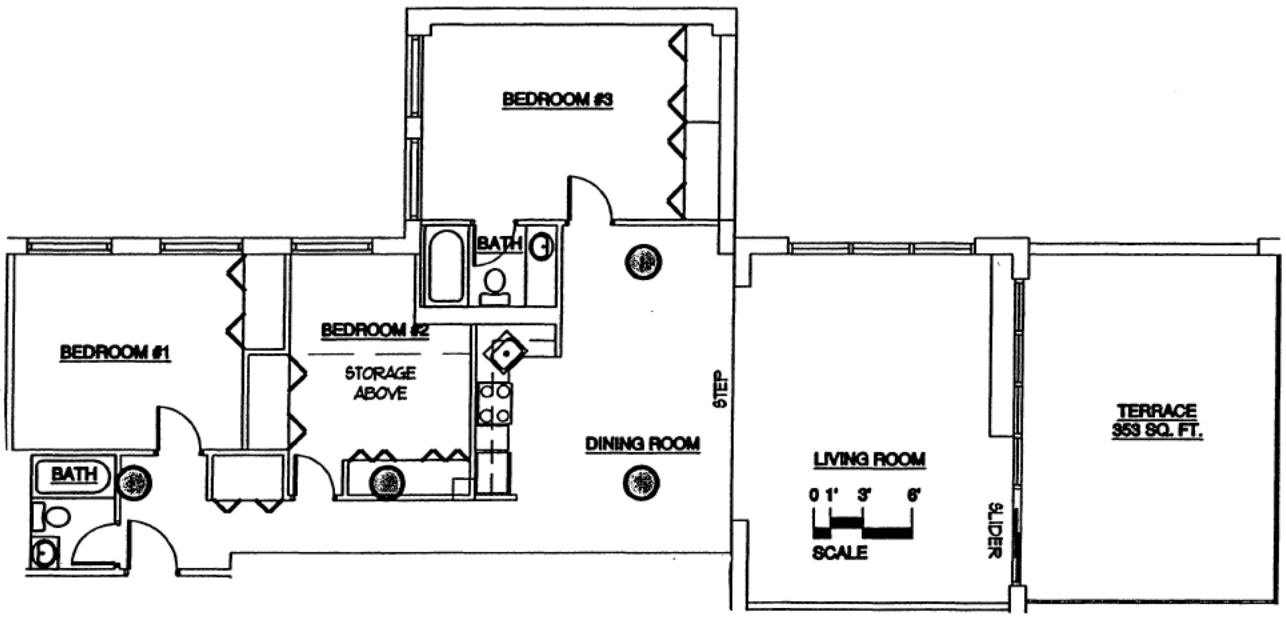
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1021, 1037, 1053, 1069, 1085

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 N APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

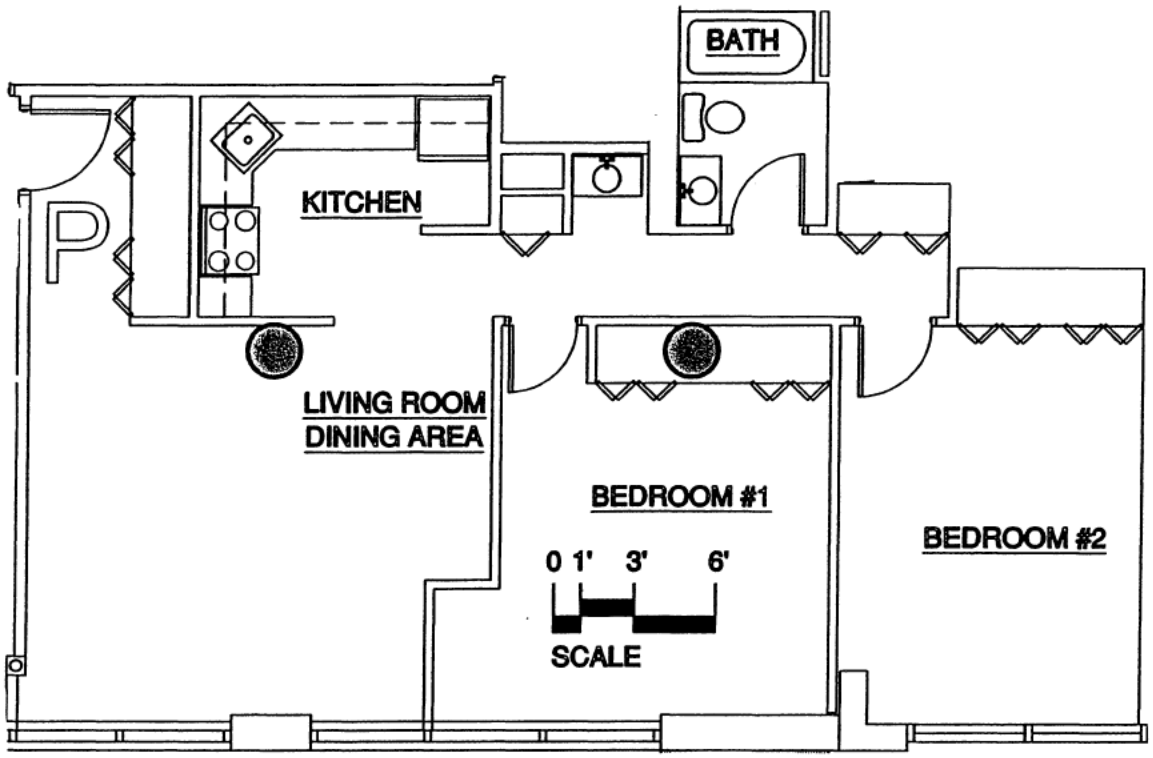
UNIT 'N' ON FLOOR - 7

UNIT AREA = 1,570 SQ. FT.
TERRACE AREA = 353 SQ. FT.
TAX LOT: 1101

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 N APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'P' ON FLOORS 2-6
982 SQ. FT.

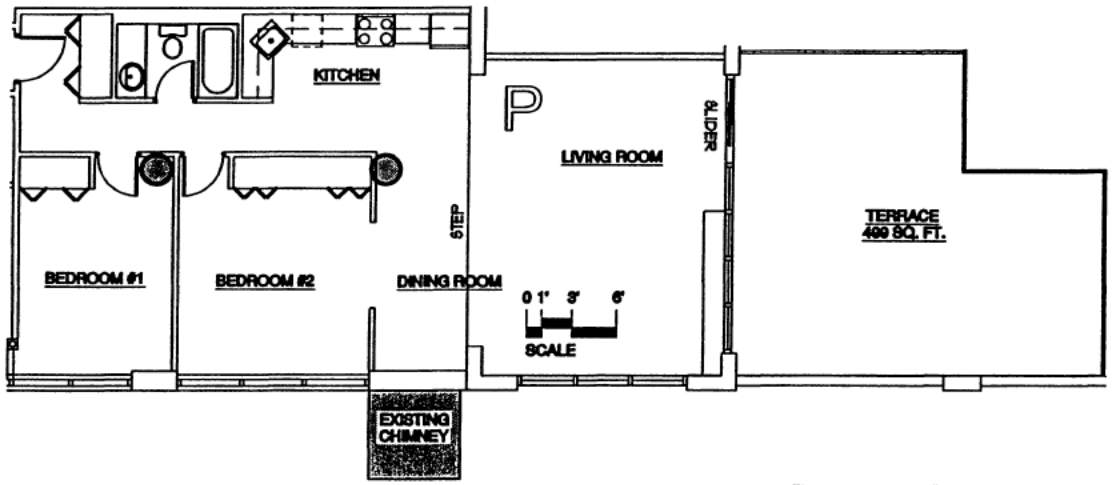
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1022, 1038, 1054, 1070, 1086

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 P APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

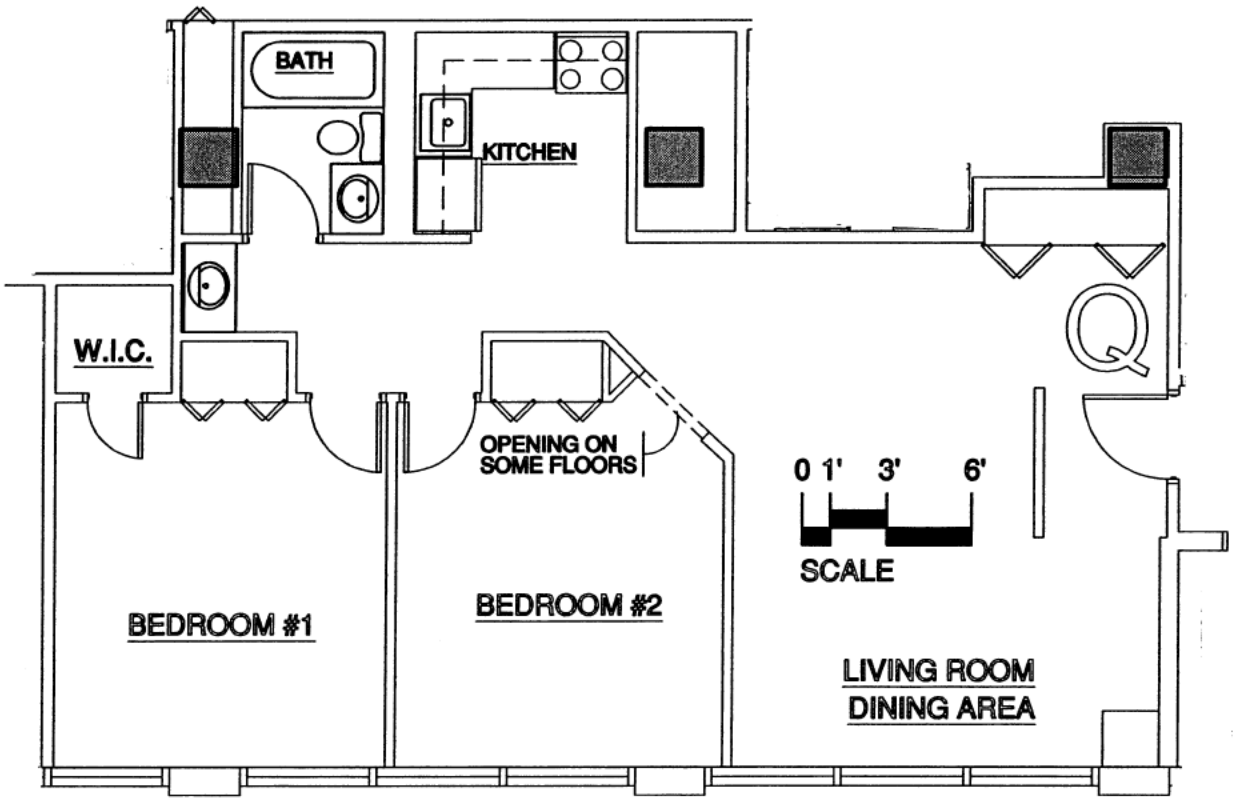
UNIT 'P' ON FLOOR - 7

UNIT AREA = 1,200 SQ. FT.
TERRACE AREA= 499 SQ. FT.
TAX LOT: 1102

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 P APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'Q' ON FLOORS 2-6
925 SQ. FT.

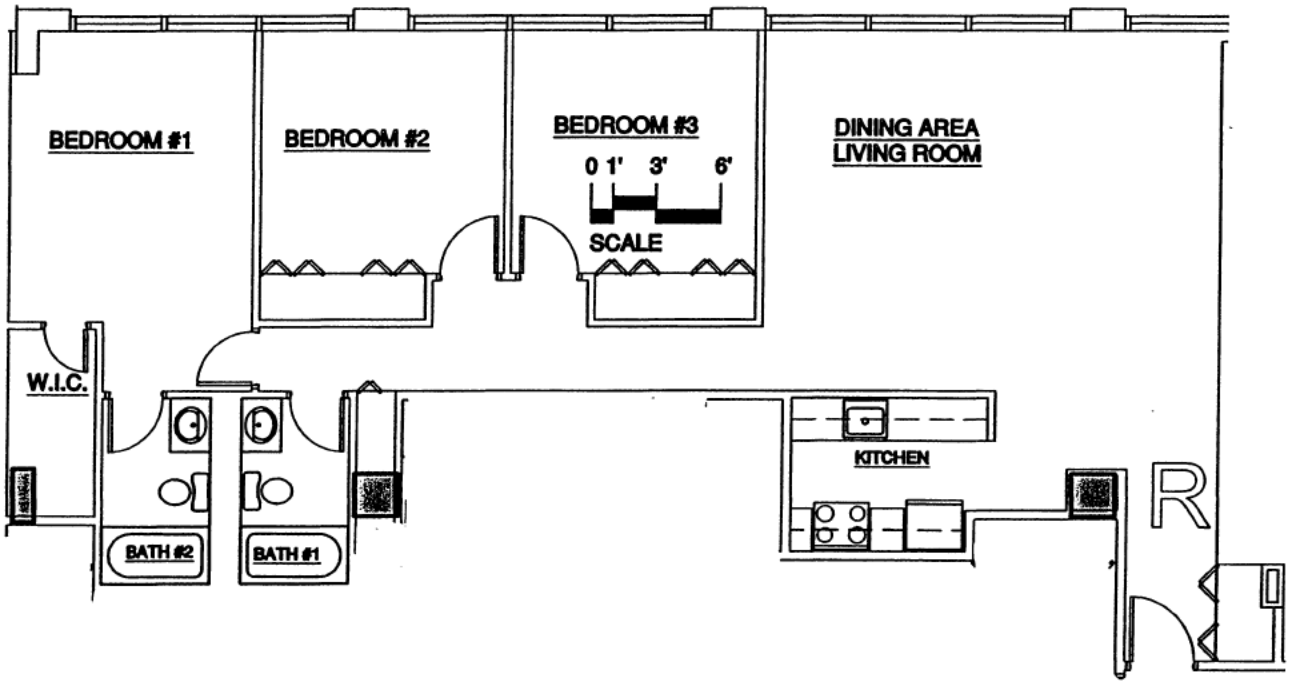
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1023, 1039, 1055, 1071, 1087

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 Q APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'R' ON FLOORS 2-6
1,348 SQ. FT.

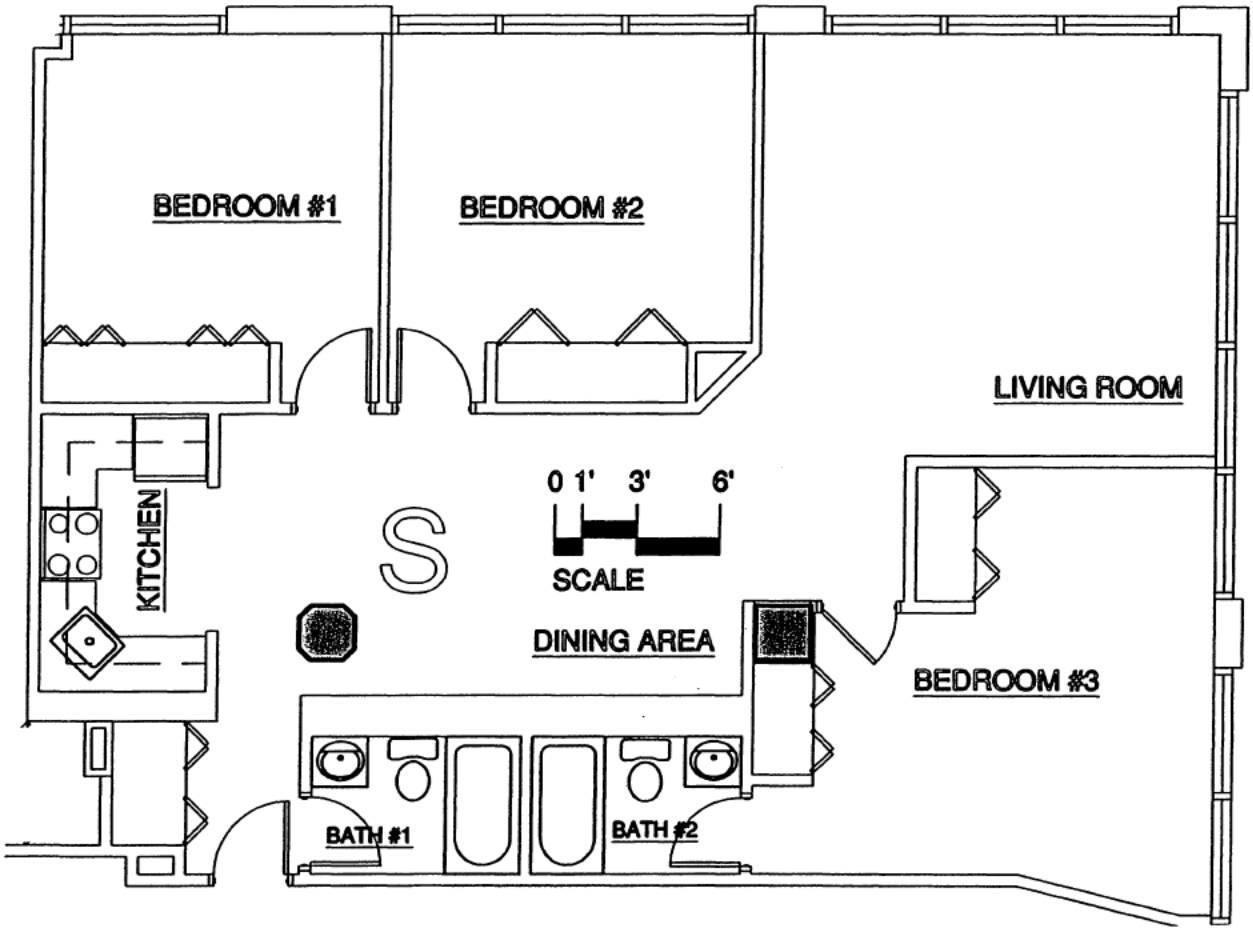
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1024, 1040, 1056, 1072, 1088

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 R APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



UNIT 'S' ON FLOORS 2-6
1,367 SQ. FT.

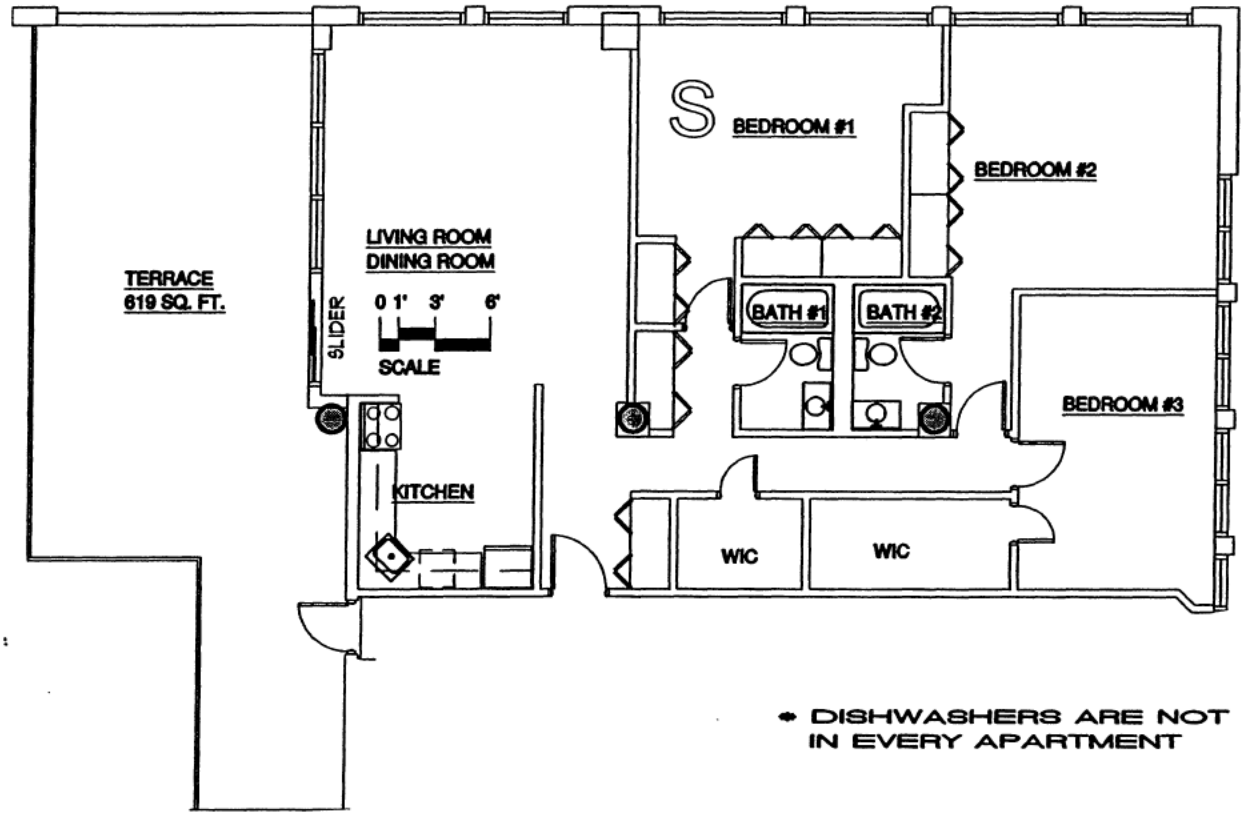
* DISHWASHERS ARE NOT IN EVERY APARTMENT

FLOORS: (2) (3) (4) (5) (6)
TAX LOTS: 1025, 1041, 1057, 1073, 1089

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

2-6 S APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION



* DISHWASHERS ARE NOT IN EVERY APARTMENT

UNIT 'S' ON FLOOR - 7

UNIT AREA = 1,623 SQ. FT.
TERRACE AREA= 619 SQ. FT.
TAX LOT: 1103

* DIMENSIONS AND AREAS ARE APPROXIMATE AND WERE TAKEN FROM ACCESSIBLE FIELD MEASUREMENTS AND MAY VARY SLIGHTLY

5-4-04

7 S APT. NO	JOHN SCHIMENTI, P.C. ARCHITECT, A.I.A. 126 ATLANTIC AVENUE LYNBROOK, NEW YORK, 11563 516-825-3883 fax 516-825-3887	CARROLL GARDENS 505 COURT STREET BROOKLYN, NEW YORK BUILDING LOCATION

EXHIBIT "8"

CONDOMINIUM DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises known as
THE 505 COURT STREET CONDOMINIUM
505 Court Street
Brooklyn, New York 11231

Pursuant to Article 9-B of the Real Property
Law of the State of New York
Name
The 505 Court Street Condominium
Declarant
Court Lofts, LLC
c/o Metropolitan Housing Partners, LLC
588 Broadway, Suite 1208
New York, New York 10012

Date of Declaration

The land affected by the within instrument lies in
Section 2, Block 476 formerly known as Lot 6,
now known as Lots _____ - _____
on the Tax Map of the Borough of Brooklyn, City of New York

Stroock & Stroock & Lavan LLP
Attorneys for Declarant
180 Maiden Lane
New York, New York 10038
(212) 806-5400

INDEX TO DECLARATION

Page

ARTICLE 1 DEFINITIONS 1
ARTICLE 2 SUBMISSION OF THE PROPERTY 1
ARTICLE 3 THE LAND 1
ARTICLE 4 THE PROPERTY 2
ARTICLE 5 THE BUILDING 2
ARTICLE 6 THE UNITS 2
ARTICLE 7 DIMENSIONS OF UNITS 3
ARTICLE 8 COMMON ELEMENTS 3
ARTICLE 9 USE OF BUILDING AND UNITS 6
ARTICLE 10 CHANGES IN THE CONDOMINIUM 7
ARTICLE 11 INTENTIONALLY OMITTED 8
ARTICLE 12 PERSON TO RECEIVE SERVICE 8
ARTICLE 13 DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS 8
ARTICLE 14 ENCROACHMENTS 8
ARTICLE 15 NAME OF CONDOMINIUM AND BUILDING 9
ARTICLE 16 EASEMENTS 9
ARTICLE 17 POWER OF ATTORNEY 11
ARTICLE 18 ACQUISITION OF UNITS BY CONDOMINIUM BOARD 12
ARTICLE 19 COVENANTS RUNNING WITH THE LAND 12
ARTICLE 20 AMENDMENTS OF DECLARATION 13
ARTICLE 21 TERMINATION OF CONDOMINIUM 15
ARTICLE 22 WAIVER 15
ARTICLE 23 CAPTIONS 16
ARTICLE 24 CERTAIN REFERENCES 16
ARTICLE 25 SEVERABILITY 16
ARTICLE 26 COVENANT OF FURTHER ASSURANCES 16
ARTICLE 27 SUCCESSORS AND ASSIGNS 17
ARTICLE 28 CONSENTS 17
ARTICLE 29 INCORPORATION BY REFERENCE 17

Exhibits

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws
E. Power of Attorney

DECLARATION
OF
THE 505 COURT STREET CONDOMINIUM

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

Court Lofts, LLC, a New York limited liability company, having an office at c/o Metropolitan Housing Partners, LLC, 588 Broadway, Suite 1208, New York, New York 10012 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto 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 does hereby establish a condominium to be known as "The 505 Court Street Condominium" (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 31,198 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the "Building") consisting of one hundred twenty-four (124) Units (collectively referred to as the "Units" and individually, a "Unit"). The owner of a Unit is herein called a "Unit Owner" and all the owners of the Units are herein collectively called the "Unit Owners."

