

THIS OFFERING PLAN HAS BEEN AMENDED.
SEE INSIDE COVER

CONDOMINIUM OFFERING PLAN
FOR

THE NORMANDIE CONDOMINIUM

LOCATED AT
100 WEST 119TH STREET
NEW YORK, NEW YORK 10026

CONSISTING OF TWENTY-FIVE (25) RESIDENTIAL UNITS
AND SIX (6) COMMERCIAL UNITS

OFFERING PRICE FOR TWENTY-FIVE (25) RESIDENTIAL UNITS: \$20,430,000

THE COMMERCIAL UNITS ARE NOT BEING OFFERED FOR SALE AT THIS TIME.

SPONSOR:
167-177 Lenox, LLC
c/o Tahl-Propp Equities
405 Park Avenue, Suite 1103
New York, New York 10022

SELLING AGENT:
Halstead Property, LLC
784 Broadway
New York, New York 10003

Date of Acceptance of Offering Plan: November 16, 2004.

The term of the offer is twelve (12) months from the date of acceptance, unless amended or extended by a duly filed amendment.

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN.

SEE PAGE (iii) FOR SPECIAL RISKS TO PURCHASERS.

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SEE PAGE (iii) FOR SPECIAL RISKS TO PURCHASERS.

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EIGHTH AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM
100 WEST 119TH STREET
NEW YORK, NEW YORK

DATED: September 23, 2005

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004, AS AMENDED, AND SHOULD BE READ IN CONJUNCTION WITH THE PLAN.

**EIGHTH AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: The Normandie Condominium

Sponsor: 167-177 Lenox LLC

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004, as amended, (the "**Plan**"), and should be read in conjunction with the Plan.

1. Price Increase for Unsold Units.

Effective immediately, the price of all Units for which Purchase Agreements have not yet been signed is increased as set forth on the attached Schedule A. The Schedule A contained in the printed Plan is deleted and Schedule A attached to this amendment is substituted in its place.

2. Incorporation of Plan.

The Plan, as modified and supplemented herein, is incorporated herein by reference with the same effect as if set forth at length.

3. No Other Material Changes.

Except as set forth in this Amendment, there have been no other material changes in the Plan.

4. Definitions.

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX LLC**

Dated: September 23, 2005

Schedule A

The Normandie Condominium, 100 West 119th St., NY, NY

Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2005)

Residential Unit No.	Number of Bedrooms/Baths/Am enities * (FN5)	Interior Square Footage (FN1)	Total Square Footage of Outdoor Limited Common Elements **	Purchase Price (FN2)	Percentage Interest In Residential Common Expenses (FN3)	Percentage Interest In General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN6)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Real Estate Taxes with J-51 Benefits (Monthly) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
1A		1,654		\$1,095,000	2.71%	2.40%	\$468.66	\$188.52	\$2,262.24	\$657.18	\$14.37	\$483.03
2A	4/2	1,467		\$795,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
2B	4/2	1,535		\$849,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
2C	4/3	1,682		\$979,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
2D	4/2	1,436		\$849,000	4.39%	3.40%	\$758.69	\$305.18	\$3,662.20	\$1,063.87	\$23.26	\$781.94
3A	4/2	1,467		\$815,000	3.77%	3.47%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
3B	4/2	1,535		\$869,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
3C	4/3	1,682		\$995,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
3D	4/2	1,436		\$855,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
4A	4/2	1,467		\$875,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
4B	4/2	1,535		\$995,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
4C	4/3	1,682		\$1,025,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
4D	4/2	1,436		\$1,060,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
5A	4/2	1,467		\$925,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
5B	4/2	1,535		\$915,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
5C	4/3	1,682		\$1,050,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
5D	4/2	1,436		\$875,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
6A	4/2	1,467		\$925,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
6B	4/2	1,535		\$1,250,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
6C	4/3	1,682		\$1,325,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
6D	4/2	1,436		\$1,175,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
PH7A	4/2	1,467	228	\$1,295,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
PH7B	4/2	1,535	256	\$1,415,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
PH7C	4/3	1,682	245	\$1,489,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
PH7D	4/2	1,436	256	\$1,325,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
25 Residential Units												
Residential Total		38,374		\$26,020,000	100.00%	89.13%	\$17,288.64	\$6,954.41	\$83,452.90	\$24,243.05	\$530.01	\$17,818.66
Commercial Unit No.					Percentage Interest In Commercial Expenses							
1B	0/5	1,112		n/a	27.76%	2.85%	\$179.40	\$236.17	\$2,834.01	\$415.57		n/a
1C	0/5	441		n/a	10.97%	1.26%	\$70.87	\$93.29	\$1,119.49	\$164.16		n/a
1D	0/5	447		n/a	11.11%	1.27%	\$71.82	\$94.55	\$1,134.61	\$166.37		n/a
1E	0/5	667		n/a	16.72%	1.79%	\$108.05	\$142.25	\$1,706.96	\$250.30		n/a
1F	0/5	546		n/a	9.63%	1.51%	\$62.25	\$81.94	\$983.33	\$144.19		n/a
1G	0/5	836		n/a	26.67%	2.19%	\$172.38	\$226.92	\$2,723.07	\$399.30		n/a
6 Commercial Units												
Commercial Total		4,049			100.00%	10.87%	\$664.76	\$875.12	\$10,501.48	\$1,539.89		n/a
Condominium Total						100.00%	\$17,953.41	\$7,829.53	\$93,954.38	\$25,782.94		n/a

* Each Residential Unit has a limited common element storage space. ** Penthouse Units 7A, 7B, 7C, and 7D each have a limited common element roof deck.

**SEVENTH AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM**

**100 WEST 119TH STREET
NEW YORK, NEW YORK**

DATED: September 19, 2005

**THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE
ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004, AS AMENDED, AND
SHOULD BE READ IN CONJUNCTION WITH THE PLAN.**

**SEVENTH AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: **The Normandie Condominium**

Sponsor: **167-177 Lenox LLC**

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004, as amended, (the "**Plan**"), and should be read in conjunction with the Plan.

1. Price Increase for Unsold Units.

Effective immediately, the price of all Units for which Purchase Agreements have not yet been signed is increased as set forth on the attached Schedule A. The Schedule A contained in the printed Plan is deleted and Schedule A attached to this amendment is substituted in its place.

2. Incorporation of Plan.

The Plan, as modified and supplemented herein, is incorporated herein by reference with the same effect as if set forth at length.

3. No Other Material Changes.

Except as set forth in this Amendment, there have been no other material changes in the Plan.

4. Definitions.

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX LLC**

Dated: September 19, 2005

Schedule A

The Normandie Condominium, 100 West 119th St., NY, NY

Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2005)

Residential Unit No.	Number of Bedrooms/Baths/Am enities * (FN5)	Interior Square Footage (FN1)	Total Square Footage of Outdoor Limited Common Elements **	Purchase Price (FN3)	Percentage Interest in Residential Common Expenses (FN3)	Percentage Interest in General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN6)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Real Estate Taxes with J-51 Benefits (Monthly) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
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6 Commercial Units												
Commercial Total		4,049			100.00%	10.87%	\$684.76	\$875.12	\$10,501.48	\$1,539.89		n/a
Condominium												
Total						100.00%	\$17,953.41	\$7,829.53	\$93,954.38	\$25,782.94		n/a

* Each Residential Unit has a limited common element storage space. ** Penthouse Units 7A, 7B, 7C, and 7D each have a limited common element roof deck.

**SIXTH AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM
100 WEST 119TH STREET
NEW YORK, NEW YORK**

DATED: September 9, 2005

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004, AS AMENDED, AND SHOULD BE READ IN CONJUNCTION WITH THE PLAN.

**SIXTH AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: The Normandie Condominium

Sponsor: 167-177 Lenox LLC

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004, as amended, (the "**Plan**"), and should be read in conjunction with the Plan.

1. Technical Changes to Plan.

- (a) All references to "167-177 Lenox, LLC" in the Plan and the Purchase Agreement shall be deemed deleted and reference to "167-177 Lenox LLC" (i.e., without commas) shall be substituted therefor.
- (b) All references to "Amerafund Home Mortgage" in the Plan and the Purchase Agreement shall be deemed deleted and reference to "Amerifund Home Mortgage" shall be substituted therefor.
- (c) All references to "Manhattan Property Management, Inc." and "Manhattan North Management Corp." in the Plan shall be deemed deleted and reference to "Manhattan North Management Company, Inc." shall be substituted therefor.
- (d) Due to the nature of Sponsor's renovation work at the Property, there is no requirement to obtain a Certificate of Occupancy for the Building. Therefore, all references in the Plan to the Sponsor obtaining either a Temporary Certificate of Occupancy or a Permanent Certificate of Occupancy (including in Paragraph 16 of the Special Risks section, subsection (1) of Section 14C and subsection (11) of Section 16A) shall be deemed deleted and of no further force or effect.
- (e) The definition of "General Common Elements" in the Plan and Declaration is hereby amended to include the following: common bathroom in cellar and skylights over penthouse bulkheads.
- (f) The definition of "Residential Limited Common Elements" in the Plan and Declaration is hereby amended to include the following: common roof

deck (including any pavers, pedestals or supports, but excluding the the membrane of the main roof);

- (g) The definition of "Restricted Residential Limited Common Elements" in the Plan and Declaration is hereby amended to include the following: roof decks for each individual penthouse unit and individual bulkheads serving same; Storage Units assigned to each Residential Unit.
- (h) The Board of Managers may establish Rules and Regulations governing the use of any Restricted Residential Limited Common Elements.

2. Changes in Escrow Agent; Special Closing Counsel

The Sponsor has designated Marc Andrew Landis, P.L.L.C. located at 238 West 78th Street, New York, New York 10024 as Special Closing Counsel on behalf of Sponsor. The designation of Marc Andrew Landis, P.L.L.C. as Special Closing Counsel and associated changes in the Procedure to Purchase, Unit Closing Costs and Adjustments and Identity of Parties sections as well as in the Purchase Agreement and Escrow Agreement set forth in Part II of the Plan are reflected in the following sections of the Plan:

- (a) Section 11 of the Plan entitled "Procedure to Purchase" shall be deemed amended in the following manner:

- (i) The first paragraph of subsection 1 of Section 11 shall be deemed deleted and the following shall be inserted therefor:

- "1. How to Purchase; Acceptance of Purchase Agreements.** A person desiring to purchase a Unit in the Condominium shall be required to execute four (4) copies of the Purchase Agreement in the form contained in Exhibit A and return the executed Agreements to Sponsor's Special Closing Counsel, Marc Andrew Landis, P.L.L.C., 238 West 78th Street, New York, New York 10024, together with a check in an amount equal to 10 percent (10%) of the total purchase price for the Unit, drawn to the order to "Marc Andrew Landis, P.L.L.C. – Normandie Condominium - Special Escrow Account."

- (ii) The first three sentences of subsection 3 of Section 11 shall be deemed deleted and the following shall be inserted therefor:

- "3. Disbursement of Funds.** Counsel for the Sponsor, Marc Andrew Landis, P.L.L.C. ("Escrow Agent"), 238 West 78th Street, New York, New York 10024 (212-724-8300) will hold all monies received directly or through its agents or employees in trust until the closing of title to a particular Unit in a special account, the "Marc Andrew Landis, P.L.L.C.

-Normandie Condominium - Special Escrow Account" or similar name (the "Escrow Account") at Commerce Bank, N.A., 2521 Broadway, New York, New York 10025 within five (5) business days after execution and delivery of a Purchase Agreement to all parties. The following attorneys with Marc Andrew Landis, P.L.L.C. are signatories on the Escrow Account: Marc Andrew Landis, Esq. and Vittoria Fariello, Esq. The funds will bear interest at the prevailing rate for such accounts, currently 0.75% per annum."

(iii) Subsection 6 of Section 11 shall be deemed deleted and the following shall be inserted therefor:

"6. Fees. Counsel for the Sponsor will charge \$1,750 payable by the Unit Purchasers, in connection with the preparation of closing documents and attendance at the closing (plus \$250 if the closing takes place outside of Sponsor's counsel's offices but within Manhattan, plus another \$250 if the closing takes place outside of Manhattan). For further information regarding closing fees and adjustments, see Section 15."

(b) Section 15 of the Plan entitled "Unit Closing Costs and Adjustments" shall be deemed amended in the following manner:

(i) The first, second and fourth sentences of Subparagraph (a) of Paragraph A of Subsection 1 of Section 15 requiring the Purchaser to obtain fee title insurance from New York Land Services shall be deemed deleted and of no further force or effect.

(ii) Subparagraph (b) of Paragraph A of Subsection 1 of Section 15 shall be deemed deleted and the following shall be substituted therefor:

"b. Title search charges and recording fees for recording the deed, Unit Owner's power of attorney and partial releases of mortgage, which fees are estimated at \$450."

(iii) Subparagraph (d) of Paragraph A of Subsection 1 of Section 15 shall be deemed deleted and the following shall be substituted therefor:

"d. Fees and expenses of Sponsor's counsel for closing of title (\$1,750, plus \$250 if the closing takes place outside of Sponsor's counsel's offices but within Manhattan, plus another \$250 if the closing takes place outside of Manhattan), as well as those of Purchaser's own attorney, if any. The quoted attorneys' fees do not include the cost of title

clearance. The Sponsor has already cleared title through New York Land Services, a division of Commonwealth Land Title Insurance Company ("New York Land"). If a Purchaser elects to obtain title insurance through a company other than New York Land, counsel for Sponsor will be required to spend significant additional time to clear title with Purchaser's title company due to such company's unfamiliarity with the Property. Purchasers will be responsible for the additional legal fees incurred by Sponsor's counsel for clearing title on Purchaser's behalf at counsel's customary hourly rates, which fees shall be no less than \$500."

- (c) The following shall be added to the Paragraph "Counsel for Sponsor for Offering" in Section 25 of the Plan entitled "Identity of Parties":

"Sponsor has retained Marc Andrew Landis, P.L.L.C., 238 West 78th Street, New York, New York 10024 as Special Closing Counsel to represent it in connection with Unit closings."

- (d) The Purchase Agreement which was annexed to Part II of the Plan shall be deemed modified to reflect the following changes:

- (i) The second and third sentences of Paragraph 15 of the Purchase Agreement shall be deemed deleted and the following shall be substituted therefor:

"Marc Andrew Landis, P.L.L.C. is the escrow agent under this Agreement ("Escrow Agent"). All monies received by Seller through its agents or employees pursuant to this Agreement will be deposited with Commerce Bank, N.A., 2521 Broadway, New York, New York 10025, in an account or accounts entitled "Marc Andrew Landis, P.L.L.C. - Normandie Condominium - Special Escrow Account" or similar name, which account or accounts shall be interest-bearing for the benefit of the Purchaser in accordance with Section 71-a(3) of the Lien Law."

- (ii) An additional sentence shall be added to Paragraph 29 of the Purchase Agreement as follows: "Copies of all notices to Seller shall be sent in the manner provided hereunder to Marc Andrew Landis, P.L.L.C., 238 West 78th Street, New York, New York 10024."

- (e) Attached as Exhibit F is an Escrow Agreement reflecting the substitution of Marc Andrew Landis, P.L.L.C. as Escrow Agent.

3. Increase in NY City Mortgage Tax

Subparagraph (c) (iii) of Paragraph A of Subsection 1 of Section 15 as well as Paragraph D of Subsection 1 of Section 15 shall be deemed modified to reflect that the mortgage tax was raised effective June 1, 2005 to 2.05% of the amount of the mortgage for mortgages less than \$500,000, and to 2.175% of the amount of the mortgage if the loan equals or exceeds \$500,000 (as opposed to 2% and 2.125% respectively). In the example given in Paragraph D, the mortgage tax would now be equal to \$15,225 (as opposed to \$14,875).

4. **Restated Schedule A.** Schedule A to the Plan has been updated to reflect (i) minor changes in the interior square footages of the Units arising out of design changes, (ii) changes in the projected real estate taxes, with and without J-51 benefits, (iii) changes in the common expenses and (iv) the addition of roof decks as a limited common element for the pent-house units. A copy of the revised Schedule A is attached hereto as Exhibit B.

5. **Changes in Budget (Schedule B).** The first year of Condominium operation is now October 1, 2005 to September 30, 2006. The following line items for the budget set forth in Schedule B in the Plan have now changed:

- (a) **Payroll and Related Expense: \$122,928.** The Condominium will enter into a concierge/security service contract with Argo Security Services to provide full-time service at the building. The estimated cost for security coverage is \$113,568 per year (based on 8,736 hours of coverage at \$13/hour).
- (b) **Gas for Heating, Cooking and Hot Water: \$7,046.** The estimated cost for gas for heating, cooking and hot water in the common areas is now \$7,046, based on the current tariff rate of \$0.965 per Therm, (which includes applicable sales tax, plus a projected five percent (5%) increase) and an estimated consumption of 7,301 Therms of natural gas.
- (c) **Electricity: \$7,557.** The estimated cost for electricity in the common areas is now \$7,557, based on a consumption of 39,771 kilowatt hours of electricity at a rate of \$0.19 per KWH (which is the current average Con Edison residential rate for electric, plus applicable sales tax and a projected five percent (5%) increase).
- (d) **Water Charges and Sewer Rents: \$7,853.** The budgeted water charge of \$2,313 is based on the current rate for water of \$1.52 per 100 cubic feet. The budgeted sewer charge of \$5,540 is based on the current rate of \$2.29 per 100 cubic feet.

Due to the changes in the budget as stated above, the Residential Common Charges are now equal to \$207,459 and the Commercial Common Charges are now equal to

\$7,755, bringing the total income of the Building to \$215,214. See revised Schedule A attached hereto as Exhibit B for an itemization of the common charges for each Unit.

6. **Full-Time Security Coverage for Building** The Sponsor has determined to offer full-time security coverage at the Building on a 24-hour, 7-day basis. At closing, the Condominium will enter into a concierge/security service contract with Argo Security Services to provide full-time service at the building. The estimated cost for security coverage is \$113,568 per year (based on 8,736 hours of coverage at \$13/hour). All personnel are employees of Argo and not of the Condominium.

7. **Right of Rescission**. Due to the increase in the total operating budget, in accordance with the requirements of the Department of Law, for a period of 20 days after the date of this Amendment, all purchasers will be entitled to rescind their Purchase Agreements by notice given to the Sponsor at its address on the front cover of the Plan and to Special Closing Counsel designated in Section 2 above by overnight mail by nationally recognized courier. If a notice of rescission is timely received, the down payment (and accrued interest) will be returned to the Purchaser and the parties will have no further liability. Otherwise the Purchase Agreement will continue in full force and effect.

8. **Changes in Schedule B-1**. Due to the changes in utility rates described in Sections 5(b) and (c), the estimated costs for electricity, air conditioning and gas heat for individual Units are now as follows: (a) electricity: \$1,490; (b) air conditioning: \$1,801; and (c) gas heat: \$1,554.

9. **Real Estate Taxes and J-51 Tax Benefits**.

Section 20 of the Plan entitled "Real Estate Taxes and J-51 Tax Benefits" is now modified as follows:

(a) The third and fourth paragraphs of Section 20A of the Plan are deleted in their entirety and restated as follows:

"The assessing authority for real estate taxes is the City of New York (the "City"). According to Sponsor's expert for the projected real estate taxes of the Condominium and J51 Benefits, Paul Korngold of Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, having an office at 6 East 45th Street, New York, New York, the real estate taxes for the first year of Condominium operation (October 1, 2005 - September 30, 2006) without J-51 Benefits are estimated at \$7,805 per month, and with J51 Benefits are estimated at approximately \$530 per month for the Residential Units. The Commercial Units do not qualify for J-51 Benefits.

"The real estate taxes without J51 benefits are based on (i) a transitional assessed value of \$228,420 during the first nine months of Condominium operation (October 1, 2005 - June 30, 2006) and of \$2,311,870 during the following three months of Condominium operation (July 1, 2006- September 30, 2006), and (ii) a tax rate of \$12.50 per one hundred dollars (\$100)

of assessed value. The tax assessment for each individual Unit may be allocated on a basis that differs from the allocation of common interests.

"The Sponsor makes no representation as to the accuracy of the projected assessed value of the Property, tax rate or method of assessing real property used by Tuchman, Katz et al."

(b) Section 20B of the Plan entitled "J-51 Tax Benefits" is modified to reflect that the Property is expected to qualify for J-51 tax abatement benefits in the amount of approximately \$480,000; which would result in a maximum annual tax abatement of \$40,000. The tax abatement would continue until 90% of the total tax abatement (i.e., \$432,000) was depleted. In addition, the Property should qualify for fourteen (14) years of tax exemption benefits with respect to the increase in value from the renovations that have been performed.

The real estate taxes for the first year of Condominium operation (October 1, 2005 to September 30, 2006) with J51 Exemption and Abatement Benefits will be approximately \$530 per month for the Residential Units. The estimate is based on (i) an assessed value of \$203,522 during the first nine months of Condominium operation (October 1, 2005 to June 30, 2006) and a tax rate of \$12.50 per one hundred dollars (\$100) of assessed value, resulting in a tax equal to \$19,080 (of which \$12,720 would be abated), resulting in a net tax equal to \$6,360 and (ii) an assessed value of \$2,059,876 during the last three months of Condominium operation (July 1, 2006 to September 30, 2006), of which \$1,747,697 would be exempt, and a tax rate of \$12.50 per one hundred dollars (\$100) of assessed value, resulting in a tax equal to \$9,756, all of which would be abated.

Purchasers should note that due to the substantial equalization increase in the assessed value of the Property between the 2004/2005 and 2005/2006 tax years, which increases will not be covered by the J-51 Tax Exemption Benefits, there will still be a gradual increase in real estate taxes for the Property over the following five (5) years, which will result in real estate taxes being at least \$36,682 per year for the Residential Units even after J-51 Abatement Benefits are taken into account.

It should also be noted that if a Certificate of Eligibility and Reasonable Cost is not issued by H.P.D. and filed with the Department of Finance by October 31, 2005, the assumptions contained in this Amendment as to total taxes payable during the first year of Condominium operation may have to be revised to reflect any increase in the assessed valuation of the Property for the second half of the tax year beginning July 1, 2005 and ending June 30, 2006. Such an increase could significantly reduce the level of J-51 benefits that would otherwise be available during the first year of Condominium operation beginning October 1, 2005.

The footnotes which follow Schedule A in the Plan are hereby conformed in accordance with this Section 9.

The opinion of consultant regarding J-51 Benefits set forth in Section 22 of the

Plan is restated in its entirety by the opinion dated July 21, 2005 of Paul Korngold of Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, having an office at 6 East 45th Street, New York, New York (a copy of which is attached hereto as Exhibit A).

10. Description of Commercial Units.

(a) The ground floor of the Building will contain six (6) Commercial Units. The rights and obligations of the Commercial Units are set forth in detail in the Declaration, By-Laws and Condominium Rules and Regulations. A summary of such rights and obligations is as follows:

(i) **Restrictions on the Use of the Commercial Unit.** The Commercial Units may be used for any lawful commercial or professional purpose, subject to the restrictions set forth below and any other restrictions contained in the Declaration or By-Laws. The Commercial Units may not be used for (i) any obscene or pornographic use or any sort of commercial sex establishment or for any nude or semi-nude live performance, such as modeling, rap sessions, or a so-called rubber goods shop or as a sex club, (ii) a dry cleaner with on-site cleaning, (iii) any form of gambling establishment including but not limited to "Off-Track Betting (OTB)," (iv) a billiard parlor or pool hall, (v) an amusement arcade or center having income from coin-operated games or other electronic devices; (vi) massage parlor; or (vii) suntan parlor.

(ii) **Rights of the Commercial Unit Owner.** The Commercial Unit Owners are not required to obtain the approval of the Board of Managers or to meet certain requirements imposed upon other Unit Owners in order to exercise a number of rights described in the By-Laws, such as the right to transfer the Commercial Units without offering the Board of Managers the right of first refusal and the right to alter and subdivide the Commercial Units without obtaining the prior consent of the Board of Managers. In addition, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration of Condominium, or the Rules and Regulations of the Condominium modifying the permitted uses of the Commercial Units or affecting the rights, privileges, easements, licenses or exemptions granted to the Commercial Unit Owners, shall be effective in any way against the Commercial Unit Owners, without the written consent of the Commercial Unit Owners.

(iii) **Common Charges Payable by the Commercial Units.** The contribution of the Commercial Unit Owners to common expenses will be based on the percentage of common interest of the Commercial Unit Owners in the following expenses of the Condominium: electricity; repairs and maintenance to the General Common Elements; service contracts and supplies; insurance; legal; accounting; management; contingency reserve; telephone and miscellaneous.

The Commercial Unit Owners are obligated to pay their fair share of the expenses incurred by the Condominium for operating, maintaining and repairing those Common Elements that are utilized by the Commercial Unit Owners. No more frequently than once per year, the Board of Managers may seek to adjust the allocation of Common Expenses to reflect the propor-

tions fairly attributable to the Residential and Commercial Units to the amount of usage fairly anticipated by such Unit Owners of the services and Common Elements in question during the following year, based on historical usage or (in the event of capital repairs) anticipated costs. However, without the consent of the Commercial Unit Owners, the Condominium Board may not (1) modify its method of allocations and assessments, or increase the number of building employees servicing the Commercial Units or the categories of services, utilities or supplies provided to the Commercial Units, in such a manner as would increase the Common Charges otherwise payable by the Commercial Unit Owners or (2) increase the Common Charges payable by the Commercial Unit Owners beyond their Percentage of Common Interest in any particular category of Common Charges, including charges for capital Repair projects not otherwise reflected in the annual operating expense budget. Any allocation shall conform to Section 339-m of the Real Property Law.

(b) The following is inserted as the last sentence of the fourth paragraph of Section A of Part 20 of the Plan entitled "Rights and Obligations of Board of Managers and Summary of By-Laws": "The Commercial Unit Owners, collectively, will always have the right to designate one member of the Board of Managers, in addition to any Sponsor Designee."

11. Requirements for Reasonable Consent to Leasing of Units. Conforming the By-laws of the Condominium to Part I, sections (b)(i) and (b) (ii) of Article X of the By-laws are deleted in their entirety and the following part (i) is inserted in its place:

"(i) All leases are subject to the consent of the Board of Managers, such consent not to be unreasonably withheld. All leases must be for a minimum period of one (1) year (with each such lease being to a specific named tenant and with no right to substitute any other tenant during the term of the lease). All leases shall be consistent with these By-Laws and shall contain such reasonable conditions as the Board of Managers may impose in order to protect the physical and financial security and continuity of the Condominium, including (but not limited to) provisions that a lease may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers; that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers; that the Board of Managers shall have power to terminate such lease and 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; that in case of default by the Unit Owner the Board of Managers shall have the right to require the tenant to pay its rent to and attorn to the Board on demand; that the Unit Owner or tenant will maintain liability insurance naming the Condominium as an additional insured party, if available; that the tenant consents to personal jurisdiction in New York State; that the tenant waives diplomatic immunity; and that the Board of Managers shall have the right to terminate the lease on not less than thirty (30) days prior written notice upon foreclosure of the lien granted by Section 339-z of the New York State Real Property Law. Except as set forth above, the form of any such lease shall be substan-

tially the then current form of apartment lease recommended by The Real Estate Board of New York, Inc. with such modifications as may be approved in writing by the Board of Managers. The Board of Managers may establish other reasonable regulations governing leases of Units from time to time."

Section (b) (iii) of Article X of the By-Laws is now Section (b) (ii) and the last paragraph of Section (b) is restated as Section (b) (iii) in its entirety as follows:

"(iii) Except for a Unit owned by Sponsor or by a Commercial Unit Owner, or a Unit owned by a mortgagee who took title in foreclosure or a deed in lieu of foreclosure, any lease for a Unit must be for a minimum period of one year (with each such lease being to a specific named tenant and with no right to substitute any other tenant during the term of the lease)."

Any other reference in the Plan to a right of first refusal of the Board of Managers shall apply only with respect to the sale of a Unit, not to the leasing thereof. As set forth above, leasing is subject to the consent of the Board of Managers, such consent not to be unreasonably withheld.

12. Supplement to Architect's Report.

Due to changes in the design and construction of the Building, the Architect's Report prepared by SR & T, Architects on August 17, 2004 has been supplemented by that certain Supplement dated July 11, 2005 (attached hereto as Exhibit C) and the floor plans contained in the original offering plan have been restated in their entirety by the floor plans attached hereto as Exhibit D. The Supplement discloses changes to the Building such as the addition of spiral staircases and roof decks to the penthouse Units, new HVAC systems, the addition of a washer and dryer to each Residential Unit, the addition of a wood burning fireplace to each Unit located on floors 2 through 7 of the Building and a common roof deck. Attached as Exhibit E is a new Architect's Certification. For complete details, please see the attached Supplement dated July 11, 2005 and restated floor plans.

13. Use of Cellar; Storage Units.

As shown on the restated floor plans attached hereto as Exhibit D, the cellar will now contain 25 storage units assigned to each Residential Unit ("Storage Units"), and six storage rooms appurtenant to the Commercial Units. The cellar also contains gas and electrical meter rooms, a common bike room, a trash storage room, and a bathroom. The Storage Units are Restricted Residential Limited Common Elements appurtenant to each Unit. The storage rooms are Commercial Limited Common Elements. The other portions of the cellar are General Common Elements.

Each Storage Unit is for the personal use of the Unit Owner or occupant of a Unit in the building. No Storage Unit may be used by any person who is not an owner or occupant of a unit

in the building. Each Unit Owner or occupant of a Unit shall use its Storage Unit to store its own personal property, and for no other purpose. The Unit Owner or occupant, as the case may be, shall not use nor allow its Storage Unit or any part thereof to be used for any unlawful purpose, nor in any manner offensive to any other occupants of the building. The Unit Owner or occupant shall not store any combustible liquids or pressurized containers in its Storage Unit, or permit or do anything which would increase the rate of fire insurance upon the building. The interest of the Unit Owner in the Storage Unit will be transferred automatically with the transfer of a Unit.

The Unit Owner or occupant's personal property is permitted to be stored in its Storage Unit at that person's own risk and neither the Board of Managers nor its agents shall be liable for any loss of or damage or injury to any article or property left or stored in the Storage Unit, nor for damage or loss to any property in the Condominium's premises or possession, whether resulting from theft, vandalism or otherwise. The Board of Managers shall have the right, at the owner's or occupant's expense, to repair all damage or injury to a Storage Unit or to the Building or to its appurtenances, fixtures or equipment, to the extent the damage was caused by the owner, occupant or any of its servants, employees, agents, visitors or tenants.

The Board of Managers has a right of access to each Storage Unit on reasonable notice to the relevant Unit Owner or occupant, as the case may be, at any time, and without notice in the event of an emergency, to inspect and make repairs to the Storage Unit or to the building. There shall be no liability on the part of the Board of Managers for making, or for the failure to make, any repairs, alterations, additions or improvements in or to any portion of the Storage Units or the Building or in or to any appurtenances, fixtures or equipment.

No Unit Owner or occupant may place a sign on or paint its Storage Unit in any way.

The Board of Managers may make such additional rules and regulations with respect to the Storage Units as it, in its sole discretion, shall deem necessary or desirable, and each Unit Owner or occupant shall observe, or cause to be observed, faithfully and shall comply strictly with such additional rules and regulations as may be made by the Board of Managers from time to time.

The Rules and Regulations of the By-Laws of the Condominium shall be amended to reflect the contents of this Section 13.

14. Outside Closing Date. The Sponsor anticipates that the First Unit Closing will now occur on or before October 1, 2005. If the date of the first closing of a Unit is delayed beyond September 30, 2006, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreements by notice given to the Sponsor within fifteen (15) days following September 30, 2006.

15. Incorporation of Plan.

The Plan, as modified and supplemented herein, is incorporated herein by refer-

ence with the same effect as if set forth at length.

16. No Other Material Changes.

Except as set forth in this Amendment, there have been no other material changes in the Plan.

17. Definitions.

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX LLC**

Dated: September 9, 2005

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Exhibit A

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

COUNSELORS AT LAW

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HOWARD L. SCHWARTZ
COUNSEL

July 21, 2005

167-177 Lenox, LLC
c/o Tahl-Propp Equities
405 Park Avenue, Suite 1103
New York, New York 10022

Re: 100 West 119th Street
a/k/a 167 Lenox Avenue
Block 1903, Lot 36, Manhattan

Dear Sir or Madam:

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

You have requested our opinion concerning the real property assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period October 1, 2005 through September 30, 2006. You have also asked us to provide our estimate for the real estate taxes for the first full tax year after completion of construction. You have advised us that the project will consist of the renovation of an existing class A multiple dwelling which will contain twenty-five residential units and six commercial units.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information consists of the fact that you purchased the property in October of 2003. You have advised us of your purchase price and your estimated construction costs. You have also supplied us with a description of the project as well as proposed floor plans prepared by Joel E. Towers, a registered architect. You have advised us that the building predates the requirements to obtain a certificate of occupancy and that the work you are performing is filed pursuant to an Alteration Type II permit from the Department of Buildings. You have further advised us that you will not be obtaining a new certificate of occupancy and that the work you are performing does not require that a new certificate of occupancy be issued.

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We express no opinion as to whether or not such Certificate of Occupancy is required by law. You have advised us that all alteration applications will be signed off and the work completed no later than September 15, 2005.

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

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The final assessment tax roll containing the final 2005/2006 assessment was published on May 25, 2005. The tentative assessment roll showed the following values:

Tax Class	Actual Assessed Value	Transition Assessed Value
2	\$688,500	\$228,420

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

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.
2. The estimate of the cost of the construction will be a factor.
3. The potential capitalized net income of the property if operated as a rental.
4. Tax Assessments of comparable properties.

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a

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condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The condominium units will be designated as a tax class 2 property and will pay on the class 2 tax rate. The current 2004/05 class 2 tax rate (2005/2006 will not be set until later this year) has been set at \$12.216 for each \$100 of assessed valuation.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. There will be a substantial increase in value for 2006/2007 as a result of the alteration which will be placed on the assessment roll immediately and not subject to the five year phase in.

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

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

We caution you that there is not presently an official apportionment of the assessment for the 2005/2006 tax year and you should include in your offering plan a provision to unofficially

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

Predicated upon the foregoing, it is our opinion that for the 2006/2007 tax year, the first full tax year after completion of construction, the total actual assessed value of the property will be \$2,650,000 and a transition assessed value of \$2,311,870. In the past we have been advised that in determining the assessed values for the individual residential units, the surveyor's office generally, but not always, follows the residential common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined. We have now been advised in determining the assessed values for the individual residential units, the Department of Finance currently utilizes the ratio of the Schedule A sales prices of any individual unit to the total sales prices of all residential units to determine the percentage of the total assessed value to be attributed to each residential unit. We offer no opinion as to whether this is the correct methodology to make this allocation.

Therefore assuming the class 2 tax rate increases to \$12.50, we make the following projections of the real estate taxes prior to any tax exemptions or abatements for the budget year October 1, 2005 to September 30, 2006.

2005/2006 (9 Months)

Transition Assessed Value	Tax Rate	9 Months Tax
\$228,420	12.5%	\$21,414

2006/2007 (3 Months)

Transition Assessed Value	Tax Rate	3 Months Tax
\$2,311,870	12.5%	\$72,246
Total first budget year tax prior to J-51 tax benefits ¹		\$93,660
Amount Attributable to Residential Units		\$ 83,451
Amount Attributable to Commercial Units		\$10,209
Total first post construction year tax prior to J-51 tax benefits		\$304,081

¹For 2005/06 both residential and commercial will be billed on the residential tax rate. For purposes of this estimate the residential tax rate was used for the budget year due to the insignificant difference..

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Amount Attributable to Residential Units	\$270,936
Amount Attributable to Commercial Units	\$33,145

You have also requested our opinion as to whether or not the renovated multiple dwelling qualifies for the benefits of the Tax Abatement/Tax Exemption program. The J-51 Tax Abatement/Tax Exemption program was enacted pursuant to Section 11-243 (formerly J-51-2.5) of the Administrative Code of the City of New York and Section 489 of the Real Property Tax Law of the State of New York. The law as originally enacted was intended to encourage the upgrading of substandard residential buildings by allowing owners to recover, by way of real estate tax abatement and exemption, a large part of the monies expended for major capital improvements such as modernization of heating systems, plumbing risers, electrical wiring and new windows. The abatement is given to the taxpayer in the form of a credit to be used to reduce its real estate tax payments. The abatement is determined based upon scheduled allowances and limits as set forth in the regulations. The exemption is designed to prevent an increase in real estate taxation due to improvements to the property and thus covers increases in assessed valuation resulting from such improvements.

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

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

The J-51 rules and regulations effective February 27, 1998 to the extent they have not been effected by statutory changes, prescribe the eligibility requirements for J-51 benefits. Regulations Section 5-03 is entitled "Eligible Projects and Eligibility Requirements". Section 5-03(a)(7) confers eligibility as follows:

"(7) Alterations or improvements to an existing dwelling; provided that such items of work are set forth in § 5-08 and are necessary to eliminate presently existing unhealthy or dangerous conditions or to replace inadequate and obsolete sanitary facilities, including asbestos abatement to the extent required by any federal, state or local law."

Regulation Section 5-03(e)(I) requires the building must be structurally sound and comply with all applicable laws. You have advised me that the building will be in compliance

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with law upon completion of the renovation and all violations presently pending with the Department of Buildings and Environmental Control Board will be removed of record and no new violations shall be on the building and no hazardous or immediately hazardous violations shall be pending from the Office of Code Enforcement of the Department of Housing Preservation and Development. Section 5-03(e)(2) requires that the total number of bedrooms must equal or exceed 75% of units created. You have furnished me with copies of floor plans showing that that the completed building will contain adequate bedrooms to comply with this requirement.

Regulation Section 5-03(2) limits benefits for buildings which have not complied with the non-harassment provisions of the law. I have been advised that this provision is not applicable in that none of the relevant parties have been convicted of harassment. Regulation Section 5-04(b)(3) applies where a portion of the building will be used for commercial or non-residential purposes. The non-residential units in the building will not be eligible for J-51 benefits.

Utilizing the information supplied to us, it is our opinion that upon completion of the alteration, issuance of a proper sign-off by the Department of Buildings and approval by the various New York City departments having jurisdiction thereof, the building will qualify for J-51 tax abatement and J-51 tax exemption.

The J-51 tax exemption covers the increase in assessed valuation resulting from the alteration over the prior assessed valuation on the property and eliminates for a period of years any taxation on that increase in assessed valuation. We believe this project will qualify for the 14 year J-51 tax exemption, which is a 100% exemption for ten years and a declining exemption of 80%-60%-40%-20% for years eleven through fourteen.

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

There is a further limitation on the maximum dollar amount of abatement benefits. Regulation Section 5-06(d) of the rules provides that the total certified reasonable cost for most projects may not exceed an amount per apartment equal to \$12,600 for a studio apartment and an additional \$2,400 for each additional bedroom. You have advised us that in the existing space, you will create 25 four-bedroom apartments. This will result in a maximum which is greater than the certified reasonable cost as set forth in the next paragraph and therefore this limitation will affect your project.

Based on the information supplied to us, it would appear that the total certified reasonable cost of this project would be \$480,000, which would result in a maximum annual tax abatement of \$40,000 which would continue until 90% of the total (\$480,000) were depleted.

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The maximum life of the J-51 abatement is 20 years and any remaining abatement which is not depleted within 20 years is forfeited. It is unlikely that the J-51 tax abatement benefits will last for that period of time. The annual abatement would be apportioned among the residential units in the building based on each individual unit's percentage of the total assessed valuation of all eligible residential condominium units.

An application for J-51 tax benefits may only be submitted after work is complete. There are only certain time periods where the submission of a J-51 application is allowed. You have advised me that you expect to complete construction in September, 2005. In order for J-51 tax abatement benefits to commence on January 1, 2006, a J-51 certificate of eligibility must be issued by October 31, 2005. In order for a certificate of eligibility to be issued by that date, an application including a proof of completion of all work must be submitted by September 15, 2005. Assuming an application for J-51 tax benefits is submitted to HPD by September 15, 2005, there is no guarantee that the application will be processed in time for the benefits to go into effect with the January 1, 2006 tax payment. In the event that the certificate of eligibility is issued by April 30, 2006, the abatement and exemption benefits will commence on July 1, 2006.

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

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

2005/2006 (9 Months)

Residential

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax	Abatement	Net Tax
\$203,522	-0-	\$203,522	.125	\$19,080	12,720	\$6,360

2006/2007 (3 Months)

Residential

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax	Abatement	Net Tax
2,059,876	1,747,697	312,180	.125	\$9,756	\$9,756	\$0

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First Residential Budget Year Tax After J-51 Tax Benefits	\$6,360
First Residential Post Construction Budget Year After J-51 Tax Benefits	\$12,474

We caution you that there has been a substantial equalization increase between the 2004/2005 and 2005/2006 tax years which will not be covered by the J-51 tax exemption and will cause a gradual increase in real estate taxes within 5 years to be at least \$36,682 per year for the residential units after J-51 benefits.

J-51 benefits are not automatic. An application must be made to the Department of Housing Preservation and Development. This application must contain supporting documentation such as copies of all city permits and approvals, and an accountant's certification or copies of contracts and canceled checks. All information contained in a J-51 application must be true and complete. The application is subject to an audit after the certificate of eligibility has been issued. These benefits may be revoked if an application contains false information. The rules and regulations of the Department of Housing Preservation and Development require that the books and records which support the application must be made available for an audit. J-51 benefits will not be granted if there are any violations or any unpaid taxes.

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

BASED UPON OUR PREVIOUS EXPERIENCE WITH SUCH PROCEEDINGS, WE HAVE ISSUED THE WITHIN LETTER WHICH THE SPECIFIC UNDERSTANDING THAT WE MAKE NO WARRANTIES THAT SUCH ABATEMENT OR EXEMPTION WILL BE FORTHCOMING. THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY TO YOU OR TO ANY PURCHASER OF THE CONDOMINIUM UNITS OR TO ANY LENDER FOR OUR OPINIONS PRESENTED HEREIN. NEITHER WE NOR ANY PERSON CAN GUARANTEE WHAT THE REAL ESTATE TAXES WILL BE AT ANY FUTURE DATE. CHANGES IN LAW OR POLICIES OF GOVERNMENT AGENCIES MAY RADICALLY CHANGE THE OPINIONS EXPRESSED HEREIN AND INTERESTED PARTIES SHOULD BE AWARE THAT THE ESTIMATE OF THE 2006/2007 TAX ASSESSMENT COVERS A PERIOD INTO THE FUTURE. WE ASSUME NO RESPONSIBILITY OR LIABILITY FOR ANY VARIATIONS IN THE TAXES OR J-51 BENEFITS FROM THE PROJECTIONS MADE HEREIN.

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July 21, 2005

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

Very truly yours,

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

*Very truly yours,
Paul J. Korngold*

By: Paul J. Korngold

Exhibit B.

Schedule A
The Normandie Condominium, 100 West 119th St., NY, NY
Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2005)

Residential Unit No	Number of Bedrooms/Baths/Am enities * (FN5)	Interior Square Footage (FN1)	Total Square Footage of Outdoor Limited Common Elements **	Purchase Price (FN2)	Percentage Interest in Residential Common Expenses (FN3)	Percentage Interest in General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN6)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Real Estate Taxes with J-51 Benefits (Monthly) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
1A	4/2	1,654		\$995,000	2.71%	2.40%	\$488.66	\$188.52	\$2,282.24	\$857.18	\$14.37	\$483.03
2A	4/2	1,467		\$795,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
2B	4/2	1,535		\$849,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
2C	4/3	1,682		\$979,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
2D	4/2	1,436		\$849,000	4.39%	3.40%	\$758.69	\$305.18	\$3,662.20	\$1,063.87	\$23.26	\$781.94
3A	4/2	1,467		\$815,000	3.77%	3.47%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
3B	4/2	1,535		\$889,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
3C	4/3	1,682		\$995,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
3D	4/2	1,436		\$855,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
4A	4/2	1,467		\$875,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
4B	4/2	1,535		\$995,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
4C	4/3	1,682		\$1,026,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
4D	4/2	1,436		\$885,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
5A	4/2	1,467		\$925,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
5B	4/2	1,535		\$915,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
5C	4/3	1,682		\$1,050,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
5D	4/2	1,436		\$875,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
6A	4/2	1,467		\$925,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
6B	4/2	1,535		\$1,195,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
6C	4/3	1,682		\$1,325,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
6D	4/2	1,436		\$1,139,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
PH7A	4/2	1,467	228	\$1,295,000	3.85%	3.47%	\$666.25	\$268.00	\$3,216.03	\$934.25	\$20.43	\$686.68
PH7B	4/2	1,535	256	\$1,359,000	4.03%	3.63%	\$697.37	\$280.52	\$3,366.22	\$977.89	\$21.38	\$718.75
PH7C	4/3	1,682	245	\$1,489,000	4.47%	3.95%	\$772.24	\$310.63	\$3,727.61	\$1,082.87	\$23.67	\$795.91
PH7D	4/2	1,436	256	\$1,279,000	3.77%	3.40%	\$652.07	\$262.30	\$3,147.55	\$914.36	\$19.99	\$672.06
25 Residential Units												
Residential Total		38,374		\$25,552,000	100.00%	89.13%	\$17,288.64	\$6,954.41	\$83,452.80	\$24,243.05	\$530.01	\$17,818.66
Commercial Unit No.					Percentage Interest in Commercial Expenses							
1B	0/5	1,112		n/a	27.76%	2.85%	\$179.40	\$236.17	\$2,834.01	\$415.57		n/a
1C	0/5	441		n/a	10.97%	1.26%	\$70.87	\$93.29	\$1,119.49	\$164.16		n/a
1D	0/5	447		n/a	11.11%	1.27%	\$71.82	\$94.55	\$1,134.61	\$166.37		n/a
1E	0/5	667		n/a	16.72%	1.79%	\$108.05	\$142.25	\$1,706.98	\$250.30		n/a
1F	0/5	546		n/a	9.63%	1.51%	\$82.25	\$81.94	\$983.33	\$144.19		n/a
1G	0/5	836		n/a	26.67%	2.19%	\$172.38	\$226.92	\$2,723.07	\$399.30		n/a
6 Commercial Units												
Commercial Total		4,049			100.00%	10.87%	\$664.76	\$875.12	\$10,501.48	\$1,539.89		n/a
Condominium Total						100.00%	\$17,953.41	\$7,829.53	\$93,954.38	\$25,782.94		n/a

* Each Residential Unit has a limited common element storage space. ** Penthouse Units 7A, 7B, 7C, and 7D each have a limited common element roof deck.

Exhibit C

**100 WEST 119TH STREET
NEW YORK, NEW YORK 10013**

**Supplement dated 11 July 2005
to Architect's Report dated 17 August 2004**

1. Status of Construction:

Additional renovation work permitted for construction under New York City Department of Buildings Permit Numbers #103725603-01-EW.OT, #103824051-01-EW.OT, #103843977-01-EW.MH, #104050624-01-EQ.FN, #104099743-01-EW.PL.SP includes:

Replacement of existing damaged joists with new metal C-joists, where necessary.

Subsequent application for roof structural work related to bulkhead and roof decks described in this supplement.

New HVAC systems for apartments, as described in Architect's Report dated 17 August 2004.

Installation of a fence during facade repair.

Upgrade water service and sprinkler to the cellar floor, as described in Architect's Report dated 17 August 2004.

2. Building Size

The south and west masonry parapet walls are 2'-0" high, in fair condition, and will receive safety pipe railings or equivalent.

3. Structural/Construction System

Parapets and Coping: Parapets: All new coping stones are terra cotta on the north and east parapets, and slate on the south and west parapets.

Chimneys and Caps: Each dwelling unit on floors 2-7 has a newly installed pre-fabricated wood burning fireplace.

Roof and Roof Structures:

i) Skylights:

There is a new skylight located at the top of each penthouse bulkhead, as well as over the waiting area in the common vestibule.

ii) Bulkheads:

There is one new individual stucco bulkhead for each of the penthouse units, providing access to the roof.

iii) Roof Decks:

a) There is one common roof deck made of solid wood pallets, accessible from the main building-wide masonry bulkhead.

b) Each of the four penthouse units on the 7th floor are provided access to their own individual roof deck via individual unit bulkheads and convenience stairs. Each private roof deck will be furnished with slate tiles.

Yards and Courts: The Courtyards are accessible from the first floor, rather than the cellar as previously described.

Interior Stairs:

i) **Convenience Stairs:** Each penthouse unit on the 7th floor has one 4'-0" diameter painted steel spiral staircase providing access to the roof.

Interior Doors and Frames:

ii) **Unit Entrances and Interior:** Unit water heater rooms will have metal frame UL listed fire rated steel doors in accordance with the New York City Building Code.

4. **Auxiliary Facilities**

Laundry rooms: Each residential unit will have one washer and dryer.

i) There will be one electrically operated heavy-duty laundry washer in each residential unit: Frigidaire™ white on white washer/dryer combo unit, or equal.

ii) There will be one gas-powered heavy-duty dryer in each residential unit: Frigidaire™ white on white washer/dryer combo unit, or equal.

iii) There will be wood doors to the individual laundry closets.

Storage Rooms

- i) Each dwelling unit will have one assigned locked storage area located in the cellar, enclosed by heavy gauge metal wire and masonry walls and accessed by the elevator or the main stairwell.
- ii) There will be six commercial storage rooms located in the cellar and accessed by sidewalk vaults.

Bike Room:

There will be one building-wide bike room located in the cellar and accessed by elevator, the main stairwell, and by an exterior door located on the south façade of the building.

5. Gas Supply.

Natural gas supply will also provide the fuel for clothes drying in the building.

6. Violations

There are twenty-four (24) active DOB violations, and five (5) active ECB violations. The violations will be removed as part of the current scope of renovation. The violations are as follows: V 121376ES3S, V 102777ESD6, V 052782CDTB3, V 031893LL629117900, V 082995LL629113032, V 021097LL629108826, V 091697LL6291190329, V 050498LL629109305, V 080802L1198NRF51764, V 122788B46175-01, V 070192LL1080NRF0805, V 100592CD3PR01, V 102593E1464C01, V 031699LL629106526, V 020700LL629106617, V 0227001LL629106422, V 032602LL629106619, V 110602CNE04GA, V 031903LL629106203, V 021304LL629107044, V 111904LL108101341, V 013105LL629106766, V 031894LL629117900, VECB 34125123K, VECB 34459591L, VECB 34455522J, VECB 34455521H, VECB 34461295J.

7. Unit Information

Unit	Area (in sq. ft.)	Rooms	Total Rooms
1A	1654	4 bedrooms, living/dining room, kitchen, 2.5 bathrooms	6/2.5
2A,3A, 4A,5A, 6A,7A	1467	4 bedrooms, living/dining room, kitchen, 2 bathrooms	6/2
2B,3B, 4B,5B, 6B,7B	1535	4 bedrooms, living/dining room, kitchen, 2 bathrooms	6/2
2C,3C, 4C,5C, 6C,7C	1682	4 bedrooms, living/dining room, kitchen, 3 bathrooms	6/3
2D,3D, 4D,5D, 6D,7D	1436	4 bedrooms, living/dining room, kitchen, 2 bathrooms	6/2
1B	1112	1 commercial space, 1 bathroom	1/1
1C	441	1 commercial space, 1 bathroom	1/1
1D	447	1 commercial space, 1 bathroom	1/1
1E	667	1 commercial space, 1 bathroom	1/1
1F	546	1 commercial space, 1 bathroom	1/1
1G	836	1 commercial space, 1 bathroom	1/1

Finishes for Units are as follows (see abbreviations at end of report):

Space	Floor	Wall	Ceiling	Moldings	Other
Bedrooms	WF	PT/GWB	PT/GWB	WB	
Living room	WF	PT/GWB	PT/GWB	WB/CM	SHM
Kitchen	GT	CT/PT/GWB	PT/GWB	WB	GC

Bathrooms	CT	CT/PT/GWB	PT/GWB	
Closets	WF	PT/GWB	PT/GWB	WB

Kitchen and Laundry equipment in Units is as follows or equal:

Refrigerator	GE Profile - stainless steel
Gas Range	GE Profile - stainless steel - gas powered
Dishwasher	GE Profile - stainless steel - 24" built-in
Microwave	30" built-in, 1.3 cu.ft, GE Spacemaker - stainless steel
Sink	Kohler™ K-3348-4 Toccata Single Basin - stainless steel
Faucet	Kohler™ K-6353 Avatar kitchen faucet
Cabinets	Wood door fronts over standard carcass
Countertop	Granite countertop
Washer	Frigidaire™ white on white washer/dryer combo unit
Dryer	Frigidaire™ white on white washer/dryer combo unit
Garbage Disposal	In-sinkerator Pro-17

8. Finish Schedule Common Rooms and Public Spaces

Building Public Space consists of the entry vestibule, the hallways and stairs from the Ground Floor to the Roof. Finishes of all Public Spaces are as follows or equal:

<u>Space</u>	<u>Floor</u>	<u>Wall</u>	<u>Base</u>	<u>Ceiling</u>
Entry Vestibule	CT	PT/GWB	CT	Tin

Hallways	CT	PT/GWB/WP	CT	PT/GWB
Stairs	M/ST	PT/GWB	N/A	ST
Cellar	CONC	PT/GWB	N/A	PT/GWB

Abbreviations

ST Steel
M Marble
GWB Gypsum wallboard
CT Ceramic Tile
CONC Concrete
PT Paint
WP Wood Paneling

I hereby affirm that the above supplemental description of the property and specifications are an unbiased professional opinion arrived at without inducements of any kind.



Joel E. Towers, RA
SR+T, Architects



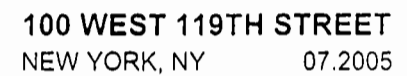
End of Supplement to Architect's Report dated 17 August, 2004

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Exhibit D

NET AREA = 6876 sq.ft.