ARTICLE 5

THE BUILDING

The Building consists of one Class I (fireproof) building, having three (3) contiguous building sections arranged in an L-shape having from 6 to 10 stories above grade, known as Building Section 1, Building Section 2 and Building Section 3. The Building is constructed of reinforced concrete (floors, columns and exterior walls). Foundation components of the Building consist of cast-in-place reinforced concrete footings, walls and slabs. Upper exterior walls of the Building are concrete, stucco and aluminum capping. The floors in the Building are named (from bottom to top): First Floor, Floors 2 through 10 and Mezzanine in Building Section 1 (the 10th Floor shall also be known and referred to as the Penthouse level); Cellar, First Floor, Floors 2 through 7 in Building Section 2; and Cellar, First Floor, Floors 2 through 6 and 7, respectively, in Building Section 3.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area; (v) number of rooms; and (vi) the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by _____, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the Kings County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the Unit side of the front entrance door and any other entrance doors to such Unit, flooring, windows, skylights and green house additions, if any, and the related installations, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), refrigerators, dishwashers, 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, appliances 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, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit by a Unit Owner other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit including, but not limited to, any freight elevators or freight entrances servicing a Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

The approximate floor area of each Unit and/or common element will be measured from the exterior side of the glass windows or the façade or the exterior building walls, at the building line and/or property line enclosing the Unit and/or common element. Or from the midpoint of the interior walls and partitions separating the Unit and/or common element from other Unit and/or common elements. Columns and mechanical pipes (whether along the perimeter or within the Unit and/or common elements) are not deducted from the square foot area of the Unit and/or common element. The exterior chimney has not been included in any of the areas. The vertical measurements of the each Unit and/or the common elements are from the lowest concrete floor to the underside of the highest ceiling.

ARTICLE 8

COMMON ELEMENTS

8.1 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 not 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 all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are

necessary or convenient for the existence, Maintenance or safety of the Property. The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units or the Unit Owners. The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners.

8.2 As used in this Declaration, the word "Facility" or "Facilities" means all equipment and facilities necessary for the operation of the Building or its systems and 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, convertor, 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, urn, 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.

8.3 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.4 The General Common Elements consist of the following:

8.4.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.4.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.__ or 8.__), 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.

8.4.3 Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, electrical work, fire safety which exclusively serve the Building.

8.4.4 The rooms and Facilities located as follows: compactor room, machine room and the house traps all located on the Cellar level of Building Section 2 and Building Section 3; the entrance, reception, main lobby, mail boxes, boiler rooms, laundry room, storage room, mechanical room, pump rooms, electrical room, sprinkler house trap and compactor room all located on the First Floor of Building Section 1; the entrance and lobby in Building Section 2;

the entrance and lobby in Building Section 3; and the water tower and pump, and related Facilities located on the roof.

8.4.5 The two (2) passenger elevators in Building Section 1 and one (1) passenger elevator in Building Section 3 and their respective shafts, pits, machine rooms and Facilities.

8.4.6 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports, exterior walls and load bearing interior walls (including those within each Unit exclusive of sheet rock or plaster coats or any wall coverings or decorations thereon) and interior load bearing walls from above the slab over the _____ of the Building to the roof (except as otherwise provided in Section 8.__).

8.4.7 Electric meters and panels, electric closets, feeders, risers and Facilities, gas meter and direct burial telephone cables serving exclusively the Building.

8.4.8 Kitchen, bathroom and dryer exhaust ducts, corridor and Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting the Condominium.

8.4.9 CATV riser and all other Facilities located in the Property serving or benefiting the Condominium to the extent that the same are not owned by a third party.

8.4.10 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Units or Limited Common Elements.

8.4.11 The landscaped courtyard on the First Floor of the Building.

8.4.12 Fire staircase located in Building Section 1 and its landings and stairs from the landing on the First Floor to the roof; fire staircase located in Building Section 2 and its landings and stairs from the Cellar to the roof; and fire staircase located in Building Section 3 and its landings and stairs from the Cellar to the roof.

8.4.13 The roof excepting that portion thereof which is a Limited Common Element.

8.4.14 The water cooling tower on the roof.

8.4.15 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Condominium and are not a part of any Unit or any Limited Common Element.

8.5 The Limited Common Elements consist of the following:

8.5.1 The Terraces and/or Garden to which one or more Units have access as set forth in Exhibit B annexed hereto. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, where a Terrace or a Garden is a Limited Common Element

appurtenant to a Unit, the Unit Owner thereof shall have the exclusive right to use such Terrace or Garden subject to rights of the Condominium Board to regulate its use and to access the Terrace or Garden for maintenance, repair and replacement and other uses.

8.5.2 That portion of equipment, fixtures or Facilities serving or benefiting one Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner who is so served or benefited by such Limited Common Element shall have the exclusive right to use such Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.5.3 All other Facilities exclusively serving one or more but not all Units, excluding the Units and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Units.

ARTICLE 9

USE OF BUILDING AND UNITS

9.1 Except as more particularly set forth in this Declaration or the By-Laws, Units may be used for residential purposes only, but not more than one family may occupy a Unit at one time. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof,) may only be occupied (unless the Condominium Board otherwise consents) by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or said fiduciary or (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family, guests or domestic employees of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such family members, guests or domestic employees). Any Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Unit, (2) applicable Law, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes, (4) compliance with the By-Laws and (5) the prior written permission of the Condominium Board, which permission shall in no event be granted unless the Condominium Board affirmatively finds that the conditions in (1) through (3) above have been met. A home office use hereunder shall only be accessory to the residential use of the Unit. No clients or business invitees shall be permitted to visit a home office and no Signs shall be allowed in connection with the home office. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Condominium

Board, (1) grant permission for the use of any Unsold Unit (as defined in Exhibit C) owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Unit or any other governmental regulations and (2) use any Unsold Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable Law.

9.3 As more particularly set forth in the By-Laws a Unit may be used for any lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Unit, (2) applicable Law, and (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

ARTICLE 10

CHANGES IN THE CONDOMINIUM

Except to the extent prohibited by Law, Declarant or the owner of an Unsold Unit shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element or Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) designate a Unit or a Common Element as part of a newly created or expanded Unit, Limited Common Element or General Common Element or designate all or part of a Unit as a newly created or expanded Unit, Limited Common Element or General Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or the owner of an Unsold Unit, as the case may be, shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units, including, without limitation, the right to combine, subdivide and/or otherwise reconfigure two or more adjacent Units owned by such Unit Owner. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be 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. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium, or any other person reasonably acceptable to the Condominium Board in the case of any other Unit. Declarant or the owner of any Unsold Unit will have the right, without the consent of any other Unit Owner or Board to amend the Declaration and By-Laws to reflect the foregoing changes. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or the owner of any Unsold Unit.

ARTICLE 11

INTENTIONALLY OMITTED

ARTICLE 12

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 13

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 The percentage interest of each Unit in the Common Elements has been 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.

ARTICLE 14

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or the owner of an Unsold Unit, in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common

Elements; then, in any such event, a valid easement shall exist for such encroachment and for the Maintenance of the same as long as the Building shall stand.

ARTICLE 15

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "The 505 Court Street Condominium." Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. Only Declarant shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant as the sponsor of the condominium offering, together with such other information as Declarant determines in its sole discretion.

ARTICLE 16

EASEMENTS

16.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the Common Elements and any Facilities located therein, including, but not limited to, such easement as will be necessary to Maintain, repair, rebuild, restore and replace, as necessary, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation. The Condominium shall be subject to such easement.

16.2 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Building and for the use of any Common Element, to the extent necessitated by an emergency. The Condominium shall be subject to such easement.

16.3 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to Maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

16.4 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one days' notice, except that no notice will be necessary in the case of an emergency..

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

16.6 Declarant or its designee and their successors and assigns shall, to the extent permitted by Law, have an easement to erect, operate and Maintain from time to time, one or more signs, awnings, marquees, canopies, banners, flags, pennants, aerials, antennas or the like (each a "Sign") on the Property for the purposes of advertising (i) the sale or lease of any Unsold Unit, the sale or lease of all or any portion of the Units and (ii) the operation of any business of Declarant, a tenant, occupant, managing agent or operator of all or any portion of any Unsold Units, as the case may be. Declarant shall have an easement to utilize the Common Elements of the Building in connection with its sales and leasing efforts relative to the Unsold Units. Declarant will have an easement and the right to change the facade of the Building and alter, replace, restore, renovate, remodel and reconstruct the existing facade of the Building through and including the _____ floor of the Building, provided that such penetration does not materially weaken the structural soundness of the Building.

16.7 Declarant have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law.

16.8 Declarant or its designee and the Condominium Board with respect to the Property, shall have the right to grant such additional electric, gas, steam, ventilation or other easements for utilities or otherwise or construct any shafts or flues, or install or relocate any compressors or other rooftop equipment or relocate any easements in any portion of the Property, as Declarant or its designee or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

16.9 Declarant and the owner of any Unsold Unit, assignee and licensees shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate and Maintain satellite dishes and similar equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto, other than those portions of the roof which comprise Limited Common Elements and to retain any and all income derived therefrom, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Declarant, its designees, assignees or licensees for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof and the facade of the Building and elsewhere on the Common Elements by Declarant, its designees, assignees or licensees shall be the exclusive property of Declarant, its designees, assignees or licensees and

neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Notwithstanding the foregoing, additional utilities or the relocation of existing utilities cannot be installed in a manner that would unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency..

16.10 Any easements granted to Declarant, the Condominium Board, any Unit or any Unit Owner or other party under this Declaration and the By-Laws may be exercised by such Unit Owner's employees, agents, contractors, suppliers, utility providers, service providers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, members, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by Declarant, the Unit Owner or the Condominium Board, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

ARTICLE 17

POWER OF ATTORNEY

17.1 Each Unit Owner shall grant to the Condominium Board an irrevocable power of attorney, coupled with an interest (annexed as Exhibit E to this Declaration or otherwise in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the General Common Elements or the entire Property which the Condominium Board deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, of the entire Property or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units or the Common Elements which the Condominium Board deems necessary or appropriate.

17.2 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation.

ARTICLE 18

ACQUISITION OF UNITS BY CONDOMINIUM BOARD

18.1 If (a) any Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

18.2 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Unit to be used as the residence of the Resident Manager of the Building and, in such event, title to all or any such portion of the Unit, together with its Appurtenant Common Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 19

COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall

bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

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

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20

AMENDMENTS OF DECLARATION

20.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, no amendment, modification, addition or deletion without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-Laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments,

modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the foregoing provisions of this Section 20.1 and the rights of Declarant or its designee under Articles 9, 10 and 11 of this Declaration, Articles 8 and 9 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby.

20.2 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting, such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements

resulting therefrom, all without the approval of the Condominium Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.4 The provisions of Sections 20.1 and 20.2 and this Section 20.4 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee. Notwithstanding the foregoing, Declarant may amend the Condominium Declaration to correct or supplement any mathematical mistakes, inconsistencies or scrivener errors.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until 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 shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and the owner of any Unsold Units have conveyed title to all Units, provided that in no event shall Declarant's consent be required more than five years after the date fee title to a Unit is first conveyed to a purchaser by Declarant or its designees pursuant to an offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 22

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.

ARTICLE 23

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24

CERTAIN REFERENCES

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

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

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

ARTICLE 25

SEVERABILITY

Subject to the provisions of Sections 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 26

COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this 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, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to execute, acknowledge or deliver any

instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board which represents such Unit Owner, is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Condominium Board or other party.

26.3 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Condominium Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 27

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant, its designee, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 28

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Units.

ARTICLE 29

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 200_.

COURT LOFTS, LLC, a New York limited liability company

By: _____
Name:
Title:

ACKNOWLEDGMENTS

EXHIBIT A

DESCRIPTION OF THE LAND

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

BEGINNING at the corner formed by the intersection of the southwesterly side of Huntington Street with the southeasterly side of Court Street;

RUNNING THENCE southwesterly along the southeasterly side of Court Street, 91 feet 1-1/2 inches to the southeasterly face of the concrete wall of the building on the premises hereby described;

THENCE southeasterly parallel or nearly so with Huntington Street and along the said southeasterly side of said wall, 54 feet 6 inches;

THENCE southwesterly parallel with Court Street, 57 feet 2 inches;

THENCE southeasterly parallel with Huntington Street, 10 feet;

THENCE southwesterly parallel with Court Street, 51 feet 10 inches to the northeasterly side of West 9th Street;

THENCE southeasterly along said northeasterly side of West 9th Street, 157 feet 6 inches to a point distant 178 feet northwesterly from the northwesterly side of Smith Street;

THENCE northeasterly parallel with Court Street, 100 feet to the center line of the block between Huntington Street and West 9th Street;

THENCE northwesterly parallel with Huntington Street, 7 feet 6 inches;

THENCE northeasterly parallel with Court Street, 100 feet to the southwesterly side of Huntington Street;

THENCE northwesterly along said southwesterly side of Huntington Street, 214 feet 6 inches to the point of place of BEGINNING.

SAID PREMISES BEING KNOWN AS AND BY THE STREET NUMBER 505 COURT STREET.

EXHIBIT B TO THE CONDOMINIUM DECLARATION

TO BE COMPLETED PRIOR TO RECORDATION OF CONDOMINIUM DECLARATION

The 505 Court Street Condominium							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)`	Square Footage	Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements

The 505 Court Street Condominium							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Facade)`	Square Footage	Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements
TOTAL							

EXHIBIT C

DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

"Arbitration" shall have the meaning ascribed thereto in Section 11.1 of the By-Laws.

"Building" refers to the structure and improvements including above and below grade segments, known as 505 Court Street, Brooklyn, New York 11231 in which the Units of the Condominium are located.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D of the Declaration, as same may be amended from time to time.

"City Register's Office" refers to the Kings County office of the Register of The City of New York.

"Closing" refers to the time, place and procedure by which fee title to a Unit is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Common Charges" refers to assessments payable by the Unit Owners to the Condominium Board for the purpose of meeting the cost of the Common Expenses.

"Common Elements" refers to the Land and all portions of the Building other than the Units, and include the General Common Elements and Limited Common Elements as more particularly described in Article 8 of the Declaration.

"Common Expenses" refers to the costs and expenses incurred or projected in connection with the Maintenance of and to the Common Elements and/or the Limited Common Elements (to the extent such costs and expenses are not the obligation of the Unit Owners owning the Units to which such Limited Common Elements are appurtenant) or in connection with any services or facilities exclusively benefiting the Building and the Unit Owners.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to The 505 Court Street Condominium.

"Condominium Act" refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" refers to the board of managers of the Condominium.

"Declarant" refers to Court Lofts, LLC, a New York limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)," "Declarant or a designee of Declarant" or similar term refers to Declarant, any of the partners of Declarant, any affiliate of Declarant, any affiliate of any of the general or limited partners of Declarant, any officer or shareholder of a corporate partner of Declarant, or any partner of a partnership which is a partner of Declarant or any party designated in writing as a designee.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"Department of Law" refers to the New York State Department of Law.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"First Closing," or words of similar import, refers to the date of the first closing of fee title to a Unit to a Purchaser pursuant to the Plan.

"Floor Plans" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Department of The City of New York and filed with the City Register's Office.

"Garden(s)" refers to private garden(s) appurtenant to certain Units.

"General Common Elements" refers to the Land and all parts of the Building, including its foundations, roofs and supports, other than the Units and the Limited Common Elements, as more particularly defined in the Declaration.

"Initial Control Period" refers to the period during which members of the Condominium Board elected or designated by Declarant constitute a majority of the members of said Board.

"Land" refers to the parcel of land described in Exhibit A to the Declaration.

"Law or Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant,

restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners including, but not limited to the Terraces or Gardens appurtenant to certain Units.

"Maintenance or Maintain" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Non-Purchasing Tenant" has the meaning set forth in Section 352-eeee of the New York State General Business Law.

"Offeree" refers to (a) each Purchaser who has executed and delivered a Purchase Agreement for a Unit and who is not in default thereunder, (b) each Unit Owner, and (c) any other person or entity who, pursuant to Law, is an offeree of the Plan.

"Permitted Encumbrances" refers to those Unit title encumbrances subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Purchase Agreement and the Specimen Title Policy set forth in Part II of the Plan.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the mortgages, if any, given by Declarant to acquire or improve the Property.

"Plan" refers to this offering plan for the establishment of condominium ownership for the Property, as the same may be amended from time to time.

"Plans and Specifications" refers to the plans and specifications for the Building which (to the extent required by Law) are filed with, and approved by, the Department of Buildings of The City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter be amended or changed in accordance with the provisions of the Plan.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Purchase Agreement" refers to the agreement to purchase a Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in a Purchase Agreement, which has been duly executed by such person(s) or entity(ies) and accepted by Declarant.

"Rent Laws" refers to (i) the New York City Rent Stabilization Law and the Code adopted pursuant thereto, (ii) the New York City Rent Control Regulations, (iii) the New York State General Business Law, Section 352-eeee, (iv) the Rent Regulation Reform Act of 1997 and (v) any codes, rules and regulations promulgated thereunder and any administrative and/or judicial determinations and/or interpretations thereof, to the extent that any or all of the same shall apply to the Property.

"Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Schedule B" refers to Schedule B, "Projected Budget for First Year of Condominium Operation" set forth in Part I of the Plan.

"Selling Agent" refers to Awaye Realty Management, LLC, or any successor selling agent at the time in question for all Tenant Purchasers and Corcoran Group Marketing, LLC or any successor selling agent at the time in question for all Non-Tenant Purchasers.

"Terrace(s)" refers to terraces and/or balconies and/or roof gardens and/or deck houses appurtenant to certain Units.

"Unavoidable Delays" refers to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, terrorism, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit" or "Condominium Unit" refers to a Unit as more particularly designated in the Declaration and the Floor Plans and all such Units are collectively referred to as "Units."

"Unit Owner" refers to any Unit Owner and all of such Unit Owners are collectively referred to as the "Unit Owners."

"Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by (i) Sponsor, (ii) any party designated by Sponsor as a "sponsor" under the Plan (iii) any party designated by Sponsor as the owner of an Unsold Unit, (iv) the holder of a Permitted Mortgage given by a Sponsor or (v) the designee of a holder of such a Permitted Mortgage.

EXHIBIT "9"

CONDOMINIUM BY-LAWS

EXHIBIT D

BY-LAWS

OF

The 505 Court Street Condominium
505 Court Street
New York, New York 11231

TABLE OF CONTENTS

Page

ARTICLE 1. GENERAL 1
1.1 Purpose 1
1.2 Applicability of By-Laws 1
1.3 Principal Office of Condominium 1

ARTICLE 2. BOARD OF MANAGERS 1
2.1 Number, Term and Qualification 1
2.2 Powers and Duties 2
2.3 Managing Agents and Managers 5
2.4 First Board 5
2.5 Resignation and Removal 5
2.6 Vacancies 6
2.7 Organizational Meetings of the Condominium Board 6
2.8 Regular Meetings of Board 6
2.9 Special Meetings of Board 6
2.10 Meetings of Condominium Board 6
2.11 Resolutions of Board 7
2.12 Waiver of Notice 7
2.13 Determinations by Board; Quorums 7
2.14 Compensation 7
2.15 Liability of Board and Unit Owners 7
2.16 Fidelity Bonds 8
2.17 Committees 8
2.18 Principal Offices of Board 9
2.19 Status of Board 9
2.20 Incorporation of Board 9
2.21 Board as Agents of Unit Owners 9

ARTICLE 3. UNIT OWNERS 9
3.1 Annual Meetings 9
3.2 Place of Meetings 9
3.3 Special Meetings 10
3.4 Notice of Meetings and Actions Taken 10
3.5 Adjournment of Meetings 10
3.6 Order of Business 10
3.7 Title to Units 11
3.8 Voting 11
3.9 Election of Board Members; Rights of Declarant 11
3.10 Majority of Unit Owners 13
3.11 Quorum 13
3.12 Majority Vote 13

ARTICLE 4. OFFICERS 13
4.1 Designation 13
4.2 Election of Officers 13
4.3 Resignation and Removal of Officers 13
4.4 Presidents 13
4.5 Vice Presidents 14
4.6 Secretaries 14
4.7 Treasurers 14
4.8 Execution of Documents 14
4.9 Compensation of Officers 14

ARTICLE 5. NOTICES 14
5.1 Notices 14
5.2 Waiver of Service of Notice 15

ARTICLE 6. OPERATION OF THE PROPERTY 15
6.1 Determination of Common Expenses and Fixing of Common Charges 15
6.2 Insurance 16
6.3 Repair or Reconstruction after Fire or Other Casualty 18
6.4 Payment of Common Charges 20
6.5 Collection of Common Charges 21
6.6 Default in Payment of Common Charges and Other Obligations 21
6.7 Foreclosure of Liens for Unpaid Common Charges 22
6.8 Statement of Common Charges 22
6.9 Maintenance and Repairs 22
6.10 Violations of Obligations 24
6.11 Alterations, Additions, Improvements and Repairs of Units 25
6.12 Alterations, Additions, Improvements or Repairs to Common Elements 26
6.13 Alterations of Certain Common Elements 26
6.14 Restrictions on Use of Units 27
6.15 Use of Common Elements 29
6.16 Other Provisions as to Use 30
6.17 Right of Access 30
6.18 Rules and Regulations 31
6.19 Real Estate Taxes, Water Charges and Sewer Rents 31
6.20 Fuel 32
6.21 Gas 32
6.22 Electricity 32
6.23 Utilities Serving the General Common Elements 32
6.24 Abatement and Enjoinment of Violations by Unit Owners 32

ARTICLE 7. MORTGAGES 33
7.1 Notice to Board 33
7.2 Notice of Default and Unpaid Common Charges 33
7.3 Performance by Permitted Mortgagees 33
7.4 Examination of Books 34
7.5 Representatives of Mortgagees 34
7.6 Consent of Mortgagees 34

ARTICLE 8. SELLING, LEASING AND MORTGAGING OF UNITS 34
8.1 Selling and Leasing 34
8.2 Consent of Unit Owners to Purchase or Lease of Units by Condominium Board 37
8.3 No Severance of Ownership 37
8.4 Release by Condominium Board of Right of First Refusal 37
8.5 Certificate of Termination of Right of First Refusal 37
8.6 Financing of Purchase of Units by Condominium Board 38
8.7 Exceptions 38
8.8 Gifts and Devises, etc 38
8.9 Unauthorized Sales or Leases of Units 38
8.10 Charges Imposed on Sale or Lease of Units 39
8.11 Power of Attorney 39
8.12 Notices Concerning Unit Occupancy 39
8.13 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common 39
8.14 Payment of Assessments 39
8.15 Mortgage of Units 39
8.16 Lease or Purchase of Unit or Other Apartment for Superintendent's/ Resident Manager Residence 40

ARTICLE 9. CONDEMNATION 40

ARTICLE 10. RECORDS AND AUDITS 40
10.1 Records 40
10.2 Audits 41
10.3 Availability of Documents 41

ARTICLE 11. ARBITRATION 41
11.1 General Procedure 41
11.2 Costs and Expenses 41
11.3 Agreement by Parties 41

ARTICLE 12. MISCELLANEOUS 42
12.1 Waiver 42
12.2 Captions 42
12.3 Certain References 42
12.4 Severability 42
12.5 Insurance Trustee 42
12.6 Successors and Assigns 43
12.7 Covenant of Further Assurances 43

ARTICLE 13. AMENDMENT TO BY-LAWS 44
13.1 Amendments by Unit Owners 44
13.2 Amendments Affecting Declarant or its Designee 44
13.3 Amendments Affecting Permitted Mortgagees 44
SCHEDULE A RULES AND REGULATIONS OF THE CONDOMINIUM 46

BY-LAWS

ARTICLE 1.

GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of The 505 Court Street Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 31,198 square feet of land (the "Land") which forms a part of Block 476 of Section 2 the Tax Map of the Borough of Brooklyn, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the Kings County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration or in Exhibit C thereto.

1.2 **Applicability of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

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

ARTICLE 2.

BOARD OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and

after the first annual meeting of Unit Owners as provided in Section 3.1, the Condominium Board shall consist of five (5) persons elected by the Unit Owners, subject to Declarant's 3.9.3 rights.

2.1.2 Each member of the Condominium Board except for the first Board as provided in Section 2.4 and except as otherwise provided herein, shall be elected at the annual meetings of Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant or its designee all members of the Condominium Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies fiduciaries or any other entities which own Units, Permitted Mortgagees, or family members of any of the foregoing. Other than Board members elected or designated by Declarant or its designee no Board member shall continue to serve after such member ceases to be qualified as set forth above. As used herein the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon pursuant to these By-Laws.

2.2 **Powers and Duties.**

2.2.1 The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Condominium Board by the Unit Owners). All determinations with respect to the administration of the affairs of the Condominium, shall be made by the Condominium Board.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof:

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operating, caring and Maintaining the Common Elements, including contracts for utilities, services and supplies;

2.2.2.1(b) Determining the amount of Common Charges (as hereinafter defined).

2.2.2.1(c) Employing and dismissing the personnel in necessary for the Maintenance and operation of the Common Elements.

2.2.2.1(d) Adopting and amending the Rules and Regulations, as they affect the Common Elements.

2.2.2.1(e) Making additions and improvements to, or alterations of, the Common Elements.

2.2.2.1(f) Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(g) Enforcing obligations of Unit Owners.

2.2.2.1(h) Levying fines against Unit Owners for violations of any rules and regulations adopted by the Condominium (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.1(i) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(j) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves Common Elements, as set forth in 6.2.

2.2.2.1(k) Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and Maintenance of the Common Elements; provided, however, that (i) the consent of at least 66-2/3% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $150,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(l) Bringing actions on behalf of the Unit Owners, as their interests may appear, with respect to any cause of action relating to the Common Elements, as the Condominium Board deems advisable.

2.2.2.1(m) Organizing corporations or limited liability companies to act as designees of the Condominium Board with respect to such matters as such Board may determine.

2.2.2.1(n) Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the

City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition or construction of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1(o) Preparing, executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(p) Obtaining and reviewing insurance for the Property pursuant to the provisions of Section 6.2.

2.2.2.1(q) Leasing or purchasing an apartment for use as the residence of the building superintendent, either in the Building or elsewhere (in compliance with applicable Law and regulation) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment.

2.2.2.1(r) Leasing or licensing the Common Elements.

2.2.2.1(s) Leasing or purchasing an apartment for use as the residence of the building superintendent, either in the Building or elsewhere (in compliance with applicable law and regulation) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment.

2.2.2.1(t) Imposing move in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.1(u) Reviewing and approving alterations, additions, improvements, renovations and repairs by Unit Owners to their respective Units and the Common Elements and establishing rules and procedures with respect to such alterations, additions, improvements, renovations and repairs.

2.2.2.1(v) Otherwise performing all of the acts to be performed by the Condominium Board in accordance with the terms of the Plan.

2.2.3 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or the owner of Unsold Units continue to own at least 25% of the Units but in no event later than five years from the First Closing of a sale made under an Offering Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the Common Elements or to any Unit; (ii) increase or decrease the

number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or Maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with applicable Laws of any governmental authority having jurisdiction over the Condominium.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own at least one Unsold Unit, the Condominium Board may not, without the consent of the Declarant, (i) reduce or eliminate any services provided to Non-Purchasing Tenants under the Rent Laws or their tenancies or as otherwise may be required by law, in such a manner as may result in the reduction of the rents or use and occupancy sums paid by such Non-Purchasing Tenants, (ii) separately assess a Unit Owner for fees for such services (unless such services are separately assessed at the time of the filing of this Declaration) or (iii) to the extent that services to Non-Purchasing Tenants are currently individually assessed for the provision of additional services, assess Unit Owners for an amount greater than can be charged by the owner of the Unit to the Non-Purchasing Tenants under the Rent Laws.

2.3 **Managing Agents and Managers.** With respect to matters the determinations concerning which the Condominium Board is entitled to make, the Condominium Board may employ a managing agent and/or a manager at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such managing agent or manager other powers granted to the Condominium Board by these By-Laws, except the powers set forth in **Subsections 2.2.2.1(b), (e), (g), (h), (1), (m), (n) and (o).**

2.4 **First Board.** The Condominium Board shall initially consist of the three (3) persons designated by Declarant to initially comprise the Condominium Board. The various Board members shall be deemed to have been "elected" as members of the Condominium Board for the purposes of these By-Laws. Within one (1) year after the date of the First Closing the Condominium Board will call for the first annual meetings of Unit Owners for the purpose of electing the new Condominium Board in accordance with the provisions of 3.1 of these By-Laws and subject to the rights of Declarant to designate certain members of the Condominium Board as more particularly described in Section 3.9.3 of these By-Laws. The terms of each such member of the Condominium Board shall expire annually.

2.5 **Resignation and Removal.** A Condominium Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of Subsection 3.9.3, the Condominium Board may be removed, with or

without cause, by a majority vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners, at which a quorum is present. A Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed with cause and replaced as described in Section 2.6. In addition, any member of either Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 **Vacancies.** Subject to the provisions of Section 3.9.3, any vacancy on the Condominium Board for whatever reason shall be filled by the members of the Condominium Board then in office, 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 any person so elected shall be a member of the Condominium Board until the next annual meeting of the Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Condominium Board, created by the resignation, removal or any other cause which results in any Board member designated by Declarant or its designee, ceasing to be a member of the Condominium Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 **Organizational Meetings of the Condominium Board.** The first meetings of the Condominium Board following each annual meeting of the Unit Owners shall be held immediately following each such annual meeting.

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

2.9 **Special Meetings of Board.** Special meetings of the Condominium Board may be called by the President or Vice President of the Condominium Board by giving five business days' prior notice to each member of the Condominium Board by personal delivery, mail, facsimile or e-mail, which notice shall state the time, place (in the Borough of Brooklyn) and purpose of the meeting. Special meetings of the Condominium Board shall be called in like manner and on like notice on the written request of at least two members of the Condominium Board

2.10 **Meetings of Condominium Board.** No organizational or regular meetings of the Condominium Board shall be held unless otherwise required by applicable law in which event such required meetings shall be held at such time and place in the Borough of Brooklyn as shall be determined by the Condominium Board, provided that notice thereof be given to Board members by personal delivery, mail, facsimile or e-mail at least five business days prior to the day named for such meeting. Special meetings of the Condominium Board may be called by the President of the

Condominium Board by giving five business days' prior notice to each member of the Condominium Board by personal delivery, mail or telegram, which notice shall state the time, place (which shall be in the Borough of Brooklyn) and purpose of the meeting.

2.11 **Resolutions of Board.** The Condominium Board shall cause to be promptly delivered to the other copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

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

2.13 **Determinations by Board; Quorums.**

2.13.1 Except as otherwise set forth in 2.13.3, all determinations by the Condominium Board shall be made at a meeting of the Condominium Board at which a quorum thereof is present. At any Condominium Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Condominium Board.

2.13.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.13.3 Members of the Condominium Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Condominium Board may be taken without a meeting if all members of the Condominium Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Condominium Board.

2.14 **Compensation.** No member of the Condominium Board shall receive any compensation for acting as such.

2.15 **Liability of Board and Unit Owners.**

2.15.1 To the extent permitted by applicable law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or

operation of the Condominium or any Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Condominium Board or by any managing agent or manager thereof shall state, if reasonably possible, that it is made by the Condominium Board, managing agent or manager only as agent for all Unit Owners, that such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or any Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Condominium Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable for such Unit Owner's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with the Condominium Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

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

2.16 **Fidelity Bonds.** The Condominium Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds or insurance shall constitute Common Expenses.

2.17 **Committees.** The Condominium Board may, subject to such limitations and exceptions as the Condominium Board may prescribe, appoint an Executive Committee and such other committees as the Condominium Board may deem appropriate, each to consist of as many members as the Condominium Board shall deem appropriate for the purpose of making such reports and studies as each the Condominium Board deems appropriate. For so long as Declarant is entitled to designate members to the Condominium Board, any committee appointed by any the Condominium Board shall have as at least one of its members a member appointed by Declarant.

2.18 **Principal Offices of Board.** The principal offices of the Condominium Board shall each be located within the Property or at such other place in the Borough of Brooklyn reasonably convenient thereto as may be designated from time to time by the Condominium Board.

2.19 **Status of Board.** In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act, the Condominium Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of any of the Condominium Board pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable to the Condominium Board.

2.20 **Incorporation of Board.** To the extent and in the manner provided in the Condominium Act the Condominium Board may by action of the Condominium Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.21 **Board as Agents of Unit Owners.** In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act in good faith as, and shall be, the agent of the Unit Owners the Condominium Board represents, subject to and in accordance with the provisions of the Declaration and these By-Laws.

ARTICLE 3.

UNIT OWNERS

3.1 **Annual Meetings.** The first annual meeting of Unit Owners shall be called on or no more than one (1) year after the First Closing. Such meeting shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the incumbent Condominium Board shall resign and the Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these by-laws) a Condominium Board consisting of five (5) members. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the incumbent Board members shall resign and the members of the Condominium Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.2 **Place of Meetings.** Meetings of all or any Unit Owners, shall be held at the principal office of the Condominium or, at such other suitable and convenient place in the Borough of Brooklyn, as may be designated by the Condominium Board.

3.3 **Special Meetings.** The President of the Condominium Board shall call a special meeting of Unit Owners, if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium Board upon not less than 25% in Common Interest of Unit Owners. .

3.4 **Notice of Meetings and Actions Taken.** Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat as of the date of said notice. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, regular mail, recognized overnight courier or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings.** If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 **Order of Business.** The order of business at all meetings of Unit Owners shall be as follows:

(1) Call to order;

(2) Roll call;

(3) Proof of notice of meeting;

(4) Reading of minutes of preceding meeting;

(5) Reports of officers;

(6) Reports of members of the Condominium Board;

(7) Reports of committees;

(8) Election of inspectors of election (when so required);

(9) Election of members of the Condominium Board (when so required);

(10) Unfinished business;

(11) New business; and

(12) Adjournment.

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

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Condominium Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Condominium Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Condominium Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to such Unit Owner's Unit.

3.8.3 Notwithstanding anything to the contrary set forth above, Unit Owners may vote to amend the Declaration and these By-Laws pursuant to Article 20 of the Declaration and Article 13 of these By-Laws, without a meeting, provided that such Unit Owners receive no less than thirty (30) days notification of such proposed amendment from the Condominium Board, together with a copy of the text of such proposed amendment and a proxy with respect to such vote.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in

accordance with Section 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it. Declarant shall hold a majority of seats on the Condominium Board until the earlier to occur of (i) five (5) years from the date of the First Closing or (ii) that date upon which the votes cast at any election of Condominium Board members constitute less than a majority of the votes cast for Declarant's nominees at such meeting (the "Initial Control Period"). Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Condominium Board, shall be filled by a person designated by Declarant. In addition, (a) for so long as Declarant owns less than 50% of the Units but more than 15% of the Unsold Units Declarant shall have the right to designate at least two members of the Condominium Board and (b) for so long as Declarant at least two of the Unsold Units Declarant shall have the right to designate at least one member of the Condominium. For so long as Declarant owns at least two of the Unsold Units the number of members of the Condominium Board may not be increased without the consent of Declarant. Within 10 days after the Initial Control Period, one of the Declarant designated members of the Condominium Board shall resign and in such event a Unit Owner meeting will be held to elect a new board member unrelated to the Declarant within thirty (30) days after the expiration of the Initial Control Period.

3.9.4 Nothing contained herein shall be deemed to limit the right of Declarant to cast its votes for individuals nominated to the Condominium Board who are not nominated or designated by Declarant, which individuals, if elected, shall not be deemed Declarant nominees or designees and shall not be deemed to cause Declarant to control either the Condominium Board.

3.9.5 Until Declarant and the owner of any Unsold Units have conveyed title to all Units, but in no event later than five (5) years after the First Closing, the Condominium Board may not take any of the following actions without Declarant's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or Maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Declarant's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with Laws of any governmental authority having jurisdiction over the Condominium.

3.10 **Majority of Unit Owners.** Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means Unit Owners, having more than 50% of the total authorized votes of all Unit Owners, determined in accordance with the provisions of 3.8, who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 30% of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

3.12 **Majority Vote.** Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes

ARTICLE 4.

OFFICERS

4.1 **Designation.** The principal officers of the Condominium shall be President, Vice-President, Secretary and Treasurer The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President of the Condominium Board must be members of the Condominium Board.

4.2 **Election of Officers.** The officers of the Condominium Board shall be elected annually by the members of the Condominium Board, at the organizational meetings thereof, except that the initial officers of the Condominium Board shall be elected, by the initial Condominium Board members and shall hold office at the pleasure of the Condominium Board and until their successors are elected.

4.3 **Resignation and Removal of Officers.** Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

4.4 **Presidents.** The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the entire Condominium.

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

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

4.7 **Treasurers.** The Treasurers shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board (or in the name of the managing agent appointed by the Condominium Board) in such depositories as may from time to time be designated by the Condominium Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents.** Unless otherwise delegated by the Condominium Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board. However, any significant expenditure by the Condominium Board must be countersigned by two members of the Condominium Board.. If for any reason whatsoever one member refuses to countersign such an expenditure which has been authorized, the Condominium Board shall designate and authorize another Board member to countersign the expenditure.

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

ARTICLE 5.

NOTICES

5.1 **Notices.** All notices required or desired to be given hereunder to the Condominium Board shall be personally delivered or sent by registered or certified mail to the office of the Condominium Board or to such other address as the Condominium Board may designate from time to time, and if there is a managing agent of the Condominium Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time

to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

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

ARTICLE 6.

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, the Common Expenses (as hereinafter defined) shall be determined by the Condominium Board as set forth below, and shall be borne by Unit Owners in proportion to their respective Common Interests. Common Expenses shall be defined to include the following: (i) all costs and expenses attributable to the Maintenance and operation of, and any alteration, addition or improvement to, the Common Elements, (ii) all such other items provided for in the Declaration or these By-Laws to be Common Expenses, (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 Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with their respective Common Interests ("Common Charges"), except as otherwise provided in the Declaration or these By-Laws. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. Notwithstanding anything to the contrary in this Section 6.1.2, if a General Common Element or Limited Common Element benefits only certain Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) may be borne solely by those Unit Owners who benefit from the General Common Element or Limited Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interest of all benefiting Unit Owners.

6.1.2 From time to time the Condominium Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Condominium Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. The Condominium Board shall advise all Unit Owners in writing of the amount of Common Charges payable by each of them and

shall furnish copies of each annual budget to all Unit Owners at least ten (10) days prior to the adoption thereof and shall make copies of the budget available to Permitted Mortgagees. In the event that the annual receipts levied against Unit Owners during the first year of Condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Declarant during the first year of condominium operation will be distributed by the Condominium Board to Declarant and the Unit Owner(s) in proportion to the amount of time Declarant and each Unit Owner owned such Unit.

6.1.3 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 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. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.4 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earning of the Condominium may inure (other than by acquiring, constructing, or providing management, Maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any,

determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Condominium Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board if the loss involves the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Condominium Board, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) 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 Permitted Mortgagees. The Condominium Board and all Unit Owners hereby waive their subrogation rights."

6.2.4 Except for Workers Compensation and New York Statutory Disability Insurance, coverages the Condominium Board and the Unit Owners each agree that they shall make no claim for recovery against each other for damages to or loss of the demised premises or improvements and betterments thereon, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Condominium Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein. The Condominium Board and each Unit Owner, by acceptance of a deed for a Unit, shall be deemed to have waived their rights of subrogation.

6.2.5 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as such Board may from time to time determine, covering the Condominium Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium, and each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

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

6.2.7 The Condominium Board is not required to obtain or maintain any insurance with respect to the Unit or any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent a party is insured for loss or damage to property, such party will look to its own insurance policies for recovery. Policies maintained by Unit Owners pursuant to this Subsection must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 In the event that either (i) the Building or any part thereof (other than the Units) is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the Common Elements and/or Limited Common Expense, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 6.2 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $ 1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Common Elements and the Units, and for the benefit of all Unit Owner's with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Common Elements, the Limited Common Elements and the Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 6.3. Notwithstanding anything to the contrary contained either in this Subsection 6.3.1 or elsewhere in this Section 6.3, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he/she may have to pursue a separate claim against the condemning authority by reason thereof.

6.3.2 Except as otherwise provided herein, the Condominium Board with respect to the Common Elements and Limited Common Elements shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. Damage or destruction to a Unit shall be promptly repaired and reconstructed by the Owner of the affected Unit(s). If, pursuant to the immediately preceding sentences, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment.

6.3.3 In the event that Work shall be performed pursuant to the terms Subsection 6.3.1 and 6.3.2, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If said damage or destruction by fire or other casualty affects the Building, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Building, bears to the total cost of repairing all damage or destruction. If said damage or destruction, however, affects only the Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a Common Expense or profit, respectively, as provided in 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Section 6.3 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.4 If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty, the Work shall not be performed unless 75% or more of all Unit Owners (including Declarant, if Declarant shall then own any Units), shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of Subsections 6.3.1 and 6.3.2 hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Common Elements and to all Unit Owners in proportion to their respective, Common Interest, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

6.3.5 If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking

pursuant to the terms of Section 6.3.4 hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

6.3.6 As used in this Section 6.3, the terms:

(xi) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) sixty days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of Subsection 6.3.1, sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(xii) "Promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

6.4 **Payment of Common Charges.**

6.4.1 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. Unless otherwise determined by the Condominium Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common

Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid 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, convey for no consideration such Unit together with its appurtenant Common Interests, to the Condominium Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, thereafter accruing. 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 that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, 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. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit.

6.4.3 All liens provided for in Subsection 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, the Condominium Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and such Board shall have a lien (as provided in Subsection 6.4.2) for any such accrued and unpaid amounts.

6.4.6 Certain Unit Owners are required to (a) to deposit with the Managing Agent at the closing of title to the Unit, a sum not less than an amount equal to two (2) months Common Charges to be used as working capital to furnish certain services and facilities, and (b) upon written notice by the Managing Agent that the deposit has been diminished, to replenish such fund within a thirty (30) day period. The failure of the Unit Owner to replenish the fund in the time period set forth hereinabove shall result in the Condominium Board, on behalf of the Unit Owners, having a lien against the Unit Owner's Unit. Interest, if any, earned on the fund shall be the property of the Unit Owner.

6.5 **Collection of Common Charges.** The Condominium Board shall take prompt action to collect any Common Charges due to such Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges and other Obligations.** In the event any Unit Owner fails to make payment of Common Charges or Assessments when due, such

Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Condominium Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition the Condominium Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Assessments due.

6.7 **Foreclosure of Liens for Unpaid Common Charges.** In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 **Statement of Common Charges.** The Condominium Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 **Maintenance and Repairs.**

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all Maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, or (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and the windows may not be modified, altered or replaced without the consent of the Condominium Board. All normal Maintenance of any Terrace or Garden shall be made by the Unit Owner having access to such at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace or Garden (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. The Condominium Board will have the right to require a Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces or Gardens and may require a Unit Owner to remove same, at such Unit Owner's sole cost and expense, if the Condominium Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. A Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove plantings, surface coverings and other furniture, equipment and installations from the Terrace or Garden, if requested by the Condominium Board, to facilitate access to the roofing system or other Common Elements pursuant to the Declaration or these By-Laws. No Terrace or Garden may be enclosed without the express written consent of the Condominium Board. Unit Owners are expressly prohibited from installing paving stones or other materials over the existing surfaces of the Terrace and/or Gardens without the prior written consent from the Condominium Board. The Condominium Board may establish such other rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.3 The exterior surface of all windows in the Building if so determined by the Condominium Board, shall be washed and cleaned by the Condominium Board and the cost and expense thereof shall be a Common Expense assessed against each Unit Owner. Otherwise, the exterior of all windows in the Building shall be washed or cleaned at the cost and expense of the Unit Owner. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Condominium Board and the other Unit Owners, and their respect

agents and employees, for all losses, damages, or fines suffered by any of the them as a result of a violation of Law.

6.9.2.4 The exterior of all front doors of Units shall not be painted or decorated other than with the consent of the Condominium Board.

6.9.2.5 No awnings, air conditioning equipment, ventilators or other Facilities or equipment will be installed or modified in the Building without prior written approval of the Condominium Board.

6.9.2.6 Any repairs or Maintenance work performed with respect to any air conditioning unit or incremental HVAC units in each Unit shall only be performed by a company or individual previously approved by the Condominium Board.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace or Garden , roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same would cause damage to the Building) by the Unit Owner or Board, whichever is responsible for the Maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all Maintenance necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to such parts of the Building required to be Maintained by it, (b) each Unit Owners with respect to such Unit Owner's Unit and any Limited Common Elements required to be Maintained by the Unit Owner, including, without limitation shades, venetian or other blinds, drapes, curtains or other window decorations in or in or appurtenant to such Unit Owner's Unit.

6.9.4 Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

6.10 **Violations of Obligations.**

6.10.1 In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the Maintenance of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such Maintenance unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board (or sooner in the case of Emergency), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such

Maintenance by the Condominium Board, together with 10% for overhead and interest thereon at the rate of 2% per month from the date on which such Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to such Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.10.2 Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the rules and regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.11 **Alterations, Additions, Improvements and Repairs of Units.** Except as otherwise provided in the Declaration, no Unit Owner shall make any alteration, addition, improvement or repair Unit involving structural work or which impact upon Building systems, in or to such Unit Owner's Unit without the prior written approval of the Condominium Board. With respect to any alteration, addition, improvement or repair the Condominium Board, may exercise the right to reasonably approve the contractors and suppliers, performing alteration, addition, improvement or repair in any Unit and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The Condominium Board may impose fees upon a Unit Owner to reimburse the Condominium Board for its costs incurred in reviewing or supervising the aforesaid work and providing appropriate security with respect thereto. In addition, the Condominium Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The foregoing provisions shall not apply to Declarant or its designee or a Permitted Mortgagee (or its designee) of Declarant or its assignee, which shall not be required to obtain the approval of the Condominium Board for any alteration, addition, improvement or repair, whether structural or non-structural in or to Unsold Units, enter into any alteration agreement with respect thereto or perform any additional work as a condition thereof.

6.11.1 All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all Laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Condominium Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.2 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Condominium Board (if such approval is required) shall, if required by Law or such department or authority, be executed by the Condominium Board, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor,

materialperson, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant or its designee is hereby authorized on behalf of the Condominium Board to execute the Required Documentation required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and, the Condominium Board, if requested by Declarant or its designee, shall execute the Required Documentation.

6.11.3 In the event that any alterations, additions, improvements or repairs shall made by any Unit Owner shall materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Condominium Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.12 **Alterations, Additions, Improvements or Repairs to Common Elements.** Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs in or to (i) any Common Elements or Limited Common Element shall be made by the Condominium Board or Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Condominium Board, the cost of any alteration, addition, improvement or repair would exceed $100,000 in the aggregate in any calendar year (except if such alteration, addition, improvement or repair is provided for in a duly approved budget), then such proposed alteration, addition, improvement or repair shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid and by the Mortgage Representatives (as hereinafter defined), as the case may be, if any, with respect to alterations, additions, improvements or repairs made by the Condominium Board. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, improvements or repairs costing in the aggregate $100,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 **Alterations of Certain Common Elements.**

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Condominium Board, Mortgage Representative or Unit Owner is required as a

condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Condominium Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Condominium Board, Mortgage Representative or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for Maintaining such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.13.2 Nothing contained in Subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval..