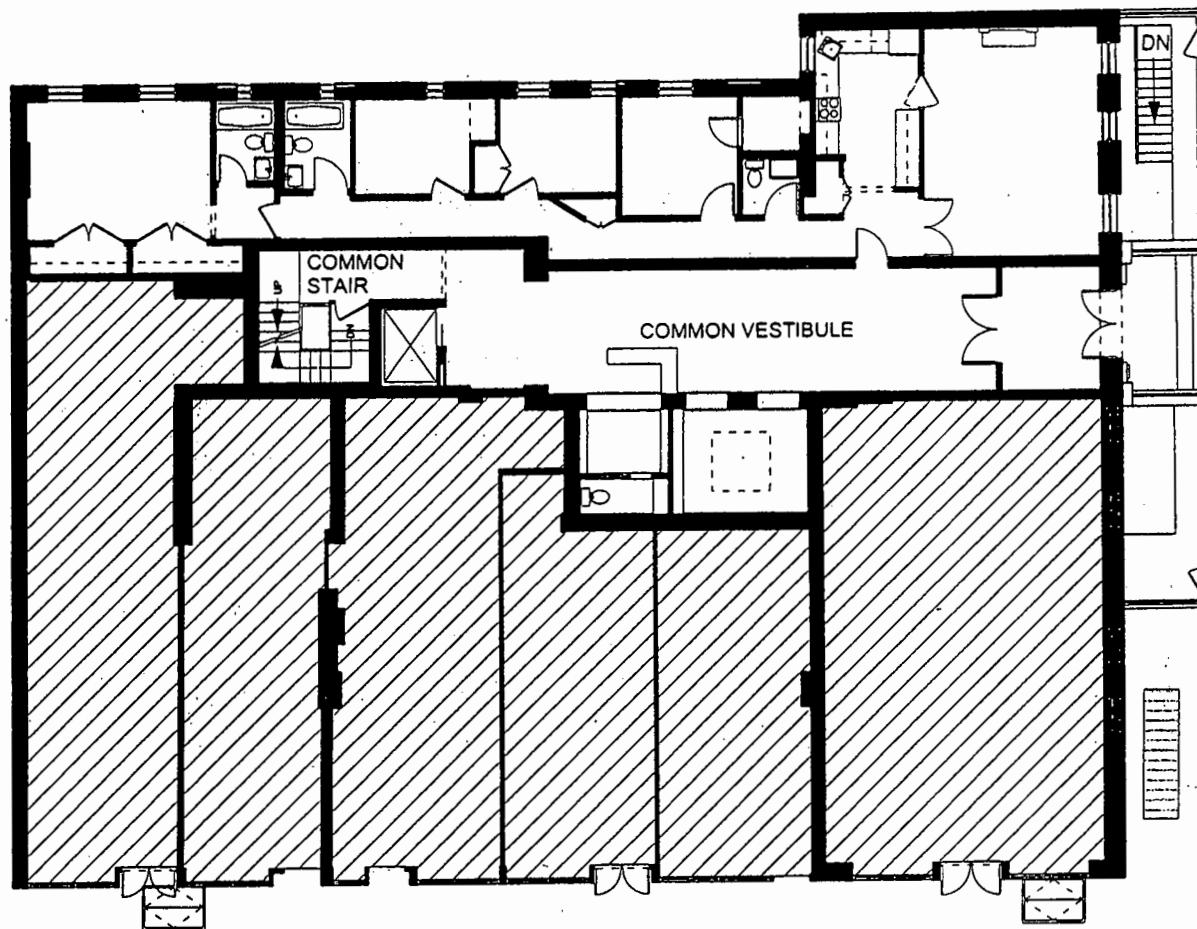
NET AREA = 6876 sq.ft.



ALL DIMENSIONS ARE APPROXIMATE AND MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR

SR+T ARCHTITECTS

UNIT 1A
GROUND FLOOR
FOUR BEDROOM
NET AREA = 1654 sq.ft.

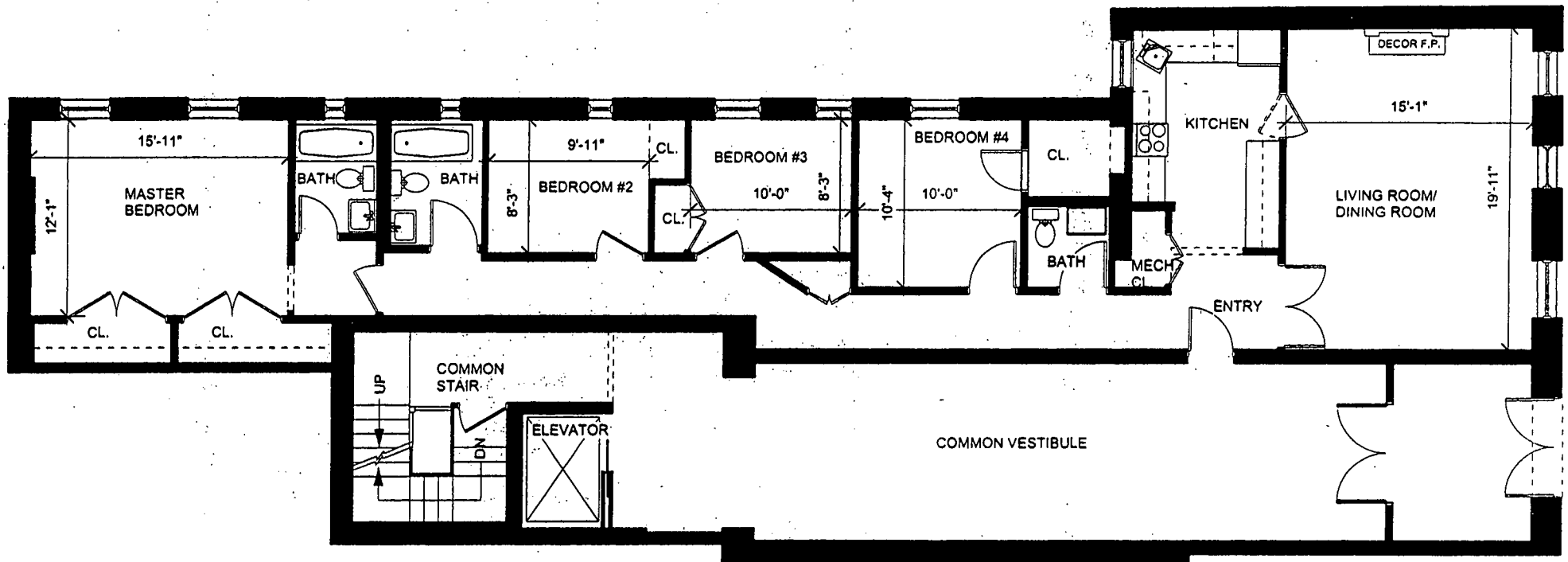


WEST 119TH STREET

100 WEST 119TH STREET
NEW YORK, NY 07.2005

ALL DIMENSIONS ARE
APPROXIMATE AND MAY
CONTAIN MINOR VARIATIONS
FROM FLOOR TO FLOOR

SR+T ARCHITECTS



PLEASE NOTE:
UNIT 1A PLAN ROTATED 90
DEGREES FROM KEY PLAN DUE
TO FORMATTING.

PLEASE NOTE:
UNIT 1A PLAN IS NOT TO SCALE

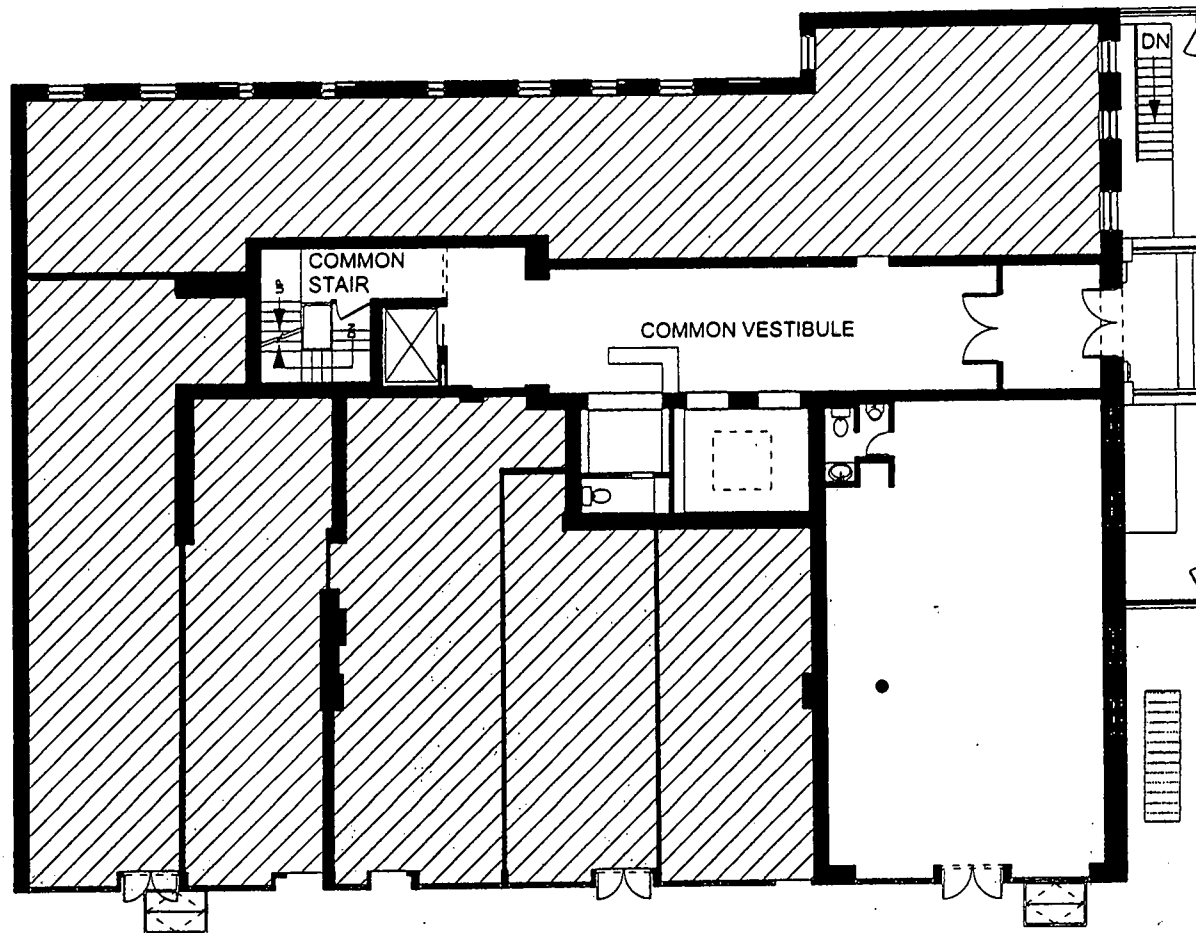


UNIT 1A
GROUND FLOOR

COMMERCIAL UNIT 1B

GROUND FLOOR

NET AREA = 1112 sq.ft.

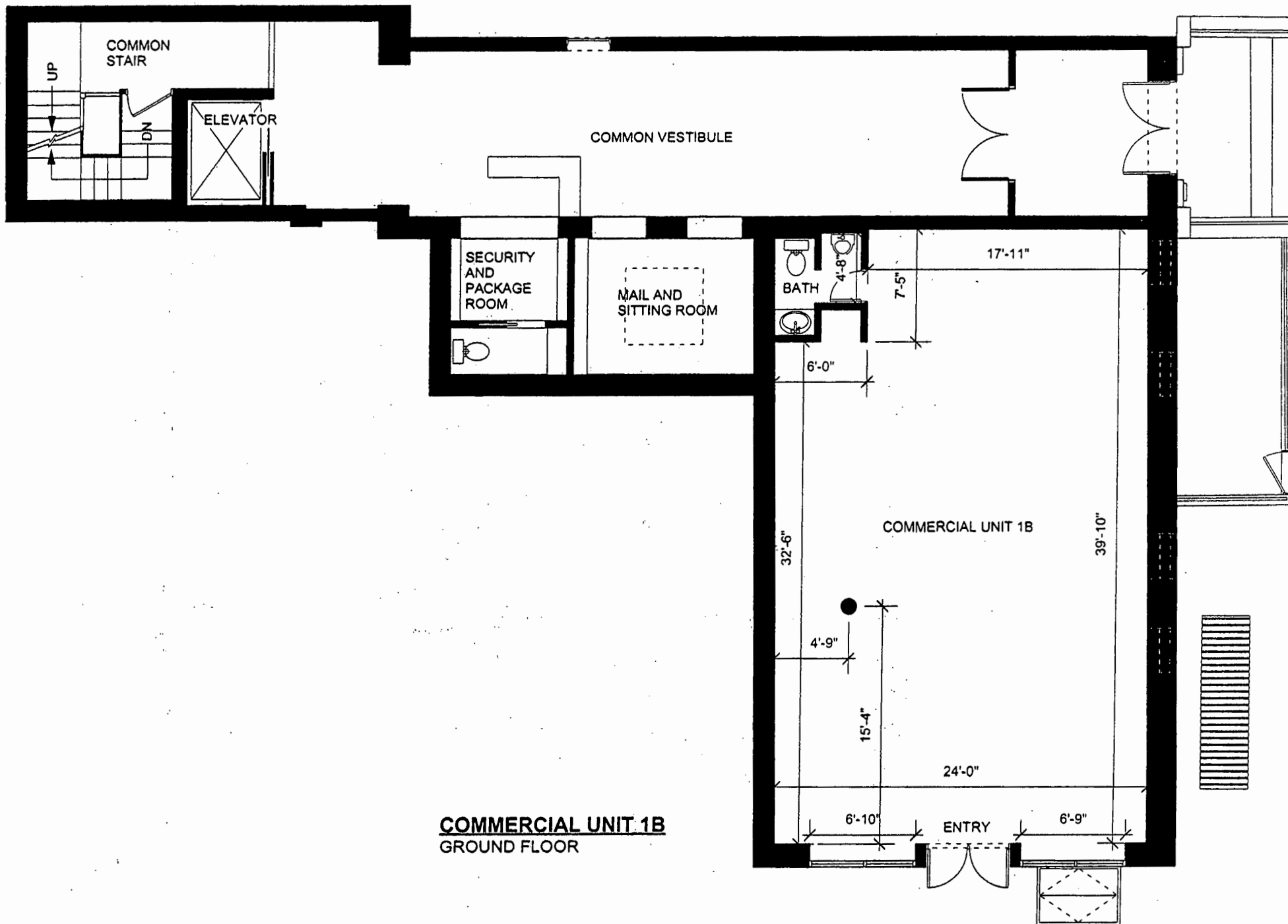


WEST 119TH STREET

100 WEST 119TH STREET
NEW YORK, NY 07.2005

ALL DIMENSIONS ARE
APPROXIMATE AND MAY
CONTAIN MINOR VARIATIONS
FROM FLOOR TO FLOOR

SR+T ARCHITECTS

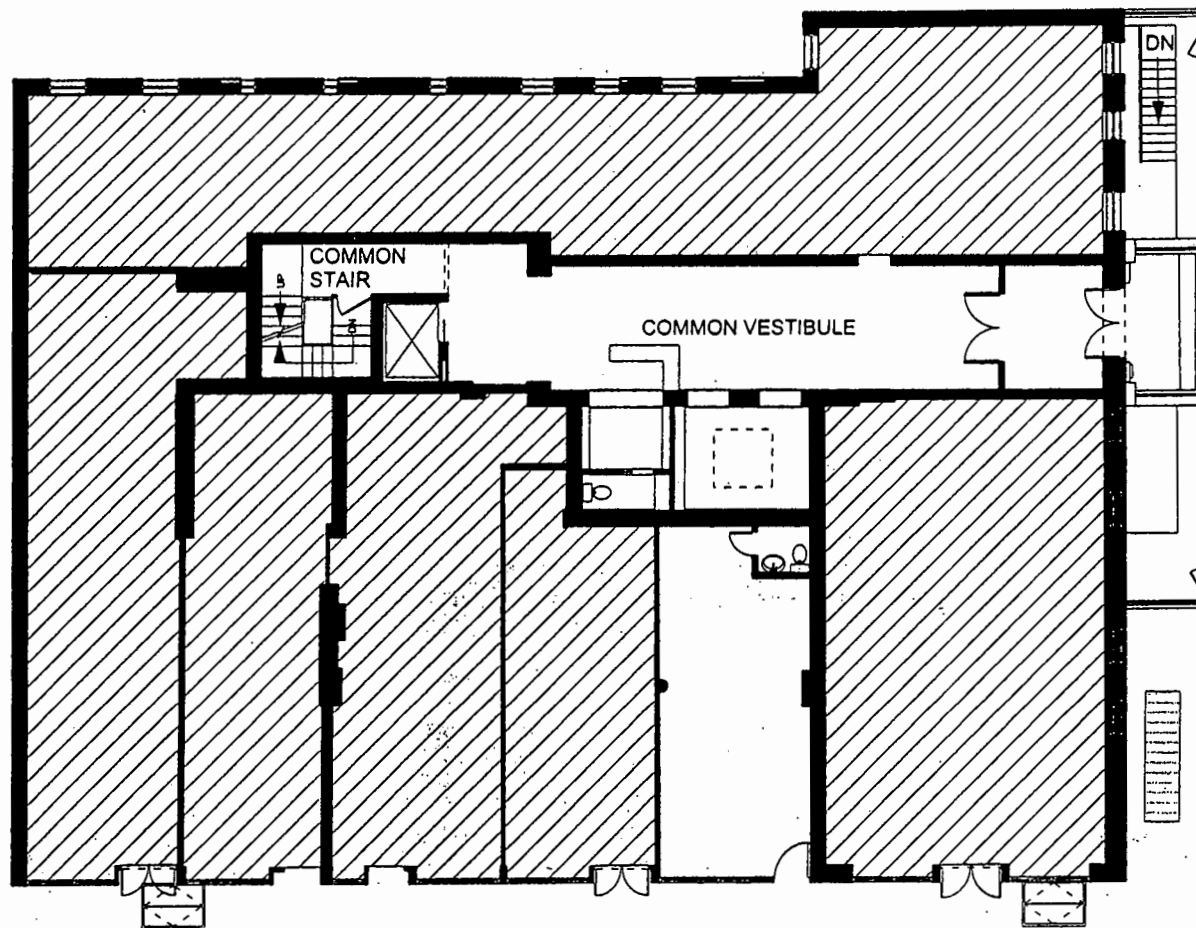


COMMERCIAL UNIT 1B
GROUND FLOOR

COMMERCIAL UNIT 1C

GROUND FLOOR

NET AREA = 441 sq.ft.



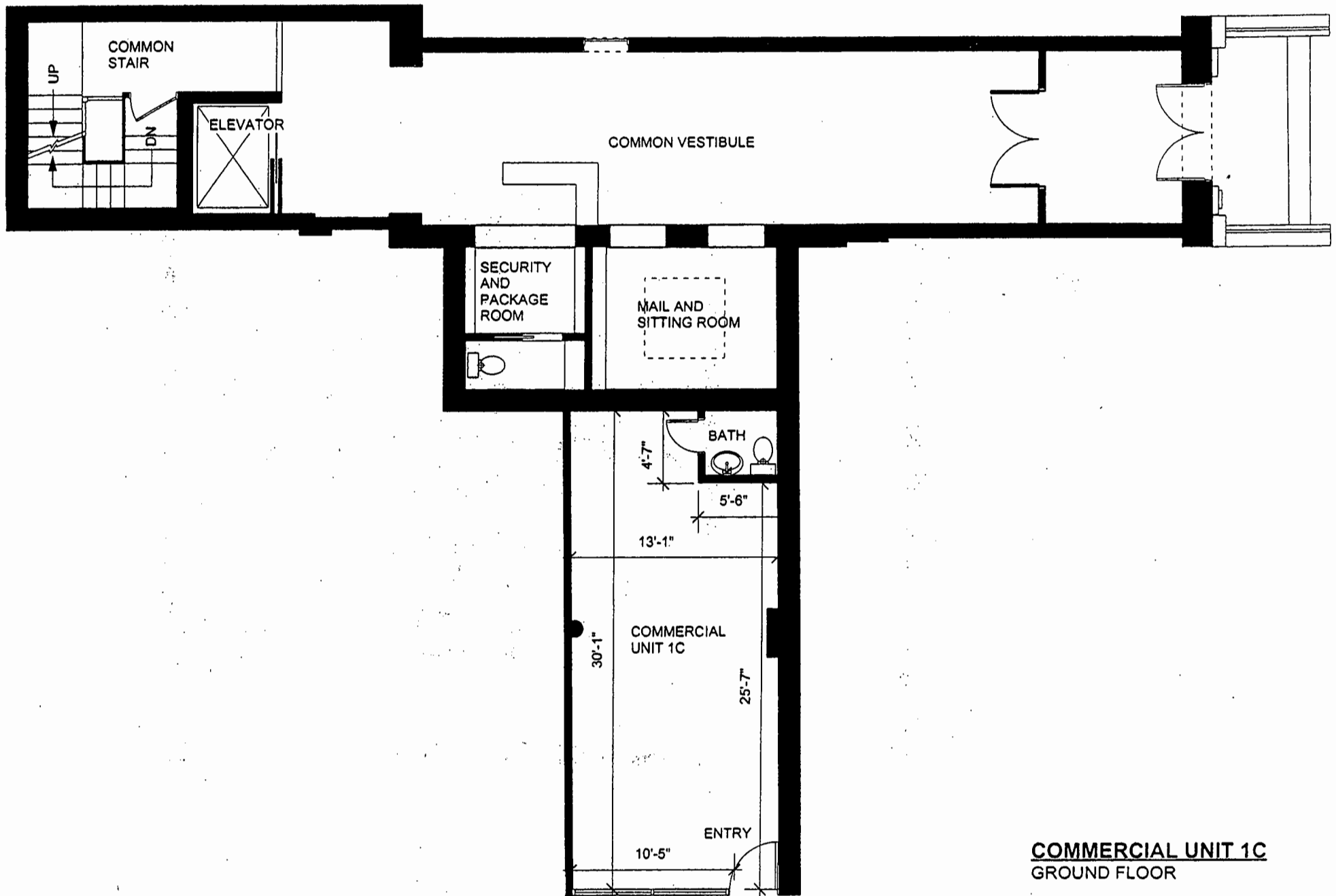
WEST 119TH STREET

LENOX AVENUE

100 WEST 119TH STREET
NEW YORK, NY 07.2005

ALL DIMENSIONS ARE
APPROXIMATE AND MAY
CONTAIN MINOR VARIATIONS
FROM FLOOR TO FLOOR

SR+T ARCHITECTS

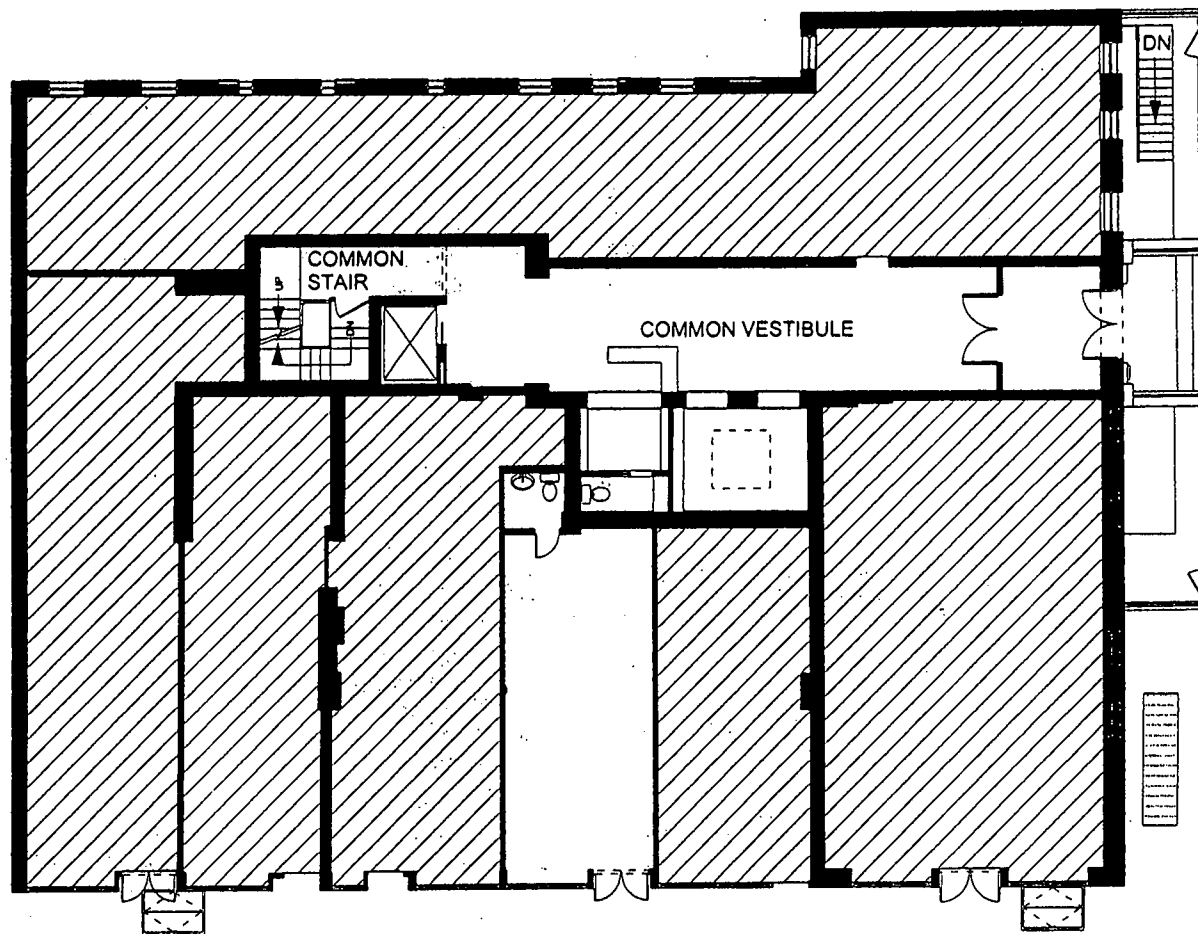


COMMERCIAL UNIT 1C
GROUND FLOOR

COMMERCIAL UNIT 1D

GROUND FLOOR

NET AREA = 447 sq.ft.



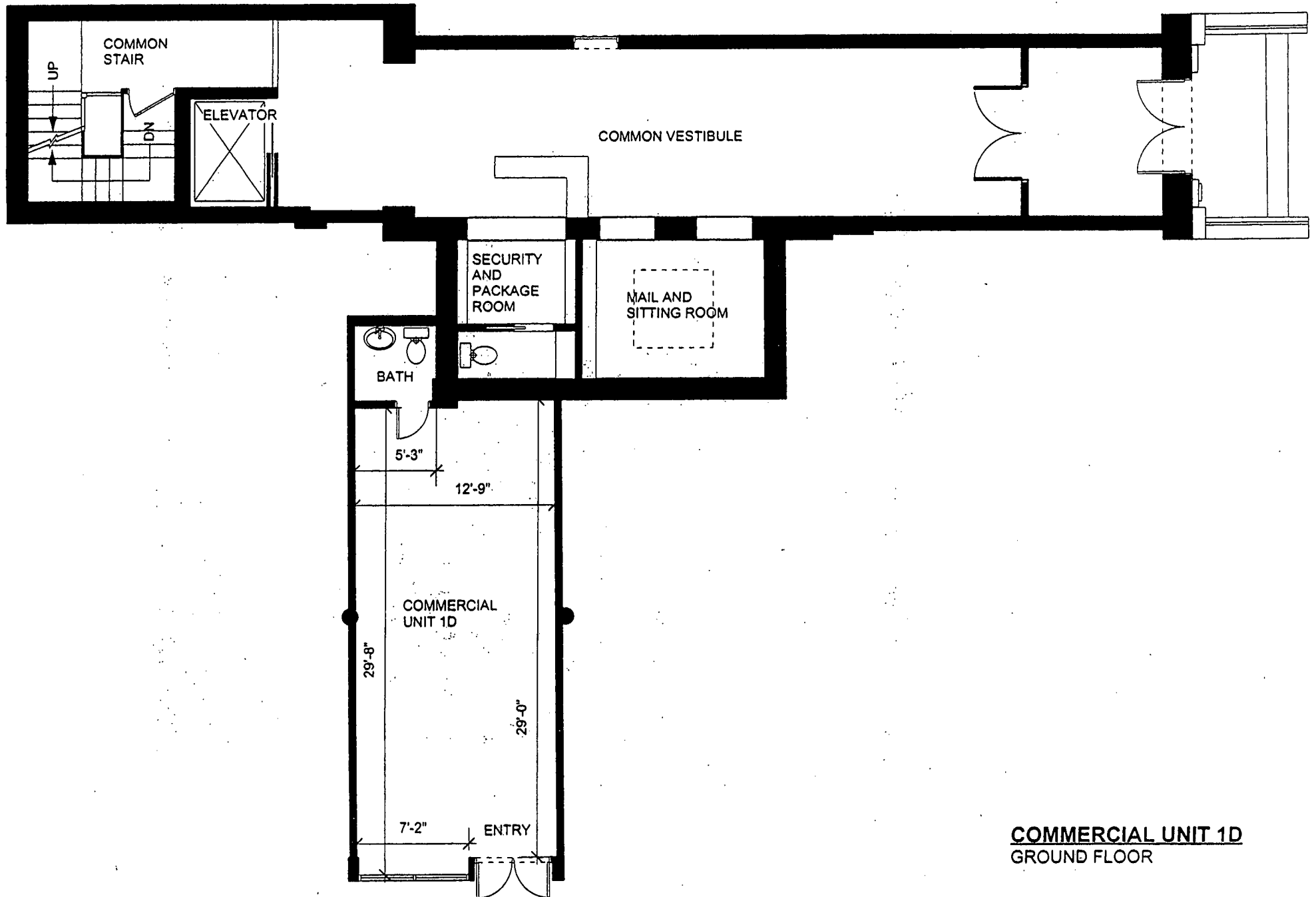
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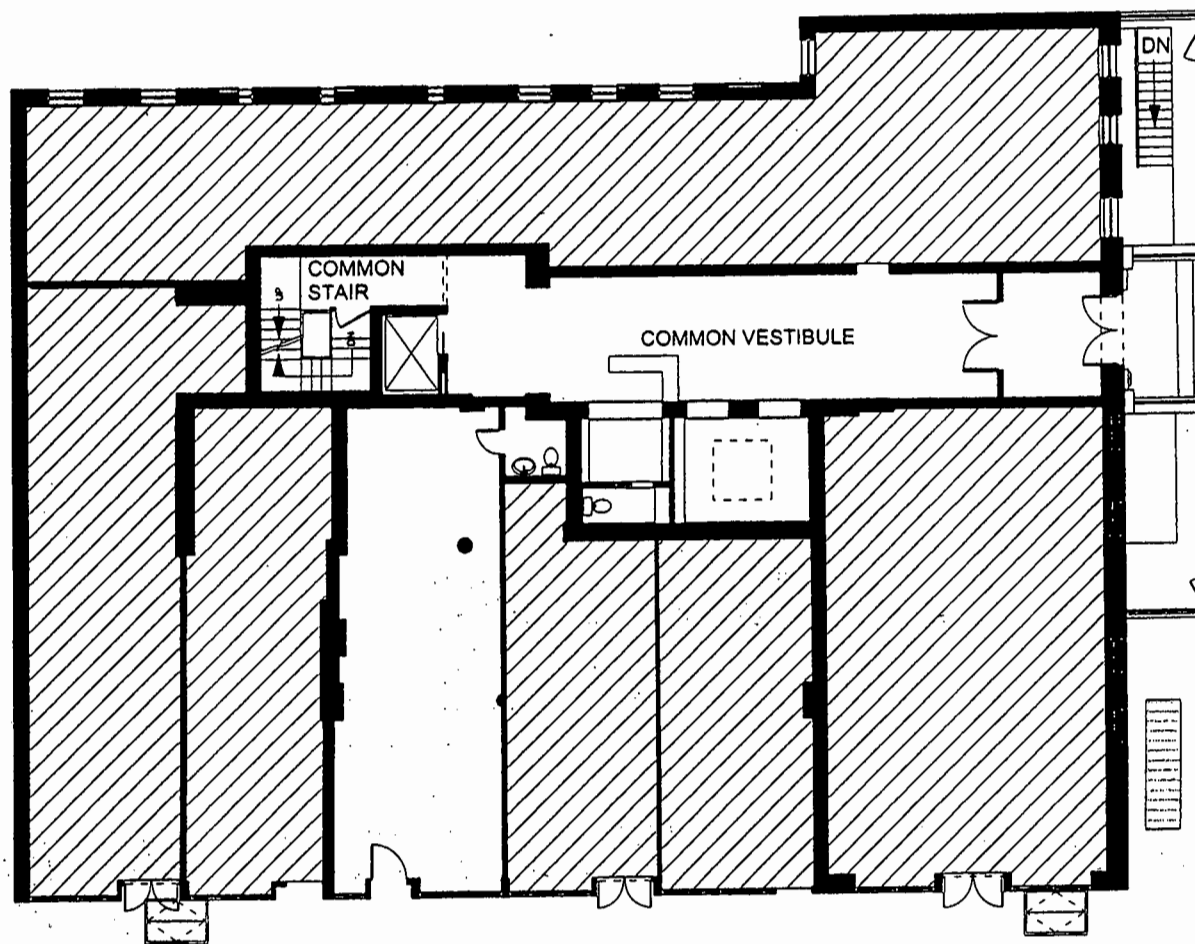


COMMERCIAL UNIT 1D
GROUND FLOOR

COMMERCIAL UNIT 1E

GROUND FLOOR

NET AREA = 667 sq.ft.

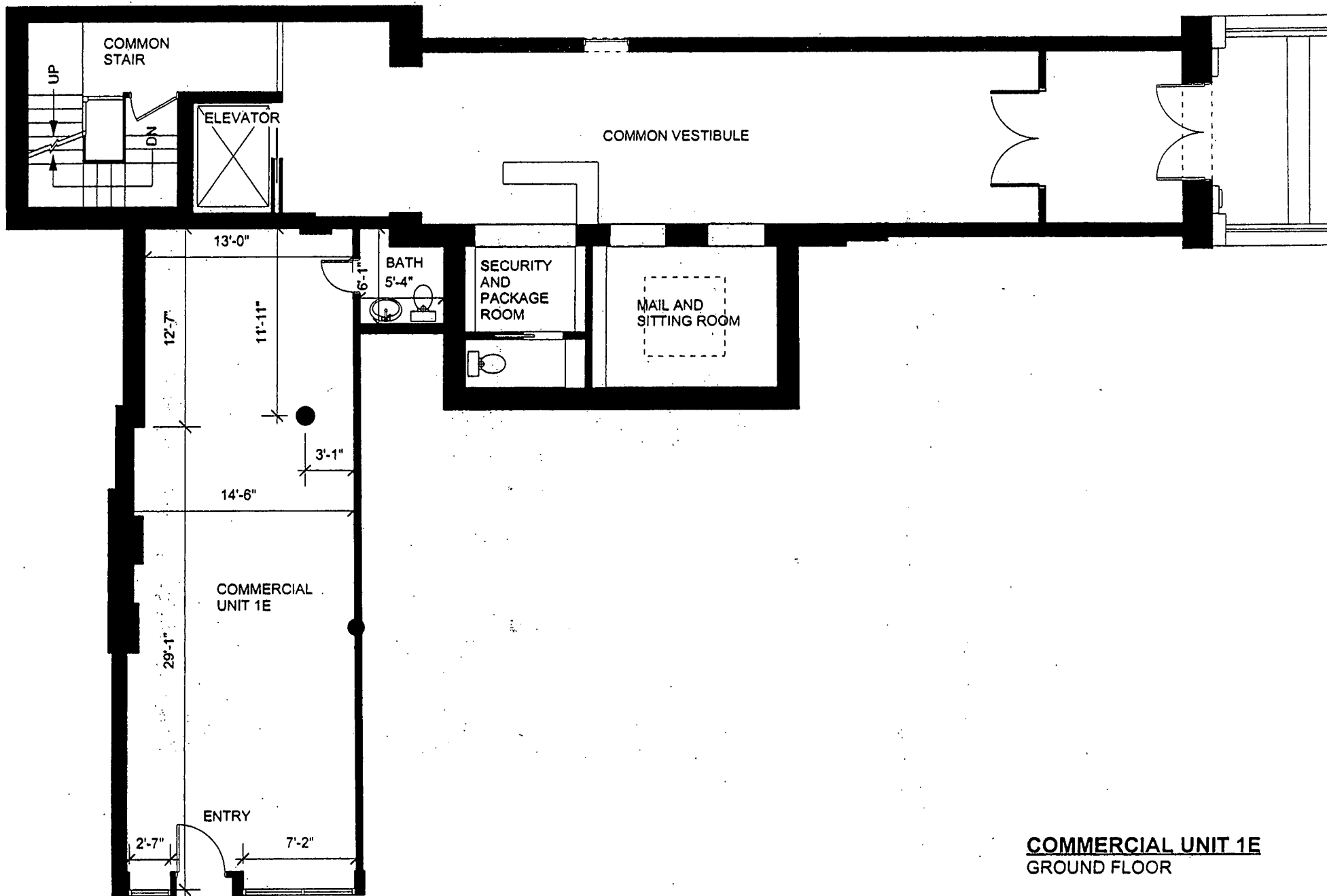


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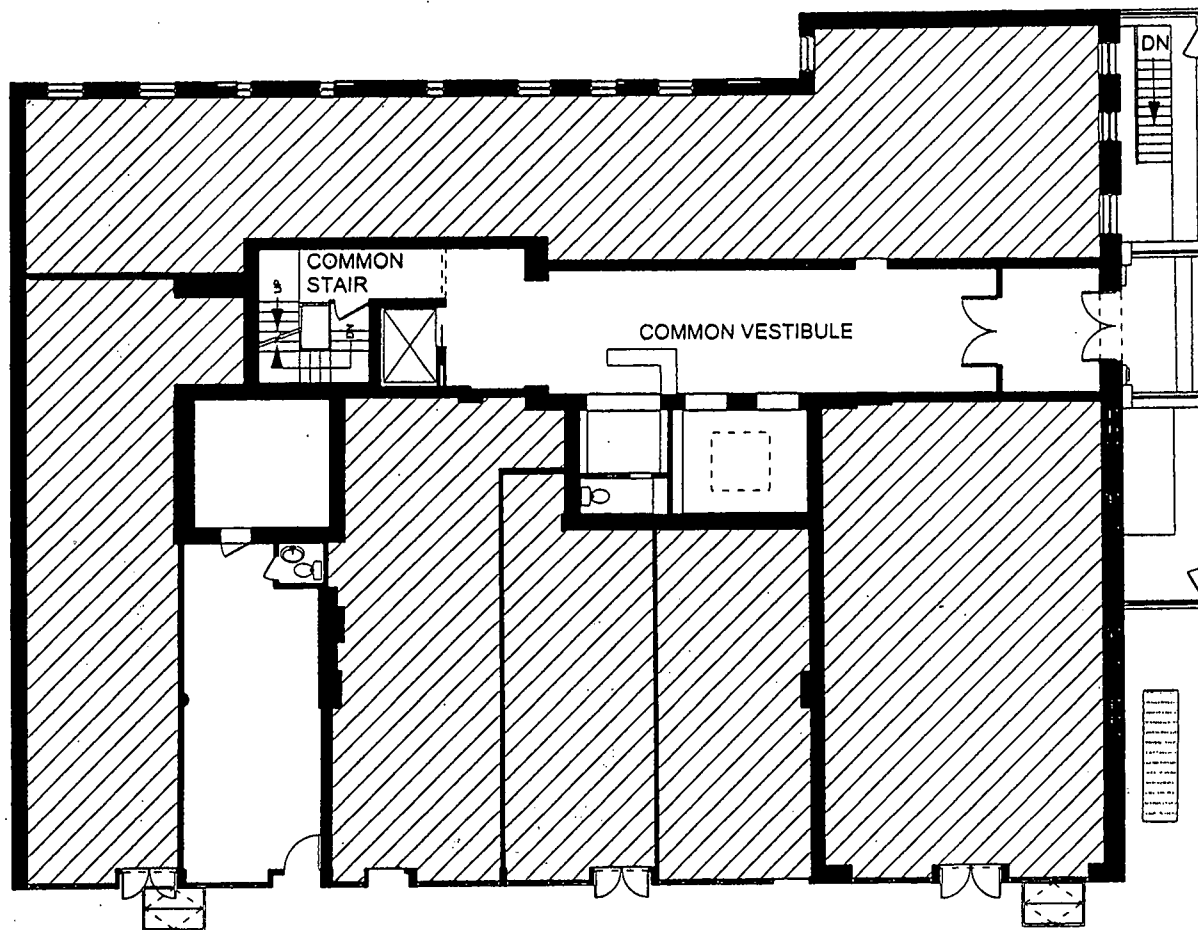


COMMERCIAL UNIT 1E
GROUND FLOOR

COMMERCIAL UNIT 1F

GROUND FLOOR

NET AREA = 546 sq.ft.

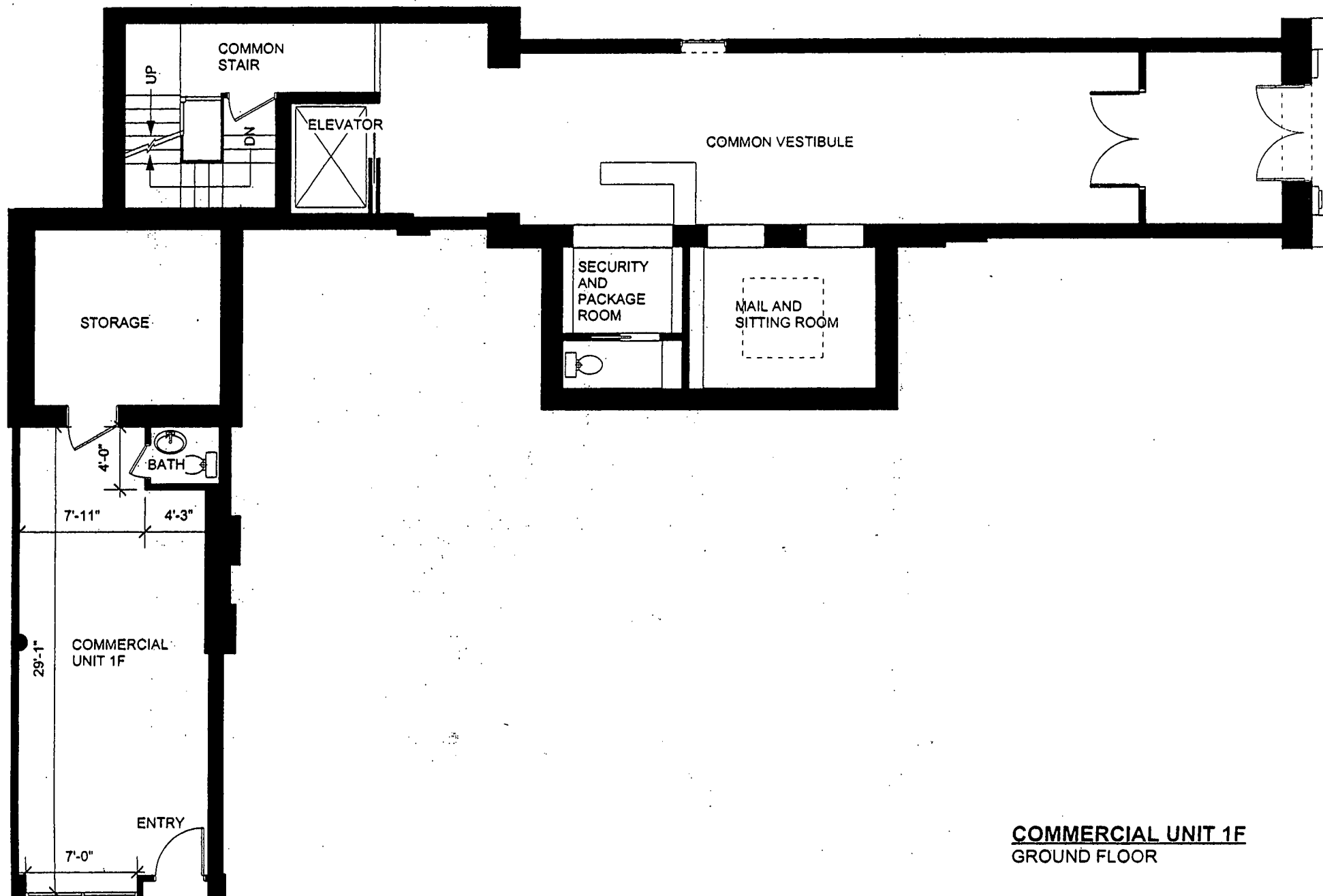


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100 WEST 119TH STREET
NEW YORK, NY 07.2005

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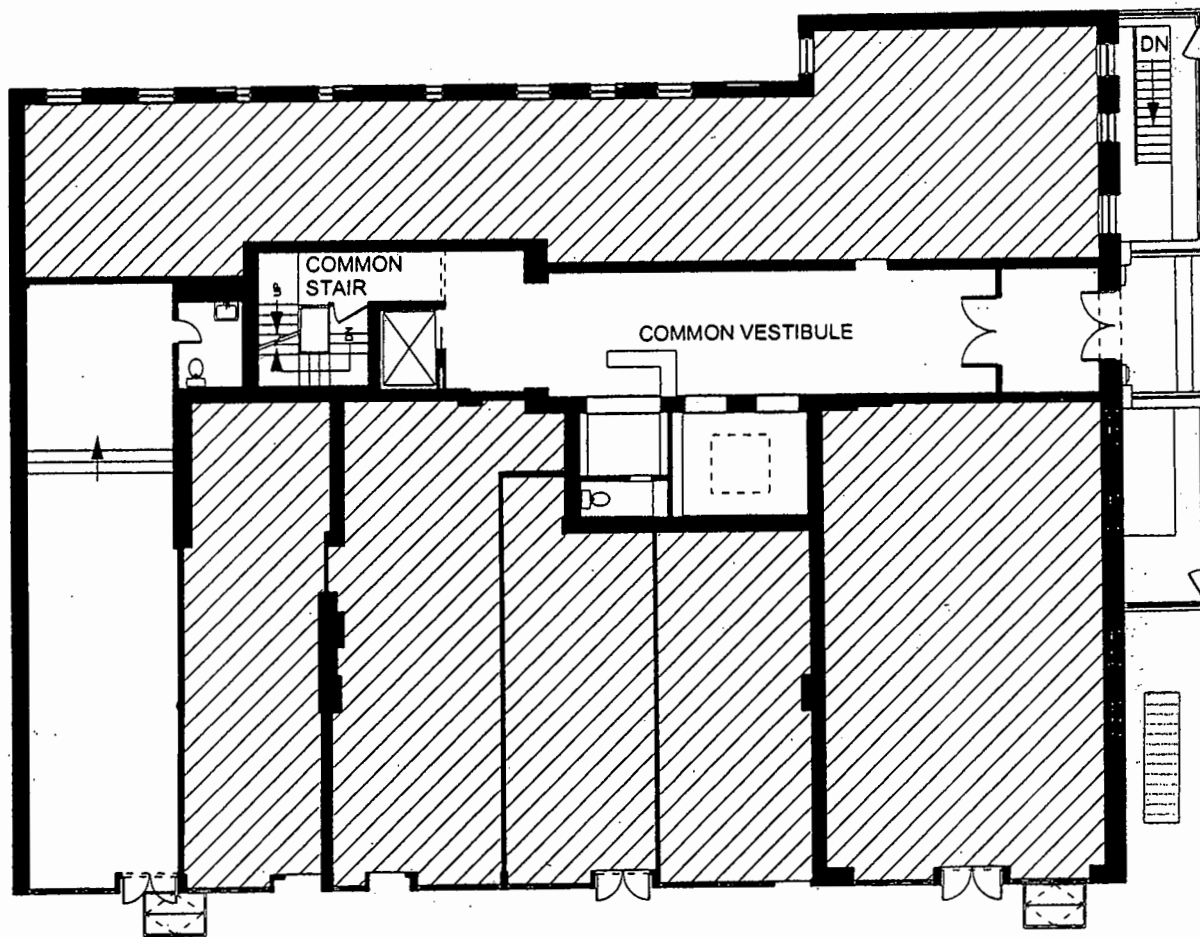


COMMERCIAL UNIT 1F
GROUND FLOOR

COMMERCIAL UNIT 1G

GROUND FLOOR

NET AREA = 836 sq.ft.



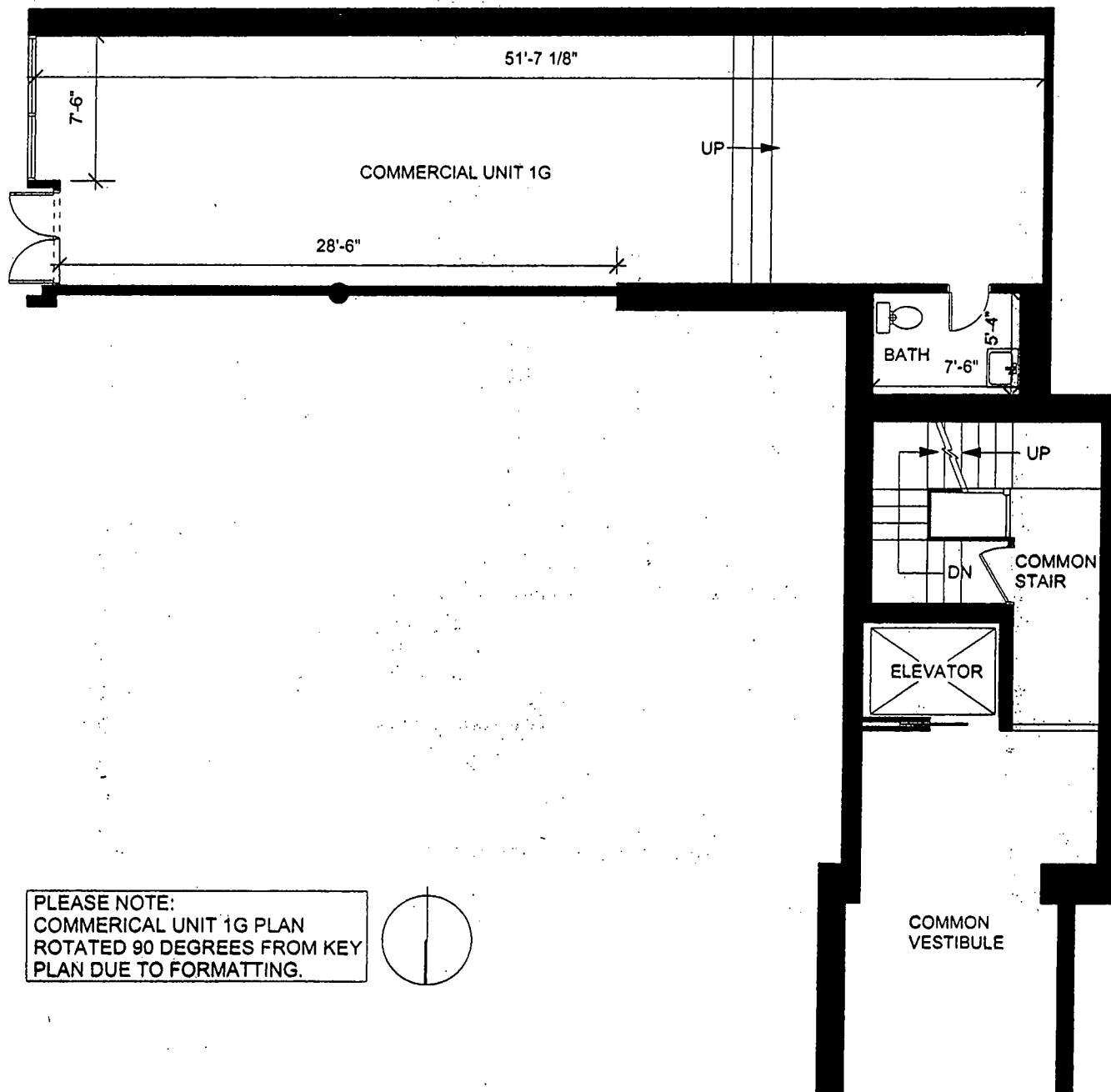
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LENOX AVENUE

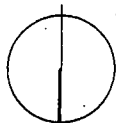
100 WEST 119TH STREET
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SR+T ARCHITECTS



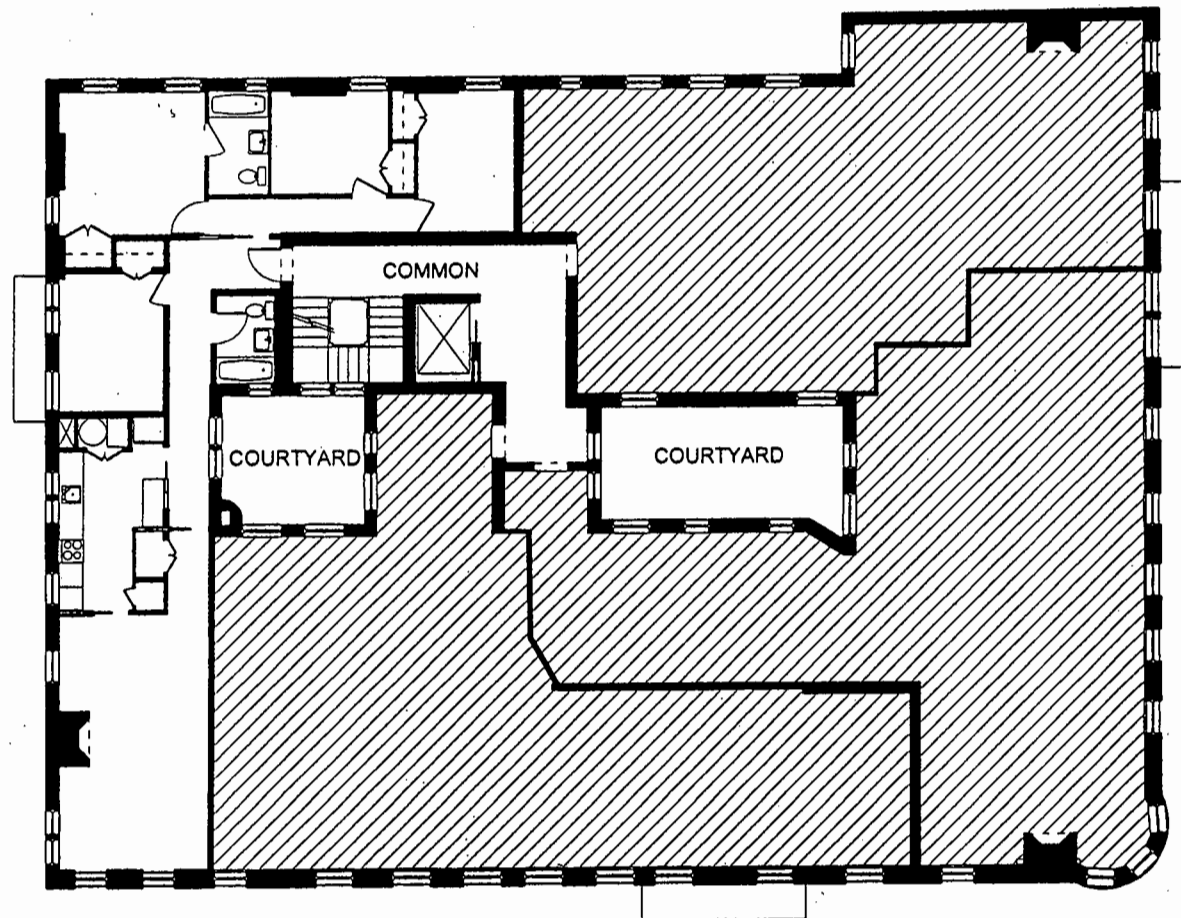
PLEASE NOTE:
COMMERICAL UNIT 1G PLAN
ROTATED 90 DEGREES FROM KEY
PLAN DUE TO FORMATTING.