6.14 **Restrictions on Use of Units.**

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used for residential purposes only, except as otherwise herein expressly provided. A Unit may be owned by an individual, corporation, partnership, limited liability company, fiduciary, limited liability company or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate or other instrumentality thereof). A Unit may only be occupied by (i) the individual Unit Owner (or members of such Unit Owner's family, guests or domestic employees), (ii) an officer, director, stockholder or employee of such corporation (or members of such Unit Owner's family, guests or domestic employees), (iii) a partner or employee of such partnership (or members of such Unit Owner's family, guests or domestic employees), (iv) the fiduciary or beneficiary of such fiduciary (or members of such Unit Owner's family, guests or domestic employees), or (v) a principal or employee of such other entity (or members of such Unit Owner's family, guests or domestic employees) as the case

may be. Unless otherwise consented to by the Condominium Board, occupants of a leased Unit must be (a) an individual lessee (or members of such Unit Owner's family, guests or domestic employees), (b) an officer, director, stockholder or employee of a corporate lessee (or members of such Unit Owner's family, guests or domestic employees), (c) a partner or employee of a partnership lessee (or members of such Unit Owner's family, guests or domestic employees), (d) a fiduciary or beneficiary of a fiduciary lessee (or members of such Unit Owner's family, guests or domestic employees), or (e) a principal or employee of such other entity which is a lessee (or members of such Unit Owner's family, guests or domestic employees). "Members of such Unit Owner's family" or words of similar import whenever used herein shall be deemed to mean spouse, domestic partner, their children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Unit Owner and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Unit by such family members or guests. Notwithstanding the foregoing, the Condominium Board may consent to occupancy of a Unit by persons other than those set forth above.

6.14.1.1 The Condominium Board, may, in its discretion, grant permission for the use of a Unit as a professional office or for any other purpose, provided such use (1) is permitted by Law, (2) does not violate the then existing certificate of occupancy for such Unit, (3) does not adversely affect the use and enjoyment of neighboring or adjacent Units for residential purposes, and (4) complies with all applicable governmental regulations. Such permission by the Condominium Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Condominium Board before using such Unit as a professional office or for any other purpose.

6.14.1.2 The Unit Owner shall ensure that all operable windows opening into the Unit comply with all applicable laws relating to window guards and, if necessary, install, operate and Maintain, at the Unit Owner's expense, any additional equipment required by applicable Law.

6.14.2 Notwithstanding the provisions of Subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit as a professional office or for any purpose including, without limitation, use as a long or short term rental or other use, provided such use is permitted by Law, does not violate the certificate of occupancy for such Unit (subject to Declarant's right to amend the certificate of occupancy to conform to use as provided in Section 6.14.4 of these By-Laws) and the user of such Unit complies with all applicable governmental regulations with respect to such use, and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-Laws and in compliance with applicable Law.

6.14.3 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an Occupant in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes,

constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Unit Owners shall have the responsibilities of an "owner" of their respective Units under Local Law 1 of 2004 or any other Law governing the use or removal of lead-based paint or other Hazardous Substances within each Unit and by execution of a deed for a Unit shall agree to indemnify and hold harmless the Condominium Board and other Unit Owners arising from the failure of a Unit Owner to comply with such Unit Owner's obligation arising from the foregoing.

6.14.4 Consistent with the foregoing, in the event Declarant or its designee seeks to change an existing use, Declarant and/or its designee shall have the right, from time to time, to amend the certificate of occupancy to reflect such changed usage. In the event required by applicable Law, the Condominium Board shall cooperate with the Declarant or its designee, at the requesting party's expense, execute all applications, authorizations and other instruments reasonably required to enable the Declarant or its designee to amend the certificate of occupancy, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any person having any claim for injury to person or damage to property arising therefrom. In addition to the foregoing, Declarant or its designee shall have the authority to execute the foregoing on behalf of the Condominium Board, in accordance with Section 6.11.3 of these By-Laws.

6.15 **Use of Common Elements.**

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

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the General or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as storage areas, with the prior consent of the Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.15.4 Scaffolding necessary for the performance of work to the General Common Elements, Limited Common Elements or any Unit may be erected on the sidewalks adjacent to the Building, however, such scaffolding shall be installed (a) upon at least ten (10) Business Days prior written notice to the Condominium Board (except in the case of an Emergency), (b) after provision of evidence to the Condominium Board that such scaffolding

will be erected and Maintained in conformance with all applicable Laws and any insurance requirements imposed by the Condominium, (c) in such a manner so as to minimize interference with access to each Unit and in no event shall prevent access to any Unit, (d) consistent with the general manner in which scaffolding is installed in similar buildings in Brooklyn (e) Maintained and removed as expeditiously as possible in a commercially reasonable way. The Condominium Board shall use commercially reasonable efforts to install two story scaffolding.

6.15.5 The owner of any two or more Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation and Maintenance of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Condominium Board. Notwithstanding the above, if an owner transfers or conveys its Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 **Other Provisions as to Use.** No nuisance shall be allowed in the Condominium nor shall any use or practice be allowed in the Condominium which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.17 **Right of Access.**

6.17.1 Each Unit Owner grants a right of access to such Unit Owner's Unit to the Condominium Board, the managing agents, managers, superintendents and/or any other person authorized by any of the foregoing. The Unit Owners grant a right of access to their respective Units to the Condominium Board, the managing agents, managers, superintendents and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the General or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the General or Limited Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the

General or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, Maintaining or replacing utility meters relating to the General or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.17.2 Each Unit Owner grants a right of access to such Unit Owner's Unit, and the Condominium Board shall grant rights of access to the General Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.18 **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements and Limited Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations except that a Majority of Unit Owners may overrule the Condominium Board with respect to any such modification, amendment or addition. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Condominium Board responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof.

6.19 **Real Estate Taxes, Water Charges and Sewer Rents.** Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. The costs incurred by the Condominium Board will be paid by the Unit Owners and included in Common Charges. Until the Units are separately assessed for real estate tax purposes, the Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion that the Common Interest of all Units) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In the event of a proposed sale of any Unit, the Condominium Board, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as the Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed

by the proper authorities. The Condominium Board, on behalf of and as agent for all Unit Owners, shall be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners shall share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, shall execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

6.20 **Fuel.** Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and providing hot water) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of Maintaining such Unit and/or Common Element, (ii) determined and paid by the Condominium Board and (iii) charged as a Common Expense. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a survey to be made the cost of which shall be borne by the Unit Owners as a Common Expense.

6.21 **Gas.** Gas will be supplied by the utility company servicing the gas distribution system and charges therefor shall be paid by the Condominium Board. Gas for the Units for cooking as well as for heating the Condominium, providing hot water and gas for the dryers is not separately metered for individual Units and therefor all Unit Owners will pay for gas as part of Common Charge payable to the Condominium. The cost of gas consumed in the Condominium will be borne by the Unit Owners as a Common Charge.

6.22 **Electricity.** Electricity for each Unit (including tenants occupying Units) shall be supplied by the utility company servicing the Units and separately metered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by the Condominium Board. Electricity for the Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Unit Owners as Common Charges.

6.23 **Utilities Serving the General Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, fuel, electricity and gas serving or benefiting any Common Element shall be (a) considered part of the expense of maintaining such Common Element, (b) determined by the Condominium Board, and (c) charged to the Unit Owners as a Common Expense..

6.24 **Abatement and Enjoinment of Violations by Unit Owners.**

6.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board, the right, in addition to such other rights set forth in these By-Laws, (i) to

enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

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

ARTICLE 7.

MORTGAGES

7.1 **Notice to Board.** A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. The mortgage secured by a Unit shall be substantially in the form of the New York Board of Title Underwriters or such other forms customarily used by lenders making loans secured by individual residential condominium units. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Condominium Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by a Permitted Mortgagee of any Unit, the Condominium Board with respect to Permitted Mortgagees of Units shall promptly report to such Permitted 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 of which the Condominium Board may have received notice.

7.3 **Performance by Permitted Mortgagees.** The Condominium Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act 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. In the event that more than one Permitted Mortgage is secured by a Unit, the senior Permitted Mortgagee shall be entitled to take all actions permitted under this Article unless all the Permitted Mortgagees otherwise designate a different Permitted Mortgagee to so act, by notice to the Condominium Board.

7.4 **Examination of Books.** Each Unit Owner and Permitted Mortgagee 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.

7.5 **Representatives of Mortgagees.**

7.5.1 In the manner more particularly set forth in Subsection 7.5.2, the holders of Permitted Mortgages (as hereinafter defined) secured by Units, may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Permitted Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Permitted Mortgages. As used herein the term "Permitted Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, investment or finance company, mortgage trust or other entity which is in the business of providing loans secured by condominium units, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, constituting a majority in principal amount of all Institutional Mortgages shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Condominium Board. Unless otherwise required by Law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws.

7.6 **Consent of Mortgagees.** Except as otherwise expressly 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, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against such Unit Owner's mortgagor.

ARTICLE 8.

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing.** No Unit Owner, other than Declarant or its designee may sell or lease such Unit Owner's Unit except by complying with the following provisions.

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase such Unit Owner's Unit together with its appurtenant Common Interest, or (b) lease such Unit Owner's Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer," the

party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which the Offeree Unit Owner intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Condominium Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as such Board may reasonably require. The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by such Board, together with a copy of the fully executed contract of sale for such Unit, shall constitute an offer by the Offeree Unit Owner to sell such Unit Owner's Unit together with its appurtenant Common Interest or to lease such Unit Owner's Unit to the Condominium Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board acting on behalf of all Unit Owners that the Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Condominium Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Condominium Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by the Condominium Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2 In the event the Condominium Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Condominium Board, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Condominium Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Condominium Board elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by the Condominium Board of its election to accept the aforesaid offer, the Condominium Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Condominium Board referred to in 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Condominium Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to

the Condominium Board, or to its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, 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 Unit Owner and the Condominium Board, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Condominium Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Condominium Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Condominium Board or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Condominium Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside 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.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that it may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign such Unit Owner's 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, if permitted by applicable Law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Condominium Board which governs the Unit

to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Condominium Board. 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.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units, or Units rented to or by Declarant or its designee (or any condominium units into which the Units may hereafter be divided). Declarant or its designee shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units without having to first offer the same for sale or lease to the Condominium Board or pay any fees or costs to the Condominium Board.

8.2 **Consent of Unit Owners to Purchase or Lease of Units by Condominium Board.** The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners and subject to the right of the Declarant to veto such purchase or lease in accordance with these By-Laws. However, the Condominium Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 **No Severance of Ownership.** No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's 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 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 **Release by Condominium Board of Right of First Refusal.** The right of first refusal contained in 8.1 may be released or waived by the Condominium Board only in the manner provided in Section 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of Subsections 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3.

8.5 **Certificate of Termination of Right of First Refusal.** A certificate executed by an officer of the Condominium stating that the provisions of Subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Condominium Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3), shall be conclusive upon the

Condominium Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of Subsection 8.1.1 have, in fact, terminated.

8.6 **Financing of Purchase of Units by Condominium Board.** 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 accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its (their) appurtenant Common Interest(s).

8.7 **Exceptions.** The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to such Unit Owner's spouse, domestic partner, their children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Unit Owner or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant or its designee, (c) the Condominium Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or such Unit Owner's nominee, who has acquired title to any Unit at any foreclosure sale of such Unit Owner's Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit subject to, the provisions of this Article 8. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest. In the event a Unit Owner is not a natural person, the provisions of Section 8.1 shall apply to any lease, sale or conveyance of the beneficial or legal ownership of such Unit Owner to any party which is not an affiliate of the Unit Owner.

8.8 **Gifts and Devises, etc.** Any Unit Owner shall be free to convey or transfer such Unit Owner's Unit by gift, or may devise such Unit Owner's Unit by will or have such Unit Owner's Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall remain subject to, the provisions of this Article 8.

8.9 **Unauthorized Sales or Leases of Units.** Any purported sale or lease of a Unit consummated in violation of Sections 8.1, 8.3 or 8.4 shall be voidable at the election of the Condominium Board and if the Condominium Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Condominium

Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 **Charges Imposed on Sale or Lease of Units.** If permitted by Law, the Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Condominium Board, in connection with the sale or lease. Additionally, the Condominium Board may, by resolution adopt a "flip" tax in connection with such sale in order to create a reserve fund which will provide reserves for the Condominium to use in the future for capital improvements, emergency repairs and working capital. If such charges are adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charges shall not apply to the lease of a Unit to Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units.

8.11 **Power of Attorney.** At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.12 **Notices Concerning Unit Occupancy.** Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent. For so long as any Units are occupied by Non-Purchasing Tenants, a purchaser of such Unit promptly after acquiring title to such Unit, shall notify the Non-Purchasing Tenant of the change in ownership and the name of the new Unit Owner and the Condominium Board shall make available such information to the Non-Purchasing Tenant.

8.13 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.** In the event that any Unit shall be acquired by the Condominium Board, or their respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 **Payment of Assessments.** No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Unit unless and until the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed by the Condominium Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages.

8.15 **Mortgage of Units.** Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage such Unit Owner's Unit without restriction, provided that, with

respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.16 **Lease or Purchase of Unit or Other Apartment for Superintendent's/Resident Manager Residence.** The Condominium Board shall have the right to lease or purchase and finance the purchase of a Unit or other apartment for the resident manager's unit (whether or not in the Building) and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease, purchase or financing without the approval of a Majority of Unit Owners.

ARTICLE 9.

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Condominium Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Condominium Board. The award made for any such taking shall be payable to the Condominium Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors □engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata, as follows: first, to the Unit Owners in accordance with their respective Common Interests; thereafter, the Condominium Board shall allocate such deficit or surplus, as the case may be, pro rata, in accordance with their respective Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that 75% or more of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the Condominium, then such repairs or restorations of the Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in accordance with their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 10.

RECORDS AND AUDITS

10.1 **Records.** The Condominium Board or the managing agent, if any, shall keep detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Condominium Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for

each Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

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

10.3 **Availability of Documents.** Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11.

ARBITRATION

11.1 **General Procedure.** Any arbitration provided for in these By-Laws shall be conducted in accordance with the provisions of this Article 11 (an "Arbitration"). Each Arbitration 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. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article 11 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen years.

11.2 **Costs and Expenses.** The fees, costs and expenses of the arbitrator will be borne by the losing party in the Arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants unless otherwise set by the arbitrator. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any Arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 **Agreement by Parties.** The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section

3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12.

MISCELLANEOUS

12.1 **Waiver.** No provision contained in these By-Laws or 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 which may occur.

12.2 **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 nor the intent of any provision hereof.

12.3 **Certain References.**

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

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 **Severability.** Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as 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. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Insurance Trustee.** The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns.** Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Units then owned by Declarant or its designee, as the case may be. Subject to the foregoing, Declarant and/or its designee, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, 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, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Condominium Board representing such Unit Owners, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board which represents such Unit Owner, or other party is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7.3 If any Unit Owner, the Condominium Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Condominium Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Condominium Board representing such Unit Owners stating the reasons why such Unit Owner, the Condominium Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Condominium Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, the Condominium Board or other party and such document or action shall be binding on such Unit Owner, the Condominium Board or other party, as the case may be.

ARTICLE 13.

AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners.** Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these by-laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee or any Unsold Units, (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be □unreasonably withheld or delayed) of the respective Mortgage Representatives, if any, and (ii) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as the case may be), 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 **Amendments Affecting Declarant or its Designee .** Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of Declarant or its designee or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Unit, as the case may be, or (b) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit. Declarant shall have the right to amend the By-Laws, without the consent of the Condominium Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant under the terms of the Declaration and these By-Laws.

13.3 **Amendments Affecting Permitted Mortgagees.** Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or 6.1, 6.2, 6.4.2, 6.4.3, 8.7(d) or (e), or 8.10 shall be effective as against the holder of

any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

SCHEDULE A

RULES AND REGULATIONS OF THE CONDOMINIUM

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Condominium shall not be obstructed or used for any other purpose than ingress to and egress from the Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Condominium, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Condominium.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, stairways or fire towers of the Condominium.

4. No public hall or public elevator vestibule of the Condominium shall be decorated or furnished by any Unit Owner in any manner.

5. Each Unit Owner shall keep such Unit Owner's Unit and any Limited Common Elements appurtenant thereto (including the surface of any Terrace or Garden appurtenant to a Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. The type, size and quantity of plantings and other installations to be placed on Terraces or Gardens and the rights of Unit Owners to paint and decorate Terraces or Gardens shall be subject to the prior written approval of the Condominium Board. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Terrace or Gardens shall be within the sole but reasonable discretion of the Condominium Board.

6. No window guards or window decorations shall be used in or about any Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial, satellite, disk or similar devices shall be attached to or hung from the exterior of the Condominium and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Condominium except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the managing agent of the Condominium, nor shall anything be projected from any door or window of the Condominium without similar approval, except as may otherwise be provided by Law.

8. No heat, ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

9. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

10. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Condominium.

11. No Unit Owner or the tenants or occupants of the Units shall make or permit any disturbing noises or activity in the Condominium, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Units. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television computer, stereo or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition, in the Condominium Board's sole discretion) shall be permitted, kept or harbored in a Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the managing agent of the Condominium and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. In no event shall any Unit Owner maintain more than two (2) pets in a Unit without the consent of the Condominium Board nor shall any bird, reptile, or animal be permitted in any public elevator in the Condominium, other than the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, or in any of the public portions of the Condominium, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Condominium or on the sidewalk or street adjacent to the Building. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Condominium Board setting forth such other rules regarding pets as the Condominium Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

13. Servants, messengers and tradespeople visiting or residing in the Condominium may be required to use the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the elevators freely, if authorized by such Unit.

14. All service and delivery persons may be required to use the service entrance unless otherwise directed. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Unit Owners. Deliveries, if made, will be made from the package room to individual Units only by building personnel or as otherwise directed by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

15. Trunks and heavy baggage shall be taken in or out of the Condominium by the elevators designated by the Condominium Board or the managing agent of the Condominium for that purpose, and through a designated entrance only.

16. No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the managing agent of the Condominium may direct.

17. Water-closets and other water apparatus in the Condominium shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

18. No occupant of the Condominium shall send any employee of the Condominium or of the managing agent thereof out of the Building on any private business.

19. The agents of the Condominium Board or the managing agent, and any contractor or worker authorized by the Condominium Board or the managing agent of the Condominium, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

20. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

21. The Condominium Board or the managing agent of the Condominium may retain a passkey to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the managing agent of the Condominium shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws and has not furnished a key to such Board or such managing agent, then the Condominium Board or such managing agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of such Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

22. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building.

23. Complaints regarding the services of the Condominium shall be made in writing to the Condominium Board or to the managing agent of the Condominium.

24. Any consent or approval given under these Condominium Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional.

25. Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover and (h) observe any additional recycling rules established by the Condominium Board or the Condominium Board.

26. Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

27. Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.

28. No Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

29. If any key or keys are entrusted by a Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the managing agent of the Condominium, whether for such Unit Owner's 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, and neither the Condominium Board nor the managing agent of the Condominium shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

30. Nothing shall be done or kept in any Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the General or Limited Common Elements.

31. The Condominium Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

32. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of the Condominium Board or the managing agent of the Condominium.

33. In the event that any Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

34. Unless expressly authorized by the Condominium Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

35. There will be no barbecuing in the Units in their Limited Common Elements (including Terraces or Gardens), or the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

36. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or Maintenance of the Condominium, or the equipment thereof, or the

comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

37. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces or Gardens, other than furniture of the kind usually maintained in outdoor areas.

EXHIBIT "10"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
505 Court Street
Brooklyn, New York 11231

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibilities 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 documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal law.

Court Lofts, LLC

Sworn to before me this 10th
day of May, 2005.

By: _____
Name: Jane Gladstein
Title: Member

_____
Notary Public

STEVEN HENDERSON
Notary Public, State of New York
No. 01HE6000542
Qualified in Queens County
Commission Expires December 22, 2005

SPONSOR'S PRINCIPALS:

Sworn to before me this _____
day of _____, 2005.

_____
Notary Public

_____
Richard Mack

Sworn to before me this 5th
day of May, 2005.

Veronika L. Sostak
Notary Public

_____
Christopher H. Martorella

Sworn to before me this 5th
day of May, 2005

Veronika L. Sostak
Notary Public

VERONIKA L. SOSTAK
Notary Public State of New York
#01SO6099023
Qualified in County of New York
Commission Expires Sep. 22 '07

_____
Jane Gladstein

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal law.

Court Lofts, LLC

Sworn to before me this _____
day of _____, 2005.

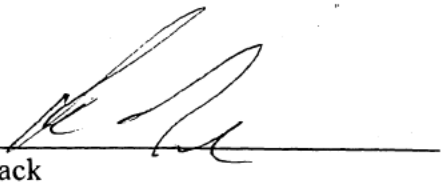
By: _____
Name:
Title:

_____
Notary Public

SPONSOR'S PRINCIPALS:

Sworn to before me this 3rd
day of May, 2005.

Emily Conner
Notary Public 01C06026169
Comm. Exp. 6/7/07
County of New York, NY


Richard Mack

Sworn to before me this _____
day of _____, 2005.

_____
Notary Public

_____
Christopher H. Martorella

Sworn to before me this _____
day of _____, 2005

_____
Notary Public

_____
Jane Gladstein

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S ARCHITECT

JOHN SCHIMENTI P.C.
ARCHITECT, AIA

126 Atlantic Avenue, Lynbrook, N.Y., 11563
516-825-3883, *fax* 516-825-3887
E-mail JSArchitect10@aol.com

ARCHITECT'S CERTIFICATION

The sponsor of the offering plan to convert the properly at 505 Court Street to condominium ownership retained me to prepare a report disclosing the condition of the property. I visually inspected the property on many occasions starting December 1st, 2003 to December 6,2004, copies of which are intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report and addenda.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Pact 23 insofar as they are applicable to the Report and addenda.

I have read the entire Report and addenda and investigated the facts set forth in it and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. I certify that the report and all documents prepared by me disclose all the material facts 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. I certify that the Report and addenda based on my visual inspection:

(i) set forth in narrative form the physical condition of the entire property and is current and accurate as of the date of inspection;

(ii) in my professional opinion afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property;

(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 I:

(a) knew the truth

(b) with reasonable effort could have known the truth;

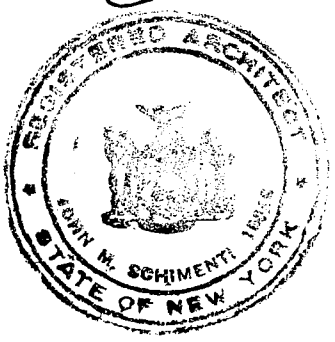
(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

(viii) 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.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report and addenda 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.

John Schimenti R.A.



State of New York
County of Brooklyn

Sworn to me on this 9 day

Of FEB, 2005

MICHAEL S. WEISS
Notary Public, State of New York
No. 30-4643912
Qualified in Nassau County
Commission Expires October 31, 2005

EXHIBIT "12"

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

AWAYE REALTY
MANAGEMENT, LLC

CERTIFICATION OF EXPERT REGARDING ADEQUACY OF BUDGET PURSUANT TO SECTION 23.4 (D) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

May 10, 2005

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

Re: The 505 Court Street Condominium
505 Court Street, Brooklyn, New York, 11231

The undersigned certifies as follows:

The Sponsor of the Condominium Offering Plan for the captioned property retained the undersigned to review Schedule B containing projections of income and expenses for the first year of Condominium operation. I have been in the business of managing and selling real property for more than 15 years including rental, commercial, cooperative and condominium apartments and have managed numerous rental, commercial cooperative and condominium properties.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 in so far as they are applicable to the Schedule B.

I have reviewed the Schedule B and investigated the facts set forth in the Schedule B and the facts underlying it with due diligence in order to form a basis for the certification. I have also relied on my experience in managing residential buildings.

I certify that the projections in Schedule B appear reasonable and adequate under the existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that the Schedule B:

I. Sets forth in detail the projected income and expenses for the first year of condominium operation;

II. Affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

AWAYE REALTY
MANAGEMENT, LLC

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 oppression;

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 it (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 of statements made.

I further certify that I am not owned or controlled by the Sponsor. I understand that a copy of the certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this Offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

AWAYE REALTY MANAGEMENT INC.

By: Arlene Waye
Arlene Waye

Sworn to before me this
10th day of May, 2005

Notary Public

CARMEN ORTIZ
NOTARY PUBLIC STATE OF NEW YORK
NO. 01OR6080054
QUALIFIED IN QUEENS COUNTY
COMMISSION EXP. SEPT. 3, 20 06

EXHIBIT "13"

INTENTIONALLY OMITTED



EXHIBIT "14"

ESCROW AGREEMENT FOR OFFERING PLAN

ESCROW AGREEMENT

AGREEMENT made this 10TH day of MAY 2005, between Court Lofts, LLC ("SPONSOR") as sponsor of the Offering Plan (defined below) and Stroock & Stroock & Lavan LLP ("ESCROW AGENT") as Escrow Agent.