COMMERCIAL UNIT 1G
GROUND FLOOR

UNIT A FLOORS 2-6

TYPICAL
FOUR BEDROOM
NET AREA = 1467 sq.ft.



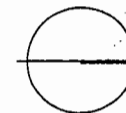
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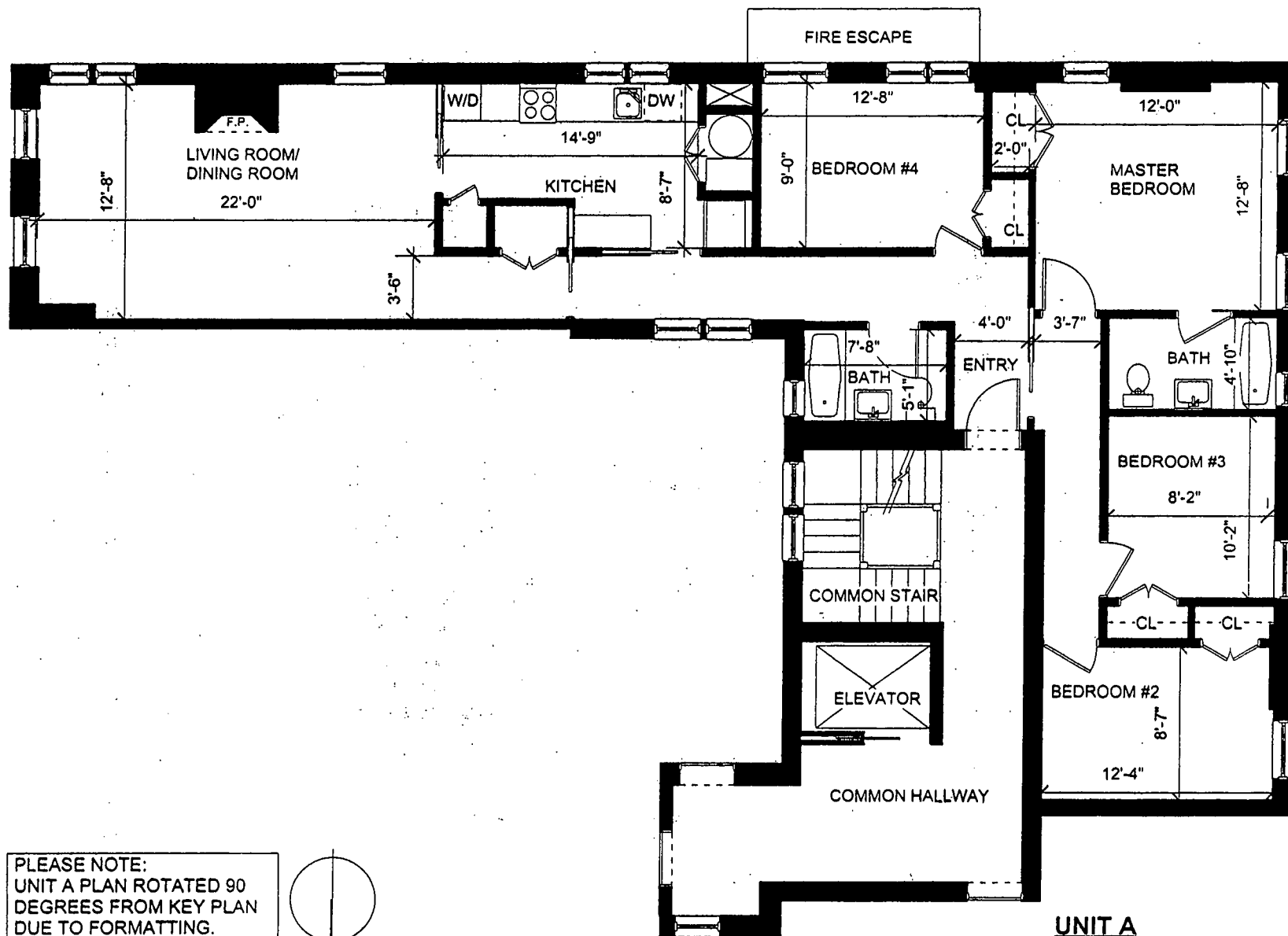
LENOX AVENUE

100 WEST 119TH STREET
NEW YORK, NY 07.2005

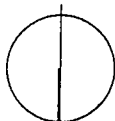
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FROM FLOOR TO FLOOR

SR+T ARCHITECTS



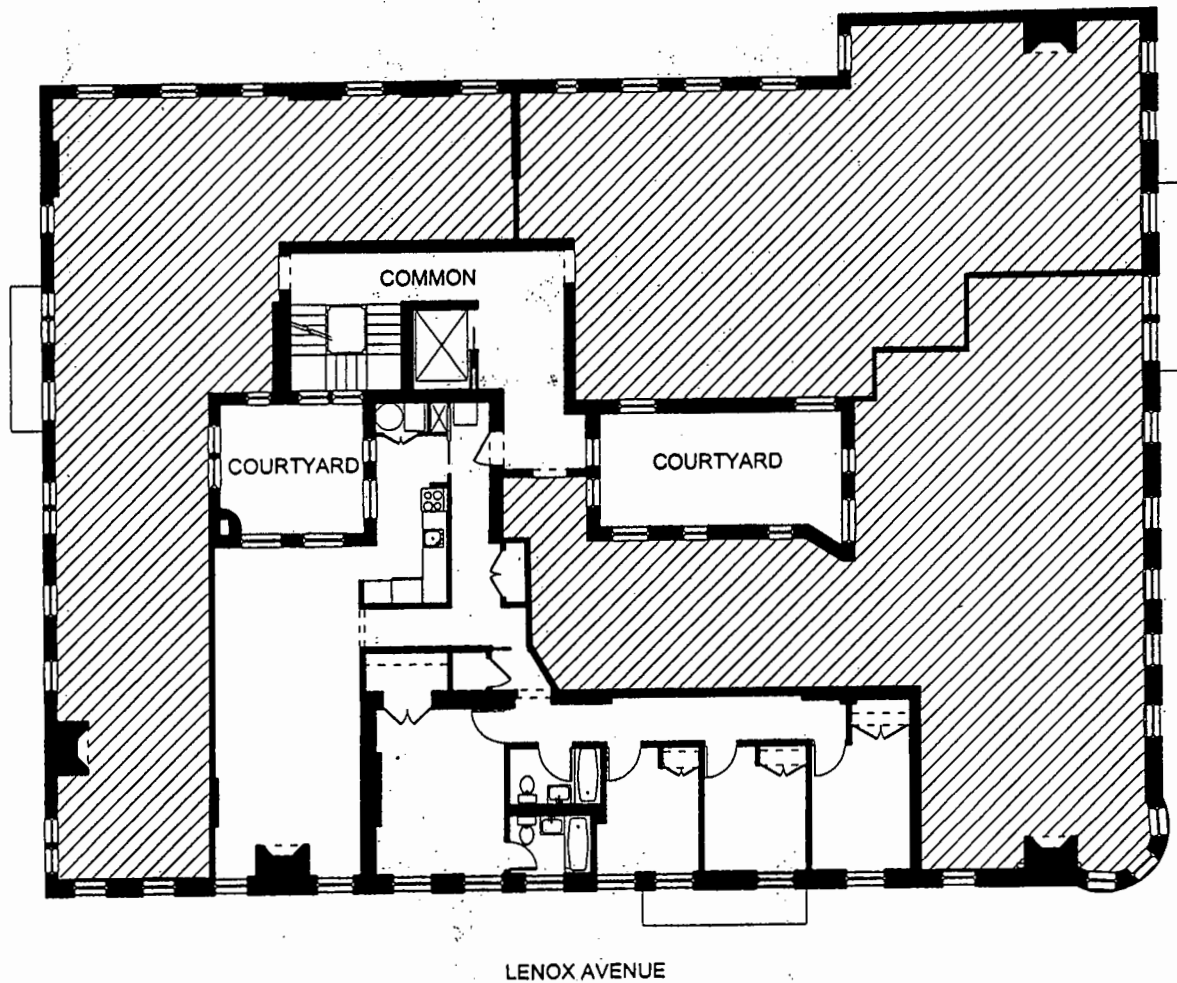


PLEASE NOTE:
UNIT A PLAN ROTATED 90
DEGREES FROM KEY PLAN
DUE TO FORMATTING.



UNIT A
FLOORS 2-6

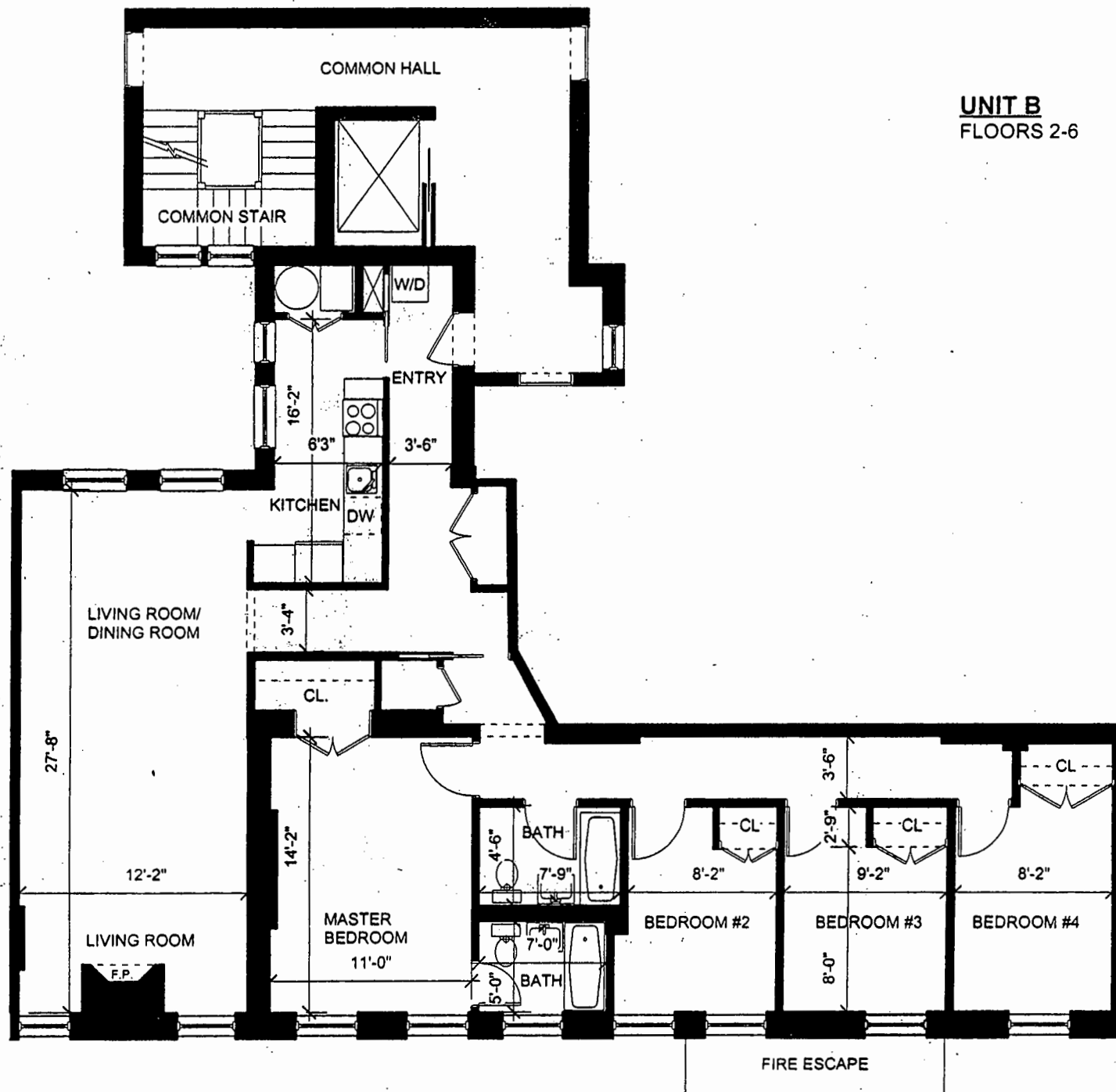
UNIT B FLOORS 2-6
TYPICAL
FOUR BEDROOM
NET AREA = 1535 sq.ft.



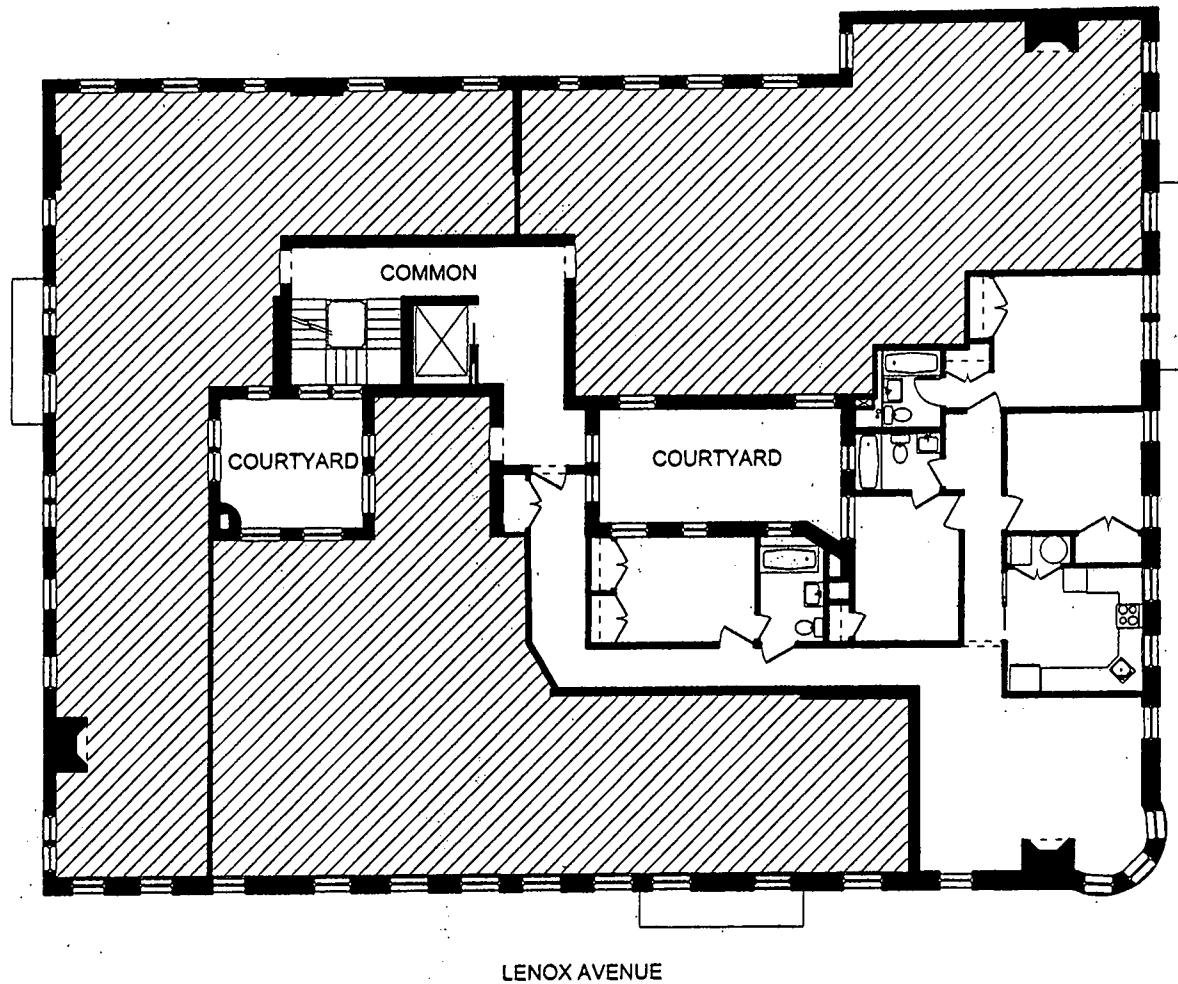
100 WEST 119TH STREET
NEW YORK, NY 07.2005

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FROM FLOOR TO FLOOR

SR+T ARCHITECTS



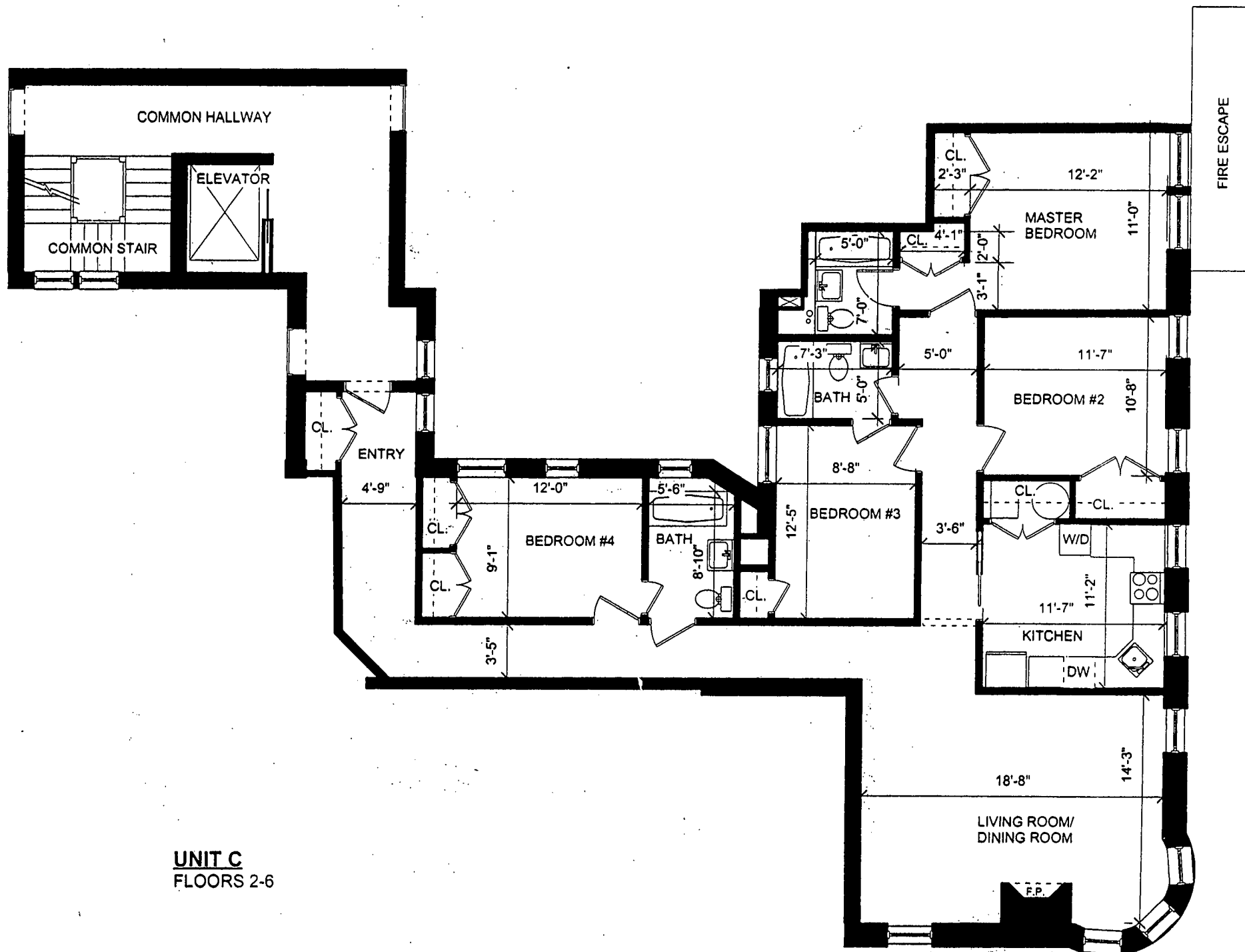
UNIT C FLOORS 2-6
TYPICAL
FOUR BEDROOM
NET AREA = 1682 sq.ft.



100 WEST 119TH STREET
NEW YORK, NY 07.2005

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FROM FLOOR TO FLOOR

SR+T ARCHITECTS

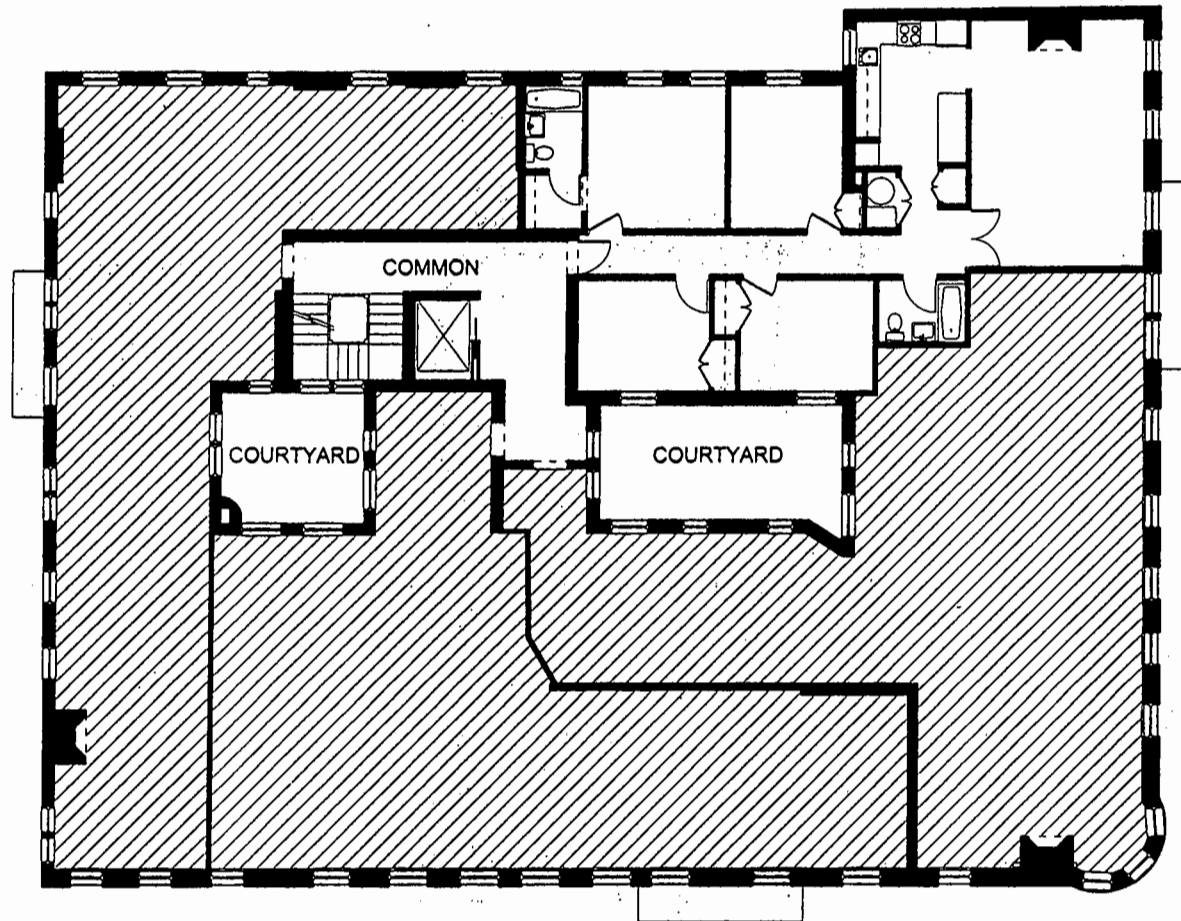


UNIT D FLOORS 2-6

TYPICAL

FOUR BEDROOM

NET AREA = 1436 sq.ft.



WEST 119TH STREET

100 WEST 119TH STREET

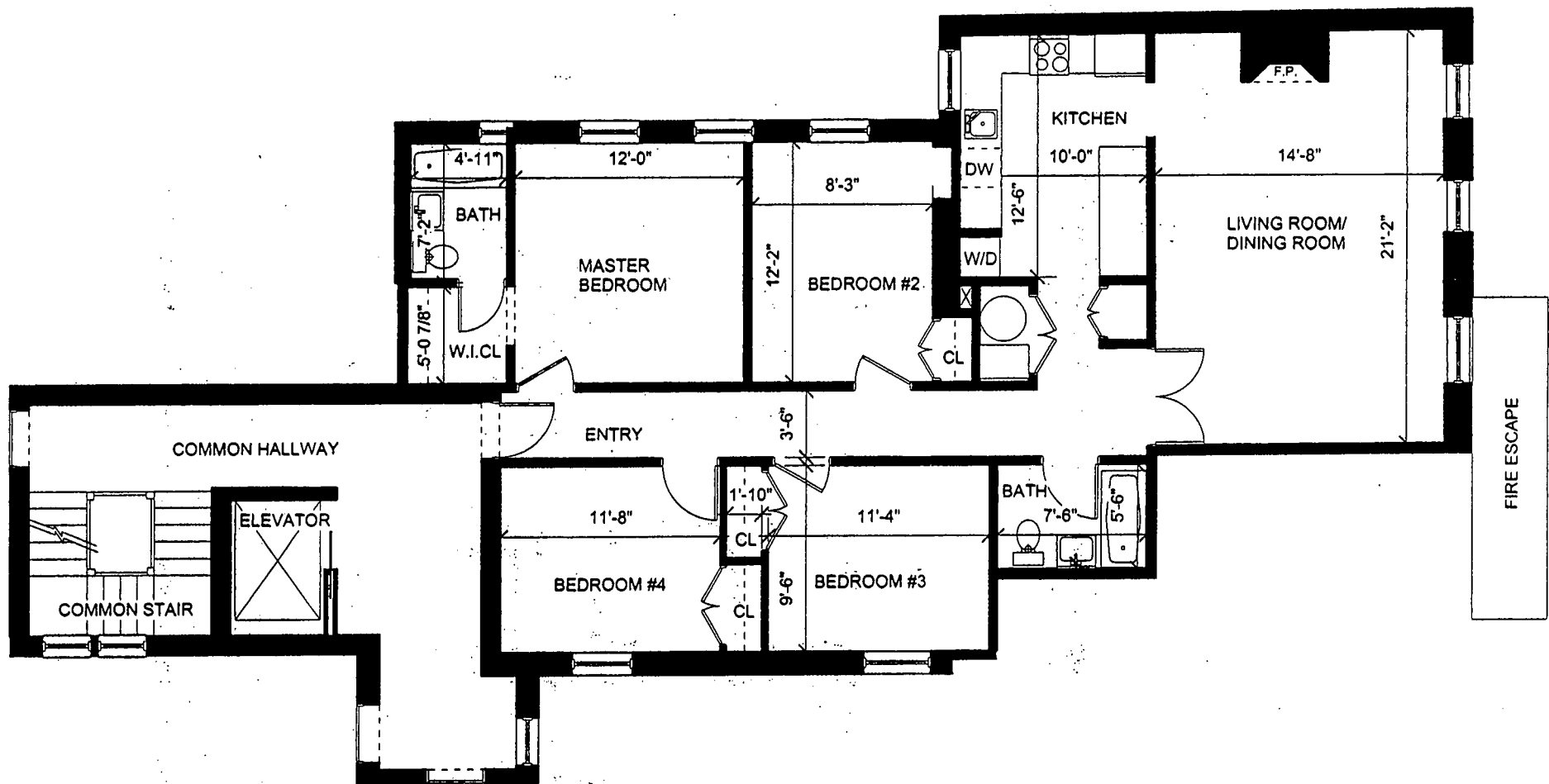
NEW YORK, NY

07.2005

LENOX AVENUE

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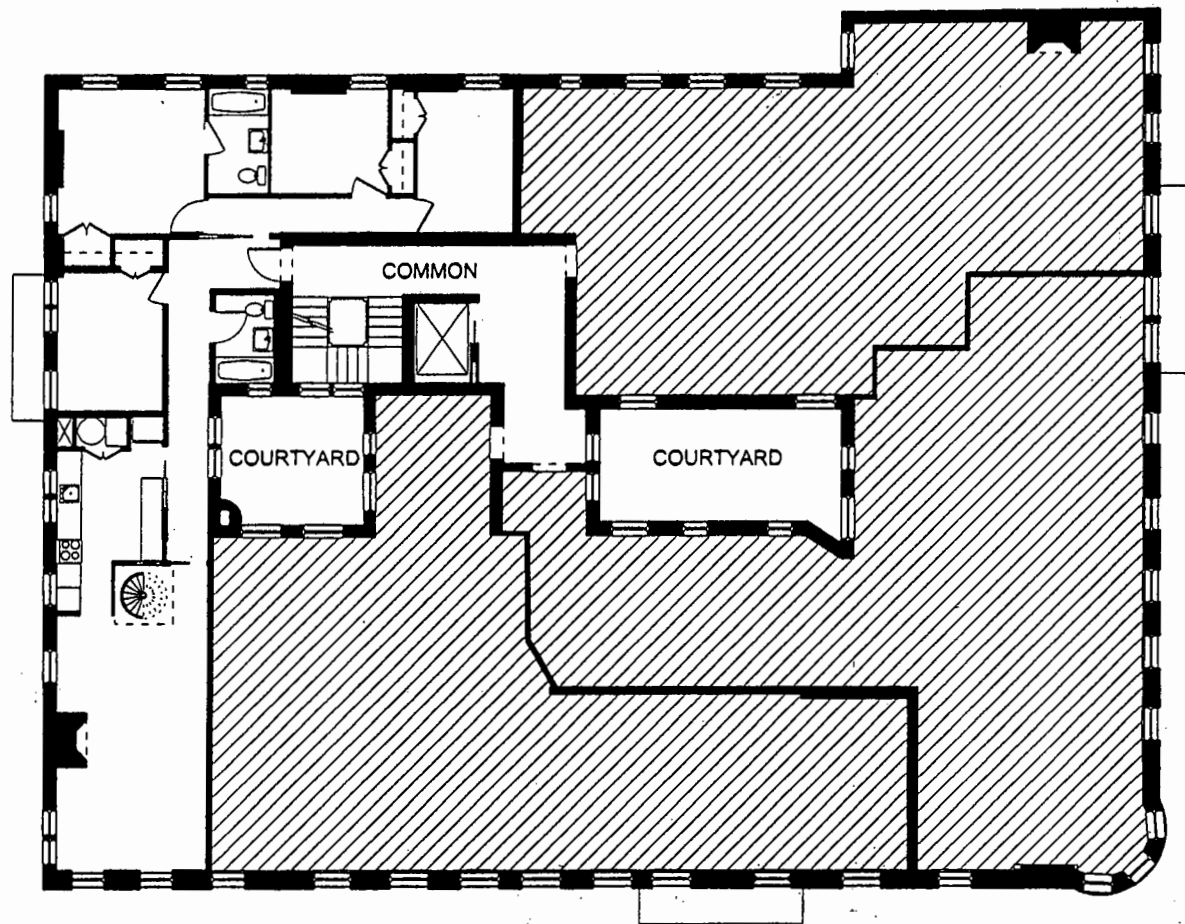
SR+T ARCHITECTS



UNIT D
FLOORS 2-6

UNIT A FLOOR 7

TYPICAL
FOUR BEDROOM
NET AREA = 1467 sq.ft.



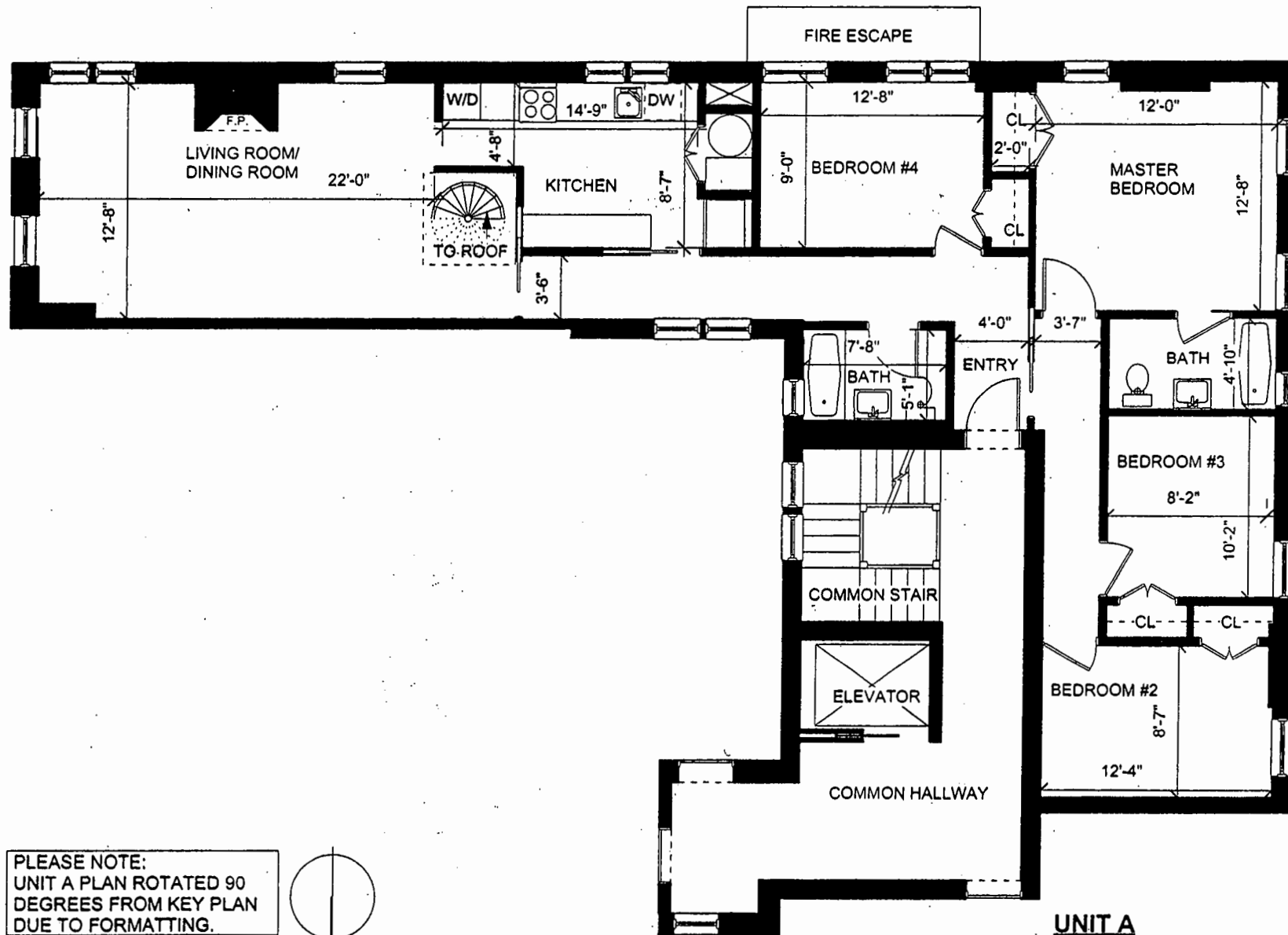
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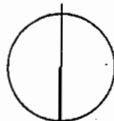
100 WEST 119TH STREET
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SR+T ARCHITECTS

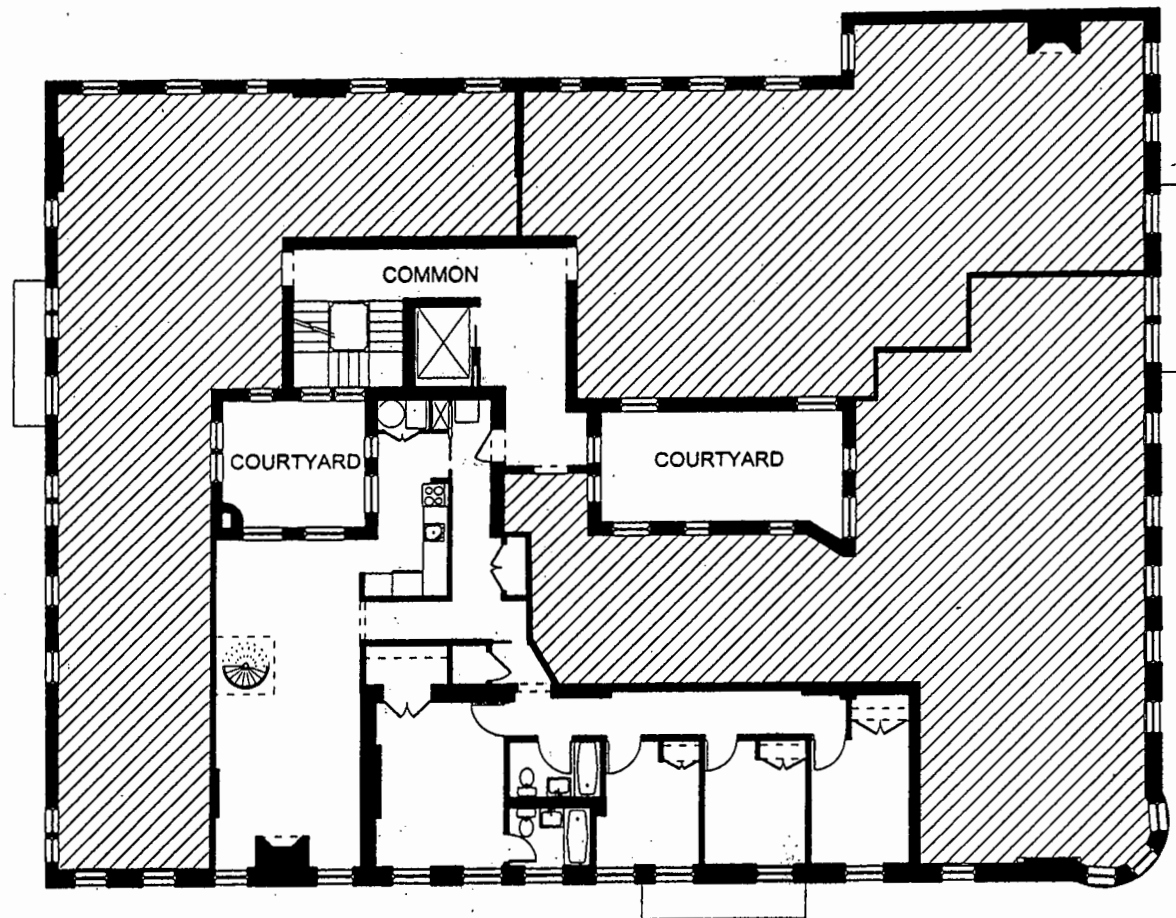


PLEASE NOTE:
UNIT A PLAN ROTATED 90
DEGREES FROM KEY PLAN
DUE TO FORMATTING.



UNIT A
FLOOR 7

UNIT B FLOOR 7
TYPICAL
FOUR BEDROOM
NET AREA = 1535 sq.ft.

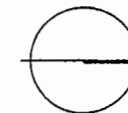


WEST 119TH STREET

100 WEST 119TH STREET
NEW YORK, NY 07.2005

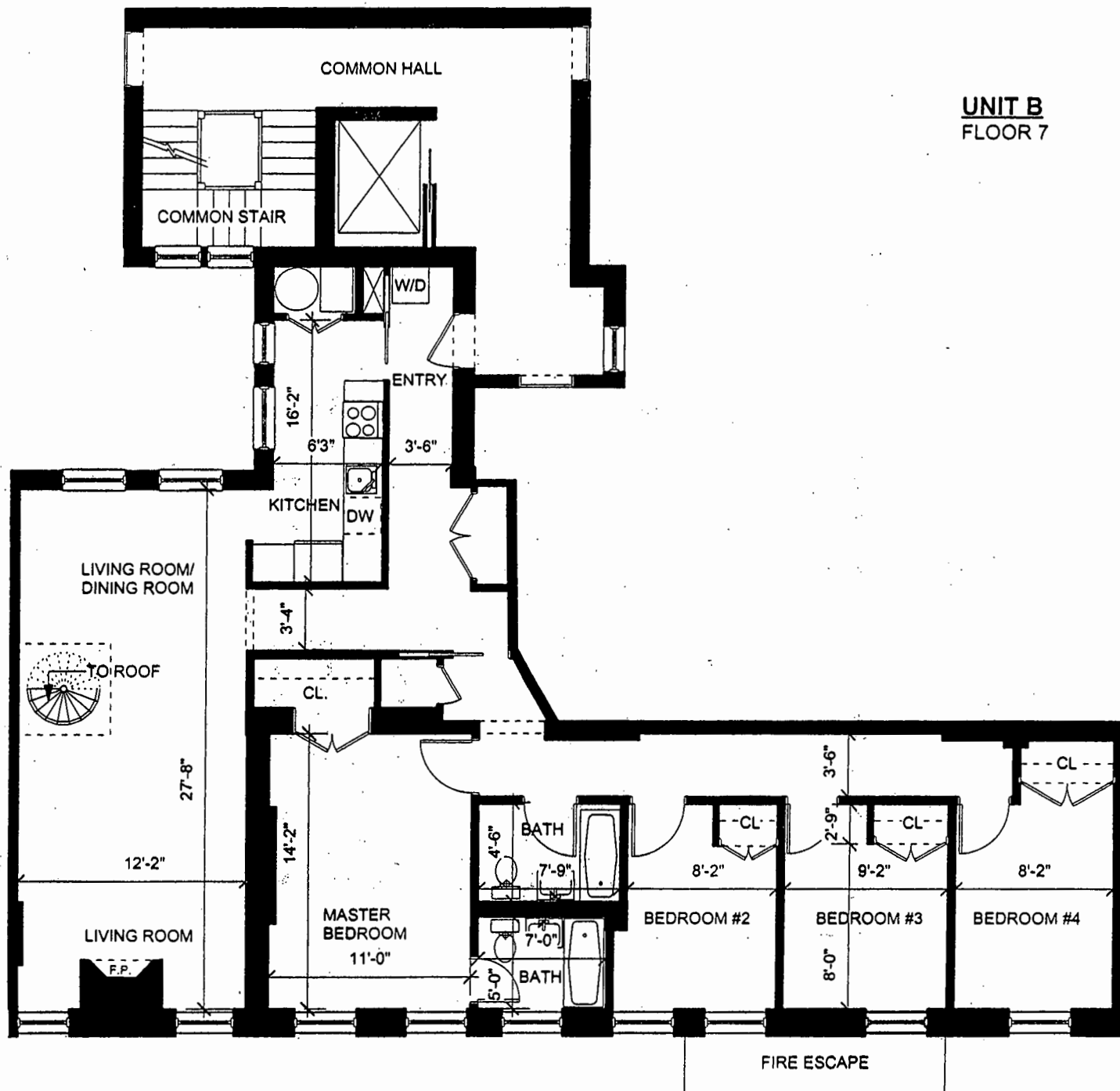
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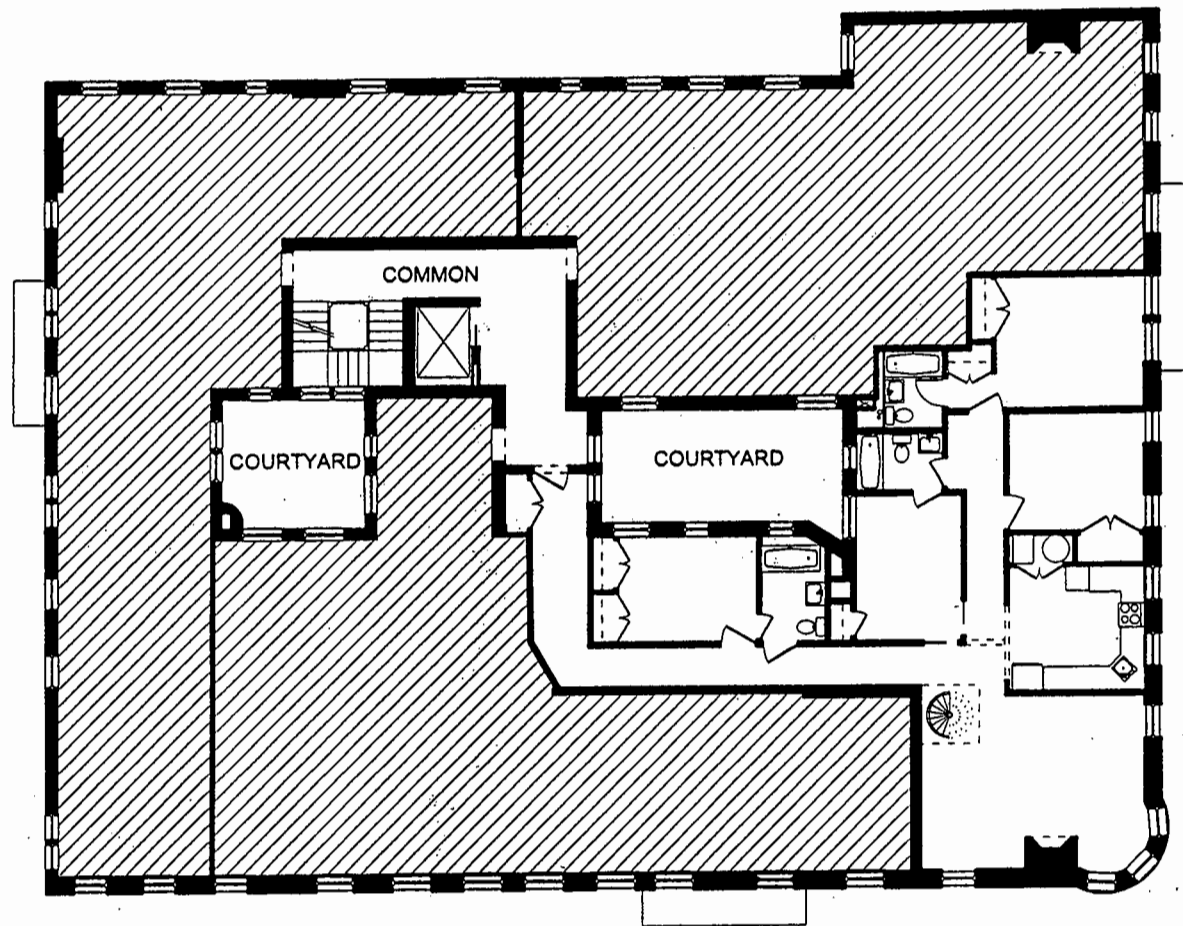
SR+T ARCHITECTS

UNIT B
FLOOR 7



UNIT C FLOOR 7

TYPICAL
FOUR BEDROOM
NET AREA = 1682 sq.ft.



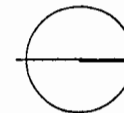
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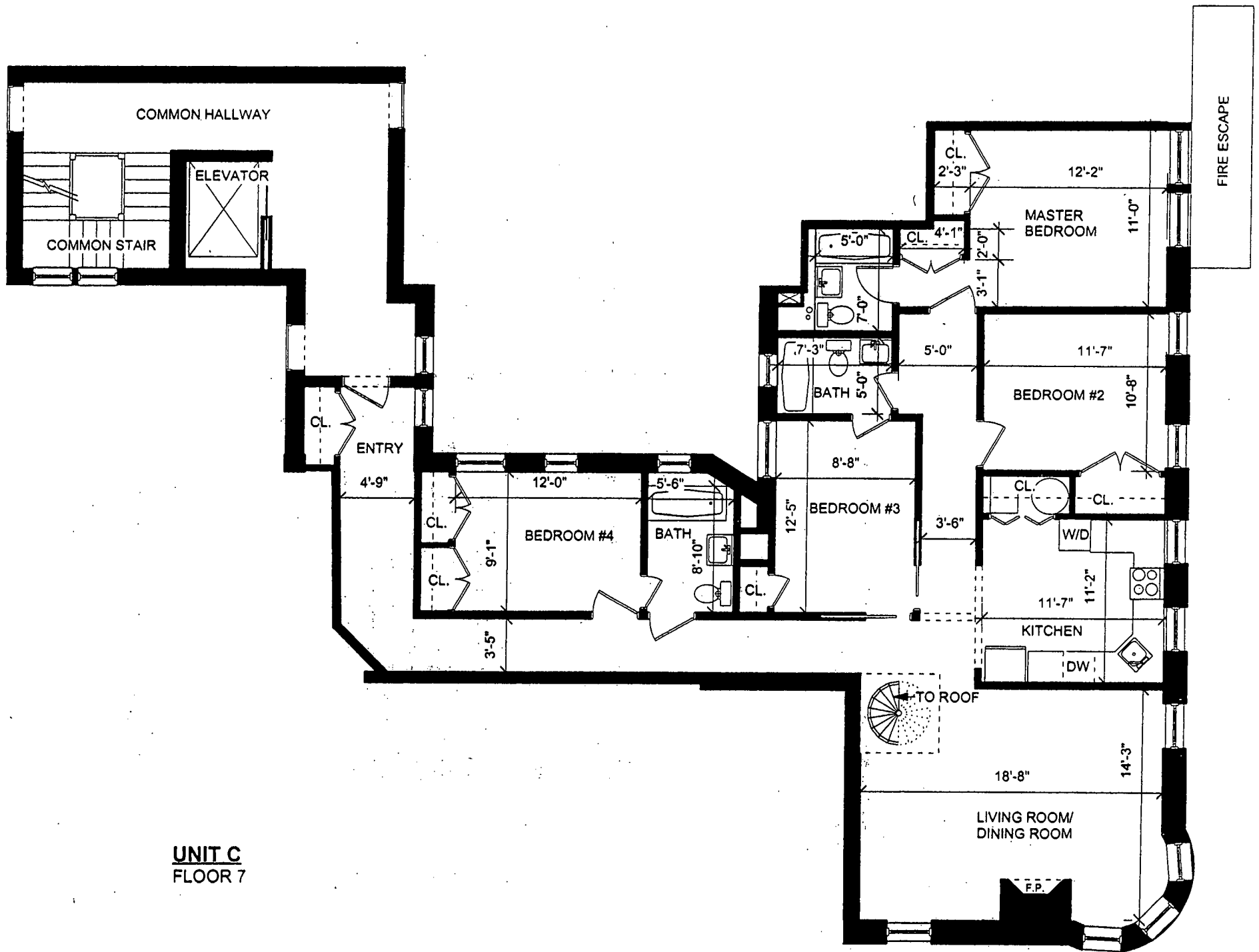
LENOX AVENUE

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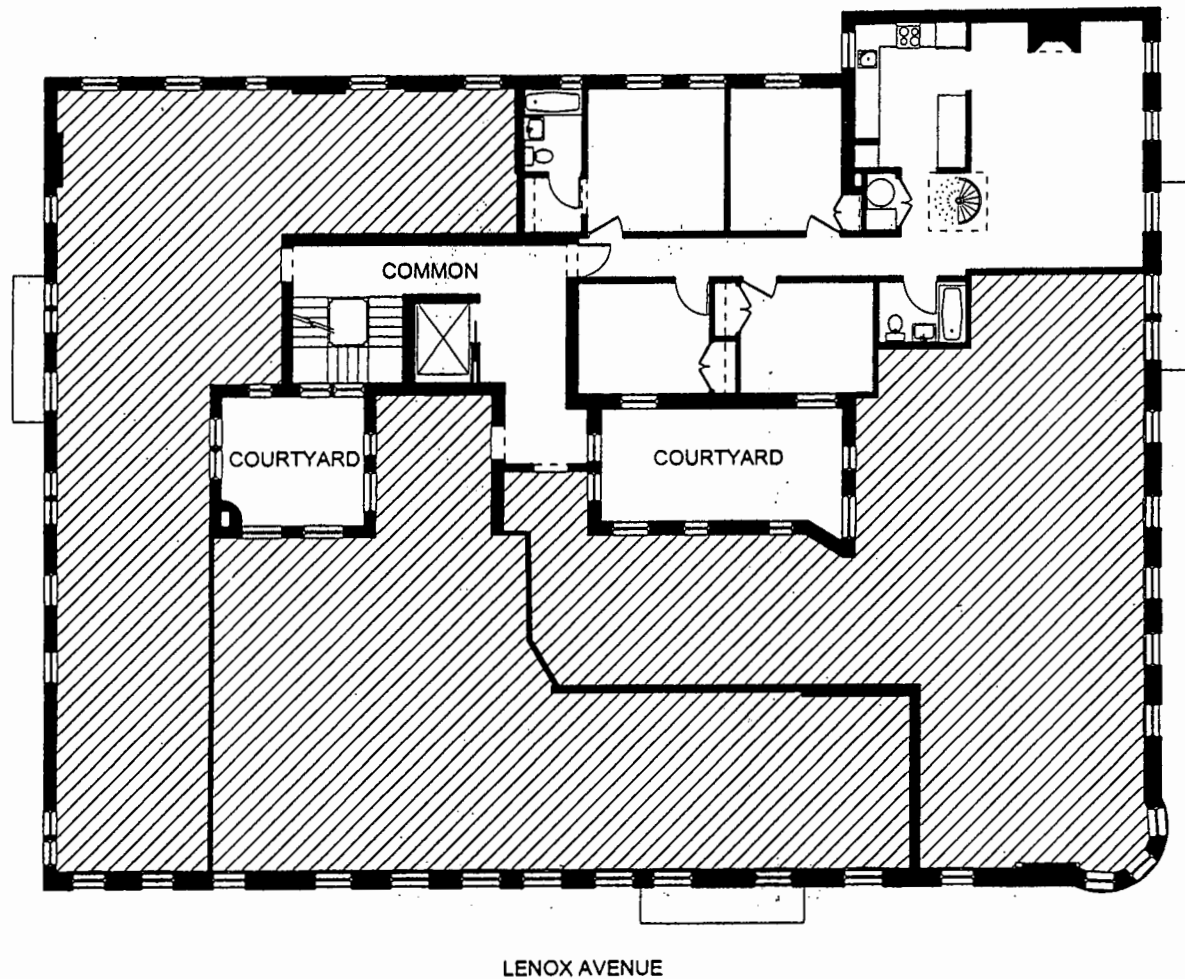
SR+T ARCHITECTS





UNIT D FLOOR 7

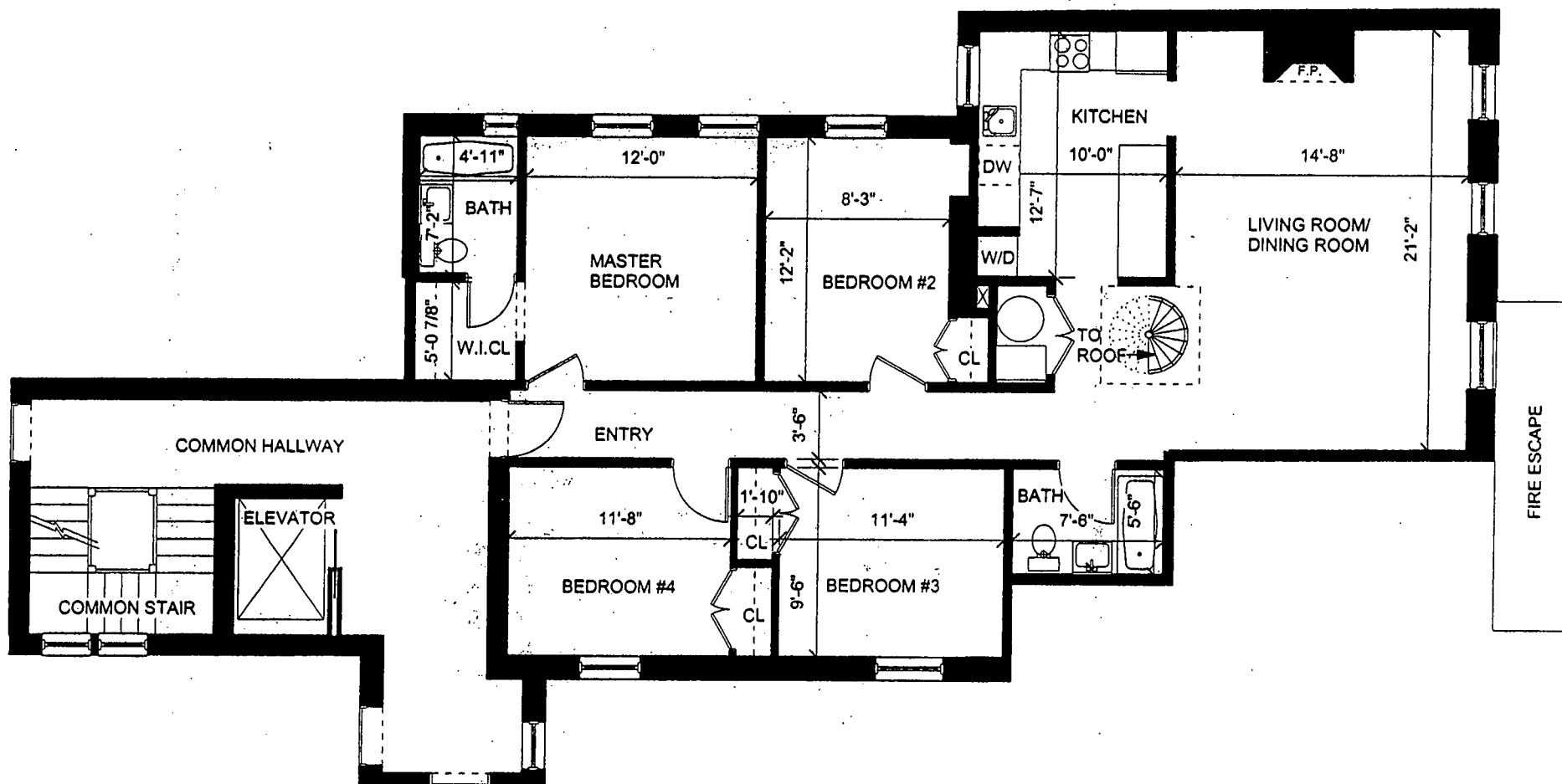
TYPICAL
FOUR BEDROOM
NET AREA = 1436 sq.ft.



100 WEST 119TH STREET
NEW YORK, NY 07.2005

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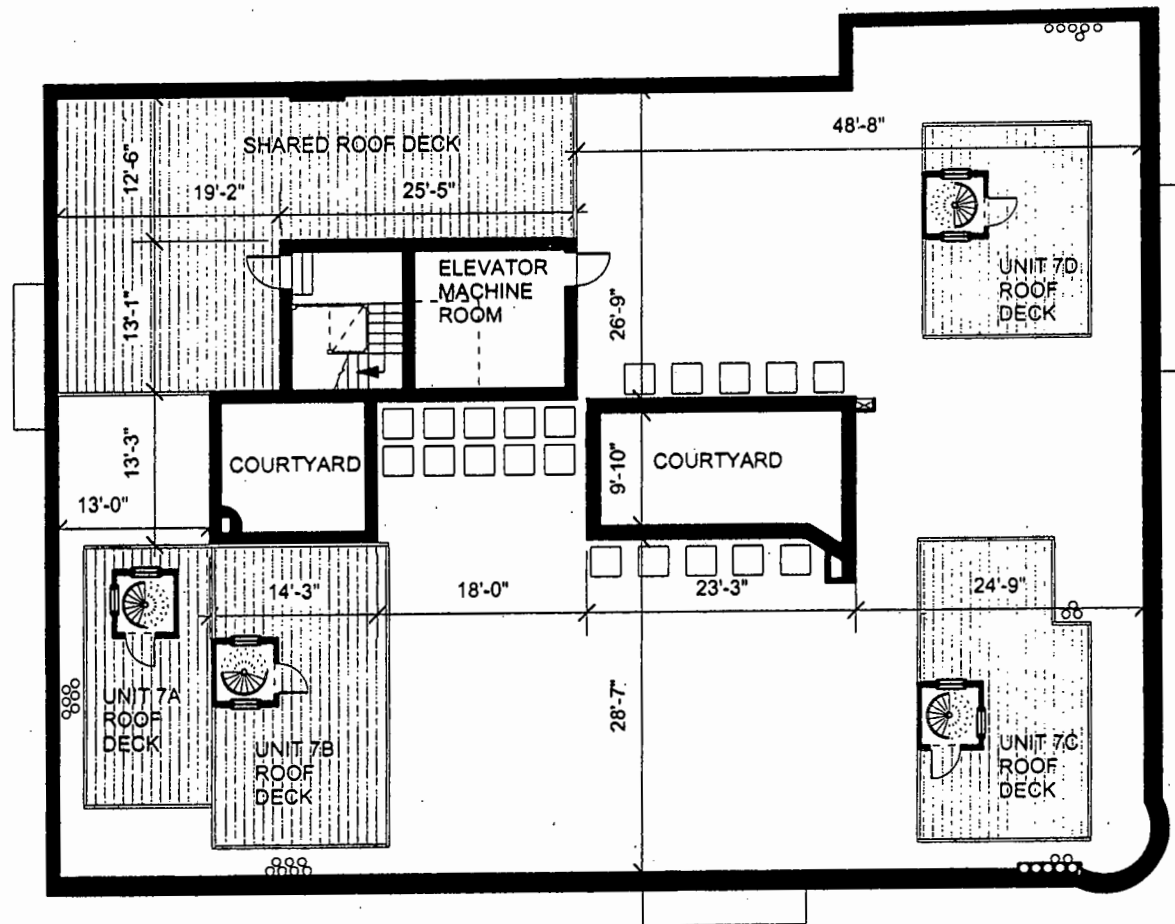
SR+T ARCHITECTS



UNIT D
FLOOR 7

ROOF

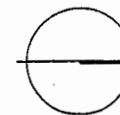
NET AREA = 6844 sq.ft.



100 WEST 119TH STREET
NEW YORK, NY 07.2005

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FROM FLOOR TO FLOOR

SR+T ARCHTITECTS



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EXHIBIT E

ARCHITECT'S CERTIFICATION

**RE: THE NORMANDIE CONDOMINIUM
100 WEST 119TH STREET
NEW YORK, NEW YORK**

The Sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). Our firm visually inspected the existing portions of the renovated property, if any, on May 3, 2004 and re-inspected the renovated property on June 24, 2005. I examined the building plans and specifications which were approved as of February 18, 2004 and prepared the Report dated May 12, 2004. We are supplementing the report in this addendum dated July 11, 2005, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report and addendum.

I am a registered architect in the State in which the property is located.

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 20 insofar as they are applicable to this addendum.

I have read the entire addendum and investigated the facts set forth in the addendum and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

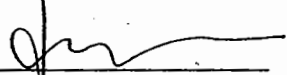
I certify that the addendum:

- (i) sets forth in narrative form the description and/or physical condition of the aspects of the property discussed in the addendum as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;
- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the aspects of the property discussed in the addendum as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;

- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, when 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.

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 addendum 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.

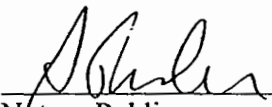
SR + T, Architects

By: 

Name: Joel E. Towers

Title: Principal

Sworn to before me this
28 day of July, 2005


Notary Public

ANDREW K. BARBER
Notary Public, State of New York
No. 01BA6074367
Qualified in New York County
Commission Expires May 13, 2006



EXHIBIT F

ESCROW AGREEMENT

AGREEMENT made this 25 day of March, 2005, between 167-177 Lenox LLC ("Sponsor") as sponsor of the offering plan and Marc Andrew Landis, P.L.L.C. ("Escrow Agent") as escrow agent.

WHEREAS, 167-177 Lenox LLC is the sponsor of an offering plan to convert to condominium ownership the premises located at 100 West 119th Street, New York, New York, which premises are known as The Normandie Condominium; and

WHEREAS, Marc Andrew Landis, P.L.L.C. 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 and 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:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with Commerce Bank, N.A. at its branch located at 2521 Broadway, New York, New York 10025. The account number is [REDACTED].

1.2 The name of the account is Marc Andrew Landis, P.L.L.C. - Normandie Condominium - Special Escrow Account.

1.3 ESCROW AGENT is the sole signatory on the account.

1.4 The escrow account shall be an interest-bearing account as disclosed in the offering plan.

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payer, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by, the purchaser or subscriber to the order of Marc Andrew Landis, P.L.L.C., as escrow agent for The Normandie Condominium offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber 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.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds 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.

3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, 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 funds 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 has so notified ESCROW AGENT in accordance with such provisions.

3.5 All funds received by Sponsor for upgrades or extras will initially be placed in the escrow account. However such funds may be released from the escrow account by the ESCROW AGENT upon request as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras.

4. RECORD KEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7)

years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agent, including any selling agent, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

- (a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of

designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

10.1 SPONSOR agrees that ESCROW AGENT's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstances.

11. SEVERABILITY.

11.1 If any provision of this Agreement or the application thereof to any person or circumstances is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

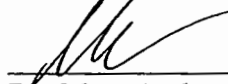
12. ENTIRE AGREEMENT.

12.1 This Agreement, read together with GBL Section 352-e (2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

Marc Andrew Landis, P.L.L.C.

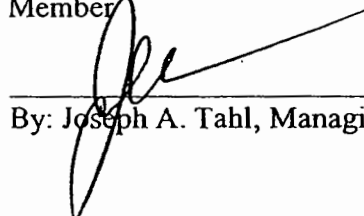


By: Marc Andrew Landis, Member

SPONSOR: 167-177 Lenox LLC

By: Tahl-Propp Manhattan North Investors III LLC,
Its Managing Member

By: Tahl-Propp MNI III LLC, Its Managing
Member


By: Joseph A. Tahl, Managing Member

FIFTH AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM
100 WEST 119TH STREET
NEW YORK, NEW YORK

DATED: May 18, 2005

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004, AS AMENDED, AND SHOULD BE READ IN CONJUNCTION WITH THE PLAN.

**FIFTH AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: **The Normandie Condominium**

Sponsor: **167-177 Lenox LLC**

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004, as amended, (the "**Plan**"), and should be read in conjunction with the Plan.

1. Price Increase for Unsold Units.

Effective immediately, the price of all Units for which Purchase Agreements have not yet been signed is increased as set forth on the attached Schedule A. The Schedule A contained in the printed Plan is deleted and Schedule A attached to this amendment is substituted in its place.

2. Incorporation of Plan.

The Plan, as modified and supplemented herein, is incorporated herein by reference with the same effect as if set forth at length.

3. No Other Material Changes.

Except as set forth in this Amendment, there have been no other material changes in the Plan.

4. Definitions.

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX LLC**

Dated: May 18, 2005

Schedule A

The Normandie Condominium, 100 West 119th St., NY, NY

Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2004)

Residential Unit No.	Number of Bedrooms/Baths* (FN5)	Interior Square Footage (FN1)	Purchase Price (FN2)	Percentage Interest in Residential Common Expenses (FN3)	Percentage Interest in General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN6)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Annually) (FN6)	Projected Real Estate Taxes with J-51 Benefits (Annually) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
1A	4/2	1,403	\$996,000	2.71%	2.40%	\$313.78	\$178.26	\$2,115.07	\$490.04	\$6,880.48	\$0.00	\$313.78
2A	4/2	1,456	\$795,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,369.75	\$0.00	\$446.08
2B	4/2	1,524	\$649,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
2C	4/3	1,658	\$979,000	4.47%	3.95%	\$617.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$617.04
2D	4/2	1,425	\$849,000	4.39%	3.40%	\$507.97	\$286.33	\$3,423.96	\$793.30	\$9,519.66	\$0.00	\$507.97
3A	4/2	1,456	\$815,000	3.77%	3.47%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
3B	4/2	1,524	\$869,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
3C	4/3	1,658	\$995,000	4.47%	3.95%	\$617.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$617.04
3D	4/2	1,425	\$865,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
4A	4/2	1,456	\$875,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,369.75	\$0.00	\$446.08
4B	4/2	1,524	\$995,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
4C	4/3	1,658	\$1,025,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
4D	4/2	1,425	\$886,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
5A	4/2	1,456	\$925,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,369.75	\$0.00	\$446.08
5B	4/2	1,524	\$915,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
5C	4/3	1,658	\$1,060,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
5D	4/2	1,425	\$875,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
6A	4/2	1,456	\$925,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,369.75	\$0.00	\$446.08
6B	4/2	1,524	\$1,195,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
6C	4/3	1,658	\$1,325,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
6D	4/2	1,425	\$1,139,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
PH7A	4/2	1,456	\$1,295,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,369.75	\$0.00	\$446.08
PH7B	4/2	1,524	\$1,359,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
PH7C	4/3	1,658	\$1,489,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
PH7D	4/2	1,425	\$1,279,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
28 Residential Units												
Residential Total		37,781	\$26,552,000	100.00%	89.1%	\$11,676.35	\$6,501.98	\$78,023.78	\$18,077.33	\$216,927.86	\$0.00	\$11,676.35
Commercial Unit No.				Percentage Interest in Commercial Expenses								
1B	0/5	1124	n/a	27%	2.84%	\$180.16	\$180.16	\$2,161.91	\$380.32	\$4,323.82	\$0.00	\$180.16
1C	0/6	444	n/a	11%	1.22%	\$71.17	\$71.17	\$853.99	\$142.33	\$1,707.99	\$0.00	\$71.17
1D	0/6	460	n/a	11%	1.23%	\$72.13	\$72.13	\$866.63	\$144.26	\$1,731.07	\$0.00	\$72.13
1E	0/5	677	n/a	16%	1.77%	\$108.51	\$108.51	\$1,302.15	\$217.02	\$2,604.30	\$0.00	\$108.51
1F	0/5	390	n/a	9%	1.09%	\$62.51	\$62.51	\$750.13	\$126.02	\$1,500.26	\$0.00	\$62.51
1G	0/5	1080	n/a	26%	2.73%	\$173.11	\$173.11	\$2,077.28	\$346.21	\$4,164.66	\$0.00	\$173.11
6 Commercial Units												
Commercial Total		4,165		100%	10.9%	\$667.58	\$667.58	\$8,011.00	\$1,336.17	\$16,022.00	\$0.00	\$667.58
Condominium Total		41,946			100%	\$12,242.93	\$7,169.56	\$86,034.78	\$19,412.50	\$235,006.27	\$0.00	\$12,242.93

* Each Residential Unit shall have a private cellar storage space

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FOURTH AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM
100 WEST 119TH STREET
NEW YORK, NEW YORK

DATED: May 3, 2005

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004, AS AMENDED, AND SHOULD BE READ IN CONJUNCTION WITH THE PLAN.

**FOURTH AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: **The Normandie Condominium**

Sponsor: **167-177 Lenox LLC**

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004, as amended, (the "**Plan**"), and should be read in conjunction with the Plan.

1. Price Increase for Unsold Units.

Effective immediately, the price of all Units for which Purchase Agreements have not yet been signed is increased as set forth on the attached Schedule A. The Schedule A contained in the printed Plan is deleted and Schedule A attached to this amendment is substituted in its place.

2. Incorporation of Plan.

The Plan, as modified and supplemented herein, is incorporated herein by reference with the same effect as if set forth at length.

3. No Other Material Changes.

Except as set forth in this Amendment, there have been no other material changes in the Plan.

4. Definitions.

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX LLC**

Dated: May 3, 2005

Schedule A

The Normandie Condominium, 100 West 119th St., NY, NY

Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2004)

Residential Unit No.	Number of Bedrooms/Baths* (FN5)	Interior Square Footage (FN1)	Purchase Price (FN2)	Percentage Interest in Residential Common Expenses (FN3)	Percentage Interest in General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN6)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Annually) (FN 6)	Projected Real Estate Taxes with J-51 Benefits (Annually) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
1A	4/2	1,403	\$895,000	2.71%	2.40%	\$313.78	\$176.26	\$2,115.07	\$490.04	\$5,880.48	\$0.00	\$313.78
2A	4/2	1,456	\$795,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.85	\$8,359.75	\$0.00	\$446.08
2B	4/2	1,524	\$849,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
2C	4/3	1,658	\$979,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
2D	4/2	1,425	\$849,000	4.38%	3.40%	\$507.97	\$285.33	\$3,423.98	\$793.30	\$9,519.56	\$0.00	\$507.97
3A	4/2	1,456	\$815,000	3.77%	3.47%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
3B	4/2	1,524	\$869,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
3C	4/3	1,658	\$995,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
3D	4/2	1,425	\$856,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
4A	4/2	1,456	\$876,000	3.86%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.85	\$8,359.75	\$0.00	\$446.08
4B	4/2	1,524	\$895,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
4C	4/3	1,658	\$1,025,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
4D	4/2	1,425	\$885,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
5A	4/2	1,456	\$925,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.85	\$8,359.75	\$0.00	\$446.08
5B	4/2	1,524	\$915,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
5C	4/3	1,658	\$1,050,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
5D	4/2	1,425	\$875,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
6A	4/2	1,456	\$925,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.85	\$8,359.75	\$0.00	\$446.08
6B	4/2	1,524	\$1,195,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
6C	4/3	1,658	\$1,325,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
6D	4/2	1,425	\$1,139,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
PH7A	4/2	1,456	\$1,295,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.85	\$8,359.75	\$0.00	\$446.08
PH7B	4/2	1,524	\$1,359,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
PH7C	4/3	1,658	\$1,489,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
PH7D	4/2	1,425	\$1,279,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
25 Residential Units												
Residential Total		37,781	\$25,352,000	100.00%	89.1%	\$11,575.35	\$6,501.98	\$78,023.78	\$18,077.33	\$216,927.85	\$0.00	\$11,575.35
Commercial Unit No.				Percentage Interest in Commercial Expenses								
1B	0/5	1124	n/a	27%	2.84%	\$180.16	\$180.16	\$2,161.91	\$360.32	\$4,323.82	\$0.00	\$180.16
1C	0/5	444	n/a	11%	1.22%	\$71.17	\$71.17	\$853.99	\$142.33	\$1,707.99	\$0.00	\$71.17
1D	0/5	460	n/a	11%	1.23%	\$72.13	\$72.13	\$865.53	\$144.28	\$1,731.07	\$0.00	\$72.13
1E	0/5	677	n/a	16%	1.77%	\$108.51	\$108.51	\$1,302.15	\$217.02	\$2,604.30	\$0.00	\$108.51
1F	0/5	390	n/a	9%	1.08%	\$62.51	\$62.51	\$750.13	\$125.02	\$1,500.26	\$0.00	\$62.51
1G	0/5	1080	n/a	26%	2.73%	\$173.11	\$173.11	\$2,077.28	\$346.21	\$4,154.56	\$0.00	\$173.11
6 Commercial Units												
Commercial Total		4,165		100%	10.9%	\$667.58	\$667.58	\$8,011.00	\$1,335.17	\$16,022.00	\$0.00	\$667.58
Condominium Total		41,946			100%	\$12,242.93	\$7,169.56	\$86,034.78	\$19,412.50	\$235,005.27	\$0.00	\$12,242.93

* Each Residential Unit shall have a private cellar storage space

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THIRD AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM
100 WEST 119TH STREET
NEW YORK, NEW YORK

DATED: March 31, 2005

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004, AS AMENDED, AND SHOULD BE READ IN CONJUNCTION WITH THE PLAN.

**THIRD AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: **The Normandie Condominium**

Sponsor: **167-177 Lenox LLC**

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004, as amended, (the "**Plan**"), and should be read in conjunction with the Plan.

1. Price Increase for Unsold Units.

Effective immediately, the price of all Units for which Purchase Agreements have not yet been signed is increased as set forth on the attached Schedule A. The Schedule A contained in the printed Plan is deleted and Schedule A attached to this amendment is substituted in its place.

2. Incorporation of Plan.

The Plan, as modified and supplemented herein, is incorporated herein by reference with the same effect as if set forth at length.

3. No Other Material Changes.

Except as set forth in this Amendment, there have been no other material changes in the Plan.

4. Definitions.

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX LLC**

Dated: March 31, 2005

Schedule A

The Normandie Condominium, 100 West 119th St., NY, NY

Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2004)

Residential Unit No.	Number of Bedrooms/Baths* (FNS)	Interior Square Footage (FNS)	Purchase Price (FNS)	Percentage Interest in Residential Common Expenses (FNS)	Percentage Interest in General Common Expenses (FNS)	Projected Common Charges (Monthly) (FNS)	Projected Real Estate Taxes (Monthly) (FNS)	Projected Real Estate Taxes (Annually) (FNS)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FNS, 7)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Annually) (FNS, 6)	Projected Real Estate Taxes with J-51 Benefits (Annually) (FNS)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FNS, 7)
1A	4/2	1,403	\$995,000	2.71%	2.40%	\$313.78	\$178.26	\$2,116.07	\$480.04	\$8,980.48	\$0.00	\$313.78
2A	4/2	1,468	\$785,000	3.88%	3.47%	\$448.08	\$280.87	\$3,006.80	\$688.65	\$8,358.76	\$0.00	\$448.08
2B	4/2	1,624	\$849,000	4.03%	3.63%	\$488.91	\$282.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$488.91
2C	4/3	1,858	\$978,000	4.47%	3.85%	\$517.04	\$280.43	\$3,486.11	\$807.46	\$9,889.67	\$0.00	\$517.04
2D	4/2	1,428	\$849,000	4.38%	3.40%	\$507.87	\$286.33	\$3,423.98	\$783.30	\$9,619.65	\$0.00	\$507.87
3A	4/2	1,468	\$815,000	3.77%	3.47%	\$438.88	\$248.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$438.88
3B	4/2	1,624	\$889,000	4.03%	3.63%	\$488.91	\$282.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$488.91
3C	4/3	1,858	\$988,000	4.47%	3.85%	\$517.04	\$280.43	\$3,486.11	\$807.46	\$9,889.67	\$0.00	\$517.04
3D	4/2	1,428	\$835,000	3.77%	3.40%	\$438.88	\$248.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$438.88
4A	4/2	1,468	\$875,000	3.88%	3.47%	\$448.08	\$280.87	\$3,006.80	\$688.65	\$8,358.76	\$0.00	\$448.08
4B	4/2	1,624	\$886,000	4.03%	3.63%	\$488.91	\$282.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$488.91
4C	4/3	1,858	\$1,028,000	4.47%	3.85%	\$517.04	\$280.43	\$3,486.11	\$807.46	\$9,889.67	\$0.00	\$517.04
4D	4/2	1,428	\$885,000	3.77%	3.40%	\$438.88	\$248.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$438.88
5A	4/2	1,468	\$825,000	3.88%	3.47%	\$448.08	\$280.87	\$3,006.80	\$688.65	\$8,358.76	\$0.00	\$448.08
5B	4/2	1,624	\$916,000	4.03%	3.63%	\$488.91	\$282.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$488.91
5C	4/3	1,858	\$1,080,000	4.47%	3.85%	\$517.04	\$280.43	\$3,486.11	\$807.46	\$9,889.67	\$0.00	\$517.04
5D	4/2	1,428	\$875,000	3.77%	3.40%	\$438.88	\$248.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$438.88
6A	4/2	1,468	\$825,000	3.88%	3.47%	\$448.08	\$280.87	\$3,006.80	\$688.65	\$8,358.76	\$0.00	\$448.08
6B	4/2	1,624	\$935,000	4.03%	3.63%	\$488.91	\$282.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$488.91
6C	4/3	1,858	\$1,085,000	4.47%	3.85%	\$517.04	\$280.43	\$3,486.11	\$807.46	\$9,889.67	\$0.00	\$517.04
6D	4/2	1,428	\$925,000	3.77%	3.40%	\$438.88	\$248.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$438.88
PH7A	4/2	1,468	\$1,228,000	3.85%	3.47%	\$448.08	\$280.87	\$3,006.80	\$688.65	\$8,358.76	\$0.00	\$448.08
PH7B	4/2	1,624	\$1,200,000	4.03%	3.63%	\$488.91	\$282.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$488.91
PH7C	4/3	1,858	\$1,300,000	4.47%	3.85%	\$517.04	\$280.43	\$3,486.11	\$807.46	\$9,889.67	\$0.00	\$517.04
PH7D	4/2	1,428	\$1,100,000	3.77%	3.40%	\$438.88	\$248.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$438.88
25 Residential Units												
Residential Total		37,781	\$24,031,000	100.00%	89.1%	\$11,876.36	\$6,501.88	\$78,025.78	\$18,077.33	\$218,927.85	\$0.00	\$11,876.36
Commercial Unit No.				Percentage Interest in Commercial Expenses								
1B	0/6	1124	n/a	17%	2.84%	\$180.18	\$180.18	\$2,181.81	\$380.32	\$4,323.82	\$0.00	\$180.18
1C	0/6	444	n/a	11%	1.22%	\$71.17	\$71.17	\$853.88	\$142.33	\$1,707.98	\$0.00	\$71.17
1D	0/6	480	n/a	11%	1.23%	\$72.13	\$72.13	\$866.63	\$144.28	\$1,731.07	\$0.00	\$72.13
1E	0/6	877	n/a	16%	1.77%	\$108.61	\$108.61	\$1,302.16	\$217.02	\$2,604.30	\$0.00	\$108.61
1F	0/6	380	n/a	9%	1.08%	\$82.61	\$82.61	\$980.13	\$128.02	\$1,500.28	\$0.00	\$82.61
1G	0/6	1080	n/a	26%	2.73%	\$173.11	\$173.11	\$2,077.28	\$348.21	\$4,154.68	\$0.00	\$173.11
6 Commercial Units												
Commercial Total		4,186		100%	10.8%	\$687.68	\$687.68	\$8,011.00	\$1,336.17	\$16,022.00	\$0.00	\$687.68
Condominium Total		41,968			100%	\$12,242.93	\$7,189.56	\$88,034.78	\$19,412.80	\$236,009.27	\$0.00	\$12,242.93

* Each Residential Unit shall have a private cellar storage space

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**SECOND AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM**

**100 WEST 119TH STREET
NEW YORK, NEW YORK**

DATED: March 11, 2005

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004, AS AMENDED, AND SHOULD BE READ IN CONJUNCTION WITH THE PLAN.

**SECOND AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: **The Normandie Condominium**

Sponsor: **167-177 Lenox, LLC**

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004, as previously amended, (the "**Plan**"), and should be read in conjunction with the Plan.

1. **Price Increase for Unsold Units.**

Effective immediately, the price of all Units for which Purchase Agreements have not yet been signed is increased as set forth on the attached Schedule A. The Schedule A contained in the printed Plan is deleted and Schedule A attached to this amendment is substituted in its place.

2. **Incorporation of Plan.**

The Plan, as modified and supplemented herein, is incorporated herein by reference with the same effect as if set forth at length.

3. **No Other Material Changes.**

Except as set forth in this Amendment, there have been no other material changes in the Plan.

4. **Definitions.**

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX, LLC**

Dated: March 11, 2005

Schedule A
The Normandie Condominium, 100 West 119th St., NY, NY
Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2004)

Residential Unit No.	Number of Bedrooms/Baths* (FN5)	Interior Square Footage (FN1)	Purchase Price (FN2)	Percentage Interest in Residential Common Expenses (FN3)	Percentage Interest in General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN5)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Annually) (FN 6)	Projected Real Estate Taxes with J-51 Benefits (Annually) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
1A	4/2	1,403	\$849,000	2.71%	2.40%	\$313.78	\$176.28	\$2,116.07	\$490.04	\$5,880.48	\$0.00	\$313.78
2A	4/2	1,466	\$795,000	3.86%	3.47%	\$448.08	\$260.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$448.08
2B	4/2	1,524	\$849,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,760.18	\$0.00	\$466.91
2C	4/3	1,658	\$979,000	4.47%	3.95%	\$517.04	\$290.43	\$3,486.11	\$807.46	\$9,689.67	\$0.00	\$517.04
2D	4/2	1,425	\$815,000	4.39%	3.40%	\$507.97	\$285.33	\$3,423.96	\$793.30	\$9,519.56	\$0.00	\$507.97
3A	4/2	1,466	\$815,000	3.77%	3.47%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
3B	4/2	1,524	\$889,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,760.18	\$0.00	\$466.91
3C	4/3	1,658	\$995,000	4.47%	3.95%	\$517.04	\$290.43	\$3,486.11	\$807.46	\$9,689.67	\$0.00	\$517.04
3D	4/2	1,425	\$836,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
4A	4/2	1,466	\$875,000	3.86%	3.47%	\$448.08	\$260.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$448.08
4B	4/2	1,524	\$895,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,760.18	\$0.00	\$466.91
4C	4/3	1,658	\$1,025,000	4.47%	3.95%	\$517.04	\$290.43	\$3,486.11	\$807.46	\$9,689.67	\$0.00	\$517.04
4D	4/2	1,425	\$865,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
6A	4/2	1,466	\$895,000	3.86%	3.47%	\$448.08	\$260.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$448.08
6B	4/2	1,524	\$915,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,760.18	\$0.00	\$466.91
6C	4/3	1,658	\$1,050,000	4.47%	3.95%	\$517.04	\$290.43	\$3,486.11	\$807.46	\$9,689.67	\$0.00	\$517.04
6D	4/2	1,425	\$875,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
6A	4/2	1,466	\$925,000	3.86%	3.47%	\$448.08	\$260.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$448.08
6B	4/2	1,524	\$935,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,760.18	\$0.00	\$466.91
6C	4/3	1,658	\$1,095,000	4.47%	3.95%	\$517.04	\$290.43	\$3,486.11	\$807.46	\$9,689.67	\$0.00	\$517.04
6D	4/2	1,425	\$895,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
PH7A	4/2	1,466	\$1,150,000	3.86%	3.47%	\$448.08	\$260.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$448.08
PH7B	4/2	1,524	\$1,150,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,760.18	\$0.00	\$466.91
PH7C	4/3	1,658	\$1,250,000	4.47%	3.95%	\$517.04	\$290.43	\$3,486.11	\$807.46	\$9,689.67	\$0.00	\$517.04
PH7D	4/2	1,425	\$1,100,000	3.77%	3.40%	\$436.68	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.68
25 Residential Units												
Residential Total		37,781	\$23,688,000	100.00%	89.1%	\$11,676.36	\$6,501.98	\$78,023.78	\$18,077.33	\$216,927.95	\$0.00	\$11,676.36
Commercial Unit No.												
				Percentage Interest in Commercial Expenses								
1B	0/5	1124	n/a	27%	2.84%	\$180.16	\$180.16	\$2,161.91	\$360.32	\$4,323.82	\$0.00	\$180.16
1C	0/5	444	n/a	11%	1.22%	\$71.17	\$71.17	\$863.99	\$142.33	\$1,707.99	\$0.00	\$71.17
1D	0/5	450	n/a	11%	1.23%	\$72.13	\$72.13	\$866.63	\$144.26	\$1,731.07	\$0.00	\$72.13
1E	0/5	877	n/a	16%	1.77%	\$108.51	\$108.51	\$1,302.15	\$217.02	\$2,604.30	\$0.00	\$108.51
1F	0/5	390	n/a	9%	1.09%	\$62.51	\$62.51	\$760.13	\$125.02	\$1,500.26	\$0.00	\$62.51
1G	0/5	1080	n/a	26%	2.73%	\$173.11	\$173.11	\$2,077.28	\$346.21	\$4,154.56	\$0.00	\$173.11
6 Commercial Units												
Commercial Total		4,166		100%	10.9%	\$867.58	\$867.58	\$8,011.00	\$1,335.17	\$16,022.00	\$0.00	\$867.58
Condominium Total												
		41,946			100%	\$12,242.93	\$7,169.56	\$86,034.78	\$19,412.50	\$235,006.27	\$0.00	\$12,242.93

* Each Residential Unit shall have a private cellar storage space

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FIRST AMENDMENT
TO
OFFERING PLAN OF
CONDOMINIUM OWNERSHIP OF
PREMISES KNOWN AS
THE NORMANDIE CONDOMINIUM
100 WEST 119TH STREET
NEW YORK, NEW YORK

DATED: March 3, 2005

THIS AMENDMENT MODIFIES AND SUPPLEMENTS THE TERMS OF THE ORIGINAL OFFERING PLAN DATED NOVEMBER 16, 2004 AND SHOULD BE READ IN CONJUNCTION WITH THE PLAN.

**FIRST AMENDMENT TO OFFERING PLAN
OF CONDOMINIUM OWNERSHIP**

Condominium: **The Normandie Condominium**

Sponsor: **167-177 Lenox, LLC**

This Amendment modifies and supplements the terms of the original Offering Plan dated November 16, 2004 (the "**Plan**"), and should be read in conjunction with the Plan.

1. **Price Increase for Unsold Units.**

Effective immediately, the price of all Units for which Purchase Agreements have not yet been signed is increased as set forth on the attached Schedule A. The Schedule A contained in the printed Plan is deleted and Schedule A attached to this amendment is substituted in its place.

2. **Incorporation of Plan.**

The Plan, as modified and supplemented herein, is incorporated herein by reference with the same effect as if set forth at length.

3. **No Other Material Changes.**

Except as set forth in this Amendment, there have been no other material changes in the Plan.

4. **Definitions.**

All capitalized terms not expressly defined in this Amendment will have the meanings given to them in the Plan.

**SPONSOR:
167-177 LENOX, LLC**

Dated: March 3, 2005

Schedule A
The Normandie Condominium, 100 West 119th St., NY, NY

Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2004)

Residential Unit No.	Number of Bedrooms/Baths* (FN5)	Interior Square Footage (FN1)	Purchase Price (FN2)	Percentage Interest in Residential Common Expenses (FN3)	Percentage Interest in General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN6)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Annually) (FN 6)	Projected Real Estate Taxes with J-51 Benefits (Annually) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
1A	4/2	1,403	\$849,000	2.71%	2.40%	\$313.78	\$176.26	\$2,115.07	\$490.04	\$5,880.48	\$0.00	\$313.78
2A	4/2	1,456	\$795,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
2B	4/2	1,524	\$829,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
2C	4/3	1,658	\$949,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
2D	4/2	1,425	\$795,000	4.39%	3.40%	\$507.97	\$285.33	\$3,423.96	\$793.30	\$9,519.56	\$0.00	\$507.97
3A	4/2	1,456	\$795,000	3.77%	3.47%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
3B	4/2	1,524	\$849,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
3C	4/3	1,658	\$959,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
3D	4/2	1,425	\$819,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
4A	4/2	1,456	\$849,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
4B	4/2	1,524	\$879,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
4C	4/3	1,658	\$979,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
4D	4/2	1,425	\$849,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
5A	4/2	1,456	\$875,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
5B	4/2	1,524	\$895,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
5C	4/3	1,658	\$989,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
5D	4/2	1,425	\$869,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
6A	4/2	1,456	\$895,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
6B	4/2	1,524	\$895,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
6C	4/3	1,658	\$999,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
6D	4/2	1,425	\$889,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
PH7A	4/2	1,456	\$1,100,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
PH7B	4/2	1,524	\$1,100,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
PH7C	4/3	1,658	\$1,200,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
PH7D	4/2	1,425	\$1,100,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
25 Residential Units												
Residential Total		37,781	\$23,001,000	100.00%	89.1%	\$11,575.35	\$6,501.98	\$78,023.78	\$18,077.33	\$216,927.95	\$0.00	\$11,575.35
Commercial Unit No.				Percentage Interest in Commercial Expenses								
1B	0/5	1124	n/a	27%	2.84%	\$180.16	\$180.16	\$2,161.91	\$360.32	\$4,323.82	\$0.00	\$180.16
1C	0/5	444	n/a	11%	1.22%	\$71.17	\$71.17	\$853.99	\$142.33	\$1,707.99	\$0.00	\$71.17
1D	0/5	450	n/a	11%	1.23%	\$72.13	\$72.13	\$865.53	\$144.26	\$1,731.07	\$0.00	\$72.13
1E	0/5	677	n/a	16%	1.77%	\$108.51	\$108.51	\$1,302.15	\$217.02	\$2,604.30	\$0.00	\$108.51
1F	0/5	390	n/a	9%	1.09%	\$62.51	\$62.51	\$750.13	\$126.02	\$1,500.26	\$0.00	\$62.51
1G	0/5	1080	n/a	26%	2.73%	\$173.11	\$173.11	\$2,077.28	\$346.21	\$4,154.56	\$0.00	\$173.11
6 Commercial Units												
Commercial Total		4,165		100%	10.9%	\$667.58	\$667.58	\$8,011.00	\$1,335.17	\$16,022.00	\$0.00	\$667.58
Condominium Total		41,946			100%	\$12,242.93	\$7,169.56	\$86,034.78	\$19,412.50	\$235,005.27	\$0.00	\$12,242.93

* Each Residential Unit shall have a private cellar storage space

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SPECIAL RISKS.

1. **Time of the Essence.** TIME IS OF THE ESSENCE AS TO PAYING THE PURCHASE PRICE FOR A UNIT, AND AS TO CURING ALL DEFAULTS WITHIN ANY GRACE PERIODS GRANTED HEREUNDER. FAILURE TO MAKE A PAYMENT AT THE TIME WHEN A PURCHASER IS CALLED UPON TO MAKE SUCH PAYMENT MAY RESULT IN LOSS OF THE DOWN PAYMENT AND CANCELLATION OF THE PURCHASE AGREEMENT. See Section 11 of the Plan, entitled "Procedure to Purchase" for further details. Purchasers should consult their own attorneys prior to executing a Purchase Agreement.

2. **Payment for Closing Adjustments with Condominium.** At closing, the Sponsor will adjust with the Condominium certain ongoing costs that had been prepaid by the Sponsor for the first year of Condominium operation, largely prepaid water and sewer charges and insurance for the Condominium. The cost of reimbursement will be paid from the Condominium Working Capital Fund. The Working Capital Fund will be funded by the payment of an amount equal to four months of common charges by each Purchaser at closing, and by the Sponsor with respect to any Unsold Units within 90 days after the First Unit Closing. See Section 23 of the Plan, entitled "Working Capital Fund" for further details.

3. **Limited Financing Contingency.**

(a) If a Purchaser is electing to obtain financing, the obligations of Purchaser hereunder will be conditioned upon issuance on or before the 45th day after the date of this Agreement of a written commitment from either Amerafund Home Mortgage, 420 Lexington Avenue, Suite 2633, New York, New York 10070 or Wells Fargo Home Mortgage, Private Mortgage Banking, 530 Fifth Avenue, 15th Floor, New York, New York 10036 (hereinafter referred to individually as "**Sponsor Designated Lender**" or collectively as "**Sponsor Designated Lenders**"), subject to the following conditions and limitations:

(i) The financing contingency is only applicable to mortgage financing of no more than 80 percent (80%) of the purchase price (or such lesser amount as Purchaser shall apply for) at the Sponsor Designated Lender's prevailing rate of interest and for a customary loan term, secured by a first mortgage on the Unit;

(ii) Purchaser shall apply to at least one (1) Sponsor Designated Lender for such first mortgage loan within ten (10) days after the date of this Agreement;

(iii) Purchaser shall furnish accurate and complete information to the Sponsor Designated Lender relating to Purchaser, as required;

(iv) Purchaser shall pay all fees, points and charges required in connection with such application and loan; and

(v) Purchaser shall pursue such application with diligence, and generally cooperate in good faith with such Sponsor Designated Lender to the end of securing such first mortgage. Purchaser shall notify the Sponsor promptly of the name and address of each Sponsor Designated Lender or other lender to which Purchaser has given an application. Purchaser shall furnish Seller with a copy of such commitment promptly after receipt thereof. If Purchaser fails to obtain such a commitment from a Sponsor Designated Lender on or before the 45th day after the date of this Agreement, Purchaser shall have the right to cancel this contract by giving notice to Seller by the 50th day after the date of this Agreement. Upon cancellation, the Down Payment and accrued interest shall be promptly refunded to Purchaser, and neither party shall have any further rights against, or obligations or liabilities to the other by reason of this Agreement. If Purchaser does not give such notice to Seller on or before the 50th day after the date of this Agreement or if the Purchaser has not applied to at least one (1) Sponsor Designated Lender, this Agreement shall not be terminated by virtue of this paragraph and the Agreement shall remain in full force and effect, except that Purchaser's right to cancel under this Paragraph shall be deemed waived. A mortgage commitment conditional upon the Purchaser's selling any property that Purchaser owns, the liquidation or reduction of any existing installment debt prior to closing, or the furnishing of documents and information reasonably available to Purchaser, shall be deemed a firm mortgage commitment which satisfies the limited financing contingency clause in this Agreement.

(b) If Purchaser obtains a financing commitment from a Sponsor Designated Lender and the commitment lapses or expires before the actual closing date through no fault of Purchaser, Purchaser shall make a good faith effort to extend the commitment, including payment of a reasonable and customary extension fee and acceptance of changes in the interest rate to reflect prevailing market conditions. If the Sponsor Designated Lender is unwilling to extend the commitment on those terms, Purchaser shall have the right to cancel this Agreement by notice given to Sponsor within ten (10) days after receiving the notice of refusal to extend the commitment. In case of cancellation, the applicable provisions of subsection (a) shall apply.

(c) As used in this Agreement, "Lender" means a person or entity in the business of making loans to persons seeking to purchase residential units or homes. A mortgage broker who does not have independent lending capacity shall not be deemed to be a "Lender" under this Agreement.

(d) In the event that Purchaser uses a lender other than the Sponsor Designated Lenders, no financing contingency will apply to this Agreement. As a result, Purchaser will not have the right to cancel the Purchase Agreement if the Purchaser fails to obtain mortgage financing, or if the Purchaser's existing mortgage financing lapses or is canceled.

See Section 11, entitled "Procedure to Purchase" for further details.

4. Payments for Upgrades and Extras. All funds received by Sponsor for upgrades or extras will initially be placed in the Special Account maintained by Sponsor's counsel. Such funds may be released from the Special Account by the Sponsor's Counsel as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the

Purchaser will not be entitled to receive a refund of any funds which were designated for upgrades or extras. See Section 11 of the Plan, entitled "Procedure to Purchase" for further details.

5. Minimum Sales Requirements to Declare Plan Effective; Potential Market Restraints on Purchasers' Ability to Obtain Mortgage Financing. The Plan may be declared effective only after Purchase Agreements have been executed by bona fide Purchasers and accepted by Sponsor for the sale of at least four (4) Residential Units, which represents 15 percent (15%) of the Units offered under this Plan.

Purchasers should note that in the current real estate market, banks and other lenders may impose various restrictions on loans. Such restrictions may include requiring that a certain percentage (such as 50% or more) of the Units in the Condominium 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 Condominium 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 a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See Section 11, entitled "Procedure to Purchase" for further details.

6. Rights of Sponsor. The Sponsor is not required to obtain the approval of the Board of Managers or meet requirements imposed upon other Unit Owners in order to exercise a number of rights described in the By-Laws. Included among these are the right to use a Unit as a model and display "For Sale", "For Rent", or "For Lease" signs, or similar signs, the right to transfer or lease a Unit without offering the Board of Managers the right of first refusal, the right to alter a Unit without obtaining the prior consent of the Board of Managers, but only in accordance with the other terms of this Plan, and the right to amend the Declaration without a vote for the sole purpose of filing the Floor Plans as required by Section 339-p of the Real Property Law. For as long as the Sponsor or its designee own title to one or more Units, the Regulations of the Condominium, By-Laws or Declaration may not be amended in a manner which would, in the sole discretion of Sponsor or its designee, adversely affect the Sponsor or its designee in any way, unless the Sponsor or its designee give their written consent to such an amendment. See Section 19(J) of the Plan, entitled "Amendments to Condominium Declaration and By-Laws" for further details.

7. No Bond or Security for Performance of Sponsor Obligations. No bond or other security has been furnished to secure the performance of the Sponsor's obligations. At the time the Offering Plan is accepted for filing, the Sponsor represents that it will be financially capable of performing Sponsor's obligations, including its obligations with respect to Unsold Units. However, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. In the event that the Sponsor cannot perform the Sponsor's financial obligations hereunder, the Sponsor will amend the Plan, cease selling Units, and offer a right of rescission to Purchasers of Units. See Section 16 entitled "Rights and Obligations of Sponsor" for

further details.

8. Deposits in Excess of \$100,000 Not Insured by the Federal Deposit Insurance Corporation.

The Sponsor shall deposit down payments in a bank that is covered by the Federal Deposit Insurance Corporation ("FDIC"). A FDIC insured bank is insured for all deposits in the amount of \$100,000 or less. The portion of the deposit in excess of \$100,000 is not covered by insurance. Purchasers should note that any deposit over \$100,000 will not be FDIC insured in excess of \$100,000. See Section 11, entitled "Procedure to Purchase" for further details.

9. No Separate Reserve Fund. The Plan does not provide the Condominium with a separate reserve fund. In the event the Condominium elects to make any capital improvements or repairs, it can utilize working capital or assess the Unit Owners. The Sponsor does not foresee any major capital improvements or repairs that will be necessary during the first five (5) years of Condominium operation, other than due to ordinary use. See Section 23, entitled "Working Capital Fund" for further details.

10. Conditional Right of Sponsor to Offer Units for Rent. The Sponsor represents that it will make good faith efforts to sell, in a reasonably timely manner, all of the Units in the Condominium to Purchasers for their personal occupancy or the occupancy of their immediate families, rather than retaining them for rental. Sponsor's good faith efforts to sell to Purchasers shall include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective Purchasers or their representatives and otherwise engaging in customary sales activities. However, in the event that there is a decline in market values of 10 percent (10%) or more from the offering prices set forth in Purchase Agreements counted toward effectiveness for comparable Units, then the Sponsor reserves the right to rent, rather than sell, the Unsold Units until there is an upturn in the market. See Section 16, entitled "Rights and Obligations of the Sponsor" for further details.

11. Control by Sponsor. The Sponsor will designate the entire Board of Managers until the earlier of (i) the transfer of title to Residential Units, the percentage Common Interest of which, in the aggregate, equals at least 90 percent (90%), or (ii) five (5) years after the First Unit Closing (the "Control Period"). The Sponsor will have absolute voting control of the Board of Managers during the Control Period. The Sponsor will cause the Condominium to hold a meeting of Unit Owners within thirty (30) days after the expiration of the Control Period to elect new Board members unaffiliated with the Sponsor.

While the Sponsor owns an Unsold Unit, the Sponsor will have the right to, and intends to, vote the percentage of Common Interests allocated to its Unsold Residential Units for all seats on the Board, including unaffiliated members. In addition, so long as the Sponsor or a Sponsor-designee shall continue to own at least one (1) Residential Unit, the Sponsor or Sponsor-designee shall have the right to designate one (1) of the members of the Board of Managers. After the Control Period has expired, not more than one less than a majority of the members of the Board, including any board member designated by the Commercial Unit Owner, will be affiliated with the Sponsor. For further

details, see Section 17 of the Plan.

During the Control Period, the Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners, as well as determining the Common Charges to be paid by Unit Owners. Furthermore, the Condominium is barred from taking certain actions without Sponsor's or Sponsor-designee's prior written consent. In particular, the Board of Managers may not: (i) make any addition, alteration or improvement to the Common Elements or to any Unit at the expense of the Condominium; (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except to the extent that the aggregate fund does not exceed 5 percent (5%) of the budgeted expenses of the Property; (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient); or (iv) hire any employee or enter into any service or maintenance contract to perform services or work not set forth in Schedule B. As long as the Sponsor or any Sponsor-designee shall continue to own a Unit, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent: (i) amend the Declaration or the By-Laws so as to in any way adversely affect the Sponsor or its designees; or (ii) interfere with the offer and sale or leasing offices at the Property or any actions necessary for construction, renovation, repair or correction at the Property required by Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding the foregoing restrictions, the Sponsor or Sponsor-designee shall not have the right to veto expenses detailed in Schedule B, or expenditures for the making of capital repairs to the Common Elements, or assessment of any Common Charge for expenses required to remedy any notice of violation, comply with applicable law, or cure a work order of an insurance carrier.

Notwithstanding the foregoing restrictions, the Sponsor shall not have the right to veto expenditures for the expenses detailed in Schedule B in the Plan, or expenditures for the making of capital repairs to the Common elements, or assessment of any Common Charge for expenses required to remedy any notice of violation, comply with applicable law, or cure a work order of an insurance carrier. See Section 17, entitled "Control by Sponsor" for further details.

12. Majority of the Board of Managers Not Limited to Owner-Occupants. After the initial Sponsor voting control period expires, a majority of the Board of Managers may be comprised of both owner-occupants and non-owner-occupants (or members of their households unrelated to the Sponsor and its principal.) Owner-occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing. For example, an owner-occupant who is purchasing a Unit as a home may have views on repairs and capital expenditures which differ from a non-resident purchaser who has purchased of the purposes of an investment. See Section 19, entitled "Rights and Obligations of the Board of Managers/Summary of By-Laws" for further details.

13. Payment of Transfer Taxes by Purchasers. New York State and New York City transfer taxes relating to the Unit, as follows: For the purchase of a single Unit, the state transfer tax is \$2.00 per \$500 of the purchase price ("NYS Tax"), and the New York City transfer tax is 1.425% if the purchase price equals or exceeds \$500,000 ("RPT Tax"). These taxes are normally paid by the Seller. However, by contractual arrangement, they will be paid by each Purchaser. See Section 15, entitled

"Unit Closing Costs and Adjustments" for further details.

14. Management by an Affiliate of the Sponsor. At the First Unit Closing, the Board of Managers will enter into a management agreement with Manhattan Property Management, Inc. ("Manhattan Property"), an affiliate of the Sponsor, to manage the Building. The management agreement may not be canceled for a period of two (2) years unless the managing agent defaults in the performance of its obligations under the agreement. See Section 24, entitled "Management Agreement and Other Contractual Arrangements" for further details.

15. Liability of Commercial Units for Cost of Certain Condominium Services. The Commercial Units will not utilize the following services of the Condominium: labor; heat; common area electricity; and water and sewer. To the extent indicated, these services are provided for the benefit of the Residential Common Elements, and the share that the Residential Unit Owners will pay for these services will be based on their percentage of common interest in the Residential Common Elements, which percentage of common interest is slightly higher than unit owners' percentage of common interest in the general common elements. See Schedule B for further details.

16. Receipt of Certificate of Occupancy. The Sponsor reserves the right to close title to units after procuring a Temporary Certificate of Occupancy with respect to a Unit. However, the Sponsor will complete the renovation and obtain a Permanent Certificate of Occupancy for the entire project before the Temporary Certificate of Occupancy (as same may be renewed, replaced or extended) expires. This period may extend longer than three (3) years from the first unit closing. See Section 16, entitled "Rights and Obligations of the Sponsor" for further details.

PARTS I AND II TOGETHER CONSTITUTE THE ENTIRE OFFERING PLAN. ALL DOCUMENTS REFERRED TO IN THE OFFERING PLAN ARE IMPORTANT. IT IS SUGGESTED THAT YOU CONSULT YOUR ATTORNEY OR FINANCIAL ADVISOR BEFORE PURCHASING AND PROVIDE HIM WITH A COPY OF THIS OFFERING PLAN.

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1. INTRODUCTION.

The Sponsor, 167-177 Lenox, LLC ("**Sponsor**"), a New York limited liability company, presents this offering plan (the "**Plan**" or the "**Offering Plan**") with the intention of setting forth herein all material information relating to the submission to Condominium ownership of the land and buildings located at 100 West 119th Street, New York, New York to be known as "**The Normandie Condominium**". The land, building and appurtenances are hereinafter referred to collectively as either the "**Property**", "**Building**" or the "**Condominium**". The Plan may be amended from time to time to reflect changes in the terms of the offering when such amendment is filed with the New York State Department of Law and served on Purchasers and Unit Owners.

The Condominium will be organized pursuant to Article 9-B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act. The Condominium will consist of a total of twenty-five (25) residential units (collectively as "**Residential Units**" or individually as "**Residential Unit**") and six (6) commercial units (collectively as "**Commercial Units**" or individually as "**Commercial Unit**") in a seven-story building. Construction of the Condominium will be completed in the Fall of 2004.

The Sponsor acquired title to the Property in October 2003 and began renovating the Building in December 2003. The Sponsor used its own funds and a loan from The Roslyn Savings Bank ("Roslyn Savings"), One Jericho Plaza, 3rd Floor, Jericho, New York 11753-8905, to acquire the Property. The Roslyn Savings loan will also serve as a construction loan, which will allow the Sponsor to complete the proposed renovation of Units, as described herein.

The nature of the renovations being performed by the Sponsor do not require an amended Certificate of Occupancy with respect to the Residential Units. See Section 16 herein with respect to the closing requirements.

The Sponsor represents that it will make good faith efforts to sell, in a reasonably timely manner, all of the Units to purchasers for their personal occupancy or the occupancy of their immediate families, rather than retaining them for rental. Sponsor's good faith efforts to sell to Purchasers shall include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective Purchasers or their representatives and otherwise engaging in customary sales activities. However, in the event that there is a decline in market values of 10 percent (10%) or more from the offering prices set forth in Purchase Agreements counted toward effectiveness for comparable Units, then the Sponsor reserves the right to rent, rather than sell, the Unsold Units until there is an upturn in the market. If the Sponsor makes a bulk sale of all or some of its Unsold Units, then the purchaser, as a successor sponsor, shall be bound by the Sponsor's representations regarding its commitment to sell Units.

The Sponsor's construction lender, Roslyn Savings, has not imposed any special conditions which will impact upon the Sponsor's ability to rent, rather than sell, Units.

The Sponsor has retained Halstead Property, LLC ("Selling Agent"), 784 Broadway, New York, New York 10003 as Selling Agent in connection with the offering.

The Units are to be sold as Condominium Units in accordance with the Plan at the prices noted in Schedule A. These prices have been established by the Sponsor and are not subject to the approval of the Department of Law or any other governmental agency.