WHEREAS, SPONSOR is the sponsor of an offering plan for premises known as The 505 Court Street Condominium, located at 505 Court Street, Brooklyn, New York (the "Offering Plan"); and

WHEREAS, Stroock & Stroock & Lavan LLP 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 and payments by purchasers or subscribers, 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:

A. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1. ESCROW AGENT has established a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at JPMorgan Chase Bank, N.A. at its branch located at One New York Plaza, New York, New York 10081 entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted] (the "Master Escrow Account").
2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.
3. Partners or attorneys employed by ESCROW AGENT are the sole signatories on the Master Escrow Account.
4. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.
5. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event Purchaser defaults.

B. DEPOSITS INTO THE ESCROW ACCOUNT.

1. All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

C. RELEASE OF FUNDS.

3. Consummation of the Offering Plan does not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

4. ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

5. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

6. In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

7. Except as otherwise set forth above, if there is no written agreement between the parties to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has 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 notice from the Purchaser in accordance with such provisions.

D. RECORDKEEPING.

8. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven years after release of the funds.
9. Upon the dissolution of 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.
10. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

E. GENERAL OBLIGATIONS OF ESCROW AGENT.

11. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.
12. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.
13. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.
14. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.
15. ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.
16. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

F. RESPONSIBILITIES OF SPONSOR.

17. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a member of or employed by ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.
18. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.
19. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8BEN, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

G. TERMINATION OF AGREEMENT.

20. 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 Offering 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. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor Escrow Agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) all shares or units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

21. 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 funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new Escrow Agent.

H. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

I. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

J. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

K. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

L. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

M. ENTIRE AGREEMENT.

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.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

Court Lofts, LLC

By: _____
Name:
Title:

Stroock & Stroock & Lavan LLP

By: _____
Name: Michael Evanusa
Title: Partner

EXHIBIT "15"

FORM W-9

Form **W-9**
(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type See Specific Instructions on page 2.

Name

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ ..... ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.) | Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Note: *If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.*

Social security number
___ ___ ___ - ___ ___ - ___ ___ ___ ___

or

Employer identification number
___ ___ - ___ ___ ___ ___ ___ ___ ___

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item **2** above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item **2** does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here | **Signature of U.S. person ▶** | **Date ▶**

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: *If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.*

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515,** Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a **nonresident alien or a foreign entity** not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments (29% **after** December 31, 2003; 28% **after** December 31, 2005). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or

3. The IRS tells the requester that you furnished an incorrect TIN, or

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under **4** above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate **Instructions for the Requester of Form W-9.**

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: *You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).*

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: *If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.*

Exempt payees. Backup withholding is **not required** on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);

2. The United States or any of its agencies or instrumentalities;

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities; or

5. An international organization or any of its agencies or instrumentalities.

Other payees that **may be exempt** from backup withholding include:

6. A corporation;

7. A foreign central bank of issue;

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

9. A futures commission merchant registered with the Commodity Futures Trading Commission;

10. A real estate investment trust;

11. An entity registered at all times during the tax year under the Investment Company Act of 1940;

12. A common trust fund operated by a bank under section 584(a);

13. A financial institution;

14. A middleman known in the investment community as a nominee or custodian; or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, **1** through **15.**

If the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for **9**
Broker transactions	Exempt recipients **1** through **13.** Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients **1** through **5**
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients **1** through **7** [2]

[1] See **Form 1099-MISC**, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are **not exempt** from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner **LLC** that is disregarded as an entity separate from its owner (see **Limited liability company (LLC)** on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: *See the chart on page 4 for further clarification of name and TIN combinations.*

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5,** Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at **www.ssa.gov/online/ss5.html**. You may also get this form by calling 1-800-772-1213. Use **Form W-7,** Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4,** Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at **www.irs.gov**.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: *Writing "Applied For" means that you have already applied for a TIN* ***or*** *that you intend to apply for one soon.*

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** on page 2.

Signature requirements. Complete the certification as indicated in **1** through **5** below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item **2** in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item **2** of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] **You must show your individual name,** but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: *If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.*

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

EXHIBIT "16"

FORM W-8BEN

Form **W-8BEN**
(Rev. December 2000)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: **Instead, use Form:**

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of .....within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article .....of the treaty identified on line 9a above to claim a .....% rate of withholding on (specify type of income):.....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- The beneficial owner is not a U.S. person,
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, **and**
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ ..... Signature of beneficial owner (or individual authorized to sign for beneficial owner) ..... Date (MM-DD-YYYY) ..... Capacity in which acting

EXHIBIT "17"

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS

(Send this application to the reviewing attorney assigned to the subject plan.)

Re: _____
Address of Building or
Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

4. This is an application for

return of down payment.
forfeiture of down payment.
other:

5. The project is
[ ] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as
[ ] a cooperative.
[ ] a condominium.
[ ] a homeowners association.
[ ] a 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:
   (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

11. If down payments have been secured by a letter of credit:
   (a) Name and address of bank which issued the letter of credit:
   (b) Date of expiration of the letter of credit, if known:

12. Plan information:
   (a) Date of filing of plan:
   (b) Plan
   [ ] has not been declared effective.
   [ ] has been declared effective. Approximate date:
   (c) If effective, the plan
   [ ] has closed or the first unit has closed. Approximate date:
   [ ] has not closed.
   [ ] don't know.
   (d) Down payments are secured by
   [ ] escrow account.
   [ ] bonds.
   [ ] letter of credit.

13. Contract information:
    (a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)
    (b) Date on which subscription or purchase agreement was signed:
    (c) Date(s) of down payment(s):
    (d) Total amount of down payment(s):
    (e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from 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: _____

EXHIBIT "18"

SECTION 352-eeee of the GENERAL BUSINESS LAW

---

§352-eeee. Conversions to cooperative or condominium ownership in the City of New York.

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.

(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.

(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.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the 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 of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless 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.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (l) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons 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 shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of Maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal or reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of

eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of 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 who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(e) The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the department of law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

(f) The attorney general finds that, following the submission of the offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (vii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises 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 the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the department of law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers.

4. It shall be unlawful for any person to engage in any course or conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially, interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The attorney general may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The provisions of this section shall only be applicable in the city of New York.

EXHIBIT "19"

RESERVE FUND LAW

LOCAL LAW 70

To amend the administrative code of the city of New York, in relation to the conversion of residential rental housing to cooperative or condominium ownership.

Be it enacted by the Council as follows:

Section 1. Legislative declaration. The council finds that the protection of the health, safety and welfare of persons within the city who reside in residential buildings being converted from rental status to cooperative or condominium ownership requires that such persons be informed of the physical condition of such buildings and of any outstanding notices of code violations issued with respect to such buildings. The council further finds that for the health, safety and welfare of residents of the city and for the preservation and improvement of this substantial and increasing form of housing accommodation it is essential that funds be set aside for the purpose of making capital repairs, replacements and improvements to such buildings.

Section 2. Chapter fifty-one of the administrative code of the city of New York is amended by adding a new title YYYY to read as follows:

TITLE YYYY

COOPERATIVE AND CONDOMINIUM CONVERSIONS

§ YYYY51-1.0 Application.

The provisions of this title 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.

§ YYYY51-2.0 Definitions.

As used in this title the following words shall mean:

a. "Building"-any building, group of buildings or development.

b. "Total Price"-

(l) 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:

(l) elevator;
(2) heating, ventilation and air conditioning;
(3) plumbing;
(4) wiring;
(5) windows;

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 nominees, assignees and successors in interest.

§YYYY51-3.0 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 5 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 30 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 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.

§ YYYY51-4.0 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 YYYY51-3.0.

§ YYYYS51-5.0 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.

§ YYYY51-6.0 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.

§ YYYY51-7.0 No waiver of rights.

Any provision purporting to waive the provisions of this title 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.

§ YYYY51-8.0 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 title 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 title 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 YYYY 51-3.0 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 YYYY 51-3.0 which was not so reserved. Any person who violates or assists in the violation of section YYYY 51-3.0 shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section YYYY 51-3.0 is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section YYYY 51-3.0.

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 title 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 title, mandating compliance with the provisions of this title 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 title, mandating compliance with the provisions of this title, 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 title.

Section 3. If any provision of this local law or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of this local law and the applicability of such provision to any other person or circumstances shall not be affected thereby.

Section 4. This local law shall take effect February first nineteen hundred eighty-three and shall apply to all plans not yet accepted for filing by the state department of law pursuant to section three hundred fifty-two eeee of the general business law as of that date.

EXHIBIT "20"

RPL §339-kk

---

§ 3. The real property law is amended by adding a new section 339-kk to read as follows:
§ 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.
(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES FOR SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION OF ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.
(C) 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 BOARD OF MANAGERS 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, 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 BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL BE GIVEN WITHIN THREE 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 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 BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT SUCH BOARD RECEIVES NOTICE THAT SUCH OWNER SEEKS TO DISPUTE SUCH CLAIM.
(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.
(E) 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.

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

EXHIBIT "21"

LIEN LAW §71-a(3)

---

3. (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depositary where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential condominium unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

> "YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

EXHIBIT "22"

SPECIMEN TITLE POLICY

ISSUED BY

Lawyers Title Insurance Corporation
A LANDAMERICA COMPANY

OWNER'S POLICY OF TITLE INSURANCE

SPECIMEN

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, LAWYERS TITLE INSURANCE CORPORATION has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

LAWYERS TITLE INSURANCE CORPORATION

Attest: _____ Secretary

LAWYERS TITLE INSURANCE CORPORATION — SEAL — 1925 — RICHMOND, VA

By: _____ President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
   (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
   (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
      (i) to timely record the instrument of transfer; or
      (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights defenses the Company would have had against the named insured, those who ıcceed to the interest of the named insured by operation of law as distinguished ɔm purchase including, but not limited to, heirs, distributees, devisees, survivors, ersonal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge r notice which may be imputed to an insured by reason of the public records as efined in this policy or any other records which impart constructive notice of natters affecting the land.

(d) "land": the land described or referred to in Schedule A, and mprovements affixed thereto which by law constitute real property. The term land" does not include any property beyond the lines of the area described or eferred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing nerein shall modify or limit the extent to which a right of access to and [illegible] the and is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to [illegible] property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the followin additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligation to the insured under this policy, other than to make the payment required, sha terminate, including any liability or obligation to defend, prosecute, or continue ar litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of a insured claimant any claim insured against under this policy, together with a costs, attorneys' fees and expenses incurred by the insured claimant which we authorized by the Company up to time of payment and which the Company obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss damage provided for under this policy, together with any costs, attorneys' fees a expenses incurred by the insured claimant which were authorized by t Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for paragraphs (b)(i) or (ii), the Company's obligations to the insured under this poli for the claimed loss or damage, other than the payments required to be mac shall terminate, including any liability or obligation to defend, prosecute continue any litigation.

CONTROL NO. 827-0020236.

Lawyers Title Insurance Corporation

SPECIMEN

SCHEDULE A

Amount of Insurance: $_____ **Policy/Title No.** LT040019

Date of Policy: _____

1. **Name of Insured:** _____

2. **The estate or interest in the land which is covered by this policy is:**

   Fee Simple

3. **Title to the estate or interest in the land is vested in the Insured by means of:**

   Deed made by Court Lofts, LLC -to- _____, dated _____ and recorded on _____ under CRFN _____.

4. **The land referred to in this policy is described on the annexed schedule.**

LAWYERS TITLE INSURANCE CORPORATION

Countersigned:_____
Authorized Officer or Agent

Valid Only if Schedule B and Cover Are Attached

Policy/Title No. LT040019

SCHEDULE A - ITEM 4

The Condominium Unit (the "Unit") in the Building known as _____ located at and known as and by street number 505 Court Street, Brooklyn, New York, designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said Building and the land upon which it is situate under Article 9-B of the Real Property Law of the State of New York, dated _____ and recorded _____ in the Office of the Register of the City of New York, County of Kings under CRFN _____, said Unit also being designated as Tax Lot _____ in Block 476 of Section 2 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the said Building, certified by _____, on _____ and filed in the Real Property Assessment Department ofthe City of New York on _____ as Condominium Plan No. _____ and also filed in the City Register's Office on _____ as Condominium Map No. _____.

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

SPECIMEN

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

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

BEGINNING at the corner formed by the intersection of the southwesterly side of Huntington Street with the southeasterly side of Court Street;

RUNNING THENCE southwesterly along the southeasterly side of Court Street, 91 feet 1-1/2 inches to the southeasterly face of the concrete wall of the building on the premises hereby described;

THENCE southeasterly parallel or nearly so with Huntington Street and along the said southeasterly side of said wall, 54 feet 6 inches;

THENCE southwesterly parallel with Court Street, 57 feet 2 inches;

THENCE southeasterly parallel with Huntington Street, 10 feet;

THENCE southwesterly parallel with Court Street, 51 feet 10 inches to the northeasterly side of West 9th Street;

THENCE southeasterly along said northeasterly side of West 9th Street, 157 feet 6 inches to a point distant 178 feet northwesterly from the northwesterly side of Smith Street;

THENCE northeasterly parallel with Court Street, 100 feet to the center line of the block between Huntington Street and West 9th Street;

THENCE northwesterly parallel with Huntington Street, 7 feet 6 inches;

THENCE northeasterly parallel with Court Street, 100 feet to the southwesterly side of Huntington Street;

THENCE northwesterly along said southwesterly side of Huntington Street, 214 feet 6 inches to the point or place of BEGINNING.

Policy/Title No. LT040019

SCHEDULE B
Exceptions from Coverage

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of the following:

1. Any state of facts which an accurate Survey of the building and the unit would show, but policy insures that any encroachments by the Insured Unit on any adjoining Unit or on common areas may remain undisturbed as long as it shall stand.

2. Covenants, conditions, easements, agreements of records, etc., as follows:

   a. Light and Air Easement dated as of 5/1/1998 between Suncast Realty Co. and M.G. Huntington LLC, recorded on 5/16/2000 in Reel 4873 Page 1096.

   b. Declaration recorded on 12/7/1979 in Reel 1124 Page 1276.

   With Respect Thereto:

   1) Amended Declaration recorded on 1/4/1983 in Reel 1365 Page 33.

3. Terms, covenants and conditions set forth in the Declaration of Condominium and By-Laws dated _____ and recorded on _____ under CRFN _____, but policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9B of the Real Property Law.

SPECIMEN

Lawyers Title
Insurance Corporation

File/Policy No. LT040019

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

1. The following is added to the insuring provisions on the face page of this policy:

   "5. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. The following is added to Paragraph 7 of the Conditions and Stipulations of this policy:

   "(d) If the recording date of the instruments creating the insured interest is later than the policy date, such policy shall also cover intervening liens or incumbrances, except real estate taxes, assessments, water charges and sewer rents."

Nothing herein contained shall be construed as extending or changing the effective date of the policy unless otherwise expressly stated.

SPECIMEN

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the ___ day of _____.

Countersigned

LAWYERS TITLE INSURANCE CORPORATION



By: Janet A. Alpert
President

Attest: J. A. Watt
Secretary

By _____
Authorized Officer or Agent

STANDARD NEW YORK ENDORSEMENT (9/1/93)
FOR USE WITH ALTA OWNER'S POLICY (10-17-92)

CONDITIONS AND STIPULATIONS – Continued

DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or ıage sustained or incurred by the insured claimant who has suffered loss ıamage by reason of matters insured against by this policy and only to the ent herein described.

(a) The liability of the Company under this policy shall not exceed the st of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or erest as insured and the value of the insured estate or interest subject to defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the te of Policy is less than 80 percent of the value of the insured estate or erest or the full consideration paid for the land, whichever is less, or if bsequent to the Date of Policy an improvement is erected on the land ich increases the value of the insured estate or interest by at least 20 rcent over the Amount of Insurance stated in Schedule A, then this Policy subject to the following:

(i) where no subsequent improvement has been made, as to any ırtial loss, the Company shall only pay the loss pro rata in the proportion at the amount of insurance at Date of Policy bears to the total value of the sured estate or interest at Date of Policy; or

(ii) where a subsequent improvement has been made, as to any ırtial loss, the Company shall only pay the loss pro rata in the proportion ıat 120 percent of the Amount of Insurance stated in Schedule A bears to ıe sum of the Amount of Insurance stated in Schedule A and the amount xpended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees nd expenses for which the Company is liable under this policy and shall nly apply to that portion of any loss which exceeds, in the aggregate, 10 ercent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) **The Company's Right of Subrogation.**

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) **The Company's Rights Against Non-insured Obligors.**

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION.

(a) Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is $1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of $1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to: Consumer Affairs Department, P.O. Box 27567, Richmond, Virginia 23261-7567.

SPECIMEN

Lawyers Title Insurance Corporation

A LandAmerica Company

SPECIMEN

Owner's Policy Of Title Insurance

American Land Title Association
(10-17-92)

Issued By

Lawyers Title Insurance Corporation

Home Office:
101 Gateway Centre Parkway, Gateway One
Richmond, Virginia 23235-5153

A WORD OF THANKS .....

As we make your policy a part of our permanent records, we want to express our appreciation of this evidence of your faith in Lawyers Title Insurance Corporation.

There is no recurring premium.

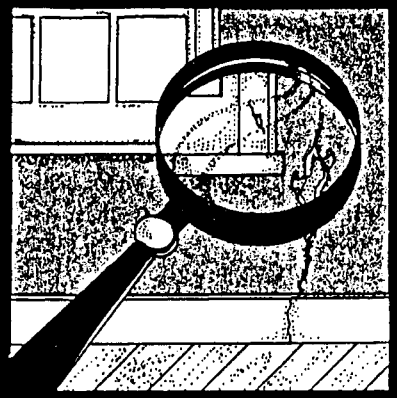
This policy provides valuable title protection and we suggest you keep it in a safe place where it will be readily available for future reference.

If you have any questions about the protection provided by this policy, contact the office that issued your policy or you may write to:

Consumer Affairs Department
Lawyers Title Insurance Corporation
A LandAmerica Company
R.O. Box 27567
Richmond, Virginia 23261-7567
TOLL FREE NUMBER: 1-800-446-7086

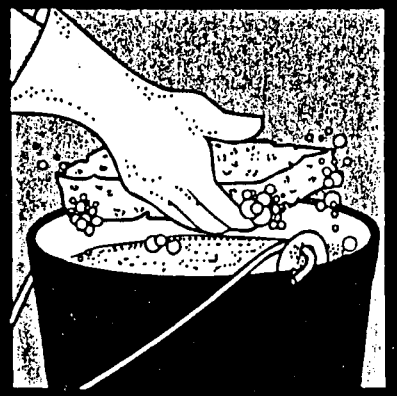
EXHIBIT "23"

LEAD BASED PAINT BOOKLET



Protect Your Family From Lead in Your Home





EPA
United States
Environmental Protection
Agency

United States Consumer
Product Safety Commission

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207

EPA747-K-94-001
May 1995

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

By 1996, federal law will require that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS will have to disclose known information on lead-based paint hazards before leases take effect. Leases will include a federal form about lead-based paint.



SELLERS will have to disclose known information on lead-based paint hazards before selling a house. Sales contracts will include a federal form about lead-based paint in the building. Buyers will have up to 10 days to check for lead hazards.



RENOVATORS will have to give you this pamphlet before starting work.



IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Clearinghouse at **1-800-424-LEAD**.

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children that seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips with lead in them.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

1 out of every 11 children in the United States has dangerous levels of lead in the bloodstream.

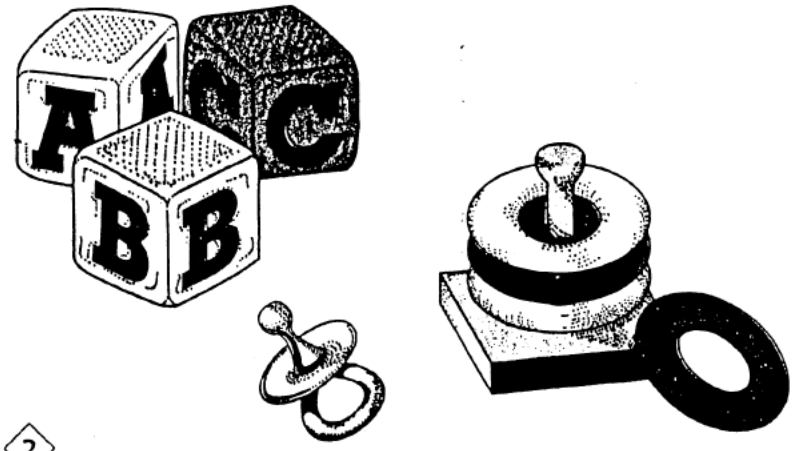
Even children who appear healthy can have dangerous levels of lead.

People can get lead in their body if they:

- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.
- Breathe in lead dust (especially during renovations that disturb painted surfaces).

Lead is even more dangerous to children than adults because:

- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.
- Children's growing bodies absorb more lead.
- Children's brains and nervous systems are more sensitive to the damaging effects of lead.



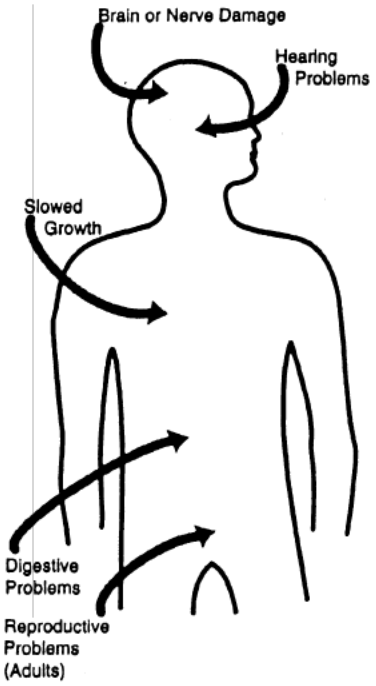
Lead's Effects

If not detected early, children with high levels of lead in their bodies can suffer from:

- Damage to the brain and nervous system
- Behavior and learning problems (such as hyperactivity)
- Slowed growth
- Hearing problems
- Headaches

Lead is also harmful to adults. Adults can suffer from:

- Difficulties during pregnancy
- Other reproductive problems (in both men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain



Lead affects the body in many ways.

Checking Your Family for Lead

Get your children tested if you think your home has high levels of lead.

A simple blood test can detect high levels of lead. Blood tests are important for:

- Children who are 6 months to 1 year old (6 months if you live in an older home with cracking or peeling paint).
- Family members that you think might have high levels of lead.

If your child is older than 1 year, talk to your doctor about whether your child needs testing.

Your doctor or health center can do blood tests. They are inexpensive and sometimes free. Your doctor will explain what the test results mean. *Treatment can range from changes in your diet to medication or a hospital stay.*

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside *and* outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint, or other sources such as past use of leaded gas in cars.)

Where Lead Is Likely To Be a Hazard

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards

Lead-based paint that is in good condition is usually not a hazard.

Peeling, chipping, chalking, or cracking lead-based paint is a hazard and needs immediate attention.

Lead-based paint may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear. These areas include:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, and banisters.
- Porches and fences.

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when people vacuum, sweep, or walk through it.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. Call your state agency (see page 12) to find out about soil testing for lead.





Checking Your Home for Lead Hazards

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead hazards in one of two ways, or both:

- A paint **inspection** tells you the lead content of every painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- A **risk assessment** tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Have qualified professionals do the work. *The federal government is writing standards for inspectors and risk assessors. Some states might already have standards in place.* Call your state agency for help with locating qualified professionals in your area (see page 12).



Trained professionals use a range of methods when checking your home, including:

- Visual inspection of paint condition and location.
- Lab tests of paint samples.
- Surface dust tests.
- A portable x-ray fluorescence machine.

Home test kits for lead are available, but recent studies suggest that they are not always accurate. Consumers should not rely on these tests before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

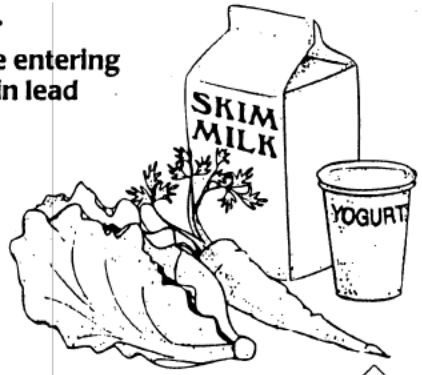
If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and low-fat dairy products. Children with good diets absorb less lead.