Parts I and II of the Plan, including all Schedules and Exhibits, constitute the entire offer of Sponsor. The Plan and the Exhibits will be available for inspection by prospective Purchasers and their attorneys without charge at the office of the Selling Agent and are available for inspection and copying at a reasonable fee at the Department of Law, 120 Broadway, 23rd Floor, New York, New York. All documents forming a part of this Offering Plan are important. It is suggested that you consult your own attorney or financial advisor before purchasing and provide him with a copy of this Offering Plan.

The purchaser of a Residential Unit (the "**Residential Unit Owner**") owns his Unit similarly in many respects to the manner in which a private homeowner owns his home. He owns the Unit in fee and is entitled to the exclusive possession thereof. He is also the owner, in common with the owners of all other Units, of all remaining parts of the Property except for the Units themselves, including the land under the Buildings, its foundations and supports, the lobby, the exterior walls and the roofs (the "**Common Elements**"). Each Unit Owner's proportionate share (a "**Common Interest**") of the Common Elements is determined pursuant to New York State Real Property Law Sections 339-i and 339-m. Any portions of the land or Buildings (other than the Units themselves) which are reserved for the use of the Residential Unit Owners, to the exclusion of the Commercial Unit Owners, are referred to herein as a "**Residential Limited Common Element**". Any portions of the land or Buildings (other than the Units themselves) which are reserved for the use of the owner of one or more specified Residential Units to the exclusion of all others, are referred to herein as a "**Restricted Residential Limited Common Element**".

In addition, certain common elements reserved for the benefit of the owners of the Commercial Unit shall be deemed "**Commercial Limited Common Elements**". A majority in interest of the owners of the Commercial Units shall have the right to designate certain Commercial Limited Common Elements as "**Restricted Commercial Limited Common Elements**" for the exclusive use of one or more (but fewer than all) Commercial Unit Owners.

Each Unit Owner is obligated to comply with the governing documents of the Condominium, including the Declaration of Condominium ("**Declaration**"), By-laws ("**By-Laws**"), and Rules and Regulations of the Condominium ("**Regulations**"). These documents are reproduced in Part II of the Plan.

Each Unit Owner may mortgage his Unit on the terms and in such amount as he or she

chooses. However, if Purchasers seek mortgage financing to fund any part of the purchase price, they will be required to follow procedures set forth in the Procedure to Purchase section of the Plan (see Section 11) and in the Purchase Agreement in Part II of the Plan. No Unit will be subject to the lien of any mortgages placed by other Unit Owners on their Units.

Sales of Units by Unit Owners are subject to a right of first refusal by the Board of Managers of the Condominium (referred to in this Plan as either the "**Condominium Board**" or the "**Board of Managers**") at the same price and terms as the Unit Owner has been offered. Such right of first refusal is described in Section 18 of the Plan, "Rights and Obligations of the Unit Owners". A Unit cannot be sold without a sale of the proportional Unit Interest in the Common Elements. The Board of Managers does not have the right to approve or disapprove Purchasers, except by the exercise or waiver of the right of first refusal. The Board of Managers does not have a right of first refusal with respect to the sale of Unsold Units owned by the Sponsor.

Leases of Units are subject to the consent of the Board of Managers, such consent not to be unreasonably withheld. See Article X of the By-Laws for further information. Notwithstanding the foregoing, the Sponsor may lease its Unsold Units without the consent of the Board of Managers.

A Unit Owner may make non-structural alterations and decorate the interior of his Unit in any way he desires, subject to local codes and the rules and regulations of the Condominium, and he is obligated for the cost of his own interior decoration, maintenance, and repairs after closing. Each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible if any of the other Unit Owners fail to pay their real estate taxes. The Board of Managers of the Condominium will assess against each Unit Owner, in proportion to his respective Common Interest, charges (the "**Common Charges**") for the maintenance of the Common Elements and for the operating costs of the Property (the "**Common Expenses**"), as provided in New York State Real Property Law Section 339-m. Each Unit Owner will pay for all electricity consumed within his own Unit, the charges for which will be separately metered.

In the opinion of counsel for the Sponsor, a Unit Owner, like a home owner, may deduct from his income for income tax purposes the real estate taxes and the interest paid on the mortgage encumbering the Unit(s) owned by the Unit Owner to the extent allowed by law.

Each Unit Owner will be responsible for maintaining his own Unit and for making repairs within his own Unit. The cost of maintenance and repair of the Common Elements shall be shared by all Unit Owners as provided above. Each Unit Owner shall have the same rights of access to, use of and benefit of the Common Elements (but not the Limited Common Elements). Each Unit Owner shall also be responsible for obtaining and bearing the cost of casualty and liability insurance in connection with his respective Unit. The Board of Managers shall have the duty of obtaining casualty and liability insurance, on behalf of the Condominium, with respect to the Buildings.

The Board of Managers of the Condominium shall be elected by the Unit Owners with the

number of votes allocated to each Unit Owner determined by their percentage of Common Interest. The Board of Managers shall have the authority to manage and administer the affairs of the Condominium, including, but not limited to, the determination of Common Charges and the adoption of Regulations covering the Condominium. Please see Section 19, "Rights and Obligations of Board of Managers/Summary of By-Laws" for further discussion.

Units may be purchased either by natural persons over the age of eighteen (18) years or by a duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. The Plan does not limit the number of Unit Owners who may purchase for investment rather than personal occupancy; as a result, the Condominium may have a substantial percentage of Unit Owners who are non-residents.

Reference to the masculine gender in this Plan shall be deemed to include all of the above.

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 STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.

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2. DEFINITIONS.

"Board of Managers": The governing board of the Condominium composed of representatives elected by Unit Owners voting in accordance with their percentage of Common Interest.

"Building" Refers to the structure containing the Units.

"Common Charges": Each Unit's proportionate share of Common Expenses in accordance with its Common Interest.

"Common Elements": All portions of the Property other than Units. Common Elements are comprised of General Common Elements, Limited Common Elements, Restricted Residential Common Elements, and Restricted Commercial Common Elements, which are defined as follows:

A. The General Common Elements include the following:

(1) The land on which the Building stands and all other land within the boundaries of the property, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Article);

(2) All foundations, columns, beams, supports, bearing walls; those portions of the exterior walls and insulation beyond the unexposed face of the dry wall at the exterior face of the Building or, where applicable, those portions of the exterior walls beyond the interior face of the exterior wall; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the unexposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing a Unit; storage and utility areas located beyond the unexposed face of the dry walls enclosing a Unit; all cellar areas which are not included within a particular Unit and are used for the benefit of all Unit Owners; the entrances to and exits from the Building; and mail rooms or mailboxes. Notwithstanding the above, the foregoing excludes all windows and window frames of the Residential Units (which are considered Residential Limited Common Elements), and all doors, windows and window frames of Commercial Units (which are considered part of each Commercial Unit).

(3) All central and appurtenant installations for services such as power, light, intercom, telephone, television, gas, hot and cold water, heat (including all pipes, ducts, wires, shoots, cables and conduits used in connection therewith) and all other mechanical equipment spaces, except that installations for utilities and other services that have been or will be made by the

owners or tenants of Commercial Units to exclusively benefit one or more Commercial Units shall be Commercial Limited Common Elements, and any such installations exclusively serving the Residential Units or the Residential Unit Owners shall be Residential Limited Common Elements;

(4) Water service pipes and sewer pipes;

(5) Any house tank providing water to all Units and the pipes used in connection therewith;

(6) To the extent the Building is served by steam heat or hot water, portions of any steam riser and connections originating in the boiler room and distribution piping at below grade level and through the first floor;

(7) Ventilation supply system consisting of motors, duct work, fans and controls serving General Common Elements and steam and condensate return piping serving General Common Elements;

(8) All passages and corridors, mechanical and other rooms, tank room, meter room, areas and indoor or outdoor spaces located at the property serving or benefitting both the Commercial and Residential Units;

(9) Copings, flashings, leaders, gutters and parapets appurtenant to the main roof of the Building; and

(10) All other facilities of the Building, including (but not limited to) vaults, shafts, pipes, wires, ducts, vents, cables, conduits, lines, and roof over public stairways, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of both the Commercial Units and the Residential Units.

B. The Residential Limited Common Elements include the following:

(1) All stairs in the Building that (a) do not connect with the Commercial Units or (b) are located above the first floor of the Building;

(2) The main entrance to the Building, the lobby, service corridor and service entrance, portions of the cellar used solely for the benefit of the Residential Unit Owners, any vaults accessed only from portions of the cellar used solely for the benefit of the Residential Unit Owners, and other areas used in connection therewith. Any portion of the cellar expressly reserved for the benefit of a particular Residential Unit, without a reservation by the Board of Managers to terminate usage or change the location of such reserved area, is a Restricted Residential Limited Common Element for that particular Unit;

(3) Compactor room and boiler room (if any);

(4) All fire escapes and landings in the Building (except as set forth elsewhere in this Declaration);

(5) Passages and corridors above the first floor of the Building, including, any passages and corridors that do not serve or connect with any Commercial Unit;

(6) Trash chutes, storage room(s), access doors, sanitizing units (if any) serving the Residential Units, and all passageways and ducts, chutes, or other facilities used in connection therewith;

(7) Window glass and window frames located on the perimeter of (but not exclusively serving) a Residential Unit, and all other window frames and window glass in the Building. Notwithstanding the foregoing, window frames and window glass that are located within a Commercial Unit are a part of that Commercial Unit, and the window glass and window frame serving a particular Residential Unit are Restricted Residential Limited Common Elements for that particular Residential Unit as per subsection (d);

(8) Corridor supply risers and ducts, kitchen and toilet exhaust risers and ducts, kitchen and toilet water vents, gas risers, electric risers and shafts serving Residential Units;

(9) Gas piping serving Residential Limited Common Elements and Residential Units;

(10) All passages and corridors, mechanical and other rooms, areas and indoor and outdoor spaces located at the Property serving exclusively one or more Residential Units and which are not General Common Elements or Commercial Limited Common Elements or part of any Unit;

(11) All doors abutting on common areas other than entrance or exit doors to or from Commercial Units, including, but not limited to, doors opening from Residential Units to corridors, and the entrance and exit doors to and from the Building. Any door leading to or from the Building or a General Common Element to a Commercial Unit shall be deemed part of the Commercial Unit that it leads to or from. The front entrance doors to Residential Units shall be deemed Residential Limited Common Elements, but a Unit Owner will nevertheless be responsible for repairing and maintaining the interior surface of the front entrance door to the Unit, and any locks, bells or peepholes within the front entrance door.

(12) Residential passenger elevators, including their respective shafts, pits, machine rooms, rooftop elevator room, and appurtenant facilities;

(13) Any portion of the cellar designated on the floor plans of the Condominium to be used for the residential occupants;

(14) All space devoted to the lodging or use of any person employed exclusively in connection with the operation of the Residential Units;

(15) All other facilities of the Property (including, but not limited to, shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Units;

(16) Any portion of the roof or courtyard available for use by and serving all of the residential occupants; and

(17) All other Common Elements other than General Common Elements, Restricted Residential Limited Common Elements, or Commercial Limited Common Elements.

C. Restricted Residential Limited Common Elements. Certain portions of the Residential Limited Common Elements are limited and further restricted in use to the owners of particular Residential Units to which the Residential Limited Common Elements are appurtenant, subject to the right of the Board of Managers to enter upon any such Restricted Residential Limited Common Element to make repairs and replacements to such Restricted Residential Limited Element or any Common Element contained therein, and subject to the By-laws and Rules and Regulations of the Condominium. The Restricted Residential Limited Common Elements include, but are not limited to, the following:

(1) Windows and window frames located on the boundary of a Residential Unit and serving exclusively that Unit; and

(2) Any portion of the cellar expressly reserved for the service of a particular Residential Unit without a right by the Board of Managers to terminate such use or change the location of such area.

D. Commercial Limited Common Elements. The following Common Elements shall be deemed Commercial Limited Common Elements. A majority in interest of the Commercial Unit Owners shall have the right to designate particular Commercial Limited Common elements as "Restricted Commercial Limited Common Elements", in which case they shall be allocated to the specific Commercial Unit having exclusive use thereof:

(1) Any dividing wall or walls created in the event that any Commercial Unit is subdivided or combined and which is for the exclusive use of the Commercial Unit Owners whose Units are separated by such walls;

(2) All drains, vents, flues, or other mechanical equipment installed by the owner or tenant of a Commercial Unit solely for the use of one or more Commercial Units;

(3) All other facilities of the Property (including, but not limited to, the

courtyard and any shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit, or are necessary or convenient for the existence, maintenance, operation or safety exclusively of one or more Commercial Unit Owners.

"Common Expenses":

(a) Expenses of operation of the Property, and

(b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.

"Common Interest":

The proportionate, undivided interest expressed as a numerical percentage in the Common Elements, appertaining to each Unit, as determined in accordance with the Declaration and the Condominium Act in fee simple absolute. The General Common Interest is the share of percentage of common interest of each Unit in the General Common Elements of the Condominium.

"Residential Common Expense":

The share of each Residential Unit in operating the Residential Common Elements.

"Commercial Common Expense":

The share of each Commercial Unit in operating the Commercial Common Elements.

"Condominium Act":

Article 9-B of the New York Real Property Law.

"Condominium":

A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan "Condominium" specifically refers to "The Normandie Condominium".

"Building":

The building known as and located at 100 West 119th Street, New York, New York, which shall contain twenty-five (25) Residential Units and six (6) Commercial Units.

"Declaration":	The instrument by which the Property is submitted to the provisions of the Condominium Act, and such instrument as from time to time may be amended, consistent with the provisions of the Condominium Act and the By-Laws.
"First Closing":	The first closing of title with a bona fide Purchaser of a Unit.
"Limited Common Elements":	Parts of the whole which are owned as Common Elements, but the exclusive use of which is granted to a single Unit Owner or several Unit Owners. See the definition of "Common Elements" above for details on the different types of Limited Common Elements.
"Person":	A natural person, corporation, partnership, association, trustee or other legal entity.
"Property":	The land, Buildings and all other improvements thereon, owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act by this Plan.
"Purchaser":	Any person over the age of 18 or entity that executes a Purchase Agreement with the Sponsor.
"Recording Officer"; "Recording" or Recorded":	Shall have the meanings stated in Section 290 of the New York State Real Property Law.
"Repairs":	Means repairs, maintenance or replacement.
"Selling Agent":	Halstead Property, LLC, 784 Broadway, New York, New York 10003.
"Sponsor":	The promoter of the project and/or Offering Plan to convert a particular parcel of property to Condominium ownership. 167-177 Lenox, LLC is the Sponsor of this Offering Plan.
"Sponsor Designated	

Lenders": Amerafund Home Mortgage, 420 Lexington Avenue, Suite 2633, New York, New York 10070 and Wells Fargo Home Mortgage, Private Mortgage Banking, 530 Fifth Avenue, 15th Floor, New York, New York 10036.

"Unit": Any space in the Property designated as a Unit in the Declaration, consisting of a specific Unit in the Building and an appurtenant interest in the Common Elements, includes Residential Units and Commercial Units.

"Unit Designation": Means the number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the floor plans.

"Unit Owner": Means the person or persons; or entity owning a Unit in fee simple absolute; "Unit Owners" collectively means the respective owners of the Units.

"Unsold Unit" or "Unsold Units": Any Unit owned by the Sponsor or a designee, or an affiliate of either, after the First Unit Closing.

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3. DESCRIPTION OF PROPERTY AND IMPROVEMENTS.

The Property is located in the City of New York, County of New York and covers an area of approximately 7,500 square feet. The property is located on the south side of West 119th Street, between Lenox and Seventh Avenues.

The Sponsor has begun a renovation of the existing seven-story building which is located at 100 West 119th Street (the "**Building**"). The Building will contain twenty-five (25) Residential Units and six (6) Commercial Units. The Commercial Units are not being offered for sale at this time. For a detailed description of the Building and Residential Units, see the Description of Property and Building Condition in Part II of the Plan.

The Residential and Commercial Units will be supplied with heat and hot water from individual gas-fired heating systems and individual hot water heaters located within the utility closet of each Unit. Each Unit will have an exhaust pipe for the heating system which vents to the roof. The gas will originate from the Building's main Consolidated Edison connection and each Unit will be separately metered. Electricity will be supplied by Consolidated Edison of New York with separate meters for each Unit. See Schedule B-1 in the Plan for the estimated gas and electric costs of individual Residential Units. The Commercial Units will have separate meters for gas and electricity.

The Condominium is being renovated in accordance with all applicable zoning and building laws, regulations, codes and other requirements of the City of New York. Under the New York State Building and Fire Prevention Code, the Building is currently classified as a Class 2, fire-protected structure; however, the portions of the Building which are newly constructed shall be classified as Class I-C, non-combustible construction.

The Sponsor reserves the right to close title to Units after procuring a Temporary Certificate of Occupancy with respect to a Unit. However, the Sponsor will complete construction and obtain a Permanent Certificate of Occupancy for the entire project before the Temporary Certificate of Occupancy (as same may be renewed, replaced or extended) expires. This period may extend longer than three (3) years from the first Unit closing. See Section 16 herein.

For a more complete description of the Property, see Section D, entitled "Description of Property and Building Condition", in Part II of the Plan.

4. LOCATION AND AREA INFORMATION.

1. Location.

The Property is located on Manhattan's Upper West Side along the southern side of West 119th Street, between Lenox and Seventh Avenues. The surrounding neighborhood includes residential, educational, commercial and retail establishments.

2. Area Information. The Property is located in a highly urban area.

A. Transportation.

The neighborhood is well-served by public transportation. The number 2 and 3 subway lines are accessible at 116th Street and Lenox Avenue. The B and C subway lines are accessible at West 116th Street and 8th Avenue. The M3 and M4 crosstown bus lines are accessible at 110th Street and the M2 express bus runs north and south along 7th Avenue.

The Metro North Railroad Station is located at 125th Street and Park Avenue and it provides express service to Grand Central Station and various points in Westchester.

B. Educational Facilities.

The following public elementary and secondary schools are within close proximity of the Property: (i) PS241, Elementary School, is located at 240 West 113th Street (grades Kindergarten through 8th); (ii) PS165, Robert Simon School, is located at 234 West 109th Street; (iii) PS145, Bloomingdale School, is located at 150 West 105th Street; (iv) Bank Street School for Children is located at 610 West 112th Street; (v) Cathedral School Preschool is located at 1047 Amsterdam Avenue and 111th Street; (vi) Jackie Robinson High School is located at 1573 Madison Avenue and 106th Street (grades 9 through 12); and (vii) Thurgood Marshall Academy for Learning & Social Change is located at West 135th Street and 7th Avenue (grades 7-12). In addition, several colleges are located in the vicinity of the Property, including Columbia University (116th Street and Amsterdam Avenue), Teacher's College (525 West 120th Street), and City College of New York (138th Street and Convent Avenue). No representation is made that any Unit Owner's child will be able to attend any particular educational facility.

C. Religious Institutions.

There are houses of worship of most major denominations in the vicinity of the Property.

D. Parks, Recreational and Cultural Facilities.

Central Park is accessible at the 110th Street; there are many activities available in the Park, including biking and jogging paths, a skating rink, zoo, and theatrical performances. The Central Park Conservancy Headquarters are near the 110th Street entrance; this organization sponsors cultural and nature-oriented activities regularly.

The Magic Johnson Theater Multiplex is located at 125th Street and 8th Avenue. The theater has nine separate cinemas. Live music and other performances are available at the Apollo Theater (125th Street and 7th Avenue) and the Cotton Club (656 West 125th Street).

The renowned Miller Theatre at Columbia University and Symphony Space, a community arts organization, are both within close proximity to the Building. The Miller Theatre (2960 Broadway at 116th Street) showcases critically-acclaimed jazz, chamber, and contemporary classical music. The Symphony Space (2537 Broadway at 95th Street) provides convenient access to film, literature, dance and family-oriented cultural events.

E. Medical Facilities.

The area is well-served by hospitals. They include New York Presbyterian Hospital (177 Fort Washington Avenue), Harlem Hospital Center (506 Lenox Avenue at 135th Street), and Renaissance Health Care Network (215 West 125th Street).

F. Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance.

These services are provided by the City of New York and all charges (except water) are incorporated into City taxes. The Property is located within the 28th Police Precinct, located at 123rd Street. The Engine Company #37, Ladder Co. 40 (Morningside Avenue and 125th Street), and Engine Company #58, Ladder Co. 26 (5th Avenue and 114th Street), Fire Department Stations are located in close proximity to the Property.

G. Zoning. The building is located in a R7-2 zone, with a C1-2 overlay.

H. Mailing Address and Postal Facilities. The mailing address for the building will be: "100 West 119th Street, New York, NY 10026." There are two post offices in close proximity to the Property: Morningside Station (232 West 116th Street, between 7th and 8th Avenues) and Manhattanville Station (365 West 125th Street at St. Nicholas Avenue).

I. Shopping and Banking Facilities. The following grocery stores are located in the vicinity of the Property: Pathmark Superstore Supermarket (125th Street and Lexington Avenue) and Pioneer Supermarket (115th Street and Lenox Avenue). In addition, the Harlem USA Shopping Mall (125th Street and 8th Avenue) is within walking distance of the Property.

Banking branches of Fleet Bank and Chase Manhattan Bank are located along Lenox Avenue and Broadway.

J. Libraries. A New York Public Library branch is located in the neighborhood at 203 West 115th Street and the Harlem Library is located at 9 West 124th Street. In addition, the New York Academy of Medicine Library is located at 1216 Fifth Avenue.

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Schedule A

The Normandie Condominium, 100 West 119th St., NY, NY

Schedule of Purchase Prices and Other Related Information (Projected Financial Information for the first year of Condominium operation based on commencement on October 1, 2004)

Residential Unit No.	Number of Bedrooms/Baths* (FN5)	Interior Square Footage (FN1)	Purchase Price (FN2)	Percentage Interest in Residential Common Expenses (FN3)	Percentage Interest in General Common Elements (FN3)	Projected Common Charges (Monthly) (FN4)	Projected Real Estate Taxes (Monthly) (FN6)	Projected Real Estate Taxes (Annually) (FN6)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Monthly) (FN6, 7)	Projected Common Charges and Real Estate Taxes without J-51 Benefits (Annually) (FN6)	Projected Real Estate Taxes with J-51 Benefits (Annually) (FN6)	Projected Common Charges and Real Estate Taxes with J-51 Benefits (Monthly) (FN6, 7)
1A	4/2	1,403	\$595,000	2.71%	2.40%	\$313.78	\$176.26	\$2,115.07	\$490.04	\$5,880.48	\$0.00	\$313.78
2A	4/2	1,456	\$695,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
2B	4/2	1,524	\$775,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
2C	4/3	1,658	\$875,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
2D	4/2	1,425	\$725,000	4.39%	3.40%	\$507.97	\$285.33	\$3,423.96	\$793.30	\$9,519.56	\$0.00	\$507.97
3A	4/2	1,456	\$705,000	3.77%	3.47%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
3B	4/2	1,524	\$785,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
3C	4/3	1,658	\$885,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
3D	4/2	1,425	\$735,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
4A	4/2	1,456	\$715,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
4B	4/2	1,524	\$795,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
4C	4/3	1,658	\$895,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
4D	4/2	1,425	\$745,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
5A	4/2	1,456	\$725,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
5B	4/2	1,524	\$805,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
5C	4/3	1,658	\$905,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
5D	4/2	1,425	\$755,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
6A	4/2	1,456	\$735,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
6B	4/2	1,524	\$815,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
6C	4/3	1,658	\$915,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
6D	4/2	1,425	\$765,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
PH7A	4/2	1,456	\$995,000	3.85%	3.47%	\$446.08	\$250.57	\$3,006.80	\$696.65	\$8,359.75	\$0.00	\$446.08
PH7B	4/2	1,524	\$995,000	4.03%	3.63%	\$466.91	\$262.27	\$3,147.23	\$729.18	\$8,750.18	\$0.00	\$466.91
PH7C	4/3	1,658	\$1,100,000	4.47%	3.95%	\$517.04	\$290.43	\$3,485.11	\$807.46	\$9,689.57	\$0.00	\$517.04
PH7D	4/2	1,425	\$995,000	3.77%	3.40%	\$436.58	\$245.23	\$2,942.78	\$681.81	\$8,181.77	\$0.00	\$436.58
28 Residential Units												
Residential Total		37,781	\$20,430,000	100.00%	89.1%	\$11,575.35	\$6,501.98	\$78,023.78	\$18,077.33	\$216,927.95	\$0.00	\$11,575.35
Commercial Unit No.												
				Percentage Interest in Commercial Expenses								
1B	0/5	1124	n/a	27%	2.84%	\$180.16	\$180.16	\$2,161.91	\$360.32	\$4,323.82	\$0.00	\$180.16
1C	0/5	444	n/a	11%	1.22%	\$71.17	\$71.17	\$853.99	\$142.33	\$1,707.99	\$0.00	\$71.17
1D	0/5	450	n/a	11%	1.23%	\$72.13	\$72.13	\$865.53	\$144.26	\$1,731.07	\$0.00	\$72.13
1E	0/5	677	n/a	16%	1.77%	\$108.51	\$108.51	\$1,302.15	\$217.02	\$2,604.30	\$0.00	\$108.51
1F	0/5	390	n/a	9%	1.09%	\$62.51	\$62.51	\$750.13	\$125.02	\$1,500.26	\$0.00	\$62.51
1G	0/5	1080	n/a	26%	2.73%	\$173.11	\$173.11	\$2,077.28	\$346.21	\$4,154.56	\$0.00	\$173.11
6 Commercial Units												
Commercial Total		4,165		100%	10.9%	\$667.58	\$667.58	\$8,011.00	\$1,335.17	\$18,022.00	\$0.00	\$667.58
Condominium Total												
		41,946			100%	\$12,242.93	\$7,169.56	\$86,034.78	\$19,412.50	\$235,005.27	\$0.00	\$12,242.93

* Each Residential Unit shall have a private cellar storage space

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FOOTNOTES TO SCHEDULES A

1. (a) The number of rooms in each Unit is calculated in accordance with the "Recommended Method of Residential Room Count", effective January 1, 1964, from the Real Estate Board of New York. All kitchen areas are deemed to be independent rooms, whether or not separated from the living room or dining room by a demising wall.

(b) The total square footage shown on Schedule A is measured horizontally from the exterior face of exterior walls to the midpoint of the opposite interior walls, and from the midpoint of demising walls between Units to the midpoint of the opposite wall; square footage is measured vertically from the underside of the Unit's finished flooring to the exposed painted face of a concrete ceiling or the unexposed side of the Unit's drywall or plaster ceiling, as applicable. Square footage shown in the Declaration of Condominium filed with the City Surveyor will be lower based on differences in criteria for measurement of the boundaries of Units for purposes of distinguishing Units from common elements in the Declaration. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions and layout of a typical Unit. Each Unit should be inspected prior to purchase so that any prospective Purchaser will be able to inspect the actual dimensions, layout and physical condition. (See Part II of the Plan, Exhibit D for floor plans of each Unit).

2. The prices for these Units may be changed from those set forth in this Offering Plan so that Purchasers may pay different prices for similar Units. No such change will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales price below the Offering Plan price without filing a prior amendment to the Plan as long as the reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated Unit price. (See Section 9 entitled "Changes in Prices or Units").

In addition to the payment of the balance of the sales price at the time of closing, the Purchaser will be responsible for the payment of various closing costs and adjustments. See Section 15, entitled "Unit Closing Costs and Adjustments", for a schedule of estimated closing expenses to be paid by a Purchaser.

3. Pursuant to Section 339-i (1) (iv) of the New York Real Property Law, the percentage of Common Interest of each Unit in the Common Elements is based upon floor space, subject to 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 approximate interior square footage of the Residential Units varies from 1,403 to 1,658 square feet.

4. The monthly common charges payable by each Unit Owner are based on their Percentage of Common Interest in the Common Charges.

See the footnotes to Schedule B and Schedule B-1 for a more detailed description of the expenses and services which Common Charges cover. The projected Common Charges do not cover certain costs such as repairs, replacements or alterations to the interior of Units, electricity or gas (which

are separately metered Residential and Commercial Units), air conditioning, cable television service, or fire and liability insurance for improvements and furnishings in the Units, which are the responsibility of the individual Unit Owner. The Sponsor is not offering mortgage financing in connection with this Plan. If the Purchaser obtains mortgage financing, the Purchaser will be responsible for debt service on the mortgage as an additional expense.

5. The cellar storage spaces which are appurtenant to a particular Unit are Restricted Residential Limited Common Elements. For a description of the rights and obligations of Unit Owners with respect to the repair and alteration of the Restricted Residential Limited Common Elements see Section 18.

6. (a) After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will his or her Unit be subject to, any lien arising from the non-payment of taxes on other Units. Each Unit Owner's real estate taxes will be based on his or her percentage of common interest of the real estate taxes determined for the entire Property.

(b) First Year of Condominium Operation. As set forth in the real estate tax estimate by The Mazursky Group, Inc., 42 Broadway, Suite 1744, New York, New York ("The Mazursky Group"), Sponsor's real estate tax appraiser, the full assessed value of the Building will be \$2,800,000. However, the Building is expected to be assessed at "transitional value" for the 2004/2005 and 2005/2006 tax years. The assessed valuation for the Building in 2004/2005 is projected at \$102,240, with a tax rate of \$12.35 per \$100 of assessed valuation. For the 2005/2006 tax year, the projected assessed valuation for the Building is \$2,532,640, with a tax rate of \$12.35 per \$100 of assessed valuation. The estimates of The Mazursky Group presume that the Sponsor completes the renovation on the Units in fall 2004.

Using the relative rental values of the Residential Units and Commercial Units, The Mazursky Group estimates that of the tax liability described above, 89% will be allocated to the Residential Units and 11% will be allocated to the Commercial Units. The City is not bound by this allocation and it may elect to attribute a greater proportion of the real estate taxes to the Residential Units (e.g., based on the percentage of common interest of each Unit).

Taxes during the first year of Condominium operation are a composite of taxes for the 2004/05 and 2005/06 fiscal years. See Section 20 for a detailed analysis.

(c) The Sponsor intends to apply for tax benefits under Section 11-243 of the New York City

Administrative Code (formerly known as the "J-51 program", and referred to in this Plan as "J-51 Benefits"). If benefits are granted, annual real estate taxes for the entire Property will be: (i) exempt from certain increases in assessed taxable valuation for a period of ten (10) years, due to the location of the Property; and (ii) abated by up to 8.33% of the "certified reasonable cost" of the rehabilitation until 90 percent (90%) of the cost has been so applied, subject to certain maximum limitations based on the room count and location of the Condominium. The abatement benefits will commence on the first day of the quarter following receipt of a "Certificate of Reasonable Cost" from the City, and the exemption benefit will commence on the first day of the next real estate tax year following the filing of the Certificate of Reasonable Cost.

(d) Because the Sponsor cannot apply for the J-51 Benefits until the rehabilitation has been completed, Purchasers should anticipate full tax liability during the first year of Condominium operation. The Sponsor anticipates that construction and renovation of the Building will be complete in Fall 2004. If J-51 Benefits are granted, the real estate taxes will be partially abated thereafter for approximately twelve (12) years. The Sponsor makes no representation as to the amount of any abatements. These depend in part in how the City of New York calculates the "reasonable cost" of the renovation. ("Reasonable Cost", as used by the City of New York, is unrelated to the actual cost of the work.)

(e) If J-51 Benefits are not granted, for whatever reason, the higher estimated taxes for each Unit during the first year of Condominium operation will apply, as set forth in Schedule A and as further described above.

(f) At this time, the Sponsor is unable to determine the precise pre-renovation valuation which the H.P.D. will use in the event that the exemption portion of J-51 Benefits is granted. Therefore, for the first year of condominium operation, the Sponsor relies upon a combination of exemption and abatement based on the pre-renovation assessed valuation (\$207,450), with a tax rate of \$12.35 per \$100 for the period 10/1/04 - 9/30/05, and the actual assessed valuation for the 2004/2005 fiscal year (\$236,700). The resulting projected first year real estate obligation is \$25,620, which would be reduced by the estimated J-51 abatement benefit of \$33,375 in quarters after receipt of the benefits. After receipt of the benefits described herein, it is estimated that Unit Owners will not pay real estate taxes for a period of 12 years.

(g) The statements set forth herein regarding J-51 Benefits are only the Sponsor's opinion, and no representation or warranty is made by the Sponsor as to whether a Certificate will be issued by H.P.D. for such benefits or as to the amount of any tax abatement that will actually be received. In addition, no warranty is made by the Sponsor that the actual assessed valuation or the transitional

assessed valuation of the Property will be as projected above, or that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation. In no event will Sponsor, Sponsor's Consultants, Sponsor's Counsel, or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser below have the right to rescind his or her Purchase Agreement if J-51 Benefits are not granted or, if granted, if the benefit amount and the resulting taxes differ from those projected. See Section 20 of the Plan titled "Real Estate Taxes and J-51 Tax Benefits", for a more complete discussion of potential J-51 Benefits.

The Sponsor also makes no representation as to the accuracy of the projected assessed value of the Property, tax rates, or method of assessing real property used by the Mazursky Group.

7. The total estimated monthly carrying charges are the sum of the estimated monthly Common Charges and the estimated monthly real estate taxes. If a Purchaser obtains financing, the Purchaser's debt service will be an additional expense.

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6. PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION.

SCHEDULE B

THE NORMANDIE CONDOMINIUM

100 West 119th Street New York, New York 10026

Projected Budget for First Year of Condominium Operation

October 1, 2004 to September 30, 2005 (Note 1)

ESTIMATED INCOME

Residential Common Charges (Note 1)

Commercial Common Charges (Note 1)

Total Income:

CONDOMINIUM BUDGET

\$138,901

\$8,011

\$146,912

Estimated Expenses	Residential Units	Commercial Units	Total
Payroll and Related Expenses (Note 2)	\$54,390	\$0	\$54,390
Gas Heating/Hot Water (Note 3)	\$3,626	\$0	\$3,626
Electricity (Note 4)	\$8,836	\$1,080	\$9,916
Water Charges/Sewer Rent (Note 5)	\$9,150	\$0	\$9,150
Repairs and Maintenance (Note 6)	\$4,455	\$545	\$5,000
Service Contracts and Supplies (Note 7)	\$9,885	\$445	\$10,330
Insurance (Note 8)	\$21,384	\$2,616	\$24,000
Management Fee (Note 9)	\$20,493	\$2,507	\$23,000
Legal and Audit Fees (Note 10)	\$3,564	\$436	\$4,000
Reserve for Contingencies (Note 11)	\$2,227	\$273	\$2,500
Telephone and Miscellaneous (Note 12)	\$891	\$109	\$1,000
Totals	\$138,901	\$8,011	\$146,912

The Notes to Schedule B below are an integral part of this Schedule and should be read in conjunction herewith.

(1) First Year of Condominium Operation:

Amounts are projected on the assumption that the first year of Condominium operation will run from October 1, 2004 to September 30, 2005. The actual first year of Condominium operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the first year of Condominium operation is delayed more than six (6) months, the Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25 percent (25%) or more, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their down payments returned, together with interest earned thereon. If the date of the first closing of a Unit is delayed by twelve (12) months or more from the projected closing date, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements by notice given to the Sponsor within fifteen (15) days after October 1, 2005.

These amounts represent the total Common Charges to be levied against and collected from the Units during the projected first year of Condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium.

Except for heat and hot water, the Commercial Units are constructed and will be constructed to operate as independent Units with a minimum of common expenses or operations with the Residential Units. Common Expenses are allocated to the Residential Units and the Commercial Units on the basis of either percentage of General Common Interest or on special allocations based on anticipated consumption. Where the allocation of Common Expenses is not based on percentage of Common Interest, such circumstances are described in the following notes. The Commercial Unit Owner will be obligated to pay its fair share of the expenses of that are incurred by the Board in for operating, maintaining and repairing those Common Elements which are utilized by the Commercial Unit Owner.

After operation of the Condominium has commenced, it is anticipated that the methods of allocation of the Common Expenses to be paid by the Commercial Unit Owner will be periodically adjusted, as provided in the By-Laws, but not more frequently than once each year to reflect the differing proportions fairly attributable to the actual usage of such category by the Commercial Unit Owner. Any adjustment shall be in conformity with Section 339-m of the New York State Real Property Law. If any category of Unit Owner contends that any method of allocation determined by the Board is inequitable, the dispute may be submitted to arbitration as provided in the By-Laws.

(2) Payroll and Related Expense: \$54,390

Unless otherwise noted in these footnotes, for purposes of estimating all payroll costs in Schedule B, it has been assumed that employees will be non-union. All wage, salary and benefit

costs, including applicable payroll taxes reflect that assumption. The level of staffing described in this Schedule B complies with all applicable housing and labor laws.

No warranty is made with respect to the employees' right to organize or the actual wages, salaries, benefits and related payroll taxes and similar expenses which will be applicable and in effect during the first year of condominium operation. However, the projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, Stephen G. Kliegerman, in managing comparable buildings.

<u>POSITION</u>	<u>WAGES PER PERSON</u>
1 part-time, non-resident Superintendent	\$9,360
1 full-time Concierge	\$36,500
Total Wages	\$45,860

During the first year of Condominium operation, the superintendent shall be a part-time, non-resident independent contractor who resides within one block of the Condominium. The budget estimate allows fifteen (15) hours of work per week for garbage removal, cleaning and routine maintenance.

The concierge will work five days per week for 8 hours a day, between the hours of 5pm and 1am. During the first year of operation, the Sponsor reserves the right to alter the eight-hour shift of the concierge.

It is estimated that the Condominium will pay \$45,860 in wages during the first year of operation, exclusive of the benefits set forth on the following page.

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PAYROLL TAXES AND BENEFITS

Vacation Coverage	(\$1,500 x 1 full-time employee)	\$1,500
FICA	(projected at 8% of wages)	\$3,669
Federal State Unemployment Insurance	(.8% of \$7,000 x 2 employees)	\$112
State Unemployment Insurance	(.4% of \$8,500 x 2 employees)	\$68
Workers' Compensation	(projected at 6.5% of total wages)	\$2,981
Disability Insurance	(projected at \$100 x 2 employees)	\$200
Total Taxes and Benefits		\$8,530

Since the Commercial Units will not utilize any of the labor services, the entire payroll and related expense category for the Condominium is allocated to the Residential Units.

(3) Gas for Heating, Cooking and Hot Water: \$3,626

The estimate is based on the projections of gas consumption for the Common Elements and Residential Units, as described in the letter dated May 1, 2004 from William Ryan, Jr., P.E. of Ryan Consulting Engineers, 33-33 166th Street, Flushing, New York.

It is impossible to predict whether the budgeted figure will reflect the actual cost of operation for the first year of condominium operation. This cost will vary with both the level of consumption of gas and the tariff rate charged by the utility. The level of consumption will be affected by the severity of the weather and any conservation measures, such as staggering the hours of heating, room temperature settings in Residential Units and Residential Common Elements adopted by the Board.

The projected gas cost of \$3,626 for the common areas is based on an estimated consumption of 7,301 Therms of natural gas at a rate of \$0.4966 per Therm. The gas estimate reflects the current tariff rate, including sales tax, plus a projected 5% increase. It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of gas during the first year of condominium operation.

The Commercial Units will be separately metered for gas; as a result, the Residential Units shall pay the entire common gas expense described above.

(4) Electricity: \$9,916

The amount set forth is the estimate for the electricity consumed only by the Common Elements, since electricity for individual Units will be individually metered by Consolidated Edison.

The estimate is based on the projections of consumption for all Common Elements, as described in the letter dated May 1, 2004 from William Ryan, Jr., P.E. of Ryan Consulting Engineers. Electricity will be used to operate the elevator, water pumps and equipment, fans, lighting throughout the interior and exterior common areas, hallways, and stairs. The projected Common Element electricity cost is based on a consumption of 22,900 kilowatt hours of electricity at a rate of \$0.158155 per hour, which is the current rate, inclusive of sales tax, plus a projected 5% increase. This expense category presumes that during the first year of operation, the electricity expense will be approximately one-half of the estimated electric cost for the Building.

See Schedule B-1 for the projected costs associated with individual electric consumption.

This expense item is allocated 89.1% to the Residential Units and 10.9% to the Commercial Units.

(5) Water Charges and Sewer Rent: \$9,150

The budgeted water charge is based on a projected annual consumption of 100 cubic feet per Unit at a rate of \$1.52 per hundred cubic feet per Unit. The budgeted sewer charge is based on a projected annual consumption of 100 cubic feet per Unit at a rate of \$2.14 per hundred cubic feet. Accordingly, the estimated cost for water and sewer is \$9,150. The exact usage cannot be determined until the building is operative with twenty-five (25) Residential Units. Water charges and sewer rent will be allocated among the Unit Owners based on their percentage of Common Interest.

The estimate for water charges and sewer rent is based on the projections of consumption for all Units and Common Elements as described in the letter, dated May 1, 2004, from William Ryan, Jr., P.E. of Ryan Consulting Engineers.

Water meters will be installed to measure actual water usage for billing purposes. It is believed that the budgeted amount should be sufficient to cover any reasonable increase in the cost of utilities during the first year of Condominium operation. However, no budget item is warranted as to its accuracy, sufficiency or otherwise.

Each of the Commercial Units will be on a water and sewer submeter and the Condominium will bill the Commercial Unit Owners on the basis of submetered consumption. Accordingly, the Commercial Unit Owners will not pay any portion of this Condominium expense.

(6) Repairs and Maintenance: \$5,000

This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish compactor bags, etc. used in connection with the operation of the Common Elements.

This estimate is based on experience of Sponsor's budget expert, Stephen G. Kliegerman, in operating comparable buildings and does not include repairs to the roof, the heating system, or the Building exterior, all of which are new or substantially renovated.

The total cost of repair and maintenance for the Residential Units and Commercial Units has been calculated as follows: repair and maintenance expenses to the General Common Elements have been allocated among all Units on the basis of percentage of Common Interest. Repairs and maintenance to the Residential Limited Common Elements have been allocated solely to the Residential Units, and repairs and maintenance to the Commercial Limited Common Elements have been allocated to the Commercial Unit.

This expense item is allocated 89.1% to the Residential Units and 10.9% to the Commercial Units.

(7) Service Contracts: \$10,330

The Condominium anticipates entering into the following service contracts during the first year of Condominium operation:

a) an elevator maintenance contract with Action Elevator, 963 Van Duzer Street, Staten Island, New York 10304 an estimated annual cost of \$3,000;

b) an extermination contract with Metro Pest Control, 70-09 73rd Place, Glendale, New York 11385 an estimated annual cost of \$1,080.

The Commercial Units will pay 10.9% and the Residential Units will pay 89.1% of the elevator and extermination maintenance contracts.

In addition, Purchasers should note that the Condominium intends to enter into a two-year service contract for the maintenance of and repairs to the heating and air-conditioning units in each Residential Unit. Presently, the estimated cost of the service contract is \$6,250 per annum.

The cost of the heating and air-conditioning maintenance contract for the Residential Units will be paid entirely by the Residential Unit Owners. In the event that the Sponsor enters into a service contract for the heating and air-conditioning units within the Commercial Units, the cost of the contract shall be paid entirely by the Commercial Unit Owners.

(8) Insurance: \$24,000

The insurance premiums are based on a projection dated April 12, 2004, from Steven Potolsky of North Shore Risk Management, LLC, setting forth the following coverage:

PROPERTY: All Risk, Agreed Amount, Replacement Cost, \$1,000 Deductible (\$5,500,000)

Building Value (Replacement cost)	\$5,500,000
Per Occurrence Liability	\$1,000,000
General Aggregate Liability	\$2,000,000
Boiler & Machinery	Insured to value
Fidelity Bond	\$50,000

This is a one-year policy with no specific prohibitions against renewal.

DIRECTORS' & OFFICERS' LIABILITY

Directors & Officers Liability	\$1,000,000
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Total Premiums: \$24,000

Water damage is not included the insurance coverage described above, but it may be available at extra cost.

In the opinion of Steven Potolsky, the foregoing coverage is sufficient to replace the building (exclusive of footings and foundations) in the event of a total loss during the first year of Condominium operation.

This quotation is a projection of rates for the first year of operation. However, because conditions in the insurance marketplace are volatile, it is not possible to predict exactly what the premiums will be for the first year of Condominium operation. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure on behalf of the Board, on or before the date of the first closing, the fire, casualty, and general liability insurance required to be carried by the Condominium. The insurance carried by the Sponsor prior to the date of the first closing meets the requirements of the Sponsor's mortgage lender.

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

Insurance expenses for the Condominium have been allocated among all Units on the basis of percentage of Common Interest. It is suggested that individual Unit Owners procure additional insurance at their own expense to cover such risks as fire and casualty losses to Unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the Unit, or (where applicable) on limited common elements.

This expense item is allocated 89.1% to the Residential Units and 10.9% to the Commercial Units. Accordingly, the Residential Units and the Commercial Units will be responsible for premium increased based upon their percentage of Common Interest.

(9) Management Fee: \$23,000

Based on the management agreement to be entered into with Manhattan North Management Corp. (an affiliate of the Sponsor), or another company, on or before the First Closing. In the opinion of Stephen G. Kliegerman, a licensed real estate broker with Halstead Property, LLC, the fee for the Managing Agent for the first year of Condominium operation is comparable to the fees charged for such services at similar buildings. Reference should be made to the Management Agreement for further discussion of its terms (See Section 24, entitled "Management Agreement and Other Contractual Obligations").

The management agreement may not be canceled for a period of two (2) years, commencing on the date of the First Unit Closing, unless the managing agent shall default in the performance of its obligations under the agreement.

This expense item is allocated 89.1% to the Residential Units and 10.9% to the Commercial Units.

(10) Legal and Audit Fees: \$4,000

Based upon the estimate of Mindy Eisenberg, CPA of CFE, dated February 5, 2004, \$2,000 has been budgeted for fees to be incurred in connection with the preparation of the financial statements for the Condominium's first year of Condominium operation and its Federal, New York State and New York City income tax returns. The financial statements will be certified by the accountants for the Condominium every year, for as long as the Sponsor is in control of the Board of Managers. The balance of the budgeted amount (\$2,000) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at the annual meeting, preparation of Board minutes, and negotiation of minor agreements.

This expense item is allocated 89.1% to the Residential Units and 10.9% to the Commercial Units.

(11) Reserve for Contingencies: \$2,500

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the first year of Condominium operation to increase items of expenses and decrease the contingency reserve.

This expense item is allocated 89.1% to the Residential Units and 10.9% to the Commercial Units.

(12) Telephone and Miscellaneous: \$1,000

This estimate is included to provide for the estimated cost of miscellaneous administrative and other costs including, but not limited to, extermination fees, inspection fees, license fees, permits, stationery, postage, printing and pager.

The estimated budget does not include an estimate for income taxes payable by the Condominium. More than 85 percent (85%) of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Accordingly, the Condominium may elect to be treated as a homeowner's association under Section 528 of the Internal Revenue

Code. (See the Sections of the Plan entitled, "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Opinion of Counsel" (Sections 21 and 22 of the Plan, respectively, for further discussion.)

In the opinion of Stephen G. Kliegerman, a licensed real estate broker with experience in managing rental and condominium properties in the New York metropolitan area, the projected income for the Condominium is adequate to meet the estimated expenses for the first year of Condominium operation, assuming that such first year is the fiscal year commencing October 1, 2004. The budget, however, is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Property by the Board will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the first year of Condominium operation will vary from the amounts shown in the budget.

This expense item is allocated 89.1% to the Residential Units and 10.9% to the Commercial Units.

Special Note re: Closing Adjustments: At closing, the Sponsor will adjust with the Condominium certain ongoing costs that had been prepaid by the Sponsor for the first year of Condominium operation, largely prepaid insurance for the Condominium. The Condominium will reimburse the Sponsor for net adjustments in favor of the Sponsor from the Condominium Working Capital Fund. The Sponsor estimates that net adjustments will not exceed \$24,000. For more detailed information, see Section 15(B).

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**7. BUDGET FOR INDIVIDUAL ENERGY COSTS,
SCHEDULE B-1.**

By letter dated May 1, 2004, William Ryan, Jr., P.E. of Ryan Consulting Engineers provided the following estimate of (i) annual electric costs (for lighting, and operating typical electrical appliances, including air conditioning, in each Residential Unit) and (ii) annual gas costs (for heat and hot water in each Residential Unit).

The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors which are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the personal needs of occupants and weather conditions.

Estimated Electric Charges Metered to Unit Owners:

Class of Unit	Estimated Sq. Ft. Range	Est. Annual KWH Used	Est. Annual Electric Cost w/o Air Conditioning
4 bedrooms	1425- 1658	7,840	\$1240

Estimated Electric Charges Metered to Unit Owners for Air Conditioning:

Class of Unit	Estimated Sq. Ft. Range	Est. Annual KWH Used	Est. Annual Electric Cost for Air Conditioning
4 bedrooms	1425- 1658	9480	\$1500

The projected electricity cost is based on a rate of \$0.158155 per hour, which is the current rate, inclusive of sales tax, plus a projected 5% increase.

Estimated Gas Charges Metered to Unit Owners for Heat and Hot Water:

Class of Unit	Estimated Sq. Ft. Range	Est. Annual Therms Used	Est. Annual Gas Cost for Heat and Hot Water
4 bedrooms	1425- 1658	1,610	\$800

The projected gas cost is based on a rate of \$0.4966 per Therm, which is the current tariff rate, inclusive of sales tax, plus a projected 5% increase.

Note re: Utility Charges. In view of the varying costs of energy, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of Condominium operation, although it is believed that reasonable provisions for increased costs

have been made. The actual cost for electricity will vary depending upon various factors, including the amount of consumption, the severity of the weather, conservation measures, if any, adopted by the Board or individual residents, the rates of the utility company (which fluctuate periodically), and the possibility of changes in the methods of calculating charges by the utility company.

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HALSTEAD

May 5, 2004

167-177 Lenox LLC
c/o Tahl Propp Equities
405 Park Avenue
New York, New York 10022

Re: 100 West 119th Street
New York, New York

8. OPINION RE: COMPLIANCE WITH RPL 339-i

Ladies and Gentlemen:

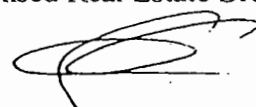
We are licensed real estate brokers in the City of New York. Our experience in this field includes: Managing and maintaining over the past 14 years over 300 residential apartment units and 1900, Cooperative and Condominium units, as well as managing over 15 commercial units; Specializing in the sale of over 2000, residential cooperative and condominium units in the Manhattan real estate market, preparing Schedule A and B information based upon my expertise in property management and sales for 10 other offering plans over the past 3 years; Investing in and developing real estate for the past 9 years.

We have reviewed the allocation of common interest as shown on Schedule A to be included in the condominium offering plan for the subject premises.

The common interest has been allocated to each condominium unit based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with Section 339-i (1) (iv) of the NYS Real Property Law. This allocation is based on measurements and calculation of net square footage made by SR + T Architects, the architectural firm which prepared the Architect's Description in Part II of the Plan.

Very truly yours,

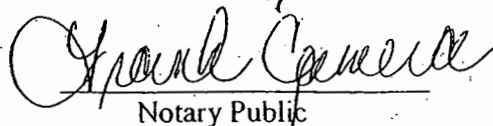
Halstead Property, LLC
Licensed Real Estate Broker



Stephen G. Kliegerman
Executive Director of Sales

FRANK CAMERA
NOTARY PUBLIC, STATE OF NEW YORK
No. 01CA6072473
QUALIFIED IN KINGS COUNTY
MY COMMISSION EXPIRES APRIL 8, 2006

Sworn to before me this
5 day of ~~April~~ ^{May}, 2004


Notary Public

-35-

Greenwich Village: 784 Broadway, New York, NY 10003 212-253-9300 Fax: 212-614-4656
Eastside: 1350 Third Avenue, New York, NY 10021 212-734-0010 • Westside: 408 Columbus Avenue, New York, NY 10024 212-769-8001
Soho: 151 West Broadway, New York, NY 10012 212-475-4200 • Midtown: 770 Lexington Avenue, New York, NY 10021 212-317-7800
www.halstead.com

9. CHANGES IN PRICES OR UNITS.

The Offering prices set forth in Schedule A for each Unit may be increased in all cases (including individual price increases) only by amendment to the Offering Plan, and decreased only by amendment if the change of price is an across-the-board change affecting one or more lines of Units or Unit models or is to be advertised. As set forth in the Notes to Schedule A, offering prices are negotiable. Accordingly, the Sponsor may enter into a Purchase Agreement with a Purchaser to sell one or more Units at prices less than those set forth in Schedule A without filing an amendment before entering into the Purchase Agreement. As a result of the negotiability of offering prices and the right to change them, certain Purchasers may pay or may have paid more or less than other Purchasers under this Plan for similar Units. However, no change will affect the percentage of Common Interest allocated to a Unit as to which the amount of the Offering prices was changed.

Except as otherwise provided in the Plan, no changes will be made in the size or number of Units or their respective percentage of Common Interest, and any material adverse change will be made in the size, amount or quality of Common Elements only with the consent of all Unit Owners directly affected and by Amendment to the Plan, and also by Amendment to the Declaration if the Declaration was filed prior to such change.

Changes in the size, layout or percentages of Common Interest of a Unit for which a Purchase Agreement has been executed by Purchaser and Sponsor and delivered to Sponsor or changes in the amount or quality of Common Elements directly affecting or servicing a Unit for which a Purchase Agreement has been executed by Purchaser and Sponsor and delivered to Sponsor shall be made only with the written consent of the Purchaser of such Unit. If Purchaser is in default then Purchaser's consent shall not be required. Notwithstanding the foregoing, such changes may be made provided all directly affected Unit Owners consent in writing to such a change and all directly affected Purchasers who are contract vendees and who are not then in default either consent in writing to such a change or are given the right to rescind for fifteen (15) days from the date of mailing or personal delivery of written notice from Sponsor. If Purchaser exercises such right of rescission then Sponsor will promptly return any deposit or refund the down payment.

The Sponsor also reserves the right to substitute for any of the materials specified in either the Building Plans, the Description of Property and Building Condition, or elsewhere in the Plan, materials of equal or better quality. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures, appliances and equipment of equal or better quality for any of those set forth in the specifications or otherwise in this Plan.

The Sponsor may enter into additional agreements with Purchasers for the purpose of providing

upgrades within a particular Unit. Among the items which may be upgraded are electrical fixtures, appliances, cabinetry, flooring, painting, or similar items or work at a cost above the prices listed in Schedule A, the offering prices. Each such agreement shall be separately negotiated from the Purchase Agreement price.

10. INTERIM LEASES.

The Sponsor reserves the right to rent or lease Unsold Units to Purchasers prior to the closing of title. There are no rental protection laws which are applicable to interim leases or lessees.