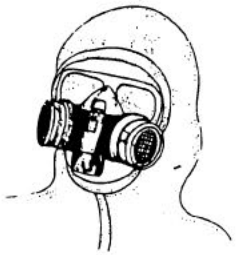


561

How To Significantly Reduce Lead Hazards

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you must hire a lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not enough.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. If possible, hire a certified lead abatement contractor. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Call your state agency (see page 12) for help with locating qualified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before you begin remodeling or renovations that disturb painted surfaces (such as scraping off paint or tearing out walls):



- **Have the area tested for lead-based paint.**
- **Do not use a dry scraper, belt-sander, propane torch, or heat gun** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

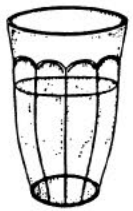
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.



562

Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your clothes separately from the rest of your family's.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

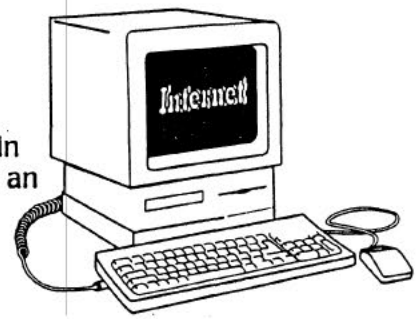
Call **1-800-LEAD-FYI** to learn how to protect children from lead poisoning.

For other information on lead hazards, call the center's clearinghouse at **1-800-424-LEAD.** For the hearing impaired, call, **TDD 1-800-526-5456** (FAX: **202-659-1192,** Internet: **EHC@CAIS.COM**).



EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.



Consumer Product Safety Commission Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772.** (Internet: info@cpsc.gov). For the hearing impaired, call **TDD 1-800-638-8270.**

Local Sources of Information

563

State Health and Environmental Agencies

Some cities and states have their own rules for lead-based paint activities. Check with your state agency (listed below) to see if state or local laws apply to you. Most state agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards.

State/Region	Phone Number
Alabama	(205) 242-5661
Alaska	(907) 465-5152
Arkansas	(501) 661-2534
Arizona	(602) 542-7307
California	(510) 450-2424
Colorado	(303) 692-3012
Connecticut	(203) 566-5808
Washington, DC	(202) 727-9850
Delaware	(302) 739-4735
Florida	(904) 488-3385
Georgia	(404) 657-6514
Hawaii	(808) 832-5860
Idaho	(208) 332-5544
Illinois	(800) 545-2200
Indiana	(317) 382-6662
Iowa	(800) 972-2026
Kansas	(913) 296-0189
Kentucky	(502) 564-2154
Louisiana	(504) 765-0219
Massachusetts	(800) 532-9571
Maryland	(410) 631-3859
Maine	(207) 287-4311
Michigan	(517) 335-8885
Minnesota	(612) 627-5498
Mississippi	(601) 960-7463
Missouri	(314) 526-4911
Montana	(406) 444-3671
Nebraska	(402) 471-2451
Nevada	(702) 687-6615
New Hampshire	(603) 271-4507
New Jersey	(609) 633-2043
New Mexico	(505) 841-8024
New York	(800) 458-1158
North Carolina	(919) 715-3293
North Dakota	(701) 328-5188
Ohio	(614) 466-1450
Oklahoma	(405) 271-5220
Oregon	(503) 248-5240
Pennsylvania	(717) 782-2884
Rhode Island	(401) 277-3424
South Carolina	(803) 935-7945
South Dakota	(605) 773-3153
Tennessee	(615) 741-5683
Texas	(512) 834-6600
Utah	(801) 536-4000
Vermont	(802) 863-7231
Virginia	(800) 523-4019
Washington	(206) 753-2556
West Virginia	(304) 558-2981
Wisconsin	(608) 266-5885
Wyoming	(307) 777-7391

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)
John F. Kennedy Federal Building
One Congress Street
Boston, MA 02203
(617) 565-3420

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)
Building 5
2890 Woodbridge Avenue
Edison, NJ 08837-3679
(908) 321-6671

Region 3 (Delaware, Washington DC, Maryland, Pennsylvania, Virginia, West Virginia)
841 Chestnut Building
Philadelphia, PA 19107
(215) 597-9800

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)
345 Courtland Street, NE
Atlanta, GA 30365
(404) 347-4727

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)
77 West Jackson Boulevard
Chicago, IL 60604-3590
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)
First Interstate Bank Tower
1445 Ross Avenue, 12th Floor, Suite 1200
Dallas, TX 75202-2733
(214) 665-7244

Region 7 (Iowa, Kansas, Missouri, Nebraska)
726 Minnesota Avenue
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)
999 18th Street, Suite 500
Denver, CO 80202-2405
(303) 293-1603

Region 9 (Arizona, California, Hawaii, Nevada)
75 Hawthorne Street
San Francisco, CA 94105
(415) 744-1124

Region 10 (Idaho, Oregon, Washington, Alaska)
1200 Sixth Avenue
Seattle, WA 98101
(206) 553-1200

CPSC Regional Offices

Eastern Regional Center
6 World Trade Center
Vesey Street, Room 350
New York, NY 10048
(212) 466-1612

Central Regional Center
230 South Dearborn Street
Room 2944
Chicago, IL 60604-1601
(312) 353-8260

Western Regional Center
600 Harrison Street, Room 245
San Francisco, CA 94107
(415) 744-2966

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed on paper that contains at least 20 percent postconsumer fiber.

EXHIBIT "24"

LOCAL LAW 1

LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2004

No. 1

Introduced by Council Members Perkins, Lopez, Quinn, Reed, Boyland, Rivera, Brewer, Jackson, Liu, Yassky, Barron, Reyna, Clarke, Sanders Jr., Recchia Jr., Vann, Katz, Gerson, Gioia, Baez, DeBlasio, Serrano, Foster, Monserrate, Jennings Jr., Seabrook, Addabbo Jr., Moskowitz, Koppell, Martinez, Gonzalez, Espada Jr., Gentile, Avella, Comrie Jr., Weprin, Nelson, James, the Speaker (Council Member Miller) and the Public Advocate (Ms. Gotbaum).

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to childhood lead poisoning prevention, including the avoidance and remediation of lead-based paint hazards in housing and day care facilities, the repeal of local law number 38 for the year 1999 and the repeal of subdivision h of section 27-2013 and section 27-2126 of such code.

Be it enacted by the Council as follows:

Section 1. This local law shall be known and may be cited as the New York City Childhood Lead Poisoning Prevention Act of 2003.

§2. Local law number 38 for the year 1999 is hereby REPEALED.

§3. Local Law number 1 for the year 1982 is hereby REPEALED.

§4. Local law number 50 for the year 1972 is hereby REPEALED.

§5. Subchapter 2 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new article 14 to read as follows:

Article 14

Lead Poisoning Prevention and Control

§27-2056.1 Statement of Findings and Purposes.

§27-2056.2 Definitions.

§27-2056.3 Owners' Responsibility to Remediate.

§27-2056.4 Owners' Responsibility to Notify Occupants and Investigate.

§27-2056.5 Presumption.

§27-2056.6 Violation in a Dwelling Unit.

§27-2056.7 Audit and Inspection by Department following Commissioner's order to abate.

§27-2056.8 Violation in a Dwelling Unit Upon Turnover.

§27-2056.9 Department Inspections.

§27-2056.10 Department Implementation and Enforcement.

§27-2056.11 Work Practices.

§27-2056.12 Reporting.

§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene.

§27-2056.14 Request to the Department from the Department of Health and Mental Hygiene to Execute an Order Pursuant to § 17-147 of the Administrative Code.

§27-2056.15 Waiver of Benefit Void.

§27-2056.16 Exemption for Emergency Conditions.

§27-2056.17 Record Keeping Requirements.

§27-2056.18 Application of this article based on age of child.

§27-2056.1 Statement of findings and purposes. The council finds that lead poisoning from paint containing lead is a preventable childhood disease and a public health crisis. The council further finds that the hazard in

dwellings that may occur from paint containing lead is subject to many factors, such as the age of a building and its maintenance. The Council also finds and declares that City government must focus on primary prevention as the essential tool to combat childhood lead poisoning and to achieve the goal of preventing children from suffering the adverse health and other effects of exposure to lead-based paint. The pursuit of primary prevention, which means eliminating lead hazards before children are exposed, has been recommended by the United States Centers for Disease Control and Prevention and promoted by leading experts in the field as a critical course of action to protect the health of young children. The Council, therefore, declares that resources must be directed to primary prevention, including identifying children who are most at risk.

The council recognizes that it cannot legislate a single maintenance standard for all dwellings to eliminate this hazard. Instead, the council by enacting this article makes it the responsibility of every owner of a multiple dwelling to investigate dwelling units for lead-based paint hazards and to address such hazards on a case-by-case basis as the conditions may warrant, taking such actions as are necessary to prevent a child from becoming lead poisoned. Having established this responsibility, the council finds that sufficient information exists to guide owners in making determinations about the existence of lead-based paint hazards. See, e.g., United States environmental protection agency, "Identification of Dangerous Levels of Lead; Final Rule" Federal Register, Vol. 66, No. 4 (January 5, 2001); United States department of housing and urban development, "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997).

The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 5,638 were newly identified with elevated blood lead levels of 10 micrograms per deciliter or above. The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 653 were newly identified at or above the department's environmental intervention blood lead level, which is a blood lead level equal to or exceeding 20 micrograms per deciliter in a single test or two reported blood lead levels between 15 and 19 micrograms per deciliter at least three months apart, and has also reported an overall incidence of 931 children tested with blood lead levels equal to or exceeding 20 micrograms per deciliter. When a child is identified with environmental intervention blood lead levels, the city is obligated to investigate potential sources of the lead poisoning, incurring the expense of an environmental investigation and often times also incurring the expense of medical treatment and remedial education, if necessary. The council finds that these blood lead levels among New York city children constitute a severe health crisis and has established as its goal the elimination of childhood lead poisoning by the year 2010.

In addition, the department of health and mental hygiene has reported for the year 2001 that only 29% of children in New York city are tested both at age one and age two for the disease of lead poisoning even though the testing of all children at age one and age two is mandatory under state law. The council finds that improved screening among these children is critical since children at these ages are at greatest risk for lead poisoning. The council declares that it is reasonable and necessary to increase the rate of blood-lead testing. This local law requires the department of health and mental hygiene to report to the council on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels.

The council further finds that the administration and enforcement of the City's lead poisoning prevention programs can be better coordinated. While it is intended that the department of housing preservation and development remain the agency responsible for the implementation and enforcement of this article, it is also intended that the department of health and mental hygiene shall have a significant role in the promulgation and interpretation of rules and in the development of necessary procedures pursuant to this article.

§27-2056.2 Definitions. Whenever used in this article the following terms shall have the following meanings:

(1) "Chewable surface" shall mean a protruding interior window sill in a dwelling unit in a multiple dwelling where a child of applicable age resides and which is readily accessible to such child. "Chewable surface" shall also mean any other type of interior edge or protrusion in a dwelling unit in a multiple dwelling, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where an occupant has notified the owner that a child of applicable age who resides in that multiple dwelling has mouthed or chewed such edge or protrusion.

(2) "Common area" shall mean a portion of a multiple dwelling that is not within a dwelling unit and is regularly used by occupants for access to and egress from any dwelling unit within such multiple dwelling.

(3) "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including, but not limited to, rotted or decayed wood, or wood or plaster that has been subject to moisture or disturbance.

(4) "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion and abrade, scrape, or bind when in relative motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

(5) "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

(6) "Lead-based paint hazard" shall mean any condition in a dwelling or dwelling unit that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

(7) "Lead-based paint" shall mean paint or other similar surface coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, a laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

(8) "Lead-contaminated dust" shall mean dust containing lead at a mass per area concentration of 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the department of health and mental hygiene.

(9) "Lead-contaminated dust clearance test" shall mean a test for lead-contaminated dust on floors, window wells, and window sills in a dwelling, that is made in accordance with section 27-2056.11 of this article.

(10) "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

(11) "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead-based paint, or other method approved by the commissioner of health and mental hygiene.

(12) "Rule" or "rules" shall mean a rule or rules promulgated pursuant to section 1043 of the New York city charter.

(13) "Turnover" shall mean the occupancy of a dwelling unit subsequent to the termination of a tenancy and the vacatur by a prior tenant of such dwelling unit.

(14) "Underlying defect" shall mean a physical condition in a dwelling or dwelling unit that is causing or has caused paint to peel or a painted surface to deteriorate or fail, such as a structural or plumbing failure that allows water to intrude into a dwelling or dwelling unit.

(15) "Window" shall mean the non-glass parts of a window, including but not limited to any window sash, window well, window jamb, window sill, or window molding.

§27-2056.3 Owners' Responsibility to Remediate. The existence of a lead-based paint hazard in any multiple dwelling where a child of applicable age resides is hereby declared to constitute a condition dangerous to life and health. An owner shall take action to prevent the reasonably foreseeable occurrence of such a condition and shall expeditiously remediate such condition and any underlying defect, when such underlying defect exists, consistent with the work practices established pursuant to section 27-2056.11 of this article, except where lead-contaminated

dust is present in such multiple dwelling and the department of health and mental hygiene has made a determination pursuant to paragraph six of subdivision c of section 27-2056.10 of this article.

§27-2056.4. Owners' Responsibility to Notify Occupants and to Investigate. a. In any dwelling unit in a multiple dwelling erected prior to January first, nineteen hundred sixty where a child of applicable age resides, and in any dwelling unit in a multiple dwelling erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight where a child of applicable age resides and the owner has actual knowledge of the presence of lead-based paint, and in common areas of such multiple dwellings, the owner shall cause an investigation to be made for peeling paint, chewable surfaces, deteriorated subsurfaces, friction surfaces and impact surfaces. Such investigation shall be undertaken at least once a year and more often if necessary, such as when, in the exercise of reasonable care, an owner knows or should have known of a condition that is reasonably foreseeable to cause a lead-based paint hazard, or an occupant makes a complaint concerning a condition that is likely to cause a lead-based paint hazard or requests an inspection, or the department issues a notice of violation or orders the correction of a violation that is likely to cause a lead-based paint hazard. The owner shall ascertain whether a child resides therein pursuant to the requirements of this section.

b. No occupant in a dwelling unit in such multiple dwelling shall refuse or unreasonably fail to provide accurate and truthful information regarding the residency of a child of applicable age therein, nor shall an occupant refuse access to the owner at a reasonable time and upon reasonable prior notice to any part of the dwelling unit for the purpose of investigation and repair of lead-based paint hazards.

c. All leases offered to tenants or prospective tenants in such multiple dwellings must contain a notice, conspicuously set forth therein, which advises tenants of the obligations of the owner and tenant as set forth in this section. Such notice must be in a manner approved by the department, the content of which shall, at a minimum, be in English and Spanish. The owner of such multiple dwelling shall provide the occupant of such multiple dwelling with the pamphlet described in subdivision b of section 17-179 of this code.

d. (1) The owner of such a multiple dwelling shall provide to an occupant of a dwelling unit at the signing of a lease, including a renewal lease, if any, or upon any agreement to lease, or at the commencement of occupancy if there is no lease, a notice in English and Spanish, the form and content of which shall be approved by the department of health and mental hygiene, inquiring whether a child of applicable age resides or will reside therein. If there is a lease, such notice shall be included in such lease or be attached as a rider to such lease. Such notice shall be completed by the occupant at the time of such signing of a lease, including a renewal lease, if any, or such agreement to lease, or at such commencement of occupancy.

(2) Where an occupant has responded to the notice provided by the owner pursuant to paragraph one of subdivision d of this section by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to subdivision e of this section during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead-contaminated dust.

e. (1) Each year, an owner of a multiple dwelling erected prior to January first, nineteen hundred sixty shall, no earlier than January first and no later than January sixteenth, except as provided for in subparagraph iii of paragraph two of this subdivision, present to the occupant of each dwelling unit in such multiple dwelling a notice inquiring as to whether a child of applicable age resides therein. Such notice, the form and content of which shall be approved by the department of health and mental hygiene, shall be presented as provided for in paragraph two of this subdivision, and shall be in English and Spanish.

(2) The owner may present the notice required by paragraph one of this subdivision by delivering said notice by any one of the following methods:

(i) by first class mail, addressed to the occupant of the dwelling unit;

(ii) by hand delivery to the occupant of the dwelling unit;

(iii) by enclosure with the January rent bill, if such rent bill is delivered after December fifteenth but no later than January sixteenth; or

(iv) by delivering said notice in conjunction with the annual notice required pursuant to section 17-123 of this code and the rules of the department of health and mental hygiene pertaining to the installation of window guards.

(3) (i) Upon receipt of such notice the occupant shall have the responsibility to deliver by February fifteenth of that year, a written response to the owner indicating whether or not a child of applicable age resides therein. If, subsequent to delivery of such notice, the owner does not receive such written response by February fifteenth, and does not otherwise have actual knowledge as to whether a child of applicable age resides therein, then the owner shall at reasonable times and upon reasonable notice inspect that occupant's dwelling unit to ascertain the residency of a child of applicable age and, when necessary, conduct an investigation in order to make that determination. Where, between February sixteenth and March first of that year, the owner has made reasonable attempts to gain access to a dwelling unit to determine if a child of applicable age resides in that dwelling unit and was unable to gain access, the owner shall notify the department of health and mental hygiene of that circumstance.

(ii) Where an occupant has responded to the notice provided by the owner pursuant to subparagraph (i) of this paragraph by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to this subdivision during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead contaminated dust.

(4) For calendar year two thousand four, an owner shall be deemed to have satisfied the provisions of paragraphs one through three of this subdivision if such owner delivers or has already delivered to each dwelling unit where a child under six years of age resides a notice identical or substantially similar to that required to have been delivered in calendar year two thousand three, (i) in the same manner as was required in calendar year two thousand three, and (ii) during the same periods of time in calendar year two thousand four as such notice was required to have been delivered during calendar year two thousand three.

f. The owner shall inform the occupant in writing of the results of an investigation undertaken pursuant to this section and shall provide a copy of any such report received or generated by an investigation. The owner shall retain a copy of each investigation report, for ten years from the date of such report and such report shall be made available to the department on request and shall be transferred by the owner to the owner's successor in title.

g. Any owner who violates the provisions of this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any violation of this section shall subject the owner to a civil penalty of not more than one thousand five hundred dollars per violation.

h. The department may, at its discretion, perform sample audits to determine compliance with the requirements of this section.

§27-2056.5 Presumption. a. In any multiple dwelling erected prior to January 1, 1960, it shall be presumed that the paint or other similar surface-coating material in any dwelling unit where a child of applicable age resides or in the common areas is lead-based paint. The presumption established by this section may be rebutted by the owner of the dwelling or dwelling unit by submitting to the department a sworn written statement by the owner supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the owner, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or any successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

b. The owner of a dwelling or a dwelling unit may apply to the department to have such dwelling or dwelling unit exempted from the presumption contained in subdivision a of this section when either (i) an inspection for lead-based paint in such dwelling or dwelling unit, performed in accordance with section 745.227 of title 40 of the code of federal regulations, or any successor regulation, has determined that there is no lead-based paint present in such dwelling or dwelling unit, or (ii) substantial alterations have been made to such dwelling or dwelling unit and such alterations have resulted in the removal or permanent covering of all lead-based paint in that dwelling or dwelling unit. The department shall by rule determine the requirements needed to qualify for such an exemption. Sections 27-2056.4, 27-2056.8 and 27-2056.9 of this article shall not apply to any dwelling or dwelling unit that has been granted an exemption by the department.

§27-2056.6 Violation in a Dwelling Unit. The existence of lead-based paint in any dwelling unit in a multiple dwelling where a child of applicable age resides shall constitute a class C immediately hazardous violation if such paint is peeling or is on a deteriorated subsurface.

§27-2056.7 Audit and inspection by department following commissioner's order to abate. a: When the department of health and mental hygiene issues a commissioner's order to abate pursuant to section 173.13 of the New York city health code or a successor rule that addresses lead-based paint hazards in a specific dwelling unit in a multiple dwelling, the department, within fifteen days of such order, shall notify the owner of the multiple dwelling where the dwelling unit is located that the owner shall, within forty-five days of the department's notice, provide to the department all records required to be maintained under this article. Upon the department's receipt of those records and a determination that there may exist uncorrected lead-based paint hazards in dwelling units where a child of applicable age resides, the department within ten days shall attempt to inspect such units to determine whether there are any violations of section 27-2056.6 of this article.

b. If the owner does not provide to the department the records as mandated by subdivision a of this section, the department shall within forty-five days of such failure attempt to inspect dwelling units where a child of applicable age resides to determine whether there are any violations of section 27-2056.6 of this article in such units.

c. The department is not required to undertake the procedures specified in this section in a particular multiple dwelling if it has done so in such building during the prior twelve month period.

d. Any owner who fails to comply with the provisions of this section in accordance with the rules of the department shall be liable for a class C immediately hazardous violation, and a civil penalty in an amount not to exceed one thousand dollars.

§27-2056.8 Violation in a Dwelling Unit Upon Turnover a. Upon turnover of any dwelling unit in a multiple dwelling erected prior to January 1, 1960 or a dwelling unit in a private dwelling erected prior to January 1, 1960 where each dwelling unit is to be occupied by persons other than the owner or the owner's family, the owner shall within such dwelling unit have the responsibility to:

(1) remediate all lead-based paint hazards and any underlying defects, when such underlying defects exist;

(2) make all bare floors, window sills, and window wells in the dwelling unit smooth and cleanable;

(3) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all doors and door frames; and

(4) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all windows, or provide for the installation of replacement window channels or slides on all lead-based painted friction surfaces on all windows.

b. All work performed pursuant to this section shall be performed pursuant to the safe work practices promulgated pursuant to section 27-2056.11(a)(3) of this article.

c. Any owner who fails to comply with the provisions of subdivision a of this section, or the rules of the department of health and mental hygiene or the department promulgated pursuant to section 27-2056.11(a)(3) shall be liable for a class C immediately hazardous violation.

§27-2056.9 Department Inspections. a. When entering a dwelling unit in a multiple dwelling constructed prior to January 1, 1960 for the purpose of investigating the existence of any violation of this code, the department shall make diligent efforts to ascertain whether a child of applicable age resides therein and shall request from the occupant an acknowledgement as to whether such a child resides in the dwelling unit. Whenever a child of applicable age resides in a dwelling unit, the department shall immediately perform a room-by-room inspection of the dwelling unit and record for each room in a report of such inspection whether the paint or other similar surface-coating material in each room is peeling or intact. For each room where peeling paint is found, the department shall also inspect for evidence of an underlying defect and shall indicate on the inspection report the peeling paint's location within the room, the condition of the subsurface below it, and the location of any underlying defect. When performing such inspection, the department need only inspect those portions of the dwelling unit where furniture or other furnishings do not obstruct the view of a surface, except when there is visible evidence that causes the department to believe that the obstructed surface has peeling paint. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

b. In any dwelling unit in a multiple dwelling erected prior to January 1, 1960 where a child of applicable age resides, the department shall conduct an inspection pursuant to subdivision a of this section no later than ten days after the department's receipt of a complaint describing peeling paint, or a deteriorated subsurface or underlying defect in the dwelling unit. The department shall make diligent efforts to ascertain whether a child of applicable

age resides therein. Where the department attempts to perform an inspection of a dwelling unit within the time period required by this subdivision but is unable to gain access, the department shall be required to make a reasonable attempt to gain access to such dwelling unit within five days of such attempt. If the department is unable to gain access to that dwelling unit during this additional time period, the department shall provide written notice to the occupant of such dwelling unit that no further attempts at access shall be made unless a new complaint is submitted.

c. Each inspector who performs an inspection pursuant to subdivision b of this section shall use an x-ray fluorescence analyzer during the course of that inspection to determine whether lead-based paint is present in such dwelling unit except that, for reasons beyond the control of the department, such x-ray fluorescence analysis is unable to be performed during such inspection, the department shall rely on the presumption set forth in subdivision a of section 27-2056.5 of this article. Where peeling paint is found during an inspection of a dwelling unit performed pursuant to subdivision a of this section, the department shall within ten days thereafter perform another inspection of such dwelling unit using an x-ray fluorescence analyzer to determine whether lead-based paint is present in such dwelling unit. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

d. The pamphlet developed by the department of health and mental hygiene pursuant to section 17-179 of this code shall be left at the premises of the dwelling unit at the time of an inspection made by the department pursuant to this section.

e. The department shall develop a pamphlet listing the work practices to be established pursuant to section 27-2056.11 of this article. Such pamphlet shall be delivered by the department in conjunction with all notices of violation issued pursuant to paragraph one of subdivision l of section 27-2115 of this code. Failure to include such pamphlet with such notices of violation shall not render null and void the service of such notices of violation. Such pamphlet shall also be made available to any member of the public upon request.

f. Notwithstanding any other provision of law, failure by the department or the department of health and mental hygiene to comply with any time period provided in this article or section 27-2115 of this chapter relating to responsibilities of the department and the department of health and mental hygiene, shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article.