The term of an interim lease shall be for a period which will expire on the earlier of the date of closing of title (in the event this plan shall be declared effective) or one year after the date of execution of the lease. Such lease will also provide that an uncured default by the Purchaser under his Purchase Agreement will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease. The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement if the Purchaser fails to cure a default under his lease within the applicable grace period (if any) and such default results in his eviction from the Unit (whether by voluntary removal or by court order). If the Purchaser defaults under the interim lease, an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser-tenant must be obtained or the Purchaser-tenant must have vacated the Unit before the Sponsor may declare the down payment under the Purchase Agreement forfeited. No portion of the rental paid under such lease will be credited toward the Unit's Total Purchase Price.

The lessee shall have thirty (30) days to vacate the Unit after notice of a default under the Purchase Agreement.

If a right of rescission is offered in the future, and exercised by Purchaser, then the Purchaser's right to rescind will be conditioned upon his surrendering the Interim Lease and possession of the Unit and leaving the same vacant, in good condition and broom clean within thirty (30) days after he elects to rescind. He must also pay any rent due under his Interim Lease. Nothing contained herein shall relieve any Purchaser of liability for damage caused to the Unit.

IF THE PURCHASER FAILS TO COMPLY WITH THE ABOVE PROVISIONS, THE RIGHT OF RESCISSION WILL BE INEFFECTIVE AND THE PURCHASE AGREEMENT SHALL BE REINSTATED, EXCEPT THAT THE PURCHASER SHALL BE IN DEFAULT UNDER THE PURCHASE AGREEMENT AND SHALL BE REQUIRED TO CURE SUCH DEFAULT WITHIN THIRTY (30) DAYS THEREAFTER, AND THE INTERIM LESSEE AND THE SPONSOR WILL CONTINUE TO BE ENTITLED TO ALL OF THEIR RESPECTIVE

RIGHTS UNDER THE PURCHASE AGREEMENT. If an Interim Lessee exercises a right of rescission, the lease shall automatically terminate in all events as of the date the rescission right is exercised and will not be reinstated under any circumstances.

11. PROCEDURE TO PURCHASE.

1. How to Purchase; Acceptance of Purchase Agreements. A person desiring to purchase a Unit in the Condominium shall be required to execute four (4) copies of the Purchase Agreement in the form contained in Exhibit A and return the executed Agreements to the Sponsor's Counsel, Smith, Buss & Jacobs, LLP, 733 Yonkers Avenue, Yonkers, New York 10704, together with a check in an amount equal to 10 percent (10%) of the total purchase price for the Unit, drawn to the order of "SBJ-The Normandie Condominium Special Account".

Purchase Agreements will be binding on Purchasers who have had an opportunity to review the Offering Plan and any filed amendments for not less than three (3) business days prior to their executing a Purchase Agreement. Within twenty (20) days after receiving four (4) executed copies of a Purchase Agreement, together with the required down payment, the Sponsor will return to the Purchaser a fully executed copy of the Purchase Agreement or reject the Purchase Agreement by returning to Purchaser the down payment tendered. If Sponsor takes no action within said twenty (20) day period, the Purchase Agreement shall be deemed null and void.

2. Interest on Down Payment. Interest will accrue on the down payment for the benefit of the Purchaser until the closing or termination of the Purchase Agreement.

3. Disbursement of Funds. Counsel for the Sponsor, Smith, Buss & Jacobs LLP ("Escrow Agent"), 733 Yonkers Avenue, Yonkers, NY 10704 (914-476-0600) will hold all monies received directly or through its agents or employees in trust until the closing of title to a particular Unit in a special account, SBJ-The Normandie Condominium Special Account or similar name (the "Escrow Account") at Hudson Valley Bank, 865 McLean Avenue, Yonkers, New York 10704 within five (5) business days after execution and delivery of a Purchase Agreement to all parties. The following attorneys with Smith, Buss & Jacobs, LLP are signatories on the account: Thomas W. Smith; Jeffrey D. Buss; Kenneth R. Jacobs; and Domenick J. Tammaro. The funds will bear interest at the prevailing rate for such accounts, currently 0.75%. Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the Escrow Agent shall notify the Purchaser that such funds have been deposited, together with the account number and the rate of interest. After the closing of title to the Unit, such funds will be payable to Sponsor. Any interest earned on the deposits will be payable to the Purchaser at closing. The signature of a member of Escrow Agent shall be required to withdraw any of such funds.

Before the Escrow Agent is changed, or funds are transferred to a new escrow account, the Plan will be amended to disclose the changes made. The Escrow Agent will maintain all records

as to the escrow account for a period of seven years after release of the funds.

The Sponsor reserves the right to secure a bond from a New York insurance company or letter of credit from a New York bank in favor of each Purchaser of a Unit at The Normandie Condominium in an amount equal to the down payments received by Sponsor, directly or through its agents or employees, to guarantee the return of the down payments. In order to use security in the form of surety bonds or a letter of credit in lieu of escrow of such funds, the Sponsor must first apply and receive approval from the Attorney General. If Sponsor's application is granted, then the terms of such alternate security shall be disclosed in a promptly filed amendment to the Plan.

All funds received by Sponsor will be handled in accordance with the provisions of Section 352-h and 352-e(2)(b) of the General Business Law and Lien Law and shall be employed by Sponsor only in connection with the consummation of the Plan. Such deposit together with any interest accumulated thereon shall remain the property of the Purchaser until consummation of the Plan.

All funds received by Sponsor for upgrades or extras must initially be placed in the Escrow Account. However, Purchasers should note as a Special Risk that such funds may be released from the Escrow Account by the Sponsor's Counsel as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras.

The following provisions of Section 71-a(3) of the Lien Law are included in the Plan for explanatory purposes only, and not to supersede any other rights granted to Purchaser in this Section 11. Section 71-a (3) of the Lien Law requires, at the Purchaser's option, that the deposit be placed in escrow in an interest-bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association located in New York. Said monies must be deposited within five (5) business days after entering into the contract. The Sponsor must advise the Purchaser, in writing, within ten (10) business days after the deposit has been made. Such deposit, together with the interest accumulated thereon, shall remain the property of the Purchaser until consummation of the transaction or until such time as either party is entitled to said funds pursuant to the terms of the Purchase Agreement and the Offering Plan. All interest shall be the property of the Purchaser unless the Purchaser defaults under the Purchase Agreement.

If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, he may cancel the Purchase Agreement 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 escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the Purchaser.

If insufficient funds are raised through the offering or otherwise to effectuate the contemplated transaction, or if Sponsor is unable for any reason to perform in accordance with the terms of the Purchase Agreement, and if the Purchase Agreement has been subsequently terminated as set forth above, such monies will be fully returned to him with interest, if any.

The form of Escrow Agreement governing the disbursement of funds from the Escrow Account and the resolution of disputes relating thereto is contained in Exhibit H. For further information regarding the terms of the Escrow Agreement, see subsections (11) and (12) below.

Any provision of an agreement with a Purchaser by which a Purchaser purports to waive or indemnify Escrow Agent with respect to any obligation of Escrow Agent holding trust funds is absolutely void.

4. Events of Default. The following will be Events of Default under the Purchase Agreement:

(a) Failure to pay the balance of the Total Cash Payment or any other fees or charges under the Purchase Agreement when due, which failure is not cured within thirty (30) days after written notice; or

(b) Failure to comply with any other requirements of the Purchase Agreement, which failure is not cured within thirty (30) days after written notice.

If an Event of Default occurs, the Sponsor will have the right to terminate the Purchase Agreement and to retain as liquidated damages the down payment, plus the cost of any special work done for the Purchaser. This will be the Sponsor's sole remedy.

TIME IS OF THE ESSENCE WITH RESPECT TO ALL TIME PERIODS TO MAKE PAYMENTS AND TO COMPLY WITH OTHER OBLIGATIONS UNDER THE PURCHASE AGREEMENT, AND WITH RESPECT TO ALL GRACE PERIODS FOR CURING DEFAULTS. FAILURE OF A PURCHASER TO COMPLY WITH ITS OBLIGATIONS WITHIN APPLICABLE TIME PERIODS MAY RESULT IN LOSS OF THE DOWN PAYMENT AND CANCELLATION OF THE PURCHASE AGREEMENT. If the Purchase Agreement is canceled, the Sponsor will have the right to sell the Unit to others as though the Agreement had never been made (and without accounting to Purchaser for the proceeds of such sale), and Purchaser, and Sponsor shall be relieved of all further liability and obligations thereunder and under the Plan.

5. Closing, Payment of Balance Due. After the Plan is declared effective, Purchasers shall be given not less than thirty (30) days notice of the closing of title to their Units. This notice period may be waived by Purchasers. The notice shall provide that the balance of the purchase price shall be due at closing of title. The balance of the cash portion of the purchase price must be paid by cash,

unendorsed certified, teller's or cashier's check made payable to the order of Sponsor or as the Sponsor may direct. Failure to make this payment when a Purchaser is called upon to make such payment may result in loss of the down payment and cancellation of the Purchase Agreement.

6. **Fees.** Counsel for the Sponsor will charge \$1250, payable by the Unit Purchasers, in connection with the preparation of closing documents and attendance at the closing. In addition, if the closing takes place outside of the Manhattan offices of Counsel for the Sponsor, an additional fee of \$250 will be charged, and if the Purchaser uses a title company other than the designated Title Company in Section 15, an additional fee of \$750 will be charged.

For further information regarding closing fees and adjustments, see Section 15.

7. **Risk of Loss.** The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title, but without any obligation or liability by Sponsor to repair or restore any Unit. In case of damage or destruction of a Unit due to fire or other casualty prior to the closing, but after a Purchase Agreement has been signed, the Sponsor will have the right to elect whether to repair or restore the Unit, which election shall be in the Sponsor's sole discretion. If the Sponsor elects to restore the Unit, the Purchase Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit or abatement against the purchase price for the Unit. In that event the Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any insurance proceeds shall belong solely to the Sponsor. If the Sponsor elects not to restore the Unit, or (if the damage occurs after the establishment of the Condominium but before closing of title to the subject Unit) the Board of Managers elects not to restore the common elements of the Condominium, the Purchase Agreement shall be deemed canceled, the Sponsor shall return to Purchaser all sums deposited thereunder (together with interest) and the parties shall have no further liability to each other. However, if a Purchaser is in default under the Purchase Agreement at such time, the Sponsor may retain all sums paid as liquidated damages.

As stated above, in the event a Purchaser enters into actual possession of a Unit prior to the closing of title, the Purchaser shall bear the risk of loss or other casualty with respect to the Unit (i.e., the Purchaser will be obligated to bear the cost of restoring the Unit to the same extent as if the Purchaser had already taken title). Accordingly, any Purchaser who takes possession of a Unit prior to the closing of title would be well advised to obtain insurance coverage for the Unit prior to taking possession. A Purchaser should consult with an attorney and/or an insurance agent as to the Purchaser's insurance needs.

8. **Limited Financing Contingency.** Purchase Agreements are subject to a limited financing contingency. If a Purchaser is electing to obtain financing, the obligations of Purchaser hereunder will be conditioned upon issuance on or before the 45th day after the date of the Agreement of a written commitment from either Amerafund Home Mortgage, 420 Lexington

Avenue, Suite 2633, New York, New York 10070 or Wells Fargo Home Mortgage, Private Mortgage Banking, 530 Fifth Avenue, 15th Floor, New York, New York 10036 (hereinafter referred to individually as "**Sponsor Designated Lender**" or collectively as "**Sponsor Designated Lenders**"), on or before the date of this Purchase Agreement, subject to the following conditions and limitations:

(a) The financing contingency is only applicable to mortgage financing of no more than 80 percent (80%) of the purchase price (or such lesser amount as Purchaser shall apply for) at the Sponsor Designated Lender's prevailing rate of interest and for a customary loan term, secured by a first mortgage on the Unit;

(b) Purchaser shall apply to at least one (1) Sponsor Designated Lender for such first mortgage loan within ten (10) days after the date of the Agreement;

(c) Purchaser shall furnish accurate and complete information to the Sponsor Designated Lender relating to Purchaser, as required;

(d) Purchaser shall pay all fees, points and charges required in connection with such application and any other "points" or charges if the Purchaser accepts the commitment;

(e) Purchaser shall pursue such application with diligence, and generally cooperate in good faith with such Sponsor Designated Lender to the end of securing such first mortgage. Purchaser shall notify the Sponsor promptly of the name and address of each Sponsor Designated Lender or other lender to which Purchaser has given an application. Purchaser shall furnish Seller with a copy of such commitment promptly after receipt thereof. If Purchaser fails to obtain such a commitment from a Sponsor Designated Lender on or before the 45th day after the date of the Agreement, Purchaser shall have the right to cancel the Purchase Agreement by giving notice to Seller by the 50th day after the date of the Agreement. Upon cancellation, the Down Payment and accrued interest shall be promptly refunded to Purchaser, and neither party shall have any further rights against, or obligations or liabilities to the other by reason of the Agreement. If Purchaser does not give such notice to Seller on or before the 50th day after the date of the Agreement or if the Purchaser has not applied to at least one (1) Sponsor Designated Lender, the Agreement shall not be terminated by virtue of this paragraph and the Agreement shall remain in full force and effect, except that Purchaser's right to cancel under this Paragraph shall be deemed waived. A mortgage commitment conditional upon the Purchaser's selling any property that Purchaser owns, the liquidation or reduction of any existing installment debt prior to closing, or the furnishing of documents and information reasonably available to Purchaser, shall be deemed a firm mortgage commitment which satisfies the limited financing contingency clause in the Agreement;

(f) If Purchaser obtains a financing commitment from a Sponsor Designated Lender and the commitment lapses or expires before the actual closing date through no fault of Purchaser,

Purchaser shall make a good faith effort to extend the commitment, including payment of a reasonable and customary extension fee and acceptance of changes in the interest rate to reflect prevailing market conditions. If the Sponsor Designated Lender is unwilling to extend the commitment on those terms, Purchaser shall have the right to cancel the Agreement by notice given to Sponsor within ten (10) days after receiving the notice of refusal to extend the commitment. In case of cancellation, the applicable provisions of subsection (a) shall apply;

(g) As used in the Agreement, "Lender" means a person or entity in the business of making loans to persons seeking to purchase residential units or homes. A mortgage broker who does not have independent lending capacity shall not be deemed to be a "Lender" under the Agreement; and

(h) In the event that Purchaser uses a lender other than the Sponsor Designated Lenders, no financing contingency will apply to the Agreement. As a result, Purchaser will not have the right to cancel the Purchase Agreement if the Purchaser fails to obtain mortgage financing, or if the Purchaser's existing mortgage financing lapses or is canceled.

9. Conflicts between Plan and Purchase Agreement. Any conflict between this Plan and the Purchase Agreement will be resolved in favor of the Plan. In no event may the Purchase Agreement contain, or be modified to contain, any provision waiving Purchaser's rights, other than the ability of Purchaser to waive his right to thirty (30) days notice prior to the closing of title to Purchaser's Unit. In no event may the Purchase Agreement contain, or be modified to contain, any provision abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law.

10. Minimum Sales Requirement. The Sponsor shall not declare the Plan effective until at least four (4) Purchase Agreements are fully executed by bona fide Purchasers.

Purchasers should note that in the current real estate market, banks and other lenders may impose various restrictions on loans. Such restrictions may include requiring that a certain percentage (such as 50% or more) of the apartments 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 a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

11. Procedures for Release of Funds under Escrow Agreement between Sponsor and Special Closing Counsel. In addition to the provisions in the Disbursement of Funds subsection

above, the release of escrow funds shall be governed by the following:

(a) Under no circumstances shall the Sponsor apply for release of escrowed funds of a defaulting Purchaser until after consummation of the Plan. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h.

(b) The escrow agent shall hold the funds in escrow until otherwise directed in (i) a writing signed by both the Sponsor and Purchaser or (ii) a determination of the Attorney General, or (iii) a judgment or order of a court competent jurisdiction, or until released pursuant to subsection (d) below.

(c) The Sponsor shall not object to the release of the escrowed funds to (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan or (ii) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

(d) If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent shall not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor, unless the Purchaser has already made an application to the Department of Law and notified the Escrow Agent pursuant to the dispute resolution provisions described in subsection (12) below.

12. Disputes Relating to Release of Funds.

(a) In the event of a dispute, the Sponsor shall apply and the Purchaser or the Escrow Agent holding the down payments in escrow may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. Forms for this purpose will be available from the Department of Law. The party applying shall contemporaneously send to all other parties a copy of such application.

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

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

(d) 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 is necessary for stated reasons.

(e) If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the deposit and any interest earned thereon until (i) 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 (ii) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent or (iii) the Escrow Agent deposits the disputed amount into court.

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

13. Effect of Delays in Closing Date. The Sponsor anticipates the First Unit Closing will occur on or before October 1, 2004. If the date of the first closing of a Home is delayed beyond September 30, 2005, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreements by notice given to the Sponsor within fifteen (15) days after October 1, 2005.

14. Power of Attorney to Board of Managers. At closing, Purchasers are required to execute a Power of Attorney in favor of the Board of Managers of the Condominium in the form contained in Exhibit B in Part II of the Plan. For further information see Section 19(K) of the Plan.

15. Prepayment of Upgrades and Extras. Any funds paid to the Sponsor for the purposes of upgrades or extras are non-refundable and shall not be governed by the escrow requirements detailed in this Section.

16. Deposits in Excess of \$100,000 Not Insured by the Federal Deposit Insurance Corporation. The Sponsor shall deposit down payments in a bank that is covered by the Federal Deposit Insurance Corporation ("FDIC"). A FDIC insured bank is insured for all deposits in the amount of \$100,000 or less; however, the portion of the deposit in excess of \$100,000 is not covered by insurance. Purchasers should note that any deposit over \$100,000 will not be FDIC insured in excess of \$100,000.

12. ASSIGNMENT OF PURCHASE AGREEMENTS.

Purchase Agreements are not assignable. Any purported assignment shall be void *ab initio*. See Paragraph 10 of the Purchase Agreement.

13. EFFECTIVE DATE OF PLAN.

All Purchase Agreements signed by Sponsor shall be contingent upon Sponsor's declaring the Offering Plan effective pursuant to the requirements and terms of the Plan. These requirements, stated below, must be satisfied within one (1) year of the date the Plan is accepted for filing unless the Plan is amended so as to extend this period. The closing of title to any Unit may not occur until

after the Plan has been declared effective and an amendment has been filed with the Department of Law substantiating same, and the Condominium Declaration, By-Laws, and Floor Plans have been duly recorded.

The Plan will be declared effective by the mailing or personal delivery of written notice to all Purchasers. Within three (3) business days after such notice is given, an amendment to the Plan will be submitted to the Department of Law by the Sponsor stating that the Plan has been declared effective.

The Plan may be declared effective when Purchase Agreements have been executed by bona fide Purchasers and accepted by Sponsor for the sale of at least four (4) Residential Units, which represents 15 percent (15%) of the Units offered under this Plan. The Plan must be declared effective only when Purchase Agreements have been both executed and accepted by Sponsor for the sale of twenty (20) Residential Units, which represents 80 percent (80%) of the Units offered under the Plan.

The Plan will not be declared effective based on Purchase Agreements (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; (ii) as to which the Purchaser was not afforded the opportunity to review the Plan and all amendments for at least three (3) business days before signing a Purchase Agreement; or (iii) with any Purchaser who is the Sponsor, the Selling Agent, the Managing Agent, or is a principal of any of the foregoing, or related to any of the foregoing by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner (except that such a Purchaser (other than the Sponsor or a principal thereof) may be included if the Sponsor submits satisfactory proof to the Department of Law establishing that the Purchaser is bona fide).

The Plan may be abandoned, at Sponsor's sole option, at any time before it is declared effective and before 80 percent (80%) of the Units have been purchased. If the Plan is abandoned, Sponsor shall promptly file an amendment to the Plan and a notice of abandonment on Form RS-3 with the Department of Law. Such notice shall explain the basis for abandonment and must state how any funds received pursuant to the Plan will be distributed. All monies paid by Purchasers pursuant to Purchase Agreements shall be refunded to them in full, with interest, if any, within twenty (20) days of such abandonment.

The Sponsor also reserves the right to abandon the Plan after it has been declared effective, but prior to the First Unit Closing, for any defect in title which cannot be cured without litigation or cannot be cured for less than 0.5 percent (0.5%) of the total offering price, or due to substantial damage or destruction of any portion of the Building by fire or other casualty which cannot be repaired for less than 0.5 percent (0.5%) of the total offering price (as estimated by the insurance adjuster retained by the Sponsor); or the taking of any material portion of the Property by condemnation or eminent domain. Attorneys' fees are excluded from the calculation that determines whether the resolution of an above-described title defect, damage to the Building, or taking by

condemnation or eminent domain costs 0.5 percent (0.5%) or more of the total offering price. The cost of curing a title defect or determination of any authority or regulatory association, which exists on the date of presentation of the Plan and is either known to the Sponsor or is a matter of public record, will not be grounds to abandon the Plan after it is declared effective.

If the holder of any blanket mortgage acquires title to any portion of the Property (prior to the first Unit closing) or to the Unsold Units (after the first Unit Closing) due a default by the Sponsor under such mortgage, such holder will have the right to act as the agent and attorney-in-fact for the Sponsor to direct the abandonment of the Plan, the filing of an RS-3, and the return of down payments to prospective purchasers.

14. TERMS OF SALE.

A. Generally.

The Units, when sold by the Sponsor, will be sold in fee simple to Purchasers who may be individuals, a duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, any department or agency thereof, or any other entity which is permitted to own property in the State of New York. The sale of the Units will be made at the respective sales prices as set forth in Schedule A (as such prices may be changed by the Sponsor), and will include the respective undivided interests in the Common Elements. The Sponsor will convey good and marketable title to the Units and its appurtenant interests in the Common Elements by Bargain and Sale Deed with Covenant against Grantor's Acts and containing the provisions set forth in subdivision 5, Section 13 of the Lien Law, free and clear of all liens and encumbrances other than:

1. Any state of facts an accurate survey or physical inspection of the Unit may show, but policy will insure that any encroachment of the Unit onto the common elements or onto other Units may remain undisturbed as long as the building stands;

2. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the contemplated structures and use;

3. The Declaration, By-Laws, Maps and Floor Plans of the Condominium to be recorded in the Office of the City Register, New York County, as the same may be amended from time to time;

4. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of the renovation of the Building, or renovation of the individual Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair of the Building or any portion thereof, or of any adjoining Unit or of the Common

Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

5. Easements in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utilities, and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

6. Revocability of the right to maintain street vaults and other areas, if any, under sidewalks;

7. Consents by Sponsor or any former owner of the Property for the erection of any structure or structures on, under or above any street or streets on which the Property may abut;

8. Any easement or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property;

9. Service, maintenance and union contracts, and agreements, if any, in effect on the date of the First Unit Closing and to be assumed by the Condominium;

10. Encroachments of stoops, areas, cellar steps, doors, ledges, window sills, bay windows, trim, coping, cornices, vaults, chutes, fuel oil lines, drainage pipes, standpipes, sewer pipes, foundations, footings, retaining walls, fences, fire escapes, air conditioning units, canopy and similar projections, if any, on, over or under the Property or the streets or sidewalks or property abutting the Property and rights of governmental authorities and adjoining property owners to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls and the like, if any;

11. All covenants, restrictions, reservations, agreements and easements of record, if any, which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent residential use of the Units at the Property nor prevent the existence of the present structure;

12. Beams and beam rights and party walls and party wall agreements, if any;

13. The lien of any unpaid real estate tax, and the lien of any water charges or sewer rents generally (which shall be apportioned at closing);

14. Any variations between tax lot lines and lines of record title;

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his Unit;

16. Any restrictions imposed by the provisions of Section 35 of the General City Law;

17. Any state of facts an accurate survey would show.

If the Unit is materially damaged between the date of the Purchase Agreement and the Closing Date, and the Sponsor has not elected to abandon the Plan, either the Sponsor or the Purchaser will have the right to cancel this Agreement by notice given to the other within thirty (30) days after the date of the damage. However, if the Sponsor elects to cancel this Agreement, provided the damage relates solely to an individual Unit and does not affect the common elements of the Condominium, then a Purchaser may, within ten (10) days notice, nullify the Sponsor's election to cancel and agree to take title subject to the damage without abatement or reduction in the purchase price. The Purchaser will then receive an assignment of all insurance proceeds allocable to the repair of the Unit. If the Purchase Agreement is canceled, the down payment and all accrued interest shall be returned to the Purchaser and the parties shall have no further liability. If the Purchase Agreement is canceled by the Sponsor and subsequently reinstated, then at closing the Sponsor shall assign to the Purchaser all insurance proceeds allocable to the Unit and the Sponsor shall have no further responsibility to repair the Unit. If the Purchase Agreement is not canceled, the Sponsor will repair the Unit with all reasonable dispatch, subject to receipt of insurance proceeds and force majeure. In that case, the Sponsor will be entitled to reasonable adjournments of the Closing Date in order to complete repairs, subject to the other rights of rescission of the Purchaser contained in the Plan.

All personal property located within the Unit on the date the Purchase Agreement is signed, or located within the common elements on the date the Declaration is filed, owned by the Sponsor or the owner of the property, is included in the conveyance subject to the next sentence. The foregoing does not include any personal property of the Sponsor or its agents or contractors used for the renovation of the Unit or the common elements, or in connection with the sales of Units or the operation of the Condominium (other than the Unit).

B. Closing Adjustments with Condominium Board.

Immediately prior to the First Unit Closing, Sponsor shall apportion the following items with the Condominium Board as of midnight of the day immediately preceding the closing;

(a) Common Charges for the period from the First Unit Closing to the end of the month in which same occurs;

(b) wages, vacation and severance pay, pension and welfare benefits and all other

payments or obligations relative to the employees of the Building, if any;

(c) fees for assignable permits and licenses, if any;

(d) charges for electricity for the Common Elements, for which the Sponsor shall obtain a reading;

(e) charges under service and maintenance contracts and concession agreements, if any;

(f) supplies on hand at Sponsor's cost (plus sales tax);

(g) premiums for transferable insurance policies, provided that the amount and the extent of coverage conforms to the disclosures in this Plan in Schedule B;

(h) survival of tax certiorari rights and obligations; and

(i) such other items as are customarily included in closing adjustments in the State of New York.

At the time of the closing of title to each Unit, the Sponsor will collect the equivalent of four (4) months' of common charges for the Working Capital Fund of the Condominium, based upon the common charges set forth in Schedule A. Within ninety (90) days after the First Unit Closing, the Sponsor shall pay into the Working Capital Fund of the Condominium the equivalent of four (4) months' common charges for any remaining Unsold Units. Thereafter, when title to an Unsold Unit is conveyed by the Sponsor, the Purchaser of such Unit shall reimburse the Sponsor at the closing of title for the amount contributed to the Working Capital Fund.

The Sponsor's contributions to the Working Capital Fund are special contributions which are separate from the obligations of the Sponsor to pay common charges.

The Condominium Association will reimburse the Sponsor for net adjustments in favor of the Sponsor from the Condominium Working Capital Fund. The Sponsor estimates that net adjustments will not exceed \$24,000, comprised mostly of reimbursement for insurance charges. In that case, the adjustments can be paid entirely from the Working Capital Fund without any additional common charges being required.

C. Conditions for Closing of Title to Individual Units.

At the closing of title to a Unit the Purchaser will pay to the Sponsor the balance of the purchase price for the Unit and the Sponsor will deliver to the Purchaser a Bargain and Sale Deed with Covenant against Grantor's Acts.

Closing of title shall take place concurrently with or after the following events have occurred:

(1) The issuance of a Temporary Certificate of Occupancy for the Unit or a Permanent Certificate of Occupancy for the Building.

In order to secure the Sponsor's obligation, if the Sponsor closes title to a Unit based on a Temporary Certificate of Occupancy, the Sponsor shall retain in escrow an amount, certified by an engineer or architect designated by the Sponsor, sufficient to perform any work required within the common areas of the Building to obtain a Permanent Certificate of Occupancy. The amount retained in escrow may be disbursed only to pay for work or services in connection with completing the renovation and obtaining a Permanent Certificate of Occupancy. Any balance in the account after obtaining a Permanent Certificate of Occupancy will be disbursed to Sponsor.

If the Sponsor has not obtained a Permanent Certificate of Occupancy for the Building prior to closing of title to the last Unit, it shall retain an amount in escrow, certified by the Sponsor's architect or engineer, sufficient to perform any work required within the common areas of the Building to obtain a Permanent Certificate of Occupancy for the project. The amount retained in escrow may be disbursed only to pay for work or services in connection with completing the renovation and obtaining a Permanent Certificate of Occupancy. Any balance in the account after obtaining a Permanent Certificate of Occupancy will be disbursed to Sponsor.

(2) The recordation in the City Register's Office of the Declaration, the By-Laws and the filing in that office of a set of as-built floor plans of the Building showing the layout, location and approximate dimensions of the Units and the Unit designations. Such filings will be certified by the Tax Assessor of the County of New York as conforming to the official tax lot number for each such Unit and include an Architect's statement required by Section 339-p of Article 9-B of the Real Property Law of the State of New York which certifies that the plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built;

(3) The discharge of all duly recorded liens affecting the Unit to be closed and its undivided Common Interest, or the recording of a partial release which releases such Unit and its undivided Common Interest from such lien, if any, as required by Section 339-r of the Real Property Law;

(4) Service by personal delivery or ordinary mail to the Purchaser of written notice of the closing date not less than thirty (30) days prior to closing of title, unless Purchaser elects to waive the thirty (30) day requirements. The notice of closing will require the Purchaser to inspect the Unit or Common Elements during normal business hours prior to closing, or the Purchaser will be deemed to have accepted the Unit in "as is" condition; and

(5) Acceptance by the Department of Law of an amendment substantiating that the Plan has been declared effective.

The Sponsor will assign to the Unit Owner any manufacturer's warranties with respect to equipment and appliances installed within a Unit at the closing of title to that Unit. Sponsor will assign to the Board of Managers any warranties with respect to equipment and appliances installed in Common Elements at the First Unit Closing.

15. UNIT CLOSING COSTS AND ADJUSTMENTS.

1. General.

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of a Unit are described in detail below and summarized in subsection (E). Such costs are only estimates and are subject to change.

A. Costs and Expenses.

a. Fee title insurance must be ordered from New York Land Services ("NY Land"), the agent for Commonwealth Land Title Insurance Co., 630 Third Avenue, 5th Flr., New York, New York 10017. If Purchaser elects to obtain title insurance. Fee title insurance rates in the State of New York as of the date of this Plan are as follows: \$541.25 for up to \$100,000 of coverage, plus \$3.05 per thousand dollars of the additional purchase price up to \$500,000, and \$2.80 per thousand dollars of the additional purchase price in excess of \$500,000. A Purchaser may obtain title insurance from a company other than NY Land, subject to an additional fee of \$750 payable to counsel for the Sponsor for coordinating the satisfaction of title requirements with Purchaser's new title insurer. See subsection (d) below.

b. Title search charges and recording fees for recording the deed and Unit owner's power of attorney.

c. If a mortgage is obtained from a lending institution, the Purchaser may expect to incur the following costs:

(i) Points, application fee, appraisal costs, survey update or Condominium endorsement if required, legal fees and other customary costs of the lending institution;

(ii) Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured. Mortgage title insurance rates in the State of New York as of the date of this Plan for a borrower simultaneously obtaining fee title insurance are

\$138.00 for up to \$100,000 of coverage, plus \$0.77 per thousand dollars of the additional purchase price up to \$500,000, and \$0.70 per thousand dollars of the additional purchase price in excess of \$500,000 to \$1,000,000, and \$0.64 per thousand dollars of the additional purchase price in excess of \$1,000,000. For a Unit with a \$500,000 mortgage simultaneously obtaining fee title insurance, the cost would be about \$446.00.

A Purchaser may obtain mortgage title insurance from a company other than its fee insurance company, or without obtaining fee title insurance. However, the cost of mortgage title insurance under those circumstances would be substantially higher (\$2.54 per thousand for additional coverage up to \$500,000 and \$2.32 per thousand from \$500,000 to \$1,000,000.)

(iii) Mortgage recording tax (currently 2% of the amount of the mortgage for mortgages in the amount of less than \$500,000, and 2.125% of the amount of the mortgage if the loan equals or exceeds \$500,000, less 1/4% of the loan amount (plus \$25.00) paid by the mortgage lender for a residential Purchaser). For a mortgage of \$500,000, the cost to a Purchaser would be approximately \$10,625. Please note the discussion of Mortgage Tax Credit in Section 15(1)(D) below;

(iv) Recording fee for recording of the mortgage, approximately \$350.00.

(v) A deposit towards the payment of real estate taxes and hazard insurance based upon a multiple of estimated monthly real estate taxes and insurance, which will vary with the closing date.

d. Fees and expenses of Sponsor's counsel for closing of title (\$1,250.00, plus \$250.00 if the closing takes place anywhere except in counsel's offices in Manhattan and an additional \$750.00 fee if Purchaser uses a title company other than First American to insure Purchaser's title), as well as those of Purchaser's own attorney, if any. The additional fee for use of a different title company results from the substantial additional work required to clear title with a company unfamiliar with the property, based on the complexity of the original purchase of the building and subsequent reconfiguration of the base tax lot on which the Unit is located.

e. Four months of Common Charges to be paid into the Working Capital Fund, unless previously contributed by the Sponsor, in which case they shall be paid to the Sponsor. Based on the common charges during the first year of Condominium operation this would total approximately \$1,256 to \$2,069 depending on the Unit.

f. New York State and New York City transfer taxes relating to the Unit, as follows:

For the purchase of a single Unit, the state transfer tax is \$2.00 per \$500 of the purchase price ("NYS Tax"), and the New York City transfer tax is 1% of the purchase price, if the purchase price is less than \$500,000 and 1.425% if the purchase price equals or exceeds \$500,000 ("RPT Tax"). THESE TAXES ARE NORMALLY PAID BY THE SELLER. HOWEVER, BY CONTRACTUAL ARRANGEMENT, THIS WILL BE PAID BY EACH PURCHASER. Therefore, for purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. The steps to compute the tax for a Unit costing \$500,000 or more are as follows:

- (i) Multiply the purchase price by 1.425% to compute the preliminary RPT Tax.
- (ii) Multiply the purchase price by .4% to compute the preliminary NYS Tax.
- (iii) Add the preliminary taxes to the purchase price.
- (iv) Multiply the total by 1.425% to get the final RPT Tax.
- (v) Multiply the total by .4% to get the final NYS Tax.

Example: If the Purchase Price is \$800,000:

- (1) $\$800,000 \times 1.425\% = \$11,400.00$
- (2) $\$800,000 \times .4\% = \$3,200.00$
- (3) $\$800,000 + \$11,400 + \$3,200 = \$814,600$ [taxable consideration]
- (4) $\$814,600 \times 1.425\% = \$11,608.05$ [RPT Tax]
- (5) $\$815,000^* \times .4\% = \$3,260.00$ [NYS Tax] *(rounded up by law)

The NY City tax rate also varies according to the type of purchase. If the purchase is considered a purchase of commercial property and costs more than \$500,000, the rate is 2.625%. The NY City Department of Finance currently does not aggregate the purchase price of two or more Units in calculating the tax rate; however, the purchase of two or more units is considered a commercial purchase. There is no guarantee that the City may not take a different position with respect to the purchase of two or more Units by the same Purchaser.

g. If the purchase price of the Unit exceeds \$1,000,000, an additional New York State tax due under Article 31 of the Tax Law (the "Additional Tax"), currently equal to 1% of the purchase price.

B. Adjustments.

All adjustments shall be made as of the scheduled closing date, unless the closing is adjourned at the Sponsor's request. Adjustments include the following:

(1) Real estate taxes from the midnight preceding the date of the closing through the end of the half-year tax payment period within which the closing date occurs, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay, but for an adjournment in closing of title by Purchaser.

(2) Common Charges assessed during the month in which title closes shall be adjusted with the Sponsor as of the midnight preceding the closing date, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor was obligated to pay to the Board of Managers as a result of any delay in closing of title at the request of Purchaser. The amount of such Common Charges to be assessed against each Unit will be fixed by the Board of Managers. Common Charges to be initially assessed are expected to conform to those shown in Schedule A of the Plan.

(3) Interest on the purchase price at 12 percent (12%) per annum due to any adjournment in closing of title to Purchaser's request beyond the time limits imposed by Sponsor to compensate the Sponsor for lost opportunity costs on the unpaid amount.

The above closing costs are cumulative to the extent applicable to any individual closing.

C. Escrows with and Payments to Condominium at Closing.

1. Escrows for Real Estate Taxes until Units are Separately Assessed for Real Estate Taxes.

If the Units have not been separately assessed for real estate tax purposes prior to the closing of title to a Unit, then at closing, real estate taxes for the tax year in which the closing occurs will be adjusted with the Sponsor as per Section 15(1)(B) above. In addition, the Unit Owner will place in escrow with the Condominium an amount equal to the real estate taxes allocable to the Unit for the next succeeding half tax year. For example, if the closing occurs on or before October 1, 2004, pro-rata taxes for the half tax year July 1, 2004 - December 31, 2004 will be collected at closing, and the Unit Owner will place in escrow with the Condominium the projected allocable taxes for the tax period January 1, 2005 - June 30, 2005. The Condominium will then apply such payments toward the taxes due for the Property for the applicable tax year. When the Units are separately assessed, any amounts held in escrow on behalf of a particular Unit will be returned to the Unit Owner or as he or she may direct.

If no separate Unit apportionment has occurred by the time of a Unit closing, the real estate taxes allocable to each Unit shall be on the basis of the percentage of Common Interest attributable

to such Unit. If a subsequent adjustment needs to be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of percentage Common Interest and adjustment on the basis of actual apportionment, it shall be made at that time.

The Sponsor will not be obligated to put any amounts in escrow with the Condominium Board unless tax lots remain unapportioned as of the first day of the last month before the next tax payment period. Thereafter, the Sponsor shall be entitled to reimbursement from a Unit Owner for real estate taxes that the Sponsor has placed in escrow with the Condominium.

2. Next Month's Common Charges. At closing, each Unit Owner will pay the common charges (and real estate tax installment, if applicable) to the Condominium for the next month after the month in which the Closing occurs. Such payment is being made at closing to avoid potential delays in collection due to move-ins and changes of address. Such payments will be applied to the common charges and real estate taxes applicable to that month.

D. Summary: Typical Closing Costs, Adjustments, Escrows.

A Purchaser of a Unit costing \$800,000 will pay the following typical estimated costs:

- Fee Title Insurance (\$2,601.25)
- Title search (\$500.00)
- Recording charges (\$400.00)
- Sponsor's Legal Fees (\$1,250.00)
- NYC Real Property Transfer Tax (\$11,608.25)
- NYS Transfer Tax (\$3,260.00)

In addition, a Purchaser will make a mandatory contribution to the Working Capital Fund of approximately \$1,256 to \$2,069 depending on the Unit.

If the Purchaser is obtaining mortgage financing in the amount of \$700,000, the Purchaser can anticipate the following expenses of financing:

- Mortgage title insurance, simultaneous rate (\$586.00)
- NYS and NYC mortgage tax (\$14,875.00)
- Recording charges (\$400.00)

The Purchaser will likely incur other financing charges, such as commitment fee, application fee, appraisal, legal fees for the lender, a survey update or a Condominium endorsement if required,

and other customary costs of the lending institution. Since these costs vary greatly from lender to lender, no estimate is provided here.

At closing, the Purchaser will also make cash payments for escrow deposits for real estate taxes with either the lender or the Condominium; the following month's common charges; and loan interest to its lender through the end of the month in which the closing occurs. In addition, the Purchaser will adjust with the Sponsor for prepaid real estate taxes and common charges. However, none of these payments are additional closing costs, but represent reimbursement or prepayment of actual expenses of ownership of the Unit and operation of the Condominium. Likewise, the mortgage tax credit under Section 339-ee does not change the total mortgage tax payment owed by a Purchaser, merely whether such tax is paid to the lender or used to reimburse the Sponsor.

2. OPTION OF SPONSOR TO PAY ALL EXPENSES OF OPERATION IN LIEU OF COMMON CHARGES.

By notice to the Unit Owners, the Sponsor will have the right to pay all expenses of operation of the Property in lieu of common charges until the earlier of (a) thirty (30) days after delivery of notice to all Unit Owners (unless the Sponsor notifies the Unit Owner at the closing of title to its Unit as to the last day for which the Sponsor will pay expenses of operation, in which case such date will apply); (b) one (1) year after the first Unit closing; or (c) sales of ninety percent (90%) of all Units in percentage of Common Interest. At that time, Sponsor will amend the Plan and furnish an updated budget before commencing collection of Common Charges from the Unit Owners. Thereafter, all Unit Owners will pay common charges for their Units, including the Sponsor with respect to the Unsold Units.

16. RIGHTS AND OBLIGATIONS OF SPONSOR.

No bond or other security has been furnished to secure the performance of the Sponsor's obligations. Although at the time the Offering Plan is accepted for filing, the Sponsor represents that it will be financially capable of performing Sponsor's obligations, including its obligations with respect to Unsold Units, the subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. The Sponsor used mortgage financing on the Property for the acquisition of the Property and improvements. The mortgage shall be satisfied at the First Unit Closing. If the Sponsor cannot perform the Sponsor's financial obligations hereunder, the Sponsor will amend the Plan, cease selling Units, and offer a right of rescission to Purchasers of Units.

A. General Representations:

The Sponsor makes the representations set forth below with respect to certain obligations under the Plan.

1. The Sponsor represents that it will make good faith efforts to sell all the Units in the Building, rather than retaining them for rental. Sponsor's good faith efforts to sell to Purchaser's shall include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective Purchasers or their representatives, file customary update amendments to keep the Plan in effect, and otherwise engage in customary sales activities. However, in the event that there is a decline in market values of 10 percent (10%) or more from the offering prices set forth in Purchase Agreements counted toward effectiveness for comparable Units, then the Sponsor reserves the right to rent, rather than sell, the Unsold Units until there is an upturn in the market. If the Sponsor files a price increase amendment to the Plan, then Sponsor's right to rent shall only apply if offers fall below the initial offering prices contained herein, not the increased prices.

Bona fide Purchasers may purchase Units for personal occupancy or for rental operation. Units rented to tenants will receive the same Building services and use of the Building's common areas as owner-occupants. However, a tenant may not have the same economic interest in the maintenance and care of the Building's facilities and amenities as the owners of the Units. In addition, resident and non-resident Unit Owners may disagree as to expenditures for items such as lobby and hallway decorations and capital improvements, to exercise the Board's right of first refusal to purchase or lease a unit, or to borrow money to alter or improve the Building.

Purchasers of leased Units will be purchasing Units that have been previously occupied. Sponsor will notify purchasers of Units that have been previously occupied prior to the execution of a Purchase Agreement of such occupancy and will set forth the condition in which such Unit will be delivered (including outstanding warranties, if any). There shall be no obligation on the part of Sponsor or any other offeror of such Unit to decorate, repaint, refurbish or in any way repair such Unit.

2. Sponsor shall be obligated to defend any suits or proceedings arising out of its acts or omissions and to indemnify the Board of Managers or the Unit Owners against any such suits or proceedings.

3. All representations under the Plan, all obligations pursuant to the General Business Law and such additional obligations under the Plan which are to be performed subsequent to the closing date will survive delivery of the deed.

4. The Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the renovation of the Units and Common Elements for the authorized and proper work performed and fixtures, material and equipment supplied or installed in said renovation.

5. Sponsor will pay all Common Charges, real estate taxes, special assessments and other expenses allocable to any Units owned by the Sponsor, so long as Sponsor shall continue to own the same, subject to the terms and limitations contained herein. However, if Purchaser has adjourned the closing of title, Sponsor shall be entitled to certain reimbursements for real estate taxes, Common Charges and interest on the purchase price at the rate of 12 percent (12%) per annum to compensate the Sponsor for lost opportunity costs.

6. The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title to the Unit, unless a Purchaser takes possession prior to purchasing his or her Unit (in which case the Purchaser shall bear the risk of loss or other casualty with respect to that Unit, i.e., the Purchaser will be obligated to bear the cost of restoring the Unit as if the Purchaser had already taken title.) For specific details see Procedure to Purchase, Section 11.

7. Prior to the First Unit Closing, Sponsor shall procure on behalf of and at the expense of the Condominium, fire and casualty insurance policies pursuant as set forth in Schedule B. The cost of such insurance will be adjusted with the Board of Managers at the First Unit Closing and repaid from the Working Capital Fund of the Condominium.

8. The Sponsor shall not voluntarily dissolve or terminate prior to the First Unit Closing. In the event of a dissolution or liquidation of the Sponsor after the transfer of 20 percent (20%) or more of the total number of Units in the Condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those Units under the offering Plan, applicable law or regulations.

9. The Sponsor has a construction loan with Roslyn Savings. The construction lender has not imposed any requirements on the Sponsor regarding minimum payments to the lender in order to release its lien or requirements regarding the Sponsor's right to rent depending upon market conditions. If the lender places restrictions or conditions upon the Sponsor which are inconsistent with the terms set forth herein, then the Sponsor shall amend the plan to reflect the relevant terms of the construction loan agreement.

10. The Sponsor will diligently, expeditiously and at Sponsor's own cost, complete the renovation of the Units and Common Elements substantially in accordance with the plans and specifications described in the Plan. If any work still remains to be done to complete such work, then provided such work will not prevent the issuance of a new permanent Certificate of Occupancy, the

Sponsor, at Sponsor's own cost and expense, will perform or cause all such work to be performed and will supply or cause all material therefor to be supplied and will pay for such work and materials and discharge or bond all mechanic's liens which may be filed as a result of the renovation of the Units or Common Elements.

The Sponsor reserves the right to substitute for any of the materials specified in either the Plans, the Description of Property and Building Condition or elsewhere in the Plan, materials of equal or better quality and design. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to the possible unavailability of materials and supplies, Sponsor may substitute materials, fixtures, appliances and equipment of equal or better quality and design for any of those set forth in the specifications or otherwise in this Plan.

No change will be made in the size, location of the Building or Units or other improvements or common elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change. Notwithstanding the foregoing, such changes may be made provided all directly affected Unit Owners have consented in writing to such change and all directly affected Purchasers who are still contract vendees and who are not then in default, are given the right to rescind their Purchase Agreement and receive from Sponsor a return of any deposit or down payment for fifteen (15) days from the date of mailing or personal delivery of written notice from Sponsor.

11. The Sponsor reserves the right to close title to Units after procuring a Temporary Certificate of Occupancy with respect to a Unit. However, the Sponsor will complete the renovation and obtain a Permanent Certificate of Occupancy for the entire project before the Temporary Certificate of Occupancy (as same may be renewed, replaced or extended) expires. This period may extend longer than three (3) years from the First Unit Closing.

In order to secure the Sponsor's obligation, if the Sponsor closes title to a Unit based on a Temporary Certificate of Occupancy, the Sponsor shall retain in escrow from the closing an amount, certified by an engineer or architect designated by the Sponsor, sufficient to perform any work required (i) within the Unit to obtain a Permanent Certificate of Occupancy for the Unit and (ii) to complete the public portions and common areas. If the Sponsor has not obtained a Permanent Certificate of Occupancy for the entire project prior to closing of title to the last Unit, it shall retain an amount in escrow, certified by the Sponsor's architect or engineer, sufficient to perform any work required to obtain a Permanent Certificate of Occupancy for the project. The amount retained in escrow may be disbursed only to pay for work or services in connection with completing the renovation and obtaining a Permanent Certificate of Occupancy. Any balance in the account after

obtaining a Permanent Certificate of Occupancy will be disbursed to Sponsor.

12. Sponsor shall keep copies of the Plan, Exhibits and documents referred to in the Plan on file at Sponsor's offices for six (6) years from the date the Declaration is recorded.

13. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the floor plans filed with the recording of the Declaration are a substantially accurate copy of portions of the plans of the Buildings as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the renovation of buildings.

14. During the time the principals of the Sponsor control the Board, it is within their sole power to enforce the obligations of the Sponsor pursuant to the Plan and pertaining to the Common Elements. Therefore, Sponsor agrees that during such period it will, in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

15. The Sponsor will assign to the Unit Owner any manufacturer's warranties with respect to equipment and appliances installed within a Unit at the closing of title to that Unit. Sponsor will assign to the Board of Managers any warranties with respect to equipment and appliances installed in Common Elements at the First Unit Closing.

16. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with its operation and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred, or in connection with the sale of all of the Units held or owned by the Sponsor, and will pay or have paid, except as otherwise provided in the Plan, all selling expenses of Sponsor, including, but not limited to, advertising and printing costs, architect's fees, organization costs, engineer's fees, appraisal and any surveying fees and costs. The above does not obligate the Sponsor to perform any work for the Purchaser prior to closing of title except as specifically described in the Purchase Agreement or elsewhere in this Plan.

17. Prior to the First Unit Closing, all liens affecting the Property shall be paid and satisfied or bonded or the Units being conveyed and their appurtenant Common Interest shall be released therefrom by partial release duly recorded.

18. Sponsor shall deliver to the Board of Managers a set of "as built" architectural plans upon completion of the project.

19. No bond or other security has been furnished to secure the performance of the Sponsor's obligations. At the time the Offering Plan is accepted for filing, the Sponsor represents that it will be financially capable of performing Sponsor's obligations, including its obligations with respect to Unsold Units. The Sponsor intends to fund its obligations to the Condominium through income from projected sales. If sales do not meet the Sponsor's projections then Sponsor may require a capital contribution from its principal or enter into lease agreements for the Unsold Units. The subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at that time. At this time, the project is being financed with Sponsor's own funds. If the Sponsor cannot perform the Sponsor's financial and construction obligations hereunder, the Sponsor will amend the Plan, cease selling Units, and offer a right of rescission to Purchasers of Units.

20. The Sponsor and Sponsor's attorneys will comply with the escrow and trust fund provisions of Section 352-e (2) (b), 352-h of the General Business Law and Section 71-a (3) of the Lien Law.

21. Sponsor will not be liable for, and a purchaser may not make a claim for, incidental, consequential, special, or indirect damages. The Sponsor will not be responsible for correcting any latent defects of construction or renovation or defects in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others, have been assigned to the Condominium or individual Unit Owners. Also, in no event shall the Sponsor be responsible for any condition resulting from normal wear and tear or natural deterioration or from the normal settling or shifting of the Building or normal spalling of concrete, or for other minor defects, such as, without limitation, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, bath tile grouting, or consequential damage resulting from settlement (including, without limitation, concrete cracks which do not impair the structural soundness of the Building or slight separation between base and floor), normal plumbing and heating noises, any leakage from balcony doors, or floor discoloring and stretching.

22. The Sponsor makes no representation as to the condition of the decorative fireplaces or fireplace flues in each Unit. The Sponsor will not be obligated to make any repairs or improvements to the fireplace within each Unit.

23. The renovations that the Sponsor is performing at the Building include repairs to the building's façade. Therefore, the Sponsor shall file an updated Local Law 11 report of exterior façade condition facade with the City once the renovations have been completed. However, prior to

the First Unit Closing, the Sponsor undertakes to file an updated Local Law 11 report with the City of New York, to correct any unsafe conditions and precautionary work noted in the filed Report, and to provide a certification from an independent architect or engineer that such conditions have been corrected.

B. Sponsor's Rights of Access, Alterations, Repairs.

1. General.

As a condition of sales of Units pursuant to this Plan, Sponsor reserves to itself, its principal shareholders, successors, assigns, designees, invitees, contractors, agents, employees and tenants any and all easements and rights of access, in and to Units, Common Elements and Limited Common Elements consistent with the purposes of the Plan and Sponsor's rights and obligations thereunder.

2. Examples of Specific Easements and Rights of Access Reserved by Sponsor.

Without in any way limiting the generality of rights reserved in Paragraph "1" above, such rights reserved to Sponsor and its designee(s) specifically include the following:

- a) The right to maintain any vacant and Unsold Unit(s) as general and sales and leasing office(s) and/or Model Unit(s) and to maintain personnel at the Property, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection by and display of vacant or leased Units, as well as all Common Elements and Limited Common Elements, to prospective Purchasers or lessees;
- b) The right to access in and to Units, Common Elements, Limited Common Elements and adjoining lots for purposes of renovation, construction, repair, refurbishment, correction, alterations, finishing, servicing (including but not limited to garbage collection) and similar work;
- c) The right to show vacant or leased Units; and
- d) Utility and other easements to alter any Unit or General or Limited Common Elements subject to filed amended plans and/or specifications, and consistent with the terms of this Plan.

3. Alterations.

Sponsor (and its successors, assigns and designees) shall have the right to alter any Unit, Common Element or Limited Common Element subject to filed amended plans and/or specifications, and consistent with the terms of this Plan.

4. Repairs; Interference.

Sponsor agrees to repair damage resulting to a Unit from exercise of the above rights of access and to exercise such rights so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners. However, under no circumstances will the Sponsor be obligated to repair or replace improvements or decorations to a Unit made by a Unit Owner.

5. Construction Easements.

(a) The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the common elements of the Condominium for the purpose of completing construction of the Building and facilities in the Condominium and sale of a Unit and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the common elements of the Condominium for the installation, maintenance and inspection of water, gas, electric, heating, telephone lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities; the right to alter, reconstruct, remove, and relocate any common elements of the Condominium in order to complete construction of the Building; the right of access to bring onto the Condominium and the right to install any other materials or services necessary for the completion of the work. Such easements include, without limitation, (i) attachment of protective covering over the roof of the Building, (ii) construction and maintenance of non-permanent scaffolding over and encroaching upon the Building and adjacent to the Building, (iii) operation of a crane or like equipment over the Building, for the non exclusive use and enjoyment of the Sponsor and its agents, employees, licenses, invitees and/or contractors, and (iv) the right to apply for permission to close the sidewalk adjoining the Building, provided that reasonable means of ingress and egress to and from the Building is maintained during such closing.

(b) The Sponsor reserves the right to alter, relocate, install and connect with and make use of all utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads in any portions of the common elements in order to complete construction of the Building or any Units or operate the Commercial Units

C. Warranties.

Except as expressly provided in this Plan, the Sponsor will not be obligated to correct, repair or replace any defects relating to renovation of the Units or the General or Limited Common Elements, or the installation or operation of any appliances, fixtures, or equipment therein. The Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is not applicable to this offering.

D. Power of Attorney.

At closing all Unit Owners must execute a Power of Attorney in favor of the Sponsor to amend the Declaration, By-Laws and the Regulations of the Condominium to effect reallocations of percentages of Common Interest among Sponsor owned Units and to permit the Sponsor to implement various rights reserved to the Sponsor under the Condominium Documents. See Power of Attorney, Exhibit B, and Declaration of Condominium, Exhibit E, in Part II of the Plan.

17. CONTROL BY SPONSOR.

Title to all Units which have not been sold by the time of the First Unit Closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide Purchasers. Sponsor sales do not require a waiver of the right of first refusal from the Board of Managers.