§27-2056.10 Department Implementation and Enforcement. a. The department shall provide appropriate training for lead-based paint inspection and supervisory personnel. Department personnel who conduct a visual inspection pursuant to this article shall receive training which at a minimum, shall be the training approved by the United States department of housing and urban development for performance of visual inspections. Department personnel who perform lead-based paint inspections using XRF machines shall receive training required by the United States environmental protection agency pursuant to section 745.226(b) of title 40 of the code of federal regulations or successor regulations. Training of all inspection and supervisory personnel shall also include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and require that the individual has successfully demonstrated knowledge of the requirements of this article. The department shall provide for the continuing education of inspection and supervisory personnel.

b. The department, with the approval of the department of health and mental hygiene, shall promulgate a comprehensive written procedure to guide department personnel in implementing and enforcing this article. Where feasible, such procedures shall establish a uniform method for the department of health and mental hygiene and the department, following the method implemented by the department of health and mental hygiene, to describe violations and identify their location in a dwelling or dwelling unit. Such procedures shall include a methodology and a form to be used by department personnel when conducting an inspection to carry out and record an inspection pursuant to section 27-2056.9 of this article.

c. The department shall promulgate rules for the implementation and enforcement of this article and to effect compliance with all applicable provisions of this article, rules promulgated thereunder, and all applicable city, state or federal laws, rules or regulations. Such rules shall be subject to the approval of the department of health and mental hygiene prior to their promulgation and shall include, but not be limited to, establishing:

(1) uniform specifications and procedures to govern testing, including a standardized format for reporting such testing results, whenever paint or a similar surface-coating material is tested for its lead content, whether by or on behalf of an owner or an agency of the city of New York;

(2) procedures by which an owner shall comply with section 27-2056.4 of this article, including the form and content of the annual notice;

(3) procedures by which an owner shall submit rebuttal documentation to the department pursuant to 27-2056.5 of this article;

(4) procedures by which an owner may apply to the department to postpone the date by which a violation shall be corrected pursuant to subdivision l of section 27-2115 of this code, including, but not limited to, the stabilization of the paint which is the subject of the violation where an owner requests a second postponement of time to correct a violation in accordance with subdivision l of section 27-2115 of this code; and

(5) procedures to implement and to enforce compliance with paragraph two of subdivision l of section 27-2115 of this code, which shall include, but not be limited to, the requirement that an owner certify to:

(i) the correction of a violation of this article of the code, and

(ii) compliance with the rules promulgated by the department pursuant to section 27-2056.11 of this code; and

(6) procedures to be established by the department of health and mental hygiene to order or provide for the expeditious cleanup and removal of lead-contaminated dust when the department of health and mental hygiene determines that there is lead-contaminated dust in a dwelling unit where a child of applicable age resides, such child has an elevated blood level, and the department of health and mental hygiene determines that the source of that lead-contaminated dust is not a condition of the dwelling in which such dwelling unit is located.

§27-2056.11 Work Practices.

a. The department shall promulgate rules, with the approval of the department of health and mental hygiene, establishing work practices to which an owner shall be subject in each of the following circumstances:

(1) where an owner is performing work in order to comply with a notice of violation or order to correct issued by the department pursuant to this article, which shall be no less stringent than the safety standards required by the commissioner of health and mental hygiene whenever such commissioner shall order the abatement of lead-based paint hazards pursuant to section 173.13 of the health code or a successor rule. Such rules shall provide for temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall provide that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations, or any successor regulations.

(2) where an owner, other than in response to an order to correct or notice of violation issued by the department or the department of health and mental hygiene, is performing work that will disturb lead-based paint or paint of unknown lead content in a dwelling unit where a child of applicable age resides or in the common area of the multiple dwelling in which such dwelling unit is located, where such multiple dwelling was erected prior to January first, nineteen hundred sixty, or where the owner has actual knowledge of the presence of lead-based paint and such multiple dwelling was erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight.

(i) Except as provided in subparagraph (ii) of this paragraph, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely.

(ii) Where such work will disturb more than one hundred square feet of lead-based paint or paint of unknown lead content in a room in a multiple dwelling, or will involve the removal of two or more windows with lead-based paint or paint of unknown lead content, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto, or a successor rule, and shall include a requirement that lead-

contaminated dust clearance testing be performed at the completion of such work. Such rules shall also require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall require, in addition, that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations for the abatement of lead hazards, or any successor regulations. Such rules shall also provide that not less than ten days prior to the commencement of such work the owner of the premises, or the firm, shall file with the department of health and mental hygiene a notice of commencement so that the department of health and mental hygiene may, at its discretion, perform sample audits of such notices to determine that the firms performing the work are properly certified. Such notice shall be signed by the owner or by a representative of the firm , and shall be in a form satisfactory to or prescribed by the department of health and mental hygiene, and shall set forth at a minimum the following information:

(a) The address of the multiple dwelling and the specific location of the work within the multiple dwelling.

(b) The name, address and telephone number of the owner of the multiple dwelling in which the work is to be performed.

(c) The name, address and telephone number of the firm which will be responsible for performing the work.

(d) The date and time of commencement of the work, working or shift hours, and the expected date of completion; and

(e) Identification of the surfaces and structures, and surface area, subject to the work.

The rules shall also provide that any changes in the information contained in the notice shall be filed with the department of health and mental hygiene prior to commencement of work, or if work has already commenced, within twenty-four hours of any change. The rules shall provide that a copy of the notice of commencement shall be posted at the work site.

(iii) The provisions of this paragraph shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

(3) where an owner is performing work on turnover pursuant to 27-2056.8 of this article. Such rules shall include, but not be limited to, requiring lead-contaminated dust clearance tests at the completion of such work.

b. No person shall perform a lead-contaminated dust clearance test pursuant to this section unless such person is a third-party, who is independent of the owner and any individual or firm that performs the work, and has successfully completed a course approved or administered by the department of health and mental hygiene or by the United States environmental protection agency or the United States department of housing and urban development and obtained a certificate or other document issued by or acceptable to the department of health and mental hygiene.

c. The department, with the approval of the department of health and mental hygiene, shall promulgate rules requiring that all lead-contaminated dust clearance tests submitted to a laboratory for analysis include a sworn certification that such test was performed in compliance with all applicable rules and regulations and shall include any additional information that the department shall determine is necessary for the administration and enforcement of this section.

d. Where an owner is performing work pursuant to paragraph (1) of subdivision a of this section, all lead-contaminated dust clearance test results shall be filed with the department, and a copy shall be provided by the owner to the occupant of the dwelling unit. Where an owner is performing work pursuant to paragraphs (2) and (3) of subdivision a of this section, a copy of all lead-contaminated dust clearance test results shall be provided to the occupant of the dwelling unit. Copies of lead-contaminated dust clearance test results provided to the occupant of the dwelling unit pursuant to this subparagraph shall be in a form satisfactory to or prescribed by the department of health and mental hygiene that provides a sufficiently clear explanation of the meaning of such results.

§27-2056.12 Reporting. a. Within four months after the close of the first fiscal year after which this article takes effect and for every fiscal year thereafter, the commissioner shall provide to the council a written report on the department's implementation of this article during the preceding year. Such report shall include, at a minimum, an analysis of the department's program, a detailed statement of revenue and expenditures and statistical section designed to provide a detailed explanation of the department's enforcement including, but not limited to, the following:

(1) the number of complaints for peeling paint in pre-1960 dwelling units where a child of applicable age resides, disaggregated by city or non-city ownership of the building which is the subject of the complaint;

(2) the number of inspections by the department pursuant to this article, disaggregated by the city or non-city ownership of the building where the inspection occurred;

(3) the number of violations issued by the department pursuant to this article;

(4) the number of violations issued pursuant to this article that were certified as corrected by the owner, the number of such certifications that did not result in the removal of such violations, and the number of civil actions brought by the department against such owners; and

(5) the number of jobs performed in which violations issued pursuant to this article were corrected by the department, the total amount spent by the department to correct the conditions that resulted in the violations, and the average amount spent per dwelling unit to correct such conditions; and

(6) a statistical profile with geographic indexing, such as by community district, council district, and/or zip code, of multiple dwellings in which violations are placed, indicating the ages of the multiple dwellings and other factors relevant to the prevalence of lead-based paint hazards, which may include the prior lead poisoning of a child in the multiple dwelling, outstanding violations, and emergency repair charges.

b. The department of health and mental hygiene shall prepare a report on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels. This report shall be utilized by the department in its implementation of this article. Such report shall be submitted to the council within nine months after the close of each calendar year.

c. The department shall maintain a central register of all department orders to correct a violation under this article. Such register shall indicate, if applicable, the date of the complaint, address of the premises, and the date of each inspection and reinspection.

§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene. The department shall send a notice which shall be addressed to the dwelling unit in the multiple dwelling, when a dwelling unit is identified, for which a violation of this article was issued. Such notice shall include a telephone number for the department of health and mental hygiene. The department shall also refer to the department of health and mental hygiene the address of the unit in the multiple dwelling for which such violation was issued, the name of the complainant, if any, and the complainant's telephone number, if available. The department of health and mental hygiene, pursuant to section 17-179 of this code, shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

§27-2056.14 Inspections by Department of Health and Mental Hygiene and Removal of Health Code Violations by Department of Housing Preservation and Development. Whenever a report has been made to the department of health and mental hygiene of a person under eighteen years of age with an elevated blood lead level of fifteen micrograms per deciliter or higher residing in any dwelling unit, the department of health and mental hygiene shall conduct such investigation as may be necessary to identify potential sources of the elevated blood lead level, including but not limited to, an inspection of the dwelling unit where such person resides. If the department of health and mental hygiene issues an order to correct any violation, the department of health and mental hygiene shall notify the department of each dwelling unit in a dwelling for which the department of health and mental hygiene has issued an order to correct a violation. Where the owner of the dwelling or relevant dwelling unit within such dwelling fails to comply with an order of the department of health and mental hygiene to correct a violation placed by the department of health and mental hygiene, the department of health and mental hygiene shall certify such conditions to the department of housing preservation and development. The certification procedure shall be completed within sixteen days of the report of the elevated blood lead level. The conditions so certified shall be corrected within eighteen days of certification to the department.

§27-2056.15 Waiver of Benefit Void. a. No owner may seek to have an occupant of a dwelling unit waive the benefit or protection of any provision of this article. Any agreement by the occupant of a dwelling unit purporting to waive the benefit or protection of any provision of this article is void. Any owner who violates this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any owner who violates this section shall be liable for a civil penalty of not more than five hundred dollars per violation.

b. Notwithstanding any other provision of this article, nothing herein shall be construed to alter existing or future agreements which allocate responsibility for compliance with the provisions of this article between a tenant shareholder and a cooperative corporation or between the owner of a condominium unit and the board of managers of such condominium.

c. The provisions of this article, other than section 27-2056.14, shall not apply to a dwelling unit in a multiple dwelling where (i) title to such multiple dwelling is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit, and (ii) such dwelling unit is occupied by the shareholder of record on the proprietary lease for such dwelling unit or the owner of record of such condominium unit, as is applicable, or the shareholder's or record owner's family.

§27-2056.16 Exemption for Emergency Conditions. For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety or to protect property from further major damage, such as when a property has been damaged by a natural disaster, fire, structural collapse, cascading water, lack of utilities or other emergency conditions, occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable and the requirements of this article shall not apply. This exemption applies only to repairs immediately necessary to respond to the emergency. The requirements of this article shall apply to any work undertaken subsequent to or above and beyond such emergency actions.

§27-2056.17 Record Keeping Requirements. The owner of any multiple dwelling or dwelling that performs any work pursuant to this article shall retain all records relating to such work for a period of no less than ten years from the completion date of such work. The owner shall make any such records required to be retained by this section available to the department upon the department's request, and shall transfer such records to the owner's successor in title.

§27-2056.18 Application of this article based on age of child. For the purposes of this article, the term "applicable age" shall mean "under seven years of age" for at least one calendar year from the effective date of this section. Upon the expiration of such one year period, in accordance with the procedures by which the health code is amended, the board of health may determine whether or not the provisions of this article should apply to children of age six, and based on this determination, may redefine "applicable age" for the purposes of some or all of the provisions of this article to mean "under six years of age," but no lower.

§6. Section 27-2115 of the administrative code of the city of New York is amended by adding a new subdivision l to read as follows:

(l)(1) Notwithstanding any other provision of law, when the department serves a notice of violation to correct and certify a condition that constitutes a violation of article fourteen of subchapter two of this chapter, the notice of violation shall specify the date by which the violation shall be corrected, which shall be twenty-one days after service of the notice of violation, and the procedure by which the owner, for good cause shown pursuant to this subdivision, may request a postponement. The notice of violation shall further specify that the violation shall be corrected in accordance with the work practices established in accordance with section 27-2056.11 of this code. The notice of violation shall be served by personal delivery to a person in charge of the premises or to the person last registered with the department as the owner or agent, or by registered or certified mail, return receipt requested, or by certified mail with proof of delivery, to the person in charge of the premises or to the person last registered with the department as the owner or agent; provided that where a managing agent has registered with the department, such notice of violation shall be served on the managing agent. Service of the notice of violation shall be deemed completed three days from the date of mailing. Notification, in a form to be determined by the department, of the issuance of such violation shall be sent simultaneously by regular mail to the occupant at the dwelling unit that is the subject of such notice of violation. The department may postpone the date by which a violation shall be corrected upon a showing, made within the time set for correction in the notice, that prompt action to correct the violation has been taken but that full correction cannot be completed within the time provided because of serious technical difficulties, inability to obtain necessary materials, funds or labor, inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as may be necessary to make the required repair. Such postponement shall not exceed fourteen days from the date of correction set forth in the notice of violation. The department may require such other conditions as are deemed necessary to insure correction of the violations within the time set for the postponement. The department may grant one additional postponement of no more than fourteen days for the reasons authorized by this section so long as the paint or other condition which is the subject of the violation has been stabilized. The department is also authorized to promulgate rules establishing criteria for a postponement of the time to correct for a longer period of time where such postponement is requested because of one or more substantial capital improvements will be made that will, when completed, significantly reduce the presence of lead-based paint in such multiple dwelling or dwelling unit including, but not limited to, a requirement that the paint which is the subject of the violation is stabilized. The department shall provide to the owner and the occupant a written statement signed and dated by the person making

such decision setting forth the reasons for each postponement of the date by which a violation shall be corrected or the reason for the denial of such application for a postponement. Said written statement shall be part of the records of the department.

(2) Notwithstanding any other provision of law, the notice of violation shall direct that the correction of each violation cited therein shall be certified to the department. Such certification shall be made in writing, under oath by the registered owner, a registered officer or director of a corporate owner or by the registered managing agent. Such certification shall include a statement that the violation was corrected in compliance with paragraph one of subdivision a of section 27-2056.11 of this code and shall include a copy of the lead-contaminated dust clearance test results. All certifications shall be delivered to the department and acknowledgment of receipt therefor obtained or shall be mailed to the department by certified or registered mail, return receipt requested, no later than five days after the date set for correction, and shall include the date when each violation was corrected. Such certification of correction shall be supported by a sworn statement by the person who performed the work if performed by an employee or agent of the owner. A copy of such certification shall be mailed to the complainant by the department not more than twelve full calendar days from the date of receipt of such certification by the department. Failure to file such certification shall establish a prima facie case that such violation has not been corrected.

(3) Whenever the department shall issue a notice of violation to correct a condition that constitutes a violation of section 27-2056.6 of article fourteen of subchapter two of this chapter, the department shall within fourteen days after the date set for the correction of such violation conduct a final inspection to verify that the violation has been corrected. Where, upon conducting an inspection, the department determines that a violation has not been corrected, the department shall correct such violation within forty-five additional days of such inspection or in such shorter time as is practicable.

(4) Notwithstanding any other provision of law, the department shall not remove a violation from its records nor shall it be deemed that such violation has been corrected unless the records of the department contain written verification that the department has conducted a final inspection of the premises and that such inspection verifies that the violation has been corrected, and copies of lead-contaminated dust clearance test results whenever such tests are required by applicable law, rule or regulation. A copy of the report of the final inspection of a dwelling unit and the status of the violation shall be mailed or delivered to the occupant and the owner.

(5) Notwithstanding any other provision of law, a person making a false certification of correction of a violation issued pursuant to article 14 of subchapter 2 of this chapter, in addition to any other civil penalty, shall be subject to a civil penalty of not less than one thousand dollars nor more than three thousand dollars for each false certification made, recoverable by the department in a civil action brought in a court of competent jurisdiction. If the person making such false certification is an employee of the owner then such owner shall be responsible for such civil penalty. In addition, any such person making a false certification of correction shall be guilty of a misdemeanor punishable by a fine of up to one thousand dollars or imprisonment for up to one year or both.

(6) Notwithstanding any other provision of law, a person who violates article fourteen of subchapter two of this chapter by failing to correct such violation in accordance with paragraph one of subdivision a of section 27-2056.11 of this code shall be subject to a civil penalty of two hundred fifty dollars per day for each violation to a maximum of ten thousand dollars from the initial date set for correction in the notice of violation until the date the violation is corrected and certified to the department, and in addition to any civil penalty shall, whenever appropriate, be punished under the provisions of article three of subchapter five of this code. There shall be a presumption that the condition constituting a violation continues after the service of the notice of violation. The owner shall be responsible for the correction of all violations noticed pursuant to article fourteen of subchapter two of this chapter, but in an action for civil penalties pursuant to this subdivision may in defense or mitigation of such owner's liability for civil penalties show:

(i) That the condition which constitutes the violation did not exist at the time the violation was placed; or

(ii) That he or she began to correct the condition which constitutes the violation promptly upon discovering it but that full correction could not be completed expeditiously because of serious technical difficulties, inability to obtain necessary materials, funds or labor, or inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as might be necessary to make the repair, provided that a postponement was granted pursuant to this subdivision; or

(iii) That he or she was unable to obtain a permit or license necessary to correct the violation, provided that diligent and prompt application was made therefor; or

(iv) That the violation giving rise to the action was caused by the act of negligence, neglect or abuse of another not in the employ or subject to the direction of the owner, except that the owner shall be precluded from showing in

defense or mitigation of such owner's liability for civil penalties evidence of any acts occurring, undertaken, or performed by any predecessor in title prior to the owner taking control of the premises. Where the aforesaid allegations are made by way of mitigation of penalties, the owner shall show, by competent proof, pertinent financial data and efforts made to obtain necessary materials, funds or labor or to gain access, or to obtain a permit or license and such other evidence as the court may require.

If the court finds that sufficient mitigating circumstances exist, it may remit all or part of any penalties arising from the violations, but may condition such remission upon a correction of the violation within a time period fixed by the court.

(7) Notwithstanding any other provision of law, failure by the department to comply with any time period provided in this section relating to responsibilities of the department shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article

§7. Title 17 of the administrative code of the city of New York is amended by adding new sections 17-179, 17-180, 17-181, 17-185, and 17-186, to read as follows:

§17-179 Department Screening, Diagnosis, and Treatment. a. The department shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

b. The department shall develop a pamphlet explaining the hazards associated with lead-based paint and describing the procedures to be used in order for a violation of sections 27-2056.6 and 27-2056.7 of this code to be corrected. The pamphlet shall include appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information and to report unsafe lead-based paint work practices. Such pamphlet shall be made available in accordance with section 27-2056.9 of this code. Such pamphlet shall also be made available to any member of the public upon request.

§17-180 Training of Department Personnel. The department, in conjunction with the department of housing preservation and development, shall provide training for lead-based paint inspection and supervisory personnel. No department personnel shall conduct an inspection for lead-based paint pursuant to the health code unless that individual has received such training. At a minimum, such training shall (1) be equivalent to the training required under regulations issued by the United States environmental protection agency for the certification of lead-based paint inspectors and supervisors, (2) include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and (3) require that the individual has successfully demonstrated knowledge of the responsibilities of a certified inspector or certified supervisor, as the case may be, and the requirements of sections 173.13 and 173.14 of the health code or successor rules. The department shall provide for the continuing education of inspection and supervisory personnel.

§17-181 Lead-based paint; dry scraping and dry sanding prohibited. The dry scraping or dry sanding of lead-based paint or paint of unknown lead content in any dwelling, day care center or school is hereby declared to constitute a public nuisance and a condition dangerous to life and health. For the purpose of this section, dry scraping and dry sanding shall mean the removal of paint or similar surface-coating material by scraping or sanding without using water misting to reduce dust levels or other method approved by the department. The department shall promulgate such additional rules as necessary for the enforcement of this section.

§17-185 Inspection by the Department of Unsafe Work Practices. The department shall promulgate rules requiring the department to respond to complaints regarding unsafe lead-based paint work practices.

§17-186 Lead poisoning prevention in children. a. The department shall develop a brochure which, at a minimum, advises all appropriate medical providers of their obligations to screen and test children for lead poisoning according to all relevant federal, state and local laws, rules and regulations. Such pamphlet shall be distributed to all appropriate medical providers on an annual basis, starting on September 15, 2004.

b. The department shall develop a pamphlet regarding lead poisoning prevention in children. Such pamphlet shall, at a minimum, be printed in English and Spanish and shall include, at a minimum: (i) the manner in which children are most likely poisoned by lead; (ii) the effects of lead poisoning on a child's health; (iii) the intervals at which a child is required by New York state law to be tested for blood lead levels; (iv) the appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information; (v) the steps a parent or

guardian may take to protect his or her child from lead poisoning; and (vi) the requirement of landlords to inspect and repair lead-based paint hazards.

c. At a minimum, the department shall distribute the pamphlet produced pursuant to paragraph b of this section with each birth certificate furnished to the parent or guardian of a child pursuant to section 17-168 of this title. Such pamphlet shall also be made available to any member of the public upon request.

§8. Subdivision 1 of subsection a of section § 11-243 of the administrative code of the city of New York is amended to read as follows:

1. "Alteration" and "improvement": a physical change in an existing dwelling other than painting, ordinary repairs, normal replacement of maintenance items, [except that painting or repairs designated to eliminate the lead-based paint poisoning hazard shall be eligible for tax exemption and tax abatement under this section and] provided, however, that ordinary repairs and normal replacement of maintenance items, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, shall be eligible for tax exemption and tax abatement under this section provided that repairs and maintenance items:

(1) were started and completed within a twelve-month period,

(2) were made to any common area of the dwelling premises concurrently with a major capital improvement thereto, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, and

(3) require the issuance of a permit for at least one item thereof by any city agency, and

(4) the amount of money expended thereon shall not exceed two times the amount expended on the major capital improvement performed concurrently therewith.

"Alteration" and "improvement" shall also mean "an abatement" of lead-based paint hazards, as defined in part 745 of title forty of the code of federal regulations or any successor regulations, and shall include an "inspection" and "risk assessment" for lead-based paint hazards, as defined in such part, in a dwelling unit occupied by a child of applicable age, as established in accordance with section 27-2056.18 of this code, regardless of whether a child is or has been lead poisoned but shall not include any work performed to comply with a notice of violation issued for a violation of article fourteen of subchapter two of chapter .

§9. Title 17 of the administrative code of the city of New York is amended by adding a new chapter nine to read as follows:

Chapter 9
Lead-Based Paint in Day Care Facilities
Subchapter 1
Definitions

§17-900 Definitions.

Subchapter 2
Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption.
§17-911 Remediation.
§17-912 Department Rules.
§17-913 Annual Inspection.

Subchapter 1
Definitions

§17-900 Definitions. For the purpose of this chapter the following terms shall have the following meanings:

1. " Chewable surface" shall mean a protruding interior window sill in a day care facility that is readily accessible to a child of applicable age. "Chewable surface" shall also mean any other type of interior edge or protrusion in a day care facility, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where the operator of such day care facility has observed that a child under six years of age has mouthed or chewed such edge or protrusion.

2. "Day care facility" shall mean any facility used to provide day care service.

3. "Day care service" shall mean any service which, during all or part of the day, regularly gives care to seven or more children under six years of age, not all of common parentage, which operates more than five hours per week for more than one month a year. Day care service shall not mean a kindergarten or higher grade in a facility operated by the board of education.

4. "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including but not limited to, rotted or decayed wood, or wood or

plaster that has been subject to moisture or disturbance.

5. "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion, and abrade, scrape or bind when in motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

6. "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

7. "Lead-based paint" shall mean paint or other similar surface-coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the PCS released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

8. "Lead-based paint hazard" shall mean any condition that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

9. "Lead-contaminated dust" shall mean dust containing lead at 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the New York City board of health.

10. "Operator of such day care facility" shall mean any person who provides day care service and the owner of the premises where such day care facility is located. "Person" shall mean an individual, corporation, partnership, association or other for-profit or not-for-profit entity.

11. "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking, or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

12. "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead based paint, or other method approved by the commissioner of health and mental hygiene.

Subchapter 2

Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption. a. All paint or similar surface-coating material on the interior of any day care facility in a structure erected prior to January 1, 1978, shall be presumed to be lead-based paint.

b. The presumption established by this section may be rebutted by the operator or owner of the day care facility by submitting to the department a sworn written statement by the operator or owner of the day care facility supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the operator or owner of the day care facility, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

§17-911 Remediation. a. There shall be no peeling lead-based paint in any portion of any day care facility.

b. Lead based paint or paint of unknown lead content that is peeling, or which is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces shall be immediately remediated in a manner authorized by the department.

c. Any equipment that is painted shall be painted with lead-free paint.

d. Whenever a condition prohibited by this section is found to exist, the department shall immediately serve an order on the operator or owner of such day care facility to remediate the condition. In the event such order is not complied with within forty-five days of service thereof, the department shall immediately request an agency of the city of New York to execute such order pursuant to the provisions of section 17-147 of this code. The agency shall execute the order within forty-five days of the department's request. The city of New York shall be entitled to enforce its rights for reimbursement of expenses incurred thereby, including as credits toward lease payments.

e. When lead-based paint hazards are remediated pursuant to this section such work shall be performed in compliance with work practices established by the department pursuant to section 17-912 of this subchapter.

§17-912 Department rules. The department shall promulgate such rules as may be necessary for the implementation of this chapter. Such rules shall incorporate work practices that are no less protective of public health than those set forth in section 173.14 (d) and (e) and those parts of subdivision b of the health code applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

§17-913 Annual Survey. The operator of a day care facility shall conduct a survey of such facility annually, and more often if necessary, to determine the physical condition of surface-coating material throughout each such facility and shall provide a copy of the survey results to the department.

§10. All actions taken by the departments of housing preservation and development and health and mental hygiene pursuant to local law 38 of 1999 and local law 1 of 1982 shall be deemed valid to the extent that all violations written, and fines or penalties assessed, as well as any costs for repairs of such violations shall remain valid and enforceable, provided, however, that any such violations which remain uncorrected on the effective date of this local law shall be repaired using the work practices established pursuant to section 27-2056.11(a)(1) as added by section 5 of this local law, and the rules promulgated thereunder, and certified to the department of housing preservation and development in accordance with section 27-2056.10(c)(5) and subdivision (l) of section 27-2115 of the administrative code of the city of New York, as added by section five of this local law, and the rules promulgated thereunder pursuant to this local law.

§11. If any sentence, paragraph, section or part of this local law shall be adjudged invalid by a court of competent jurisdiction such judgment shall not impair or invalidate the remainder thereof but shall be confined to that part.

§12. Paragraph 4 of subdivision e of section 27-2056.4 of the administrative code of the city of New York, as added by section 5 of this local law, shall take effect immediately, and all other provisions of this local law shall take effect one hundred eighty days after its enactment, except that the commissioners of health and mental hygiene and housing preservation and development shall promulgate all rules and take all other actions necessary to implement this local law, other than paragraph 4 of subdivision e of section 27-2056.4, on or before the date upon which it shall take effect.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on December 15, 2003, disapproved by the Mayor on December 17, 2003 and repassed by the Council Members on February 4, 2004 and said law is adopted notwithstanding the objection of the Mayor.

VICTOR L. ROBLES, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 1 of 2004, Council Int. No. 101-A) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 15, 2003: 44 for, 5 against, 1 not voting.

Was disapproved by the Mayor on December 17, 2003.

Was returned to the City Clerk on December 19, 2003.

Was reconsidered by the Council on February 4, 2004 and received the following vote of the Council members at a meeting of the Council on February 4, 2004: 44 for, 5 against, 1 not voting.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel

EXHIBIT "25"

SHARED BUILDING STAFF AGREEMENT

SHARED BUILDING STAFF AGREEMENT

AGREEMENT dated the _____ day of _____, 200___, by and between AP Huntington Street, LLC having an office at c/o Metropolitan Housing Partners, 588 Broadway, Suite 1208, New York, New York 10012 (hereinafter referred to as "Declarant A") and AP Court Street, LLC having an office at c/o Metropolitan Housing Partners, 588 Broadway, Suite 1208, New York, New York 10012 (hereinafter referred to as "Declarant B").

STATEMENT OF FACTS

Declarant A is the owner of a certain parcel of real property situate in the City of New York, County of Kings, State of New York known as 204 Huntington Street, Brooklyn, New York (hereinafter referred to as "Parcel A"), as more particularly described in Exhibit A annexed hereto and by this reference made a part hereof, which Parcel A is improved, inter alia, with one building containing approximately sixty (60) residential apartments. Declarant B is the owner of a certain other parcel of real property, situate in the City of New York, County of Kings, State of New York known as 505 Court Street, Brooklyn, New York (hereinafter referred to as "Parcel B"), as more particularly described in Exhibit B annexed hereto and by this reference made a part hereof, which Parcel B is presently improved, inter alia, with one building consisting of three (3) contiguous building sections and containing approximately one hundred twenty-four (124) residential apartments. Declarant A and Declarant B (collectively, the "Declarant") mutually desire to create and establish certain easements in common and restrictive covenants affecting Parcel A and Parcel B in order to provide and pay for a common "Building Staff" (as such term is defined in Section 1.2 hereof) for the two Parcels, all as more particularly set forth herein.

NOW, THEREFORE, Declarant A and Declarant B covenant, declare and agree, for itself, its successors and assigns and for all future owners of all or any portion of either or both Parcel A and Parcel B as follows:

ARTICLE 1

Definitions

Unless the context otherwise requires, the following terms shall have the meanings herein specified and shall be applicable equally to the singular and plural nouns and to verbs of any tense:

Section 1.1. "Apartments" shall mean the residential apartments located in the Parcels including, without limitation, condominium units and rental apartments.

Section 1.2. "Building Staff" shall mean the employees used to maintain and service the Parcels as may be determined from time to time by mutual agreement by Declarant A and Declarant B.

Section 1.3. "Condemned" shall mean condemned or taken in condemnation or eminent domain proceedings for any public or quasi-public use or purpose, which term shall also include any sale in lieu of the foregoing.

Section 1.4. "Declarant A" shall have the meaning set forth in the Preamble hereto.

Section 1.5. "Declarant B" shall have the meaning set forth in the Preamble hereto.

Section 1.6. "Labor Costs" shall mean the base weekly salaries of the Building Staff, holiday, vacation and overtime pay for the Building Staff, the cost of workmen's compensation insurance, FICA taxes, federal and state unemployment, layout insurance, unemployment insurance, New York State disability, union disability, union pension, union welfare/health, union training school fund, union legal fund, union annuity fund, security and other union payments, annual bonus, payroll processing fee, cost of uniforms, including cleaning, any association membership due related to labor including collective bargaining associates and such other miscellaneous costs directly associated with the Building Staff. Labor Costs shall not include the cost of independent service contracts such as exterminator, boiler maintenance, landscaping, elevator maintenance, laundry maintenance, etc.

Section 1.7. "Legal Process" shall mean any summons, complaints, or other papers necessary or desirable to be served in connection with any action or proceeding, whether before a court or by arbitration, involving the determination or enforcement of any rights or obligations hereunder, each of which shall be served pursuant to Section 7.1 hereof.

Section 1.8. "Notices" shall mean all notices, certificates, demands, elections, or other communications required or desired to be given hereunder, each of which shall be given pursuant to Section 7.1 hereof.

Section 1.9. "Parcel A" shall have the meaning set forth in the Statement of Facts hereof.

Section 1.10. "Parcel A Owner" shall mean the Person or Persons who shall own record title to all or any portion of Parcel A at the time in question. If Parcel A or any portion thereof shall be converted to the condominium form of ownership, then, with respect to such Parcel or portion thereof, the term "Parcel A Owner" shall mean the governing body of the condominium as agent of all of the owners of Apartments therein, and not the individual owners of Apartments in such condominium.

Section 1.11. "Parcel B" shall have the meaning set forth in the Statement of Facts hereof.

Section 1.12. "Parcel B Owner" shall mean the Person or Persons who shall hold record title to all or any portion of Parcel B at the time in question. If Parcel B or any portion thereof shall be converted to the condominium form of ownership, then, with respect to such Parcel or portion thereof, the term "Parcel B Owner" shall mean the governing body of the condominium, as agent of all of the owners of Apartments therein, and not the individual owners of Apartments in such condominium.

Section 1.13. "Parcel Owners" shall mean, collectively, the Parcel A Owner and the Parcel B Owner.

Section 1.14. "Parcels" shall mean, collectively, Parcel A and Parcel B.

Section 1.15. "Person" shall mean a natural person, a corporation, a partnership, a limited liability company, an association, a trust or any other entity which is permitted to take title to real estate pursuant to New York law.

Section 1.16. "Tenant Protective Laws" shall mean the Rent Stabilization Law of 1969, the Emergency Tenant Protection Act of 1974, Section 352-eee of the General Business Law and all similar laws, orders, rules, codes and regulations applicable to the Apartments or any of them and any amendment to any of the foregoing.

ARTICLE 2

General Grant of Easements and Rights

Section 2.1. Grant of Easements. Subject to the terms, limitations, restrictions, and conditions referred to in Sections 2.2 hereof and elsewhere in this Agreement, Declarant A and Declarant B do hereby reserve for the benefit of, and hereby give, grant and convey to, the Parcel Owners and the Building Staff a perpetual, mutual reciprocal and exclusive easement, license, right and privilege to pass over and upon the Parcels, and to use all access driveways courtyards, sidewalks, staircases and walkways (which are not part of any Apartment) now existing, or hereafter constructed, on the Parcels, for the purpose of maintaining, cleaning, repairing and inspecting the improvements on the Parcels as well as the grounds and performing all other functions and services necessary and reasonable for performing the functions of the Building Staff. Nothing contained in this Section 2.1, however, shall be deemed to limit the right of the Parcel Owners with respect to their respective Parcels to modify, alter, change, hypothecate, encumber or replace the improvements and buildings located on such Parcels free from all rights created hereunder.

Section 2.2. Limitations on Grants. Notwithstanding anything to the contrary contained in the Agreement, all of the licenses, easements, right and privileges reserved, given, granted, or conveyed hereby are not reserved, given, granted or conveyed expressly subject to all of the terms, limitations and conditions herein set forth.

ARTICLE 3

Building Staff

Section 3.1. Employment of Building Staff: Subject to the terms contained in this Agreement, the Parcel Owners shall jointly employ a cleaning, repair and staffing of the Parcels.

Section 3.2. The Committee: In connection with the Building Staff, the Parcel Owners shall appoint a four (4) person committee (the "Committee"), with two members being appointed by Declarant A and two members being appointed by Declarant B, which committee, upon appointment, shall be authorized hereby without the need for any additional writing, to contract for, hire, pay and supervise the Building Staff. The Owners, which Committee members shall serve at the sufferance of the Parcel Owner appointing same and shall be removable for cause or without cause only by the Parcel Owner who appointed same. All decisions of the Committee in connection with the Building Staff shall be by affirmative vote of at least a majority vote of all members either in person or in writing. In the event the Committee members cannot achieve a majority vote with respect to a particular matter, same shall be submitted to binding arbitration in accordance with the provisions of Section 7.2 hereof. The Committee members shall serve without pay or compensation.

Section 3.3. Duties of the Committee: In addition to the functions set forth in Section 3.2 above, the Committee shall collect monthly in advance from the Parcel Owners in the proportionate amounts set forth in Section 4.1 hereof, an amount necessary to pay the Labor Costs for the following month and to timely pay such costs on behalf of the Parcel Owners. The monies so collected shall be held in and paid from a special segregated account. The Committee shall submit to the Parcel Owners regular monthly statements supporting the disbursement vouchers.

Section 3.4. Delegations of Committee Functions to a Managing Agent: The Committee is hereby authorized to delegate its duties and functions to the managing agent for the respective Parcels provided such Managing Agent is, acting in this capacity, the agent for both Parcels.

Section 3.5. Tenant Protective Laws: Notwithstanding anything to the contrary in this Agreement, the Parcel Owners and the Committee shall, at all times, maintain a Building Staff sufficient to provide to residents of all Apartments that are subject to any Tenant Protective Laws not less than the level of services that is required by such Tenant Protective Laws to be provided to them pursuant to any of same.

Section 3.6. Subject to Offering Plans: In the event either or both Parcels are converted to condominium ownership the Parcel Owners and the Committee shall be bound by any terms, conditions and limitations in which such conversion shall have been made and any agreements entered into under such offering plan(s) between cooperative apartment corporations or condominiums and the holders of unsold shares or unsold units, as the case may be.

Section 3.7. Liability of Committee Members: The Committee members shall have no liability to the Parcel Owners or the residents of the Parcels Owners except that a Committee member shall be liable for such member's own bad faith or willful misconduct. Every agreement and contract made or other document executed by the same shall be made or executed on behalf of the Parcel Owners solely as agent for the Parcel Owners and that the members of the Committee shall have no liability thereon. Each Parcel Owner shall jointly and severally indemnify, defend and hold harmless each Committee member from any and all claims arising from such Committee members' acts or omissions as or by reason of fact, that such individual is or was, a member of the Committee, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such Committee member.

ARTICLE 4

Labor Costs

Section 4.1. Proportionate Share of Labor Costs: The Parcel A Owner shall be responsible for 40% of the Labor Costs and Parcel B Owner shall be responsible for 60% of the Labor Costs, which Labor Costs are to be collected and billed in accordance with the provisions of Section 3.3 hereof.

Section 4.2. Resident Manager's Apartment: The Parcel Owners shall be responsible based upon the percentages set forth in Section 4.1 hereinavove at the Parcel Owners' cost and expense to maintain an apartment located on Parcel B for a live-in Resident Manager ("Resident Manager's Apartment") and to pay for the monthly costs of electricity, rental payments, real estate taxes, common charges and mortgage payments, if any, associated with the maintenance and upkeep of the Resident Manager's Apartment. The foregoing shall be considered a part of the Labor Costs for purposes of making the allocation set forth in the preceding Section 4.1. It is expressly agreed that Parcel A Owner shall not be obligated to pay any of the costs or expenses associated with the acquisition of the Resident Manager's Apartment including, without limitation, the purchase price, mortgage recording taxes, transfer taxes, legal fees or other closing costs associated therewith.

ARTICLE 5

Section 5.1. Condemnation and Casualty. (a) In the event that all or a substantial portion of a Parcel shall be Condemned or destroyed by casualty, this Agreement, together with all easements, licenses, rights and privileges reserved, given, granted and conveyed hereunder, shall cease and come to an end as of the date that the same shall be so Condemned or destroyed insofar as the same shall relate to, or affect, the portion of the Parcel so Condemned or destroyed, except that, if the same shall be temporarily Condemned, the affected easements, licenses, rights and privileges shall only be suspended for the duration thereof.

ARTICLE 6

Covenants to Run With the Land

Section 6.1. Covenants to Run With the Land. The easements, licenses, rights and privileges herein given, granted and conveyed shall be for the benefit of each and every resident of the Apartments, and, except as herein otherwise provided, the covenants, easements, licenses, privileges and restrictions herein set forth shall be perpetual and shall be construed to run with the Parcels and each and every interest therein, and shall be forever binding upon and inure to the benefit of Declarant A, Declarant B, the Parcel Owners, and all residents, and their respective heirs, legal representatives, successors and permitted assigns, but the same are not intended, nor shall they be deemed, to create any rights in or for the benefit of the general public. The acceptance of a deed of conveyance, or the succession of title to, or the entering into a lease, sublease, or occupancy agreement with respect to the Parcels, or a portion thereof, shall constitute an agreement that the provisions of this Agreement, as same may be amended from time to time pursuant to the terms of Section 7.2 hereof, are accepted and ratified by such grantee, successor, tenant, subtenant, or occupant, and all of such provisions shall be deemed, and taken to be, covenants running with the land and shall bind any Person having at any time any interest or estate in such parcels of land, as though such provisions were recited and stipulated at length in each and every deed, conveyance, lease, or sublease thereof.

ARTICLE 7

Miscellaneous

Section 7.1. Notices. (a) All Notices shall be given in writing and shall be sent by registered or certified mail, return receipt requested, addressed, if to Declarant A or Declarant B, to the address first hereinabove set forth. If, at any time or from time to time, a Person shall succeed to the interest or estate of Declarant A or Declarant B in either of the Parcels or any portion thereof, then:

(i) no Notice that purports to have been given by such Person shall be deemed effective, and the Declarant A or Declarant B to whom such Notice shall have been addressed shall not have any obligation to recognize such Notice as having been given, unless the Declarant A or Declarant B to whom such Notice is given shall have been given, either theretofore or simultaneously therewith, written Notice of the event by which such Person shall have acquired such interest or estate; and

(ii) such Person shall not be entitled to receive any Notice hereunder, and any Notice given, or deemed to have been given, to the prior holder of such interest or estate shall be deemed to have been given to such Person, unless and until Declarant A or Declarant B giving Notice shall have been given written Notice of the event by which such Person shall have acquired such interest or estate.

Section 7.2. Amendment. Subject to the terms of Section 3.5 and of the next sentence, the Parcel Owners shall have the right, without any need for the consent of any resident of the Apartments, to jointly amend, modify, alter, change, annul, or terminate any or all of the easements, licenses, rights and privileges granted hereunder and any or all of the terms, conditions and limitations set forth herein in the interest of public safety or for the proper use, development, or maintenance of either or both the Parcels or any portion thereof. Any amendment, modification, alteration, change, annulment, or termination hereof pursuant to this Article 7.2 shall be ineffective unless the same shall be embodied in a writing executed and acknowledged by both the Parcel Owners.

Section 7.3. Arbitration. If a dispute shall arise hereunder between the Parcel Owners, such dispute shall be settled by arbitration conducted in the County of Kings, State of New York 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 thereof. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in Kings County before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of Kings having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any Arbitration under this Article shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen years.

Section 7.4. Waiver. No provision contained in this Agreement shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 7.5. Severability. If any provision of this Agreement, or any section, sentence, clause, phrase, or word contained herein or the application thereof, shall in any circumstances be judicially held in conflict with the laws of the State of New York, then the said laws shall be deemed controlling, and the validity, force and effect of the remainder of this Agreement, and the application of any such provision, section, sentence, clause, phrase or word in other circumstances, shall not be affected thereby.

Section 7.6. Gender. The use of the neuter gender in this Agreement shall be deemed to refer to the masculine or feminine gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

Section 7.7. Captions. The captions herein inserted have been included only as a matter of convenience and for reference, and shall in no wise be deemed to define, limit, or describe and scope of this Agreement or the intent of any provisions hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

DECLARANT A:

AP Huntington Street, LLC

By: _____
Name:
Title:

DECLARANT :

AP Court Street, LLC

By: _____
Name:
Title:

(ACKNOWLEDGEMENT)

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PARCEL "A" PREMISES

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

BEGINNING at the corner formed by the intersection of the southerly side of Huntington Street with the westerly side of Smith Street;

RUNNING THENCE westerly along the southerly side of Huntington Street, 185 feet 6 inches;

THENCE southerly, parallel with Smith Street, 100 feet;

THENCE easterly, parallel with Huntington Street, 7 feet 6 inches;

THENCE southerly, parallel with Smith Street, 100 feet to the northerly side of West 9th Street;

THENCE easterly along the northerly side of West 9th Street, 97 feet 11 inches;

THENCE northerly, parallel with Smith Street, 105 feet 6 inches;

THENCE easterly, parallel with West 9th Street and part of the distance through a party wall, 80 feet 1 inch to the westerly side of Smith Street;

THENCE northerly along the westerly side of Smith Street, 94 feet 6 inches to the corner, the point or place of BEGINNING.

Together with the benefits of a Light and Air Easement dated as of May 1, 1998 and recorded May 16, 2000 in Reel 4873 page 1096.

Said premises being known as and by the street number 204 Huntington Street.

EXHIBIT "B"

LEGAL DESCRIPTION OF THE PARCEL "B" PREMISES

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

BEGINNING at the corner formed by the intersection of the southwesterly side of Huntington Street with the southeasterly side of Court Street.

RUNNING THENCE southwesterly along the southeasterly side of Court Street, 91 feet 1-1/2 inches to the southeasterly face of the concrete wall of the building on the premises hereby described;

THENCE southeasterly parallel or nearly so with Huntington Street and along the said southeasterly side of said wall, 54 feet 6 inches;

THENCE southwesterly parallel with Court Street, 57 feet 2 inches;

THENCE southeasterly parallel with Huntington Street, 10 feet;

THENCE southwesterly parallel with Court Street, 51 feet 10 inches to the northeasterly side of West 9th Street;

THENCE southeasterly along said northeasterly side of West 9th Street, 157 feet 6 inches to a point distant 178 feet northwesterly from the northwesterly side of Smith Street;

THENCE northeasterly parallel with Court Street, 100 feet to the center line of the block between Huntington Street and West 9th Street;

THENCE northwesterly parallel with Huntington Street, 7 feet 6 inches;

THENCE northeasterly parallel with Court Street, 100 feet to the southwesterly side of Huntington Street;

THENCE northwesterly along said southwesterly side of Huntington Street, 214 feet 6 inches to the point of place of BEGINNING.

Said premises being known as and by the street number 505 Court Street.

EXHIBIT "26"

FACADE ESTIMATE

ISRAEL BERGER ARCHITECTS, P.C.
EXTERIOR WALL & ROOFING CONSULTANTS
232 Madison Avenue, New York, NY 10016 Tel: (212) 689-5389 Fax: (212) 689-6449

February 22, 2005

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

RE: 505 COURT STREET – Estimated Cost of Repairs
Brooklyn, New York
File No. CD-04-0161

To The New York State Department of Law:

Israel Berger Architects, P.C. is the Architect of Record for the concrete façade repairs and window replacement program at 505 Court Street. The following summarizes the cost of façade repairs and window replacement as well as provides a general recommendation for anticipated future façade inspection and maintenance costs:

1. **Concrete repairs - $ 61,050**

   Repairs were performed by Kraus Restoration. The work began in October 2004 and is now completed. Kraus Restoration is currently repairing façade leak areas and will be completed by the end of February 2005. The cost for addressing the leak areas is currently anticipated to be approximately $10,000.

2. **Window Replacement - $ 1,565,000**

   The window replacement scope was awarded to Skyline Windows and the work is expected to commence in Spring 2005.

3. **Periodic Façade Inspection - $ 10,000 (once every five years)**

   Owners of buildings over six stories are required to retain a Registered Architect or Professional Engineer to inspect the building's facades every five years, and file a report to the Department of Buildings in accordance with Local Law 11/98. We estimate the cost of performing the 6th cycle inspection to be approximately $10,000 and should be adequate for the Professional's and Contractor's cost to perform the required scaffold drop survey (one drop on a street side façade), including the preparation and filing of the report.

4. **Routine Façade Maintenance - $ 50,000 (over the upcoming five year period)**

Based upon portions of the facades already inspected and the work performed by Kraus Restoration to-date, we estimate approximately $ 50,000 over the next five years for limited concrete repairs.

However, it is difficult to provide an accurate estimate for future façade maintenance on a building of this type and age over a long period of time. The building facades are poured in-place concrete and have been periodically repaired and coated (painted) in the past. Only by physically sounding and touching the concrete surfaces can we provide a comprehensive evaluation of the building's facades. The future condition of the facades is dependant upon service conditions (weather, etc.) as well as periodic inspection and proactive maintenance.

Sincerely,



Marc Weissbach, AIA

Cc: Steven Hirsch - Metropolitan Housing Partners
Christine Hilla, Esq. - Stroock & Stroock & Laven LLP
Stanford Chan, RA - IBA