The Sponsor shall have absolute voting control of the Board of Managers until the next Annual Meeting after the earlier of (i) the transfer of title to Units, the percentage Common Interest of which, in the aggregate, equals at least 90 percent (90%) or (ii) five (5) years after the First Unit Closing ("Control Period"). During the Control Period, the Sponsor will have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. The Sponsor will cause the Condominium to hold a meeting of Unit Owners within thirty (30) days after the expiration of the Control Period to elect new Board members unaffiliated with the Sponsor.

So long as the Sponsor or a Sponsor-designee shall continue to own at least one (1) Unit, the Sponsor or Sponsor-designee shall have the right to designate one (1) of the members of the Board of Managers. While the Sponsor owns a Unit, the Sponsor will have the right to, and intends to, vote the percentage of Common Interests allocated to all of its Units for all seats on the Board. However, after the Control Period has expired, not more than one less than a majority of the members of the Board, excluding any board member designated by the Commercial Unit Owners, will be affiliated with the Sponsor and the majority of the Board will then be elected by the Unit Owners of the Condominium.

Until such time as the Unsold Units constitute less than 90 percent (90%) of the Common Interest, or five (5) years from the First Unit Closing (whichever is sooner), the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent: (i) make any addition, alteration or improvement to the Common Elements or to any Unit at the expense of the Condominium; (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except to the extent that the aggregate fund does not exceed 5 percent (5%) of the budgeted expenses of the Property; (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing

reserves are insufficient); or (iv) hire any employee or enter into any service or maintenance contract to perform services or work not set forth in Schedule "B". As long as the Sponsor or any Sponsor-designee shall continue to own a Unit, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent: (i) amend the Declaration or the By-Laws so as to in any way adversely affect the Sponsor or its designees; or (ii) interfere with the offer and sale or leasing offices at the Property or any actions necessary for construction, renovation, repair or correction at the Property required by Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding the foregoing restrictions, the Sponsor or Sponsor-designee shall not have the right to veto expenses detailed in Schedule B, or expenditures for the making of capital repairs to the Common Elements, or assessment of any Common Charge for expenses required to remedy any notice of violation, comply with applicable law, or cure a work order of an insurance carrier.

Members of the Board of Managers will serve without compensation. All officers of the Condominium shall also serve without compensation. Sponsor represents that for as long as it or any of its designees are members of the Board of Managers neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

Except for a member of the Board of Managers designated by the Sponsor, a member of the Board of Managers may be removed from office with or without cause by the affirmative vote of Unit Owners owning in the aggregate a percentage of Common Interest in excess of 50 percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor may only be removed for cause or by the Sponsor, and in either event, only the Sponsor shall have the right to designate a replacement.

An officer may be removed, with or without cause, by an affirmative vote of a majority of the members of the Board of Managers.

18. RIGHTS AND OBLIGATIONS OF UNIT OWNERS.

A. Sale or Lease of Units.

(1) Each Unit Owner may freely sell his Unit provided he first gives the Board, on behalf of all Unit Owners, an opportunity to purchase such Unit at the same price and on the same terms as were offered in good faith by a prospective Purchaser as more specifically provided for in the By-Laws. The Unit Owner will indicate whether or not the prospective buyer will be an owner-occupant. After receipt of the initial notice, the Board of Managers reserves the right to request additional information regarding the proposed Purchaser and the transaction, and to request a personal

interview. If the Board fails to notify the Unit Owner of its election to purchase the Unit within forty-five (45) days after receipt of the offering Unit Owner's notice (or, if additional information has been requested after reviewing the submissions of the Unit Owner, within thirty (30) days after receipt of all additional information reasonably required by the Board), the Unit Owner will have sixty (60) days to accept the outside offer of the prospective Purchaser, failing which the Unit Owner will be required to again first offer same to the Board.

A Unit Owner may lease his Unit, subject to the consent of the Board of Managers, such consent shall not be unreasonably withheld. After receipt of the initial notice, the Board of Managers reserves the right to request additional information regarding the proposed tenant and the transaction, including a personal interview. If the Board fails to notify the Unit Owner of its election to lease the Unit within thirty (30) days after receipt of the offering Unit Owner's notice (or, if additional information has been requested after reviewing the Unit Owner's submissions, within thirty (30) days after receipt of all additional information reasonably requested by the Board), consent will be deemed to have been given.

Leases of Units may be subject to additional restrictions including, but not limited to, a minimum term length and rights after a default. See Article X of the By-Laws for further details. Any lease of a Unit shall be in the form then recommended by the Real Estate Board of New York, Inc., for residential space except for such changes therein as may be provided in the By-Laws as the Regulations of the Condominium.

(2) Title to a Unit may not be conveyed nor may a Unit be leased unless all unpaid Common Charges and liens against such Unit (other than a permissible mortgage) are paid and satisfied at or prior to closing.

(3) Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed such Unit Owner's (i) undivided interest in the Common Elements; (ii) interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) interest in any other assets of the Condominium.

(4) Notwithstanding the foregoing restrictions, a Unit Owner may lease, sell or convey the Unit to a spouse, adult child, parents, parents-in-law or adult sibling, or may convey his Unit by gift, may devise his Unit by will, or have it pass by intestacy, without first offering the Unit to the Condominium; however, each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the preceding restrictions.

The restrictions upon the sale and lease of Units set forth in this Section shall not apply

to Units owned by the Sponsor, its designees, or to any first mortgagee acquiring title in foreclosure or by deed in lieu of foreclosure; they shall be free to sell or lease without first offering to sell or lease to the Board, and without any form of consent.

B. Mortgage of Units.

Each Unit Owner is free to mortgage his Unit. Prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy any arrearage for any unpaid Common Charges and assessments owed by such Unit Owner and discharge any liens therefor. The By-Laws provides that the Board of Managers may request that it be notified by each Unit mortgagee of any default of a mortgage on a Unit.

C. Easements and Right of Access.

Each Unit Owner shall have an easement in common with the Owners of other Units to use and maintain all pipes, ducts, cables, wires, conduits, air conditioning condensers (if any), public utility lines or other Common Elements located in other Units and serving his Unit. In addition, each Unit Owner shall have an easement for the continuance of any encroachment by the Unit on any adjoining Unit or on any Common Element, now existing or which may come into existence hereafter as a result of the settling or shifting of the Building, or as a result of restoration of the Building or a Unit after damage by fire or other casualty, or as a result of condemnation or eminent domain proceedings, or by reason of any alteration made by the Board of Managers to the Common Elements so that any such encroachment may remain undisturbed so long as the Building stands. The Board of Managers, through a designated manager, managing agent, or their employees or other designee shall have a right of access to such Unit to inspect and make repairs to the Unit to prevent damage to the Common Elements, Limited Common Elements or any other Unit.

D. Use and Occupancy of Units.

The Units may be used only for private residential use, or any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Units may also be used as professional offices by a resident thereof provided such professional use does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use is obtained. No illuminated or other sign may be used in connection with the aforementioned use, except for a professional sign, non-illuminated, not larger than the size permitted by the Board of Managers.

Except as set forth above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Units, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent", or "For Lease" or similar signs on any Unsold or unoccupied Units. Additionally, as previously set forth, the right is reserved by Sponsor and its designee to maintain and staff one or more vacant and Unsold Units in the Building as a sales office and/or model Unit. Sponsor and its designee shall have the right to place "For Sale", "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building without regard to size.

No exterior of a Unit, the windows or doors thereof, or any other portions of the Common Elements shall be painted or decorated by any Owner in any manner without prior written consent of the Board of Managers.

No Unit shall be used or be occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners for adjoining Units; nor shall any nuisance or immoral or illegal activity be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

No Unit shall harbor more than two (2) pets, without the written consent of the Board of Managers.

Certain parts of the Common Elements are intended for use for the purpose of affording pedestrian movement within the Condominium and for providing access to the Units. No part of the Common Elements shall be obstructed as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage or where specifically designated as such; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

No portion of a Unit other than the entire Unit may be leased.

Under the Condominium Regulations, guests of Unit Owners may occupy Units for up to thirty (30) days at a time, without a Unit Owner being required to comply with the right of first refusal and minimum term requirements described in Article X of the By-Laws, provided that the Unit Owner advises the Managing Agent of the identity of the guest and the length of the stay. The Board of Managers may establish additional restrictions on short-term occupancy of Units, whether or not consideration is being paid by the occupant to a Unit Owner.

Complaints regarding the management of the Building and grounds or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

For a more complete discussion see the Declaration of Condominium and the Regulations which are reproduced in full in Part II of the Plan.

E. Determination of Common Charges and Liens for Nonpayment of Common Charges.

Each Unit Owner shall have an obligation to pay Common Charges and assessments on other expenses when due. Common Charges for each Unit shall be determined by multiplying that Unit's percentage of Common Interest by the total annual net expenses incurred or anticipated to be incurred for those items listed in Schedule B in the Plan, together with the expense of any special repairs, major capital improvements or other expenses deemed by the Board of Managers to be part of the Common Expenses and to be paid as Common Charges, all in accordance with Article VI of the By-Laws of the Condominium. Common Charges will be established on an annual basis and paid in equal monthly installments, due and payable on the first day of each month. In accordance with Article VI of the By-Laws, The Board of Managers may also, impose special assessments as it deems necessary to meet unanticipated or extraordinary expenses, including but not limited to, expenses incurred for major capital improvements. Any such special assessment to be paid by each Unit Owner shall also be determined in accordance with the Unit Owner's percentage of Common Interest. Common Charges also include late payment charges, fees and expenses of collection or enforcement of the Condominium Documents (including attorneys' fees), accrued interest, and fines charged to a Unit Owner.

Common Charges which remain unpaid for more than thirty (30) days shall bear interest at the maximum rate permitted by law.

Under the provisions of Section 339-z of the Real Property Law of the State of New

York, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on a first mortgage of record thereon in excess of six (6) months common charges and attorneys fees for collection thereof. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of notice thereof in the office of the Register of the City of New York, County of New York and until all sums secured thereby with the interest thereon shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien.

Upon the failure of a Unit Owner to pay any portion of Common Charges for the Unit within fifteen (15) days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against the Unit Owner's Unit for the unpaid Common Charges as set forth above, and to impose late charges and administrative fees of up to \$100 as additional Common Charges with respect to each new violation to cover the additional costs of administration. The Sponsor will cause the Board of Managers to file a lien as provided in Real Property Law Section 339-aa on Units in which the Sponsor is more than thirty (30) days in arrears of common charges while the Sponsor controls the Board. Failure of the Board of Managers to place such a lien or impose such charges shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time.

Under the provisions of Section 339-kk of the Real Property Law of the State of New York, the Board of Managers also shall be entitled to collect all rental payments due from a tenant to a non-occupying Unit Owner if the non-occupying Unit Owner fails to make payments to the Board of Managers for Common Charges, assessments or late fees when due, and if such non-payment shall continue for a period of sixty (60) days after the expiration of any grace period for payment provided for in the Declaration and By-Laws.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer, or other conveyance made by him of his Unit, with appurtenant Common Elements, in accordance with the Declaration and By-Laws.

All Unit Owners shall be required to comply with the Declaration, By-Laws, Regulations of the Condominium and with any other requirements duly imposed by the Board of Managers pursuant to the authority granted to them. The Board of Managers shall have the power to

impose appropriate sanctions where a Unit Owner is in default. Such sanctions include placing a lien against the Unit Owner's Unit, instituting foreclosure proceedings and filing suit against a Unit Owner.

The Board of Managers may also impose fines on Unit Owners who violate the Condominium Documents. The amount and administration of such fines shall be established in the Board's reasonable discretion. Such fines shall be deemed additional Common Charges.

F. Repairs.

All maintenance, repairs and replacements to any Unit, ordinary or extraordinary, and to the doors (except painting the exterior side of a Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be made at the Unit Owner's expense, except as otherwise specifically provided in the By-Laws.

All maintenance, repairs and replacements (individually and collectively "Repairs") to the General Common Elements (as defined in the Declaration) and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent that the Repairs are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case the expense shall be charged to such Unit Owner.

Repairs in or to the Residential Limited Common Elements (as defined in the Declaration) will be performed by, and at the expense of, the following persons under the following circumstances: (a) the Board of Managers as a Common Expense, if such Limited Common Element is for use by all Residential Unit Owners, (b) the Board of Managers at the expense of the Unit Owner, if it is a Restricted Residential Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to the repair of leaks), (c) by the Unit Owner having direct and exclusive access to the Restricted Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs.

Repairs in or to the Commercial Limited Common Elements (as defined in the Declaration) will be performed by the Commercial Unit Owner having direct use of or who benefits from the particular Commercial Limited Common Element at his sole cost and expense.

Notwithstanding the foregoing: (i) the Condominium will have the right to enter any

Unit upon reasonable notice for the purpose of making Repairs in an emergency, or if the Condominium determines (in its sole discretion) that it is necessary or appropriate for the Condominium to make the Repair, whether or not for the account of the Unit Owner, and to charge the cost thereof to the appropriate person under the Condominium Documents; and (ii) the Condominium will also have the right, but not the obligation, to require a Unit Owner to make a Repair to a Restricted Residential Limited Common Element (also at the expense of the Unit Owner) in the discretion of the Board.

G. Additions, Alterations and Improvements.

A Unit Owner may make a non-structural alteration to a Unit that does not affect the exterior of the Building, the utility systems of the Condominium, or the value of other Units without the consent of the Board of Managers. However, the Board of Managers may establish regulations governing access, insurance and other matters relating to the performance of any work within a Unit. No other installations or alterations may be made to a Unit without the consent of the Board of Managers as described below. No Unit Owner, other than the Sponsor may make a structural alteration in a Unit, install any fixtures or appliances (other than electrical appliances), or make any alteration affecting the utility systems of the Building without the prior written approval of the Board of Managers, which shall not be unreasonably withheld. Any approval, if granted, shall provide that such alteration shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and workmen's compensation insurances, (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions shall be maintained in their entirety by said Unit Owner (who shall also be responsible for any repairs, including structural repairs, to such addition under all circumstances, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration). Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration. The Unit Owner shall sign an alteration agreement to the effect of the foregoing and incorporating such other terms as the Condominium may require.

No Unit Owner may alter or improve a Restricted Residential Limited Common Element without the consent of the Board of Managers.

Unit Owners may combine two or more Units, subject to the conditions and limitations

set forth in this Section.

The Board of Managers and managing agent shall have a right of access to any Unit for the purpose of inspection, making any repairs or replacements to any of the Common Elements or Limited Common Elements contained in such Unit or elsewhere in the Building, remedying any condition which would result in damage to any other Unit or to the Common Elements or Limited Common Elements or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purpose permitted by the By-Laws.

All alterations are subject to the regulations of the Condominium regarding the time and manner of performance, security, insurance, responsibility for interruption of services, and liability for future repairs. Unit Owners may be required to execute an Alteration Agreement incorporating such terms, which agreement may be recorded and will bind future owners of the Unit.

Notwithstanding the foregoing, the consent of the Board of Managers is not required in order for the Sponsor to make alterations or additions to Unsold Units, whether or not such alterations are structural or nonstructural, ordinary or extraordinary, so long as they do not materially adversely affect the structure or utility systems of the Building. The Condominium hereby appoints the Sponsor as its attorney in fact, coupled with an interest, to execute such documents on behalf of the Condominium as may be required in order to obtain any necessary licenses or permits to make or complete an alteration, and grants to the Sponsor an easement of access, ingress and egress to make any such alterations.

H. Use of Limited Common Elements.

Each Unit has access to a cellar storage space which is reserved for the exclusive use of the owner of the Unit, such areas are deemed Limited Common Elements.

The use of the Limited Common Elements by Unit Owners is governed by the terms of the Declaration and By-Laws, including the following:

No alteration or improvement may be made to the Limited Common Elements without the consent of the Board of Managers, including alterations (such as decking) which do not require the consent of the Building Department or other City agency. Certain improvements (i.e., enclosing a roof area) may also require the consent of the Building Department and the Board of Standards and Appeals, depending on whether such enclosures are deemed to use development rights belonging to

the Condominium. The Board of Managers must approve any application to such agencies.

All alterations are subject to the regulations of the Condominium regarding the time and manner of performance, security, insurance, responsibility for interruption of services, and liability for future repairs. Unit Owners may be required to execute an Alteration Agreement incorporating such terms, which agreement may be recorded and will bind future owners of the Unit.

The Board of Managers will have the right to enter any Limited Common Element for the purpose of inspecting or making repairs to the General Common Elements. The Unit Owner will be responsible for removing all personal property or improvements to a Unit in order to provide such access, at his or her expense.

Repairs in or to the Limited Common Elements (as defined in the Declaration) will be performed by, and at the expense of, the following persons under the following circumstances: (a) the Board of Managers, as a Common Expense, if such Limited Common Element is for use by all Unit Owners, (b) the Board of Managers at the expense of the Unit Owner having direct and exclusive access, if it is a Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of leaks), or (c) the Unit Owner having direct and exclusive access to the Restricted Residential Limited Common Element or Restricted Commercial Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs. The Condominium will also have the right, but not the obligation, to require a Unit Owner to make a Repair to a Limited Common Element (also at the expense of the Unit Owner) in the discretion of the Board.

I. Insurance.

The insurance policies obtained by the Board of Managers shall provide that each Unit Owner shall be an additional insured. These policies shall provide fire and casualty insurance for the Building, liability insurance, water damage, and legal liability insurance. The specific amounts of coverage are noted in footnote 9 of Schedule B.

The insurance coverage does not include coverage for losses either due to fire, theft or other casualty to the personal property of a Unit Owner contained within the Unit or a Limited Common Element or the cost of living elsewhere if a Unit is greatly damaged. Nor does it include liability coverage for a Unit Owner for occurrences within a Unit or a Restricted Residential Limited Common Element. Unit Owners should consult their insurance agents as to the availability of this insurance and any additional coverage which might be recommended.

J. Miscellaneous.

The Sponsor is not required to obtain the approval of the Board of Managers or meet requirements imposed upon other Unit Owners in order to exercise a number of rights described in the By-Laws, including but not limited to: (i) the right to use a Unit as a model and display "For Sale", "For Rent", or "For Lease" signs, or similar signs; (ii) the right to transfer or lease a Unit without offering the Board of Managers the right of first refusal; (iii) the right to alter a Unit without obtaining the prior consent of the Board of Managers (but only in accordance with the other terms of this Plan); and (iv) the right to amend the Declaration without a vote for the sole purpose of filing the Floor Plans as required by Section 339-p of the Real Property Law. For as long as the Sponsor or its designee own title to one or more Units, the Regulations of the Condominium, By-Laws or Declaration may not be amended in a manner which would, in the sole discretion of Sponsor or its designee, adversely affect the Sponsor or its designee in any way, unless the Sponsor or its designee give their written consent to such an amendment.

**19. RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS
AND SUMMARY OF BY-LAWS.**

Principal provisions of the By-Laws are summarized in this Section. It is suggested that Purchasers make reference to the full By-Laws, a copy of which is set forth in Part II of the Plan.

A. Board of Managers.

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of not less than three (3) and not more than nine (9) persons. The Unit Owners shall hold annual meetings and at each such meeting they shall elect members of the Board of Managers. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast one vote for each 0.01% of interest in the Common Elements attributable to their Unit(s) on all matters put to a vote at all meetings of the Unit Owners except that when voting for the election of members of the Condominium Board, each Unit Owner: (i) shall be entitled to one (1) vote for each 0.01% of Common Interest attributable to his Unit per member to be elected, and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. If Units are owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning that Unit shall agree among themselves and cast the votes for their Unit.

Unit Owner meetings to elect Board members shall be held on an annual basis. In addition, special meetings of Unit Owners may be held from time to time pursuant to the By-Laws at the direction of the Board of Managers or upon receipt by the Secretary of a petition signed by more than

one-third (1/3rd) of the Unit Owners.

The Sponsor contemplates that the first three Board members will be Joseph A. Tahl (a principal of the Sponsor), Rodney Propp (a principal of the Sponsor), and Barna Tokay (an employee of the Sponsor). These members, or other Sponsor designees, shall be the only Board members until the Sponsor relinquishes voting control after the earlier of (i) the transfer of title to Units, the percentage Common Interest of which, in the aggregate, equals at least 90 percent (90%), or (ii) five (5) years after the First Unit Closing.

The Sponsor will have absolute voting control of the Board of Managers until the expiration of the Control Period, and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. Subject to the foregoing limitations, the Sponsor will cause the Condominium to hold a meeting of Unit Owners within thirty (30) days after the expiration of the Control Period to elect new Board members unaffiliated with the Sponsor.

While the Sponsor owns any Residential Unsold Unit, the Sponsor will have the right to, and intends to, vote the percentage of Common Interests allocated to its Residential Unsold Units for all the available seats on the Board, including unaffiliated Unit Owners. However, after the Control Period has expired, not more than one less than a majority of the members of the Board, including the Board member designated by the Commercial Unit Owner, will be affiliated with the Sponsor. So long as the Sponsor or Sponsor-designee owns at least one (1) Unit, the Sponsor or Sponsor-designee shall have the right to designate one of the members of the Board of Managers. (See Section 17 of the Plan).

After the Control Period expires, the number of Managers may be changed by a vote of the Unit Owners at their annual meetings prior to the election of the next Board of Managers. The Managers shall be elected at each annual meeting of the members and shall serve staggered terms, as set forth in the By-Laws. To the extent that the Sponsor or the Commercial Unit Owner is entitled to designate members of the Board of Managers, such designations shall reduce the number of Managers elected by the Unit Owners during that year.

To be eligible for election, members of the Board of Managers, except for those members elected or designated by the Sponsor, must be either a Unit Owner, the principal or officer of a Unit Owner, or the spouse, son, daughter, or parent of a Unit Owner.

After the Sponsor voting Control Period expires, the Board of Managers may be comprised of both owner-occupants and non-owner-occupants (or members of their households unrelated to the Sponsor and its principal). Owner-occupants and non-resident owners, including the Sponsor, may

have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing. For example, an owner-occupant who is purchasing a Unit as a home may have views on repairs and capital expenditures which differ from a non-resident purchaser who has purchased of the purposes of an investment.

Except for a member of the Board of Managers designated by Sponsor, managers may be removed from office, with or without cause, by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of 50 percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor may be removed without cause only by the Sponsor and only the Sponsor shall have the right to designate a replacement. The Unit Owners may transact such other business at such meetings as may properly come before them. All members of the Board of Managers shall serve without compensation, and the Sponsor represents that, for as long as it or any of its designees are members of the Board of Managers, neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium. Any Board member may be removed from the Board of Managers for cause, including members designated by the Sponsor, by the affirmative vote of a majority of disinterested members of the Board

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, including but not limited to: determination of the Common Charges, adoption of rules and regulations covering the details of the Property, opening of bank accounts, purchasing, leasing or otherwise acquiring Units, selling, leasing, or mortgaging of Units owned by the Board of Managers and generally managing or supervising the Condominium property as provided in the Declaration and By-Laws. The Common Expenses shall include such amounts as the Board of Managers deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for capital replacements and to make up any deficit in the Common Expenses for any prior year. The Board, in its discretion, may delegate such managerial powers as it sees fit to the officers of the Condominium. The Board of Managers is authorized to employ a Managing Agent for the Condominium, on such terms as the Board of Managers may deem proper.

In order to limit the liability of the Unit Owners, the members of the Board of Managers, the Managing Agent, if any, and any officers of the Condominium, any contract or other commitment shall be made by the Board of Managers or the Managing Agent or an officer of the Condominium, as the case may be, only as agent for the Unit Owners. The members of the Board of Managers, the Managing Agent or the officer, as the case may be, shall have no personal liability on any such contract or commitment (except as Unit Owners), and the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit

Owners. The Board of Managers and the officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers and the officers of the Condominium against any liability or claims except those arising out of the bad faith or willful misconduct of the members of the Board of Managers or the officers of the Condominium, but the liability of any Unit Owner on account of such indemnification shall be limited to such proportionate share thereof as the Common Interest of such Unit bears to the aggregate Common Interest of all Unit Owners. Members of the Board of Managers and any officers of the Condominium who handle or are responsible for Condominium funds shall be bonded.

Upon the transfer of title to any Unit, the Unit Owners will be required to execute a Power of Attorney in favor of the Board of Managers to exercise certain rights on behalf of the Condominium, such as exercising or waiving a right of first refusal to purchase or lease a Unit (and taking such steps as may be needed to implement such action), borrowing funds to repair the Common Elements pursuant to Real Property Law Section 339-jj, protesting the Condominium's real estate tax valuations with the City of New York, or amending the Declaration and By-Laws of the Condominium. The form of Power of Attorney appears as Exhibit B in Part II.

B. Officers.

The principal officers of the Condominium shall be: the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The President must be a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse, son, daughter, or parent of a Unit Owner. Other officers need not be either a Unit Owner, principal or officer or a Unit Owner or the relative of a Unit Owner or a member of the Board of Managers. The President and Treasurer may not be the same person. The Board of Managers may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in its judgment may be necessary. All officers shall serve without compensation from the Condominium. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Board of Managers and of Unit Owners. The Vice President shall take the place of the President in his or her absence. The Secretary shall be empowered to take and keep minutes of all meetings and to keep the books and records of the Condominium. The Treasurer shall be responsible for the funds of the Condominium and for accurately keeping the financial records and books of the Condominium. The Board of Managers, in its discretion, shall delegate such powers to the officers as it deems necessary or appropriate in order to, among other things, execute agreements, contracts, deeds, leases and checks on behalf of the Condominium.

C. Repairs.

As used in this section, repairs, maintenance and replacements of any portion of the Unit or Common Element whether ordinary or extraordinary, are referred to as "**Repairs**". All Repairs to any Unit, and to the doors (except painting the exterior side of a Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be made at the Unit Owner's expense, except as otherwise specifically provided in the By-Laws.

Repairs to the General Common Elements (as defined in the Declaration) and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent that the Repairs are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case the expense shall be charged to such Unit Owner. Repairs in or to the Limited Common Elements (as defined in the Declaration) will be performed by, and at the expense of, the following persons under the following circumstances: (a) the Board of Managers as a Common Expense, if such Limited Common Element is for use by all Residential Unit Owners; (b) the Board of Managers at the expense of the Unit Owner, if it is a Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of leaks), or (c) by the Unit Owner having direct and exclusive access to a Restricted Residential Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs.

Notwithstanding the foregoing: (i) the Condominium will have the right to enter any Unit upon reasonable notice for the purpose of making Repairs in an emergency, or if the Condominium determines (in its sole discretion) that it is necessary or appropriate for the Condominium to make the Repair, whether or not for the account of the Unit Owner, and to charge the cost thereof to the appropriate person under the Condominium Documents; and (ii) the Condominium will also have the right, but not the obligation, to require a Unit Owner to make a Repair to a Limited Common Element (also at the expense of the Unit Owner) in the discretion of the Board.

D. Additions, Alterations or Improvements by Board of Managers.

Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements, and the Board determines to require the placement of a lien on the Common Elements or an assignment of common charges payable by the Unit Owners, and (if required by law and not otherwise delegable to the Board of Managers) the making of such additions,

alterations or improvements shall have been approved by 50 percent (50%) in number and in Common Interest of the Unit Owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws (and by the holders of Unit mortgages, if such approval is required), the Board of Managers shall have the right to proceed with such additions, alterations or improvements and to assess all Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements which do not require a lien to be placed on the Common Elements or an assignment of the common charges payable by the Unit Owners may be made by the Board of Managers, without approval of the Unit Owners or the holders of Unit mortgages, and the cost thereof (unless paid from the Working Capital Fund in accordance with the Plan of Condominium Ownership) shall constitute part of the Common Expenses. As long as Sponsor or its designee own a Unit, or for a period of five (5) years from the first Closing of Title to a Unit, whichever is earlier, the Board of Managers may not make any addition, alteration, or improvement to the Common Elements without Sponsor's prior written consent, unless required by law.

For a description of the rights of Unit Owners to alter or improve the Common Elements, see Section 18(G).

E. Insurance.

The Board of Managers shall be required to obtain and maintain the following insurance: fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units, including all of the Units and all fixtures installed therein by the Sponsor and any property customary to the servicing and general occupancy, (but not including furniture, furnishings, equipment or other personal property supplied or installed by Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an aggregate amount to be determined by the Board of Managers, but in no event to be less than 80 percent (80%) of the full replacement cost of the Building, including the above noted items, but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker. Notwithstanding the foregoing, while the Sponsor controls the Board of Managers, the Sponsor will cause the Condominium to carry 100 percent (100%) replacement cost insurance, with an agreed value endorsement.

Within sixty (60) days after the First Unit Closing, the Board of Managers shall have the right to select an Insurance Trustee as such term is defined in Article VII of the By-Laws of the Condominium.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. The standard mortgage loss payable clause shall be attached to all policies.

The cost of all such insurance and the fees and expenses of the Insurance Trustees shall be paid by the Board of Managers and shall constitute a Common Expense.

The Board of Managers shall also obtain and maintain to the extent obtainable: (i) workmen's compensation insurance for Condominium employees and (ii) public liability insurance covering each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit. The Board of Managers shall review such limits once each year. The public liability insurance will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners, liability insurance will be in a limit of at least \$1,000,000 covering all claims for bodily injury with respect to any one occurrence.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies contain waivers of subrogation and further provide that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

In the event of a fire or other casualty which destroys or substantially damages less than 75 percent (75%) of the Building, the insurance proceeds shall be dedicated to the repair and/or renovation of the Building and the Units but not the repair or replacement of any improvements made by individual Unit Owners. If the cost of such repair exceeds the insurance proceeds available the excess cost shall constitute a Common Expense and Unit Owners may be accordingly assessed a proportional amount to be paid as Common Charges.

In the event of a fire or other casualty in which more than 75 percent (75%) of the Building is destroyed or substantially damaged, repairs and/or restoration will be made if Unit Owners whose percentage of Common Interest, in the aggregate, is at least 75 percent (75%) of the Total Common Interest, affirmatively vote for such a course of action. If no such affirmative vote is given then the

Property shall be subject to an action for partition at the suit of any Unit Owner or lienor.

F. Notice of Meetings; Reports to Unit Owners.

Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than fifty (50) days before such meeting. Minutes of all meetings of Unit Owners and of all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The Board shall retain an independent certified public accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

G. Severance of Ownership Prohibited.

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed, his undivided interest in the common elements, together with his interest in any Unit or Units acquired by the Board of Managers from Unit Owners electing to sell or lease such Unit or at a foreclosure or other judicial sale involving such Unit or Units, in accordance with the provisions of the By-Laws, all of which are interests appurtenant to his Unit.

H. Right of First Refusal for Unit Sales; Consent for Unit Leases.

(1) Any exercise by the Board of Managers of the Condominium's right of first refusal with respect to Unit Sales must be approved by a majority of Unit Owners present at a meeting duly called with a quorum present.

(2) In administering the right of first refusal with respect to any sale of a Unit the Board shall be required to exercise such rights, if at all, within forty-five (45) days of its receipt of the later of (a) written notice from a Unit Owner of the Unit Owner's intention to sell the Unit to a bona fide grantee or lessee or (b) all other information reasonably required by the Board. See Section 19(A) of the Plan for a detailed description of the rights and obligations of the Board and Unit Owners in this regard.

(3) The Board of Managers will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status, or other grounds prohibited by law in exercising the right of first refusal and resale of such Units.

(4) In the event the Board does exercise the right of first refusal, the acquisition of the Unit may be made from working capital and Common Charges or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each

Unit Owner's percentage of Common Interest, or may borrow money to finance such acquisition. The sole security which may be given for any funds so borrowed is the Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired by the Board of Managers, the title shall be held by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interest. Any sale of such Unit shall be made by the Board on behalf of all Unit Owners in proportion to their percentage of Common Interests. While owned by the Board of Managers, such Unit may be used for any purpose that it could be used for by an individual Unit Owner. However, in no event may the Board of Managers at any meeting of Unit Owners vote the votes appurtenant to that Unit.

(5) All leases are subject to the consent of the Board of Managers, such consent not to be unreasonably withheld. All leases must be for a minimum period of one (1) year (with each such lease being to a specific named tenant and with no right to substitute any other tenant during the term of the lease). All leases shall be consistent with the By-Laws and shall contain such reasonable conditions as the Board of Managers may impose in order to protect the physical and financial security and continuity of the Condominium, including (but not limited to) provisions that a lease may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers; that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers; that the Board of Managers shall have the right to terminate the lease on not less than thirty (30) days prior written notice upon foreclosure of the lien granted by Section 339-z of the New York State Real Property Law; and that the Board of Managers may establish other reasonable regulations governing leases of Units from time to time. Except as set forth above, the form of any such lease shall be substantially the then current form of apartment lease recommended by The Real Estate Board of New York, Inc. with such modifications as may be approved in writing by the Board of Managers.

The foregoing restrictions on leasing and the contents of leases contained in this Section shall not apply to a Unit owned by Sponsor, or a Unit owned by a mortgagee who took title for its own account in foreclosure or a deed in lieu of foreclosure.

(6) Each Unit Owner, at the closing of title to this Unit, shall be required to execute a Power of Attorney in the form contained in of Part II of the Plan, which (in part) designates the Board of Managers and their successors, as his attorneys in fact, coupled with an interest, for the purpose of waiving or exercising a right of first refusal to purchase a Unit and the right to consent to all leases (and taking such steps as may be needed to implement such action), selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners, borrowing funds to repair the Common Elements pursuant to Real Property Law Section 339-jj, and filing tax protests on behalf of the Unit

Owners.

I. Review of Real Estate Tax Assessments.

It shall be the responsibility of the individual Unit Owners, at their sole cost and expense, to review the real estate tax assessments of their Units and, if they so desire, to take any steps necessary to review and challenge such assessments. However, the Board of Managers reserves the right, on behalf of all Unit Owners, to challenge any assessment at the expense of the Condominium.

J. Amendments to Condominium Declaration and By-Laws.

The Declaration may be amended upon a vote of 67 percent (67%) of the Unit Owners in number and whose percentage of Common Interest in the aggregate exceeds 67 percent (67%) held at a duly called meeting of the Unit Owners, provided however, that:

(i) No amendment shall change any Condominium parcel, nor a Unit Owner's proportionate share of the common charges, nor the voting rights appurtenant to any Unit, unless all record Owner(s) affected thereby and the first mortgagees, if any, of each of these same Units agree to such amendment by recorded instrument.

(ii) No amendment shall be passed which shall impair or prejudice the rights and priorities of the Sponsor without the Sponsor's consent.

The By-Laws may be amended at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the Amendment shall be approved by 67 percent (67%) of the Unit Owners in number and Common Interest (or such lesser amount as may be required by law); and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owner's interest and the interests of holders of a mortgage encumbering a Unit or Units. No amendment shall adversely affect the Sponsor or its designee without the prior written consent of Sponsor or such designee.

Subject to the foregoing restrictions, and pursuant to the Power of Attorney executed by Unit Owners, the Board of Managers is also appointed the attorney in fact for each Unit Owner to make such amendments to the Declaration and By-Laws as it may deem necessary or appropriate in its business judgment.

K. Unit Owner Power of Attorney.

Upon the transfers of title to any Unit, the Unit Owners will be required to execute a Power of Attorney in favor of the Board of Managers to exercise certain rights on behalf of the Condominium, such as exercising or waiving a right of first refusal lease a Unit (and taking such steps as may be needed to implement such action), borrowing funds to repair the Common Elements pursuant to Real Property Law Section 339-jj, protesting the Condominium's real estate tax valuation with the City of New York, or amending the Declaration or By-Laws of the Condominium. The form of Power of Attorney appears as Exhibit B in Part II. The Power of Attorney will reflect the rights of the applicable parties to amend the Declaration to implement these changes.

L. Termination.

The Condominium may be terminated by withdrawing the property from the provisions of the New York Condominium Act, by an affirmative vote of not less than 80 percent (80%) of Unit Owners in number and whose percent of Common Interest equals in the aggregate, not less than 80 percent (80%). The Sponsor shall not cast the votes of any Unsold Units it holds for such withdrawal unless votes equaling 80 percent (80%) in number and of the Common Interest have been so cast or unless at least 80 percent (80%) in number and in Common Interest of all other Unit Owners have voted to terminate. If the Unit Owners vote to terminate the Condominium the Property shall be subject to an action for partition by any Unit Owner or lienor and the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided that no Unit Owner shall receive any payment until there has first been paid out of such Unit Owner's share of the net proceeds all liens on his Unit.

20. REAL ESTATE TAXES AND J-51 TAX BENEFITS.

A. Real Estate Taxes.

After the closing of title, each Unit will be taxed as a separate tax lot for real estate tax purposes. As a result, a Unit Owner will not be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of taxes on other Units.

Under Section 339-y of the NYS Real Property Law, the aggregate assessments of all Units cannot exceed the assessment of the Property if the Property were assessed as a single parcel. Moreover, under Section 581 of the NYS Real Property Tax Law, real property owned on a Condominium basis cannot be assessed at a higher amount than if the parcel were not owned on a Condominium basis. Thus the assessing authority customarily bases its calculation of assessed valuation as if the Property were a rental property, and each Unit were rented at fair market value.

Once such valuation is established, generally the assessed valuation of each Unit is calculated based on the percentage of common interest of each Unit in the deemed assessed valuation of the Property. However, subject to the foregoing limitations, the tax assessment for each Unit may be allocated on a basis that differs from the allocation of common interests.

The assessing authority for real estate taxes is the City of New York (the "City"). According to Jerome Mazursky of The Mazursky Group, the Sponsor's expert for the projected real estate taxes of the Condominium, the real estate taxes for the first year of Condominium operation (October 1, 2004 - September 30, 2005) without J-51 Benefits are estimated at \$6,502 per month, which is based on: (i) a transitional assessed value of \$102,240 during the first nine months of Condominium operation and \$2,532,640 during the following three months of Condominium operation and (ii) a tax rate of \$12.35 per one hundred (\$100) dollars of assessed value. The tax assessment for each individual Unit may be allocated on a basis that differs from the allocation of common interests.

The Sponsor makes no representation as to the accuracy of the projected assessed value of the Property, tax rate; or method of assessing real property used by The Mazursky Group.

Frequently there is a delay between the establishment of the Condominium and separate billing from the City to each Unit Owner. If the Units have not been separately assessed for real estate tax purposes prior to the closing of title to a Unit, each Unit Owner will place in escrow with the Condominium an amount equal to the real estate taxes allocable to the Unit for the next succeeding half tax year after the half-year in which the closing occurs in accordance with the provisions of Section 14(C) of the Plan, until such separate assessment has been made. The tax assessment for each Unit may be allocated on a basis that differs from the allocation of common interests.

The By-Laws of the Condominium provide that the Board of Managers has the power to request a reduction in the taxable assessed valuation of the Condominium on behalf of all Unit Owners. Each Unit Owner has delegated such right to the Board of Managers by Power of Attorney executed at the closing.

B. J-51 Tax Benefits.

Under Section 11-243, formerly J-51-2.5 (referred to herein as either "J-51 Benefits" or "Section 11-243"), of the Administrative Code of the City of New York, as enacted pursuant to Section 489 of the Real Property Tax Law, certain existing buildings rehabilitated to Class A multiple

dwellings are granted (i) an abatement of real estate taxes in the form of a credit in an amount determined on the basis of the reasonable cost of such improvements and (ii) an exemption from some or all of any increase in a building's assessed valuation resulting from the improvement of such building, pursuant to the J-51 program. The above provisions of Section 11-243 apply to condominiums.

In the opinion of S & M Realty Processing Corp., P.O. Box 190727, Brooklyn, New York 11219, the Sponsor's J-51 real estate consultants ("Consultants"), based on the work that the Sponsor is performing, the Property will qualify for J-51 tax abatement benefits ("**Abatement Benefits**") in the amount of approximately \$450,000, applied at the rate of 8-1/3% per year until 90% of the available Abatement Benefits have been used, and for fourteen (14) years of tax exemption benefits as to the increase in value from the proposed renovations. **While the Sponsor believes that the Property will be eligible for Abatement Benefits and exemption benefits under the J-51 program, the Sponsor shall not be responsible for any failure to obtain such benefits, and the Sponsor makes no representation as to the amount or extent of such benefits.**

Such benefits will be allocated to the Units in proportion to their percentage of common interest. As set forth below, there is no progressive decrease in potential Abatement Benefits during the twelve (12) year benefit period.

Years of Reasonable Cost Tax Benefit	Annual Tax Benefit to the Residential Units of the Condominium
Years 1- 12	\$33,375.00

In the opinion of the Consultant, the Building should also qualify for a J-51 Benefit which allows for a reduction of assessed valuation. This benefit permits a 100% exemption from increases in assessed valuation for ten (10) years, followed by a compounding 20% phase-out of the exemption in each of the succeeding four (4) years (referred to hereinafter as "Exemption Benefits"). Assuming that (i) the pre-renovation actual assessed value remains constant at \$207,450; (ii) the actual full assessed valuation remains constant at \$2,800,000; and (iii) applying the projected 2005/2006 tax rate of .1235, the following represents the progressive decrease in Exemption Benefits for the last four (4) years of the fourteen (14) year benefit period.

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Final Four Years of Assessed Valuation Tax Exemption Benefit	Annual Taxes with Pre- Renovation Assessed Valuation	Additional Annual Taxes with Full Assessed Valuation	Phase Out Percentage of the J-51 Exemption for Assessed Valuation	Resulting Annual Real Estate Taxes
Year 11	\$25,620	\$320,180	20%	\$89,656
Year 12	\$25,620	\$320,180	40%	\$153,692
Year 13	\$25,620	\$320,180	60%	\$217,728
Year 14	\$25,620	\$320,180	80%	\$281,764

It should be noted that in the likely event that the assessed valuation or tax rate increases, net real estate Taxes will increase as well. Moreover, to the extent that any portion of the property is designated for commercial use or community facilities, there will be a reduction in J-51 Benefits in a ratio that is proportional to the floor area that the ineligible space bears to the total area of the property. In addition, administrative practices of the various agencies of the City of New York may result in levels of abatement and exemption that are at variance with those set forth above. Accordingly (and subject to compliance with all applicable J-51 rules and regulations now or thereafter in effect), there is no guaranty of any kind as to the extent of J-51 Benefits, if any, during the period during which any abatement reserve may be utilized.

It should also be noted that if a Certificate of Eligibility and Reasonable Cost is not issued by H.P.D. and filed with the Department of Finance by April 30, 2005 the foregoing assumptions may have to be revised to reflect any increase in the assessed valuation of the Property for the tax year beginning July 1, 2005 to June 30, 2006. Such an increase could significantly reduce the level of J-51 Benefits that would otherwise be available during the first year of Condominium operation. Moreover, inasmuch as tax abatement will not commence, in any event, until the first day of the tax quarter following the filing of the Certificate with the Department of Finance, all shareholders should anticipate some level of tax liability for the period, if any, between the Closing Date and the conclusion of the tax quarter in which the Certificate is filed.

Sponsor will keep records required by H.P.D. and will make them available to H.P.D. whenever requested to do so. H.P.D. routinely conducts audits, the result of which can be either the reduction or revocation of benefits if proper documentation is not provided.

The Consultant estimates that the real estate taxes for the first year of Condominium operation (October 1, 2004 - September 30, 2005) with Exemption Benefits will be approximately \$1,985 per month for the Residential Units. The estimate is based on: (i) the assessed value of the land and Building remaining constant at \$207,450 and (ii) a tax rate of \$12.90 per one hundred dollars of assessed value. Accordingly, an annual Abatement Benefit in the amount of \$33,375 would be effectively eliminate all real estate taxes during the benefit period.

21. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The Sponsor has been advised by its attorneys, Smith, Buss & Jacobs LLP, 733 Yonkers Avenue, Yonkers, New York, that for Federal Income tax purposes, under Sections 163 and 164 of the Internal Revenue Code of 1986, as amended, a Unit Owner will be entitled to a deduction for interest paid or accrued with respect to any mortgage indebtedness encumbering the Unit(s) and for real estate taxes paid or accrued with respect to the Unit. It is also the opinion of Sponsor's Counsel that each Unit Owner for New York State and New York City income tax purposes, will be entitled to a deduction equivalent to that which is allowed for Federal income tax purposes for such mortgage interest and real estate taxes paid or accrued during the taxable year.

It should be noted, however, that such deductions may be curtailed if (among other events): (i) the Unit is not occupied by the Unit Owner as his or her first or second home; (ii) mortgage indebtedness exceeds the purchase price of the Unit (plus the costs of any improvements thereto); (iii) the Unit is utilized for professional or business use or for the production of income; and/or (iv) the Unit Owner is subject to Alternative Minimum Tax.

Specific exemptions from real estate taxes may be available for veterans, senior citizens, or government rebate programs. Purchasers are advised to consult their attorneys to determine if this or any other exemption may be available to them.

All Purchasers are advised to consult with their counsel to determine their tax liability for the particular circumstances.

Each Unit Owner's proportionate share of the income received by the Board of Managers, including, but not limited to, income, if any, from the sale or leasing of Units owned by the Board of Managers or its designee on behalf of all Unit Owners (or from similar sources), will either be includable by the Unit Owner as taxable income for Federal and New York State income tax pur-

poses, or taxed on the Condominium itself. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charges. In such event this additional Common Charge may also be subject to tax.

Under Section 528 of the Internal Revenue Code, a Condominium may be eligible to be exempt from taxation on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met. One of the requirements to be met is that at least 85 percent (85%) of the total square footage of the Units must be used by individuals as residences or (if unoccupied) zoned for individuals as residences. Because the total square footage of the Commercial Units is less than 15% of the total square footage of the Residential Units, this criterion is met. As currently used, the Condominium may elect to be treated as a homeowners association under Section 528.

Notwithstanding the availability of a Section 528 exemption, in the opinion of counsel, it does not appear that the Condominium's members would incur substantial taxes if the Condominium were treated either as their agent or as a partnership for tax purposes. If, as anticipated, the Condominium income is largely offset by expenses, the ultimate income tax payable would be small. Hence, the major concern, if Section 528 is not available, is in assuring that the net taxable income derived from the Condominium's activities in any year is minimal. With careful attention to the various accounting and other administrative details, this should not be difficult to accomplish. For example, assessments for capital expenditures should be made and held in trust by the Board of Managers until the funds are disbursed, and careful documentation to this effect should be prepared on each occasion.

The opinion of Sponsor's Counsel is not a guarantee. It is based upon existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Manager of the Condominium, the Selling Agent, Managing Agent or any other person be liable if the Unit Owners cease to meet the requirements of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, if there are changes in the facts on which counsel relied in issuing its opinion, or if there are changes in the applicable statutes or regulations.

22. OPINION OF COUNSEL re: DEDUCTIBILITY OF TAXES

June 24, 2004

167-177 Lenox, LLC
c/o Tahl-Propp Equities
405 Park Avenue, Suite 1103
New York, New York 10022

Re: The Normandie Condominium

Dear Sir/Madam:

You have requested our opinion with respect to the deductibility for Federal and New York State income tax purposes of mortgage interest and real estate taxes paid by a person (a "Unit Owner" or an "Owner") who purchases a unit (a "Unit") under the offering plan for the above-referenced condominium (the "Plan"). The Plan provides for the condominium conversion of the existing building to twenty-five (25) residential units ("Residential Units") and six (6) commercial units ("Commercial Units").

In connection with this opinion, we have reviewed the Plan, including the schedules and exhibits thereto. The opinions expressed in this letter are based upon the assumptions that the Plan becomes effective and is consummated in accordance with its terms so that valid condominium ownership of the premises known as The Normandie Condominium, 100 West 119th Street, New York, New York (the "Condominium") is established upon the filing of a condominium declaration. In our opinion, pursuant to the Plan:

A. A Unit Owner will own fee simple title to his or her Unit and an undivided interest in the Common Elements;

B. Each Unit, together with its appurtenant interest in the Common Elements, will be a separate tax lot for purposes of New York County and City of New York real estate taxation, and the Unit Owner will be directly liable for the real estate tax assessment with respect to his or her Unit, but not with respect to any other Unit;

C. Subject to certain restrictions described in the Declaration and By-Laws of the

Jeffrey D. Buss
Kenneth R. Jacobs
Thomas W. Smith
Domenick J. Tammaro

David R. Gronbach
Emanuela Lupu
Robin A. Remick
Matthew J. Smith

Of Counsel
Gordon A. Burrows
Edgar C. Gentry, Jr.
Gerald Kahn
Charles S. Lesnick

Condominium, a Unit Owner may mortgage his or her Unit as he or she wishes, and the Unit will not be subject to the lien of any mortgage placed on other Units; and

D. A Unit Owner may transfer his or her Unit subject, with certain exceptions, to certain rights of the Board of Managers as described in the Plan.

Under the Plan, the Condominium will be managed by a Board of Managers whose members will be elected by the Unit Owners (and by the Sponsor of the Plan, to the extent that the Sponsor owns any Units). We also understand that the Condominium will, at least initially, be an unincorporated association under New York law. The Plan and the By-Laws provide that the expenses incurred in the operation and maintenance of the Condominium exclusive of the Units themselves (the "Common Expenses") shall be borne by the individual Unit Owners and assessed (in proportion to each Unit Owner's Common Interest) and collected by the Condominium Board on behalf of the Condominium (the "Common Charges").

Based upon the foregoing, it is our opinion that an individual Unit Owner who purchases a Residential Unit as his or her principal or second residence and who itemizes deductions will be entitled, under present tax laws and regulations, to deduct from adjusted gross income, for Federal income tax purposes, real estate taxes, if any, assessed against such Owner's Unit, as well as qualified residence interest on acquisition indebtedness up to \$1,000,000 (\$500,000 for a married individual filing a separate return) secured by a Unit (See Sections 163(h) and 164 of the Internal Revenue Code of 1986, as amended (the "Code"). We express no opinion as to the availability of such deductions under applicable requirements of the Code with respect to payment of alternative minimum tax under Sections 55-59 of the Code, or as to the availability of such deductions to the owner of a Residential Unit which is not used as the Unit Owners' principal or second residence (e.g., a rental unit).

Where an owner does not occupy the condominium unit but holds it instead as an investment, current federal tax law imposes a limit on the amount of interest that is deductible equal to the taxpayer's net investment income for the year. The deduction is also considered a miscellaneous deduction that (together with other miscellaneous deductions) must exceed 2 percent (2%) of adjusted gross income to have effect. An investor-owner should obtain the opinion of his own tax advisor to determine how the investment interest limitation affects him/her.

Common Charges will be borne by Unit Owners and assessed and collected by the Board of Managers. If the Condominium is treated for tax purposes as merely the agent of the Unit Owners, the income received by the Board of Managers and the Condominium, and the expenses

incurred would be deemed to be income and expenses of the individual Unit Owners, in proportion to their respective interests, and the amount of such income less such expenses would be taxable to them in the same proportion. See, e.g., Rev. Rul. 74-563.

The law in this area is uncertain, though. If the Internal Revenue Service asserts that the Condominium constitutes an association under the default rules of Section 301.7701-3(b), it would be taxable as a partnership unless it elects to be taxable as a corporation. If so, members of the Condominium would be subject to Federal income tax on their pro-rata share of the Condominium's income.

Receipts by the Condominium from capital or special assessments are not taxable income where the funds are properly treated as trust funds, or set aside in separate bank accounts for a specific purpose, designated as such and properly accounted for. See GCM 36188; Rev. Rul. 75-371. Interest earned on these funds would be taxable income as discussed below. Annual assessments in excess of annual expenses will also be includable in the Condominium's income, unless the member-owners are given the option to have excess assessments returned to them at the end of each year. See Rev. Rul. 70-604; TAM 9539001; Mission Heights Homeowners Association v. US, 96-2 USTC ¶ 50,489 (S.D. Cal).

Under Section 528 of the Internal Revenue Code, a Condominium Management Association may elect to be exempt from Federal tax on membership fees, dues, assessments and other "exempt function income" received from the owners of the condominium units who are members of the association. To be exempt function income, the income must be received by the association as part of the obligation of ownership of the residential property and not as payment for private services. For example, annual fees for special facilities such as tennis courts are exempt but guest fees, rentals of a clubhouse for a private party and interest earned by the association are not. The association is taxed on its non exempt function income less any expenses directly connected with the production of this taxable income.

To qualify for the above election, which must be made annually, the following requirements must be met:

1. It must be organized and operated to carry out exempt functions such as management, maintenance and care of association property.
2. At least 60 percent (60%) of gross income must consist of membership dues, fees or assessments from the owners of the residences.
3. At least 90 percent (90%) of annual expenditures must be to acquire, construct, manage, maintain, care for or improve association property.

4. No part of net earnings may inure to the benefit of any private shareholder or individual.

5. Substantially all (at least 85%) of the total square footage of the Units must be used by individuals as residences or (if unoccupied) zoned for individuals as residences.

Based on the information provided to us regarding the use of the units, it appears that the Condominium will qualify as a homeowners association under Sec. 528, and accordingly, its membership income should not be subject to federal tax.

Nevertheless, it does not appear that the Condominium's members would incur substantial taxes even if Section 528 did not apply, i.e., if the Condominium is treated either as their agent or as a partnership for tax purposes. If, as anticipated, its income is largely offset by expenses, the ultimate income tax payable would be small. Hence, the major concern, if Section 528 is not available, would lie in assuring that the net taxable income derived from the Condominium's activities in any year is minimal. With careful attention to the various accounting and other administrative details, this would not be difficult to accomplish. For example, assessments for capital expenditures would be made and held in trust by the Board of Managers until the funds were disbursed, and careful documentation to this effect should be prepared on each occasion.

Please note further that it is also possible that other sources of income, such as interest on interim investments by the Board of Managers, income from concessions or rentals, if any, and possibly income from the sale of Units acquired by the Board of Managers pursuant to its right of first refusal, may be subject to federal or state income taxation.

The New York State Department of Taxation and Finance is likely to take the position that the Condominium is subject to the New York State Corporation Franchise Tax even though the Condominium does not (absent an election) constitute an association taxable as a corporation for federal income tax purposes. In addition, regardless whether or not the Condominium is subject to any corporate taxes, the New York City Department of Finance may take the position that the Condominium is subject to the New York City Unincorporated Business Tax.

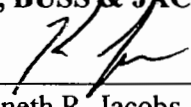
We express no views as to any federal or New York State tax consequences, or as to any aspects of the Plan, other than those aspects explicitly discussed in this opinion, or as to any tax status of the Plan under the laws of any other jurisdiction. Thus, this opinion does not deal with tax consequences which may result from ownership of a Unit in connection with a Unit Owner's trade or business, or for the purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his or her foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Common Elements are acquired, sold, and/or leased by the Board of Managers. Thus, each person contemplating the purchase of a Unit is strongly

advised to consult his or her own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

Tax laws, regulations and rulings are subject to change by the federal and state governments and their agencies, and also by judicial interpretation. Moreover, facts and conditions assumed in this opinion are subject to change. To the extent that such changes may occur, no warranties or assurances are made that the Internal Revenue Service or the New York State Department of Taxation and Finance will allow income tax deductions. Neither the Sponsor nor the counsel to the Sponsor will be liable if such changes occur and as a result it is determined that the income tax deductions referred to herein are not allowable in whole or in part.

We hereby authorize the use of this opinion, or reproduction thereof, in the Plan.

Very truly yours,
SMITH, BUSS & JACOBS, LLP

By: 
Kenneth R. Jacobs, Partner

S. & M. REALTY PROCESSING CORP.

REAL ESTATE CONSULTANTS
(MCI INCREASES • TAX ABATEMENTS)

P.O. Box 190727
Brooklyn, N.Y. 11219
(718) 851-4658
Fax (718) 972-1006

June 15, 2004

Re: 100 West 119th Street, Manhattan
BBL: 1/1903/36

Gentlemen:

You have requested our opinion as to the eligibility of the above property for real estate tax abatement and tax exemption benefits under Section 11-243 of the Administrative Code of the City of New York (Sec. J51) and an estimate of what those benefits would be.

The real estate tax benefits, which are available to eligible properties under Section J51, are as follows:

TAX EXEMPTION

In some instances some or all of any increase in a building's assessed valuation resulting from the conversion, alteration, or improvement of such building structure performed pursuant to Section J51, except insofar as the gross cubic content of the building is increased thereby, may be exempt from taxation for a period of fourteen years. The land value shall not be exempt from any increase in assessed valuation.

TAX ABATEMENT

The taxes which are attributable to the non-exempt portion of the assessed valuation may be abated and reduced by an amount no greater than 8 1/3% of the Certificate of Reasonable Cost (CRC) to be issued by the Department of Housing Preservation and Development (HPD) for a period of not less than 6 years and not to exceed 20 years.

You have advised us that you intend to rehabilitate an existing 32 family rental property to 25 four bedroom residential condominiums and 7 units to be utilized for commercial/professional use, and that your estimated construction costs will be about \$2,500,000.00. The commercial portion of the building is not eligible for J-51 tax benefits. Therefore, all improvements from which the commercial units benefit will be prorated to reflect the percentage of the commercial units. We have been advised that the commercial units reflect 11 percent of the floor area of the building. You have also advised us that this conversion is an as of right and no variance is required and that the cubic content of these buildings will not be increased. The construction is being

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performed under alteration type 2 issued by the Building Department. You have also advised us that all final sign-offs are expected in a timely manner within the three (3) year limitation of start to finish.

The J-51 program sets limits on maximum benefits based on room counts and the assessed valuation of the property. Based on current limitations, it is estimated that the maximum J-51 abatement will not exceed \$650,000.00 to be applied at the rate of 8 1/3% per annum until 90% is granted. Given your estimated construction cost and estimated prorating percentage, we would anticipate that you would qualify for a certified reasonable cost of \$445,000.00, of which 90% over a 12-year period is \$33,375.00 annually which will be applied to the residential units. Based on the transitional value of \$102,240.00 for 2004/2005 for the land and building, and at a tax rate of \$12.90 per one hundred dollars of assessed value, the annual taxes for 2004/2005 would be \$13,188.96, which would carry the abatement for 20 years.

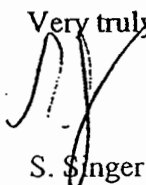
Based on the pre-renovation actual assessed value for 2004/2005 of \$207,450.00 and at a tax rate of \$12.90 per one hundred dollars, the annual taxes for land and building would be \$26,761.05, which would carry the abatement for a 15-year period.

However, we have not reviewed the components of you estimated construction costs and make no representation as to whether any item of work will qualify for J-51 benefits.

An exemption may be granted for full or partial tax increase due to the proposed improvements for a period of 14 years, with 100% exemption for 10 years, followed by 20% phase out of the exemption in each of the succeeding four (4) years.

The above estimates are based on information you have provided to this firm. These estimates are in no way to be constructed as a guarantee or warranty that the property will be eligible for J-51 benefits, or that the property will obtain these estimated benefits. This firm will not be held liable if the property does not qualify for the J-51 benefits or if the benefits are not granted as estimated.

Very truly yours,



S. Singer

23. WORKING CAPITAL FUND.

At the time of the closing of title to each Unit, the Sponsor will collect the equivalent of four (4) months of common charges for the Working Capital Fund of the Condominium, based upon the common charges set forth in Schedule A. Within ninety (90) days after First Unit Closing, the Sponsor shall pay into the Working Capital Fund of the Condominium the equivalent of four (4) months' common charges for any remaining Unsold Units. Thereafter, when title to an Unsold Unit is conveyed by the Sponsor, the Purchaser of such Unit shall reimburse the Sponsor at the closing of title for the amount contributed to the Working Capital Fund.

In the event that the closing adjustments with the Condominium Board as set forth in the section of the Plan titled "Closing Adjustments with the Condominium Board" result in a net credit to Sponsor, the Board of Managers may be required to draw on the Working Capital Fund to pay such adjustments to Sponsor. After deducting net closing adjustments, the Working Capital Fund may be held or used at any time for working capital, to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board of Managers in its sole discretion.

No provision has been made in the Budget for a Reserve Fund in excess of the amount contributed to the Working Capital Fund. The Sponsor believes that the amount of the Working Capital Fund will be sufficient to pay for major capital improvements or replacements to the Building which are reasonably foreseeable within five (5) years from the date of this Plan. However, the Sponsor makes no representation or warranty to that effect. If additional funds are required, it may be necessary to increase Common Charges or assess the Unit Owners.

As long as the Sponsor retains control of the Board of Managers, the Working Capital Fund shall not be used to reduce estimated Common Charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

24. MANAGEMENT AGREEMENT AND OTHER CONTRACTUAL ARRANGEMENTS.

At the First Unit Closing, the Board of Managers shall enter into a management agreement with Manhattan Property Management, Inc. ("Manhattan Property") to manage the Building. Manhattan Property is an affiliate of the Sponsor. In the alternative, the Sponsor may employ another company on terms which are no more expensive or restrictive to the Board of Managers than those set forth below.

The management agreement may not be canceled for a period of two (2) years, commencing on the date of the First Unit Closing, unless the managing agent shall default in the performance of its obligations under the agreement.

The fee for the first year of operation shall be \$23,000, which shall be paid in equal monthly installments; the fee for the second year shall be \$25,000. After the second year, the management agreement may be canceled by either party at any time on sixty (60) days notice. The Managing Agent may not assign the agreement to another entity without the consent of the Board, not unreasonably withheld or delayed.

The duties and services to be rendered by the Managing Agent and pursuant to the proposed agreement include, among others:

- (a) billing and collecting Common Charges and assessments from Unit Owners;
- (b) causing the Common Elements, to be maintained, repaired and altered in the manner deemed advisable by the Board of Managers, except that the prior written approval of one of the designated officers the Board is necessary for an expenditures of over \$5,000. for any one item of ordinary repairs or alterations (other than emergency repairs);
- (c) contracting for necessary services for the Common Elements (such as utilities and exterminating);
- (d) purchasing all supplies necessary to properly maintain and operate the Common Elements;
- (e) checking all bills received in connection with the operation of the Common Elements and causing all such bills and other expenses to be paid;
- (f) supervising, hiring and discharging employees of the Condominium, including the non-resident superintendent, concierge, if any, subject to union contracts, if any;
- (g) rendering monthly statements of receipts and disbursements to the Board of Managers;
- (h) maintaining payroll records and causing to be prepared and filed all necessary forms for unemployment insurance, social security taxes and withholding taxes and all other forms required by any federal, state or municipal authority;
- (i) maintaining and operating bank accounts of the Condominium;

(j) considering and, when reasonable, attending to complaints of Unit Owners, tenants and subtenants, provided that if it shall deem any complaint unreasonable it shall so advise the Board of Managers and give reasons for its opinion;

(k) cooperating with the accountants and auditors engaged by the Board of Managers in regard to the preparation of all tax returns and annual statements;

(l) supervising the moving in and out of Unit Owners and tenants;

(m) sending to each Unit Owner each year a statement, furnished by the accountants of the Condominium, showing tax data relevant to the Unit Owners;

(n) making all arrangements necessary for the holding of the meetings of the Unit Owners and the Board of Managers of the Condominium;

(o) at the direction of the Board of Managers, carrying out required procedures and giving required notifications as set forth in the Condominium Declaration and By-Laws, in connection with the exercise of the right of first refusal on a proposed sale or lease of Units;

(p) maintaining accurate sets of books for the Condominium (other than books of account to be maintained by the Condominium's accountants) and orderly files of rent records, insurance policies, leases, receipted bills and the like;

(q) sending notices, preparing agendas, and attending the annual meeting of Unit Owners.

The annual financial statement with respect to the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Board of Managers, whose fees are to be paid by the Board of Managers and charged to the Unit Owners as a Common Expense. However, after control of the Board passes to Unit Owners other than the Sponsor, the Board reserves the right to provide financial statements in form reasonably satisfactory to the Board.

All expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Board of Managers and charged to the Unit Owners as a Common Expense. In addition, the Board of Managers will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Board of Managers or for personal injury or property damage not resulting from the Managing Agent's negligence or willful misconduct.

The Board of Managers may elect to obtain a bond exclusively for the benefit of the Condominium, with a surety company authorized to do business in the State of New York, to protect against loss incurred by the Condominium through any improper acts of the officers and employees of the Managing Agent. The cost of the bond is included in the common charge estimate for insurance.

The Managing Agent will receive a reasonable fee from the Unit Owner for services rendered in connection with processing each application for the sale of a Unit by a Unit Owner (other than the Sponsor), including obtaining a waiver of the right of first refusal and other agreements necessary to properly effect the transfer of an interest in the Unit. The Managing Agent shall receive a reasonable fee for assisting the Board of Managers with the preparation of an annual budget and for processing of each application for the lease of a Unit by a Unit Owner other than the Sponsor. Additionally, with the exception of Units owned by Sponsor, the Managing Agent shall receive a reasonable fee to process each application to renew the lease of a Unit to the same lessee.

Sponsor represents that at the time of the First Unit Closing there shall be no service contracts which will be binding upon the Condominium other than as set forth above.

25. IDENTITY OF PARTIES.

Sponsor

The Sponsor of the Offering Plan is 167-177 Lenox, LLC, a New York limited liability company which was formed on June 12, 2003, with an office c/o Tahl-Propp Equities, 405 Park Avenue, New York, New York 10022. The Managing Member of the Sponsor is Tahl-Propp Manhattan North Investors III, LLC, and its managing member is Tahl-Propp MNI, LLC. Joseph A. Tahl and Rodney Propp are the managing members of Tahl-Propp MNI, LLC. This is the first condominium conversion project that Mr. Tahl and Mr. Propp have been involved with as principals. Their real estate holdings include numerous residential and commercial rental buildings in Manhattan.

Selling Agent

The Selling Agent is Halstead Property, LLC (the "Selling Agent"), a licensed real estate brokerage company, with an office at 784 Broadway, New York, New York 10003. Neither the Selling Agent nor its principals have any financial interest in the Property or the Sponsor, except that they will be paid a fee for services. The Selling Agent was founded in 1984 as a real estate brokerage company servicing the New York City area. In addition, the Selling Agent has managed rental and condominium buildings in Manhattan for the last three (3) years.

Managing Agent

The Managing Agent is Manhattan North Management Corp., with an office at 118 West 112th Street, New York 10026. Although the Managing Agent does not have prior experience in managing condominium properties, it does have over five (5) years of experience in managing rental properties in the New York area. The Managing Agent is an affiliate of the Sponsor.

The Managing Agent currently manages over fifteen (15) rental properties located in Manhattan, including the following representative list:

118 West 112th Street, NY, NY
313 West 114th Street, NY, NY
42 West 120th Street, NY, NY

510 West 134th Street, NY, NY
440 St. Nicholas Avenue, NY, NY
408 West 129th Street, NY, NY

Engineer and Architects

The Mechanical Engineer is William Ryan, Jr., P.E. of Ryan Consulting Engineers, 33-33 166th Street, Flushing, New York. Mr. Ryan is a licensed engineer in the State of New York and has relevant experience in forecasting utility costs for both commercial and residential properties. Mr. Ryan has experience preparing these schedules for rental and condominium buildings in the past.

Frank Barta, R.A. is the Building architect. Mr. Barta prepared the building plans and is supervising the renovation. SR+T Architects, 20 Renwick Street, New York, New York drafted the Description of Property and Building Condition in Part II of the Plan and reviewed the building plans and specifications for the Units. SR&T Architects has issued his architect's certification on the basis of that review and its own independent inspection of the Building and the Units.

Neither the Engineer nor the Architects have any financial interest in the Property or the Sponsor, except that they will be paid a fee for services.

Counsel to Sponsor for Offering

The Sponsor has retained the law firm of Smith, Buss & Jacobs LLP, 733 Yonkers Avenue, Yonkers, New York 10704, to represent it in the preparation of the Offering Plan. Kenneth R. Jacobs, Esq. of this law firm prepared the Declaration, and the By-Laws, this Plan, the form of purchase agreement, the form of deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto.

No separate counsel has been retained to represent the Condominium. It is suggested and

expected that each Purchaser will consult and be represented by his own counsel in connection with this Offering.

The above-noted counsel have no financial interest in the Property or the Sponsor, except that they will be entitled to a fee for their services.

26. REPORTS TO UNIT OWNERS.

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

1) a financial statement of the Condominium prepared by a certified public accountant or public accountant by April 30th of each calendar year, which report shall be certified while the sponsor controls the Board of Managers;

2) prior notice of annual Unit Owners' meetings; and

3) a copy of the proposed annual budget of the Condominium no later than fifteen (15) days prior to the date set for adoption thereof by the Board of Managers, which budget shall be certified as adequate by an independent expert while the Sponsor controls the Board of Managers.

27. DOCUMENTS ON FILE.

The Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at the offices of Halstead Property, LLC, 784 Broadway, New York, New York (the Selling Agent) for a period of six (6) years from the date of the first Unit closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the First Unit Closing.

28. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION.

Attached in Part II of the Plan is the Architect's Description of Property and Building Condition detailing the work to be performed by the Sponsor in renovating the Buildings.

The Sponsor hereby adopts the Description of Property and Building Condition in Part II of the Plan. The Sponsor represents that the Sponsor has no knowledge of any material defects or need for major repairs to the Property, except as may be set forth in the Description of Property and Building Condition.

Purchasers should review the entire Report for more information regarding the nature of the renovation work performed at the Buildings.

29. GENERAL.

A. Each Unit Owner shall be required to comply with and abide by the Declaration, the By-Laws and the Regulations of the Condominium made in accordance therewith and to pay the Common Charges levied by the Board of Managers. Such obligations shall be enforceable by the Board of Managers by foreclosure of the statutory lien against the Unit for the amount of any such unpaid Common Charges or by suit to collect the same by action for damages, by injunction or by other appropriate relief.

B. There are no lawsuits or other legal proceedings pending which would materially affect this Offering, the Purchasers of Units, the Property, Sponsor's capacity to perform all its obligations under the Plan, the Condominium or the operation thereof.

C. To the best of Sponsor's knowledge, the Property has not been the subject of any prior public offering.

D. The Declaration and By-Laws of the Condominium are made part of this Offering Plan. If there is any inconsistency between the terms of this Offering Plan and the terms set forth in the Declaration, then the terms of the Plan shall prevail.

E. Annexed to the By-Laws are the Regulations of the Condominium which shall apply unless amended by the Board of Managers.

F. This Plan contains an accurate summary of the pertinent provisions of the various documents referred to herein and copies thereof are on file with the Sponsor for inspection purposes. Any information, data, or representation not referred to in this Plan and not contained in the various documents mentioned herein, must not be relied upon. This Plan does not knowingly omit any material fact or contain any untrue statement of a material fact. No person has been authorized by the Sponsor to make any representation which is not expressly contained in the Plan.

G. If there is an amendment to the Plan that materially adversely affects Purchasers, the Sponsor will grant Purchasers a right of rescission for a period not less than fifteen (15) days after the date of presentation of the amendment to exercise the right. The Sponsor must return any deposit or down payment to Purchasers who rescind. The Sponsor may condition the return of the down payment to interim lessees (if any) to their vacating the Unit.

H. Sponsor hereby represents that neither it, nor any of its agents, will refuse to sell or offer, or will otherwise discriminate against any person or persons by reason of their race, religion, color or place of national origin in the sale, transfer or lease of Units described in this Plan.

I. This Plan may not be changed or modified orally.

Dated: November 16, 2004
New York, New York

167-177 Lenox, LLC
Sponsor

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**PURCHASE AGREEMENT
THE NORMANDIE CONDOMINIUM
NEW YORK, NEW YORK**

Unit No.: _____		Percentage of Common Interest: _____
Purchaser(s):		Tel. No.
Name		Fax No.
Address		
Purchaser(s):		
Name		Tel. No.
Address		Fax No.
Purchaser's Attorney:		
Name		Tel. No.
Address		Fax No.
		Email:
Co-Broker :		
Name		Tel. No.
Address		Fax No.
Purchase Price	\$	
Down Payment	\$	(Payable to "Normandie Condominium – Special Escrow Account")
Balance Due at Closing	\$	

Statement of Seller:

167-177 LENOX, LLC, with an address at c/o Tahl-Propp Equities, 405 Park Avenue, Suite 1103, New York, New York 10022, a New York limited liability company ("**Seller**"), has promulgated a Plan of Condominium Ownership ("**Plan**") for The Normandie Condominium, 100 West 119th Street, New York, New York ("**Condominium**") pursuant to which the land, with appurtenances, and the units ("**Units**") being constructed thereon by Seller, located in the City of New York, County of New York, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

Statement of Purchaser:

Purchaser acknowledges as follows:

Purchaser has received and read a copy of the Plan and all filed amendments thereto. The Plan and amendments, which include the Declaration to be made by the Seller and to be recorded in the Office of the New York City Register, the schedules, By-Laws and Rules and Regulations attached thereto, are incorporated herein by reference and made part of this Agreement with the same force and effect as if fully set forth herein.

PURCHASER HAS HAD THE OPPORTUNITY TO REVIEW THE OFFERING PLAN AND ANY FILED AMENDMENTS FOR NOT LESS THAN THREE (3) DAYS.

Purchaser is desirous of purchasing the above-numbered Unit, as designated in the Declaration and on the floor plans filed or to be filed in the aforesaid City Register's Office, together with an undivided interest in the Common Elements appurtenant thereto (the above-numbered Unit and the undivided interest being hereinafter collectively called the "**Unit**");

Agreement Between Seller and Purchaser:

For good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

1. **Payment for Unit:** Seller hereby agrees to sell and Purchaser hereby agrees to purchase the Unit for the Total Purchase Price stated above. The Down Payment stated above has been paid on the signing of this Agreement, receipt of which by check, subject to collection, is hereby acknowledged by Seller. The Balance Due at Closing shall be payable at the closing of title, as hereinafter provided in Paragraph 2, by unendorsed certified check of Purchaser; or teller's or cashier's check, drawn on a bank or trust company which is a member of the New York Clearing House Association, to the order of the Seller or as Seller may direct.

2. **Acceptance by Seller.** Within twenty (20) days after delivery to Seller or its Agent by Purchaser of this Purchase Agreement, executed by Purchaser, Seller will either:

(a) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof; or

(b) reject this Agreement offer and refund the down payment tendered by Purchaser. If Seller takes no action within the aforesaid twenty (20) day period the Purchase Agreement shall be deemed null and void and the down payment shall be returned.

3. **Closing of Title:** The closing of title shall take place on no less than thirty (30) days written notice to Purchaser at such place as Seller may designate, at an hour and on a date (hereinafter called the "Closing Date") to be specified by Seller. The closing of title may be adjourned to such later date as the parties may agree upon in writing, or otherwise as set forth in the following paragraph, and the adjourned date shall then be deemed the Closing Date hereunder. Purchaser shall be entitled to one reasonable adjournment of up to thirty (30) days, on five (5) days written notice by Purchaser to Seller, subject to the provisions of Paragraph 7. However, Purchaser may not seek an adjournment of any kind based upon any provision set forth in Paragraph 18 herein. **TIME WILL BE OF THE ESSENCE AS TO THE ADJOURNED CLOSING DATE.**

The Seller shall be entitled to reasonable adjournments in the closing of title in the event of delays by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements. However, if Seller shall be unable to convey title to the unit within twelve (12) months after the projected date for the first Unit closing under the Plan, except for (i) delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, installation of public utilities, governmental restrictions preventing Seller from obtaining necessary supplies or materials, or (ii) Purchaser's default, Seller or Purchaser shall have the right to cancel this Purchase Agreement upon written notice within fifteen (15) days subsequent to the end of such twelve (12) month period, and upon such cancellation, Purchaser shall be entitled to the return of any moneys paid by Purchaser to Seller under the terms of this Agreement, with interest, if any.

At the closing of title, Seller shall deliver to Purchaser a bargain and sale deed in the form contained in Part II of the Plan, with covenant against grantor's acts, conveying the Unit to Purchaser, executed and acknowledged by Seller in form for recording.

Title to the Unit will close only after, or concurrently with, the occurrence of the events set forth in "Conditions of Closing Title to Individual Units" in Section 14 of the Plan, entitled "Terms of Sale".

4. **Power of Attorney to Board of Managers and Seller:** At the closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the power of attorney to the Board of Managers and the Seller in the form contained in Part II of the Plan. Purchaser agrees to deliver such power of attorney to Seller at the closing of title for recording and to pay the recording fee.

5. Limited Financing Contingency:

(a) If Purchaser is electing to obtain financing, the obligations of Purchaser hereunder are conditioned upon issuance on or before the 45th day after the date of this Agreement of a written commitment from either Amerafund Home Mortgage, 420 Lexington Avenue, Suite 2633, New York, New York 10070 or Wells Fargo Home Mortgage, Private Mortgage Banking, 530 Fifth Avenue, 15th Floor, New York, New York 10036 (hereinafter referred to individually as "**Sponsor Designated Lender**" or collectively as "**Sponsor Designated Lenders**"), subject to the following conditions and limitations:

(i) The financing contingency is only applicable to mortgage financing of no more than eighty percent (80%) of the purchase price (or such lesser amount as Purchaser shall apply for) at the Sponsor Designated Lender's prevailing rate of interest and for a customary loan term, secured by a first mortgage on the Unit;

(ii) Purchaser shall apply to at least one (1) Sponsor Designated Lender for such first mortgage loan within ten (10) days after the date of this Agreement;

(iii) Purchaser shall furnish accurate and complete information to the Sponsor Designated Lender relating to Purchaser, as required;

(iv) Purchaser shall pay all fees, points and charges required in connection with such application and loan; and

(v) Purchaser shall pursue such application with diligence, and generally cooperate in good faith with such Sponsor Designated Lender to the end of securing such first mortgage. Purchaser shall notify the Sponsor promptly of the name and address of each Sponsor Designated Lender or other lender to which Purchaser has given an application. Purchaser shall furnish Seller with a copy of such commitment promptly after receipt thereof. If Purchaser fails to obtain such a commitment from a Sponsor Designated Lender on or before the 45th day after the date of this Agreement, Purchaser shall have the right to cancel this contract by giving notice to Seller by the 50th day after the date of this Agreement. Upon cancellation, the Down Payment and accrued interest shall be promptly refunded to Purchaser, and neither party shall have any further rights against, or obligations or liabilities to the other by reason of this Agreement. If Purchaser does not give such notice to Seller on or before the 50th day after the date of this Agreement or if the Purchaser has not applied to at least one (1) Sponsor Designated Lender, this Agreement shall not be terminated by virtue of this paragraph and the Agreement shall remain in full force and effect, except that Purchaser's right to cancel under this Paragraph shall be deemed waived. A mortgage commitment conditional upon the Purchaser's selling any property that Purchaser owns, the liquidation or reduction of any existing installment debt prior to closing, or the furnishing of documents and information reasonably available to Purchaser, shall be deemed a firm mortgage commitment which satisfies the limited financing contingency clause in this Agreement.

(b) If Purchaser obtains a financing commitment from a Sponsor Designated Lender and the commitment lapses or expires before the actual closing date through no fault of Purchaser, Purchaser shall make a good faith effort to extend the commitment, including payment of a reasonable and customary extension fee to the Lender and acceptance of changes in the interest rate to reflect prevailing market conditions. If the Lender is unwilling to extend the commitment on those terms, Purchaser shall have the right to cancel this Agreement by notice given to Sponsor within ten (10) days after receiving the Sponsor Designated Lender's notice of refusal to extend the commitment. In case of cancellation, the applicable provisions of subsection (a) shall apply.

(c) As used in this Agreement, "Lender" means any person or entity in the business of making loans to persons seeking to purchase residential homes. A mortgage broker who does not have independent lending capacity shall not be deemed to be a "Lender" under this Agreement.

(d) In the event that Purchaser uses a lender other than the Sponsor Designated Lenders, no financing contingency will apply to this Agreement. As a result, Purchaser will not have the right to cancel the Purchase Agreement if the Purchaser fails to obtain mortgage financing, or if the Purchaser's existing mortgage financing lapses or is canceled.

6. Condition of Title:

(a) Seller agrees to convey to Purchaser title in fee simple to the Unit, free and clear of all liens and encumbrances other than those set forth in the Plan (specifically in Part I thereof in the section titled "Terms of Sale") and Exhibits submitted in connection therewith. Notwithstanding the above, the existence of unpaid taxes or liens of any kind at the time of title closing shall not constitute an objection to title, provided that a reputable title insurance company licensed to do business in the State of New York shall be willing to insure against collection of same from the Unit herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the property, not provided for in the Plan or this Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

(b) Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage and any advances heretofore or hereafter made thereon, and any payments or expenses which at any time were or may be incurred pursuant to the terms thereof, incidental thereto or to protect the security thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. However, at closing the Unit will be conveyed free and clear of all mortgage liens.

7. Expenses of Closing and Closing Adjustments:

(a) Purchaser will pay the closing costs and expenses referred to in the Section of the Plan (as same may be amended to date) entitled "Unit Closing Costs and Adjustments", including the following:

- (i) fee title insurance;
- (ii) deed, power of attorney and any mortgage agreements recording fee;
- (iii) mortgage costs chargeable by the lender, mortgage title insurance, and mortgage taxes (including a reimbursement to the Seller for mortgage tax previously paid by the Seller as per subsection (d) below);
- (iv) four months of common charges for the working capital fund (unless the Sponsor has previously made such contribution, in which case payment shall be made to the Sponsor);
- (v) attorneys' fees of Seller (as detailed in the Plan), Purchaser and Mortgage Lender (if any);
- (vi) New York State and New York City real property transfer taxes attributable to the transfer of the Unit, as described in the Plan;
- (vii) Escrow for real estate taxes payable with respect to the Unit for the next tax payment period following the Closing Date; and
- (viii) If the purchase price of the Unit exceeds \$1,000,000, an additional New York State tax due under Article 31 of the Tax Law, currently equal to 1 percent (1%) of the purchase price.

Purchaser should refer to Section 14 of the Plan for a detailed description and calculation of the estimated closing costs and adjustments to be borne by Purchaser.

(b) If Purchaser adjourns the Closing, the Purchaser will be liable for all common charges and real estate taxes assessed against the Unit from and after the scheduled closing date; and interest on the purchase price at the rate of 12 percent (12%) per annum from the scheduled closing date until the actual closing date to reimburse the Sponsor for its lost opportunity costs with respect to the unpaid purchase price.

(c) Except as otherwise provided in this agreement, real estate taxes and Common charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. Any such expenses

or adjustments payable to Seller in excess of Two Hundred (\$200.00) Dollars will be paid by certified check or bank check.

d) Prior to the Closing Date, the Seller will have paid a mortgage recording tax for a construction loan mortgage on the Property. Pursuant to Section 339-ee(2) of the New York Real Property Law, it is specifically understood that such credit shall inure to the benefit of Seller. Accordingly, at closing, each purchaser electing mortgage financing shall pay the full amount of the mortgage recording tax chargeable on the amount being financed, without regard to any credit to which the Sponsor is entitled under Section 339-ee(2), and the Sponsor will be reimbursed out of such payment at closing to the extent of any mortgage tax credit allowed.

8. Default by Purchaser:

(a) If Purchaser shall fail to pay any portion of the purchase price when due; fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 3 hereof; fail to perform any of Purchaser's other obligations hereunder; or if any of Purchaser's representations in this Agreement shall be untrue in any respect, Purchaser shall be in default, and Seller may send a notice to Purchaser to cure the default within thirty (30) days. If within the thirty (30) day period Purchaser shall fail to cure the default, Seller, at its option, may cancel this Agreement by notice of cancellation to Purchaser. If Seller shall elect to cancel this Agreement, Seller shall certify to its counsel that title has not closed because of Purchaser's default and that Seller has elected to cancel this Agreement by reason thereof Counsel shall thereupon pay over to Seller as liquidated damages the Down Payment and the interest earned thereon, if any. Upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Agreement shall be canceled by Seller, Seller may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Counsel may rely upon the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

(b) TIME IS OF THE ESSENCE AS TO PAYING THE BALANCE DUE, AND AS TO CURING ALL DEFAULTS WITHIN ANY GRACE PERIODS GRANTED HEREUNDER. FAILURE TO MAKE A PAYMENT WITHIN THE GRACE PERIOD AFTER A PURCHASER IS CALLED UPON TO MAKE SUCH PAYMENT MAY RESULT IN LOSS OF THE DOWN PAYMENT AND CANCELLATION OF THE PURCHASE AGREEMENT. Purchaser should consult his or her own attorney prior to executing a Purchase Agreement.

(c) In the event of an uncured default by Purchaser in his or her obligations under the Purchase Agreement, no more than 10 percent (10%) of the purchase price, plus any interest earned thereon and the cost of any special work performed for the Purchaser, may be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser. No

down payment or other monies shall be released pursuant to an uncured default by Purchaser before the First Unit Closing

9. Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel: This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective and shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed by the Plan. If the Plan is abandoned or does not become effective this Purchase Agreement shall be deemed canceled, and the plan terminated and not later than forty-five (45) days thereafter, all monies paid by Purchaser hereunder shall be refunded in full, and upon such repayment no party shall have any claim against any other party, person or entity, and all parties shall be released from all obligations hereunder and under the Plan. Seller may cancel this agreement if any of the following occur: (a) any government bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution, or use of materials necessary in the construction of residential housing and such restrictions shall prevent the Seller from obtaining such materials from its regular suppliers or from using same in the construction or completion of the dwellings; or (b) Seller is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God or if the installation of public utilities is restricted or curtailed. If Seller elects at any time to cancel this agreement pursuant to any rights granted under the Plan, Seller's cancellation shall be effective by forwarding its check in the full amount paid by the Purchaser and interest earned, together with a notice in writing, addressed to the Purchaser at his address set forth on page 1.

10. Agreement May Not Be Assigned: Purchaser shall have no right to assign this Agreement without the prior consent in writing of Seller and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Seller.

11. Survival: The closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance by Seller with each and every term of this Purchase Agreement, except as to any item specifically listed and excepted therefrom.

12. No Representations: Except as specifically set forth herein or in the Plan, Purchaser acknowledges that he has not relied upon any architect's plans, sales plans, selling brochures, representations, warranties or statements of any nature, whether made by Seller, the Selling Agent, Seller's Counsel, or otherwise, including, but not limited to, any relating to the description or physical condition of the building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the building services, the estimated Common Charges and expenses allocable to the Unit, the availability of any tax benefits, or the right to any income tax deduction on account of any real estate taxes or mortgage interest paid by Purchaser. Purchaser agrees that Seller shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the floor plans or on the architectural plans and specifications for the building are not accurate or correct provided such layout or dimensions conform substantially to the floor plans and the architectural plans and specifications for the building and the site as modified or supplemented in accordance with

the Plan and that Purchaser will not be relieved from his obligations hereunder by reason of any minor inaccuracy or error.

13. **Recording of Deed and Power of Attorney:** At the closing of title, Purchaser will deliver the executed deed received from Seller and executed and acknowledged power of attorney to the representative of the title company, if any, or to Seller for recording in the Office of the City Register, County of New York. Such deed and power of attorney will be in the forms annexed hereto (and made a part hereof) as set forth in Part II of the Plan.

14. **Binding Effect:** This agreement shall not be effective or binding on Seller until a counterpart hereof is executed by Seller and delivered to Purchaser. Subject to the provisions hereof, this Purchase Agreement shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

15. **Monies to be Held in Trust, Payment of Purchase Price; Notice of Closing:** The required down payment pursuant to this Agreement will be 10 percent (10%) of the purchase price for the Unit as set forth in the Plan, as amended. Mark Landis, Esq. is the escrow agent under this Agreement ("**Escrow Agent**"). All monies received by Seller through its agents or employees pursuant to this Agreement will be deposited with Hudson Valley Bank, 865 McLean Avenue, Yonkers, New York 10704, in an account or accounts entitled "**Normandie Condominium— Special Escrow Account**" or similar name, which account or accounts shall be interest-bearing for the benefit of the Purchaser in accordance with Section 71-a(3) of the Lien Law. Such funds will be held in trust in accordance with the escrow and trust provisions of Sections 352(h) and 352-e(2)(b) of the New York General Business Law, and Regulations, if any, promulgated pursuant to said Section 352-e(2)(b). Such funds will be disbursed only upon the signature of Counsel for the Sponsor as follows: (i) to Seller if the Plan is declared effective and title closes hereunder or if Purchaser defaults hereunder; or (ii) to Purchaser if the plan is abandoned or withdrawn or title does not close because of Seller's default, or this Agreement is canceled (without default by either party) in accordance with its terms. Down payments, with any accumulated interest, shall remain the property of the Purchaser except as provided by law.

Down payments will be retained in the Escrow account as set forth above until: (i) Seller performs under the terms of the Purchase Agreement; (ii) Purchaser rescinds or defaults in performance, thereby excusing performance by Seller; (iii) release or discharge of Seller's liability to refund such down payment; (iv) upon transfer of title to the Unit to the Purchaser; or (v) by mutual consent of Seller and Purchaser.

The parties acknowledge that the Escrow Agent for the down payment is also counsel for the Sponsor. Purchaser agrees that in case of any dispute relating to the disposition of the down payment, counsel for the Sponsor may continue to represent the Sponsor.

The provisions of Section 11, sections (11) and (12) of the Plan are incorporated into this Agreement as if set forth in full herein.

16. **Equipment and Furnishings:** Seller will provide Purchaser only with fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the purchase price of the Unit. Furnishings, equipment, appliances and decorations in any model unit or sales office that are not referred to in the Plan are excluded from this sale unless specifically included by a rider to this Purchase Agreement. The cost of any such special items will be an addition to the purchase price.

17. **Acceptance of Condition of Unit; Risk of Loss:**

(a) Purchaser shall accept title without abatement in or credit against the purchase price, and without provision for escrow, notwithstanding that Seller may not have completed construction of (i) minor details of the Unit or the Building; (ii) another Unit; or (iii) portions of the Common Elements that do not materially affect Purchaser's access to and use of the Unit.

(b) (i) The risk of loss from fire or other casualty with respect to each Unit shall remain with Seller until the closing of title, but without any obligation or liability by Seller to repair or restore any Unit. In case of damage or destruction of a Unit due to fire or other casualty prior to the closing, Seller will have the right to elect whether to repair or restore the Unit, which election shall be in the Seller's sole discretion. If the Seller elects to restore the Unit, the Purchase Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit or abatement against the purchase price for the Unit. In that event the Seller shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any insurance proceeds shall belong solely to the Seller. If the Seller elects not to restore the Unit, or (if the damage occurs after the establishment of the Condominium but before closing of title to the Unit) the Board of Managers elects not to restore the common elements of the Condominium, the Purchase Agreement shall be deemed cancelled, the Seller shall return to Purchaser all sums deposited thereunder (together with interest), and the parties shall have no further liability to each other. Purchaser may nullify such cancellation (provided the damage relates solely to an individual Unit and does not affect the common elements of the Condominium) by notice given within 10 days thereafter, agreeing to take title subject to the damage without abatement or reduction in the purchase price, but with an assignment of all insurance proceeds allocable to the repair of the Unit. In that case, at closing the Seller shall assign to the Purchaser all insurance proceeds allocable to the Unit and the Seller shall have no further responsibility to repair the Unit. The foregoing rights apply only if Purchaser is not in default. If Purchaser is in default under the Purchase Agreement at such time, the Purchaser may not nullify the Seller's option to cancel and the Seller may retain all sums paid as liquidated damages.

(ii) Notwithstanding part (i), if Purchaser enters into actual possession of a Unit prior to the closing of title, the Purchaser shall bear the risk of loss or other casualty with respect to that Unit, i.e., the Purchaser will be obligated to bear the cost of restoring the Unit to the same extent as if the Purchaser had already taken title.

18. **Inspection, Condition of Units:** At least one (1) day before Closing, a representative of the Sponsor and Purchaser shall inspect the Unit. At the conclusion of the

inspection Purchaser will complete and sign an inspection statement in the form annexed as Exhibit A. Purchaser's signing of this Purchase Agreement shall constitute its acceptance of the Unit and the Building in the condition in which it shall be at the time of Closing, subject solely to the "Exceptions" noted on the inspection statement (including the existing kitchen, bathroom and other appliances, fixtures, equipment, air conditioning units and installations, if any, which are owned by the Sponsor) and in accordance with Sponsor's rights and obligations under the Plan. By closing title, Purchaser waives any claim regarding the condition of the Unit except as set forth in the inspection statement. Purchaser shall be in default under this agreement if Purchaser fails to inspect the Unit with a representative of the Sponsor on or before the day before the scheduled Closing Date. Except as expressly provided in this Agreement or the Plan, Sponsor shall have no obligation to repair or improve the Unit, any portion of Property, or the appliances, equipment, or fixtures attached to or used in connection with the Unit or the Property.

19. Possession of Unit Prior to Closing: It is expressly understood and agreed that the Purchaser shall in no event take possession of the unit prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of this agreement, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Seller, and if the Seller so elects, the Seller may cancel this Agreement and the amount deposited hereunder shall belong to the Seller as liquidated damages deemed earned hereunder. It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to Purchaser, whether same is delivered to the property before, on or after the closing of title herein.

20. Limitation of Seller's Liability: Except as may otherwise be required by law, the Seller's liability under this agreement for failure to complete any portion of the Unit or Building, or deliver title for any reasons whatsoever shall be limited to the return of the money deposited hereunder (with interest, if any), and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding or otherwise incur any expense to render the title to the Unit marketable or to cure any objection to title.

21. Definitions: The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be deemed joint and several. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

22. Gender: The use of the masculine gender in this Purchase Agreement shall be deemed to refer to the feminine gender or to an entity whenever the context so requires.

23. Other Agreements: This Purchase Agreement supercedes any and all understandings and agreements between the parties and constitutes the entire agreement between them and no oral representations or statements shall be considered a part hereof.

24. **Amendment of Purchase Agreement:** This Purchase Agreement may not be amended, altered or discharged except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

25. **Brokerage:** Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than Halstead Property, LLC ("Selling Agent") and the agents set forth on page 1 of this Agreement (if any). Purchaser hereby agrees to indemnify, defend and hold harmless Seller, the Selling Agent, and their respective agents, counsel and employees, from any claims by any other broker that alleges that it has dealt with Purchaser in connection with the purchase of the Unit.

26. **Governing Law:** This Purchase Agreement shall be governed by and construed in accordance with the law of the State of New York.

27. **Jury Waiver:** Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this Purchase Agreement, or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

28. **Binding Effects of Declaration, By-Laws, Plan, Rules and Regulations:** Purchaser hereby agrees to be bound by the Declaration, By-Laws, the Rules and Regulations and the Plan.

29. **Notices:** Any notice to be given hereunder shall be in writing and sent by registered or certified mail or personal delivery as follows: if to Purchaser, at the address set forth on page 1 or at such other address as Purchaser may hereafter designate in writing; and if to Seller, to: 167-177 Lenox, LLC, c/o Tahl-Propp Equities, 405 Park Avenue, Suite 1103, New York, New York 10022. The date of 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.

30. **Conflict with Plan:** Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

31. **Captions:** The captions in this Purchase Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Purchase Agreement, or the intent of any provision hereof.

32. **No Recording:** This Purchase Agreement shall not be recorded. Recording of the Purchase Agreement is an event of default hereunder.

33. **Bona Fide Purchase:** Purchaser represents that:

(i) he or she is an individual over eighteen years of age;

(ii) he or she is a bona fide purchaser of the unit for occupancy or investment;
and

(iii) he or she is not an employee, shareholder, member or limited partner of the Sponsor, Selling Agent, or any principal thereof, nor is he or she related by blood, marriage or adoption or as a business affiliate to the Sponsor or the Selling Agent.

In witness whereof, each party has signed this Agreement.

Dated: _____

Purchaser

Purchaser

Accepted:

167-177 Lenox, LLC

By: Tahl-Propp Manhattan North Investors III, LLC, Its Managing Member

By: Tahl-Propp MNI, LLC, Its Managing Member

By:

Dated: _____

EXHIBIT A

FINAL INSPECTION STATEMENT

Date: _____

167-177 Lenox, LLC
c/o Tahl-Propp Equities
405 Park Avenue, Suite 1103
New York, New York 10022

Re: Unit ____ at
The Normandie Condominium
100 West 119th Street
New York, New York _____

Ladies and Gentlemen:

This is to confirm that based on the undersigned's personal inspection of the above-referenced Unit, I (we) have found the Unit, its floors, walls, doors, fixtures, appliances, equipment, hardware and all other items listed below, to be in good and satisfactory condition, free of chips, mars, scratches, breaks or other defects, except for those matters(if any) expressly noted below under "exceptions" requiring repair, adjustment or correction:

	Exceptions (if any)	Purchaser's Initials
1. Walls		
2. Floors		
3. Ceilings		
4. Windows (glass, sash, pane, sills, etc.)		
5. Doors		
6. Electric Fixtures		
7. Painted Surfaces		
8. Kitchen Cabinets		

	Exceptions (if any)	Purchaser's Initials
9. Appliances		
10. Kitchen Sink		
11. Medicine Cabinet(s)		
12. Vanity(ies)		
13. Water Closet(s)		
14. Bathtub(s)		
15. Shower Door(s)		
16. Bathroom tile		
17. Hardware (doorbell, doorknobs, faucet(s), locks, etc.)		
18. Other		

We understand that to prevent pilferage certain items, such as medicine cabinet doors, shower heads, toilet seats and towel bars, will be installed just prior to the date we move in.

The undersigned will sign and deliver to Sponsor a separate statement signifying our satisfaction with each item excepted above (if any), immediately upon the completion of the repair, adjustment or correction of same.

The undersigned understands and agrees that Sponsor shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof or its fixtures,

appliances, equipment, etc., contained therein, from or after the date of delivery of possession of the Unit to the undersigned, except as to those items (if any) expressly excepted above (and Sponsor's obligation regarding any such excepted items shall cease upon the completion of the repair, adjustment or correction of same).

Very truly yours,

Purchaser's Signature

Purchaser's Signature

Acknowledged:

167-177 Lenox, LLC

By: _____
Authorized Representative

POWER OF ATTORNEY

I (we) _____, residing at _____ the owner(s) of Condominium Unit No. _____ in the Condominium known as The Normandie Condominium ("Condominium") covering the property located in the City of New York, County of New York, do hereby irrevocably nominate, constitute and appoint the members of the Board of Managers of The Normandie Condominium ("Condominium Board") and their successors, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in my (our) name and on my (our) behalf pursuant to the plan of Condominium ownership evidenced by the Declaration and By-Laws filed with respect to the Condominium to: (1)(a) vote on, exercise or waive any right of first refusal to purchase or lease a Unit available to the Condominium under the By-laws of the Condominium; or (b) acquire, in their own name or in the name of their designee or assignee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same or whose owner desires to sell the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale at such price and on such terms as my (our) said attorneys-in-fact shall, in their sole discretion deem proper; and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal with such Condominium Unit so acquired on such terms as my (our) attorneys-in-fact may in their sole discretion determine granting to my (our) said attorneys-in-fact the power to do all things in the said premises which I (we) could do if I (we) were personally present; (2) execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Zoning Board and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (b) any consent, covenant, restriction, easement, or declaration, or any amendment to the Declaration of Condominium or Bylaws affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate; (3) file applications and protests (or employ persons to do same) in my (our) name and stead with respect to the assessed valuation of my (our) Unit, and to execute all documents and pay all costs in connection therewith; (4) vote to supplement or amend any provision of the Declaration and By-laws of the Condominium on my (our) behalf, as the Board may deem necessary or appropriate (except that nothing herein shall restrict me (us) from amending the Declaration or By-laws pursuant to a vote of Unit Owners in accordance with the provisions of such documents), so long as no such amendment increases my financial obligations if fewer than all other Unit Owners are similarly affected, or changes my percentage of common interest; and (5) act as my agent and attorney-in-fact on my behalf, at my expense, to take such action against any tenant or occupant of my Unit, including (but not limited to) maintaining summary proceedings for eviction or engaging in other litigation, as the Condominium Board may deem necessary in order to protect the interests of the Condominium if (a) such tenant or occupant remains in possession of the Unit after any lease or occupancy agreement for the Unit has been terminated or expires; or (b) such tenant or occupant violates the terms of the Condominium Documents or any lease or occupancy agreement between myself and such tenant or occupant.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint 167-177 Lenox, LLC, its members, successors and assigns, severally ("**Sponsor**") as attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to (a) amend from time to time the Declaration, By-Laws and the Rules and Regulations of said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in unsold Units or the reapportionment of the Common Interests of the affected unsold Units resulting therefrom made by the Sponsor in accordance with the Declaration; or (2) shall be required by (i) an institutional lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (ii) any governmental agency having regulatory jurisdiction over the Condominium, or (iii) any title insurance company selected by Sponsor to insure title to any Unit; however, any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, 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 (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. In addition, the Sponsor is designated as the attorney-in-fact for the undersigned to execute any documents that may be required to be filed with the City of New York in order to complete construction of the common elements of the Condominium or to make an alteration to an Unsold Unit permitted under the Declaration and By-laws of the Condominium. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as Sponsor shall cease to own any Unit in Gateway II Condominium.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint the owner of the Commercial Unit, its members, successors and assigns, severally ("**Commercial Unit Owner**") as attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to (a) amend from time to time Declaration, By-Laws and the Rules and Regulations of said Condominium, or any of said documents, when such amendment shall be required to reflect any changes in the Commercial Unit or the reapportionment of the Common Interests of the affected Commercial Unit resulting therefrom made by the Commercial Unit Owner in accordance with the Declaration; or (b) to execute any documents that may be required to be filed with the City of New York in order to make an alteration to the Commercial Unit permitted under the Declaration and By-laws of the Condominium.

This power of attorney is coupled with an interest and is irrevocable.

IN WITNESS WHEREOF, I (we) have hereunto set my (our) hand(s) and seal this _____ day of _____, 20__.

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

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

NOTARY PUBLIC

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UNIT DEED

THIS INDENTURE made the _____ day of _____ between 167-177 Lenox, LLC ("Grantor") a limited liability company existing under the laws of the State of New York having a place of business c/o Tahl-Propp Equities, 405 Park Avenue, Suite 1103, New York, NY 10022, and _____ ("Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten Dollars (\$10.00), lawful money of the United States, and other good and valuable consideration, paid by Grantee, does hereby grant and release unto the Grantee, their heirs and successors and assigns of the Grantee forever,

The Condominium Unit (the "Unit") known as Unit No. _____ in the building designated as 100 West 119th Street Condominium in the 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 "New York Condominium Act") dated _____ recorded in the Office of the Register of New York County (the "Register's Office") on Control Number _____, and also designated as Tax Lot in Block of the Borough of Manhattan 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 _____ R.A., Architect, and filed with the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____, and also filed in the City Register's Office on _____ as Map No. _____. The premises within which the Unit is located (the "Property") is more particularly described in Schedule A attached hereto and made a part hereof.

Together with an undivided _____% in the common elements of the Condominium to said premises. Together with the appurtenances and all the estate and rights of the Grantor in and

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, rules, and regulations and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

SUBJECT TO the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded or filed simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded or filed in the Office of the City Register of the County of New York, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited at length herein.

TO HAVE AND TO HOLD the premises herein granted unto the Grantee, the heirs or successors and assigns of the Grantee forever.

AND the Grantor covenants that the Grantee has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the Grantor, in compliance with Section 13 of the Lien Law covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first 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 total of the same for any other purpose.

By acceptance of this deed, Grantee ratifies the provisions of the Declaration and the By-laws of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the Office of the New York City Register, County of New York, and to comply with the rules and regulations of the Condominium.

The use for which the Unit is intended is that of residential occupancy subject to the applicable governmental regulations and the restrictions contained in the Declaration.

This conveyance was authorized by a vote of the holders of two thirds of the membership interest of the Grantor a meeting duly noticed and called for that purpose.

The word "party" shall be construed as if it read "parties" whenever the sense of the indenture so requires.

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

Grantor: 167-177 Lenox, LLC

By: Tahl-Propp Manhattan North Investors III, LLC, Its
Managing Member

By: Tahl-Propp MNI, LLC, Its Managing Member

By: _____

Grantee:

By: _____

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

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

NOTARY PUBLIC

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

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

NOTARY PUBLIC

SCHEDULE A
PROPERTY DESCRIPTION

[TO BE INSERTED]

**100 WEST 119TH STREET
NEW YORK, NEW YORK 10013
17 August 2004**

A. Location and use of Property

1. This residential condominium conversion project ("The Building") is located on the corner of the Southern side of West 119th Street and the Western side of Lenox Avenue, in the borough of Manhattan, City of New York. The Building was constructed before the issuance of Certificates of Occupancy. Based on document research, and analysis of planning methods and construction techniques, it is estimated that this seven story building was built in the early 1900's.
2. The Building is situated on Block No.: 1903, Lot No.: 36.
3. The Building is located within the R7-2 Zoning District, as shown on NYC Planning Commission Zoning Map 6b.
4. The legal use proposed will comply with all Zoning requirements, and will conform with the approved Department of Buildings Application. The proposed use will remain general residential above the first floor. The first floor and cellar will be mixed-use, residential and commercial. The commercial use allowed is defined by Use Group 6 of the Zoning Resolution. Permitted uses included within this use group consist primarily of retail stores and personal service establishments, offices, or public service establishments. Examples of such uses include retail stores, art galleries, banks, barber shops, tailors, dry cleaners, eating and drinking establishments, and professional offices.

B. Status of Construction

1. The Building was constructed before the issuance of Certificates of Occupancy. Based on document research, and analysis of planning methods and construction techniques, it is estimated that this seven story building was built in the early 1900's.
2. Class of Construction: The existing construction is classified as Class 2 (Old Code), Fire Protected Structures. New construction to be performed is classified as Class I-C, Non-combustible (New Code). Construction as per the building plans will conform to all applicable regulations of the

Building Code of the City of New York ("Building Code"). Architectural and Mechanical plans were submitted to the Department of Buildings under Job Numbers 103694977, 103604967 and 103725603. All job applications have been approved and applicable permits have been issued. Final sign off is pending upon completion of work.

3. Certificate of Occupancy: There is no Certificate of Occupancy for the premises. The Building was erected prior to the issuance of such certificates.
4. The renovation work permitted for construction under New York City Department of Buildings Permit Numbers #103694977-01-EW.MH.PL, #103694977-01-EW.OT, #103604967-01-PL, #103604967-01-EW.OT, #103604967-01-EQ.SH, will include:

All floor joists in the Building will be replaced with new steel C-joists. New interior partitions will delineate six commercial units and one residential unit on the first floor, and four residential units on each of the upper floors two thru seven. New utility services for the thirty-one condominium units will be located in the cellar of the building. New mechanical systems and associated branch lines will be installed for each unit, as described further herein. All common spaces will be renovated, including a new elevator servicing the cellar thru the seventh floor.

Demolition and construction began November 2003, and the developer anticipates completion by September 2004, unless delayed by weather, strikes, lockouts, acts of God, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Developer has no control.

C. Site

1. Based upon information contained in surveys prepared by Earl B. Lovell-S.P. Belcher, and the property deed description titled Schedule A of Title No. 03NYM9280 prepared by New York Land Services/Commonwealth Land Title Ins. Co., the total lot area is: 7500SF

The existing building at 100 West 119th Street is seven stories. The cellar is 6,876 SF and the first thru seventh floors are 6,844 SF each. The total existing built floor area, excluding the cellar, is 47,908 SF.

2. The Building is a single building developed for residential and commercial use.

3. There are no streets owned or maintained by 100 West 119th Street. They are the property and responsibility of the City of New York. 100 West 119th Street is required to keep the sidewalk directly to the North and East of the property clean of debris, trash and snow.
4. Sidewalks and Ramps
 - i) The existing sidewalk paving that defines the Northern edge of the site on West 119th Street and the Eastern edge of the site on Lenox Avenue is in good condition consisting of a poured concrete sidewalk.
 - ii) The concrete sidewalk curbs at West 119th Street and Lenox Avenue are in good condition and will remain.
 - iii) The street is presently pitched to drain through existing cast iron catch basins into the New York City storm water drainage system. There is such a catch basin located at the Northeast corner of 100 West 119th Street and it is in good condition.
 - iv) Present street lighting, attached to the traffic lights for the Lenox Avenue and West 119th Street, is provided by pole mounted mercury-vapor fixtures located at the Northeast corner of the lot described and is in good condition.
 - v) All sidewalks, lighting and curbs comply with the requirements of the New York City Department of Transportation, Buildings and Fire Departments.

D. Utilities

Water supply and combined sewer servicing the Building will be provided by the City of New York. Commercial and residential water will be collectively metered. Both gas and electric will be provided by Con Edison, a public service company, and will be individually metered to each condominium unit. Each unit will be wired for telephone and cable service, as well as computer networking. It will be the purchaser's obligation to purchase telephones and arrange for telephone and cable service for his or her unit.

E. Sub-soil Conditions

1. There is no indication of settlement or uneven settlement.
2. There is no evidence of moisture, seepage or ground water accumulation in the past 12 months during which time many heavy rains have occurred.

F. Landscaping & Enclosure

There is no landscaping or enclosures.

1. No grass cover exists on the site.
2. No plantings exist on the site.
3. No trees exist on the site.
4. No fencing exists on the site.
5. There will be one wrought iron privacy enclosure with gated entrance to cellar along 119th Street.
6. No garden walls exist on site.
7. No retaining walls exist on site.
8. There will be no display pools or fountains.

G. Building Size

1. The approximate height of the Building (to roof deck) from the mean curb elevation at the street frontage is 72'-0".
2. The approximate height of the cellar from floor-to-ceiling is 9'-0".
3. There is one cellar in the Building.
4. There are seven floors in the Building in addition to the cellar.

The approximate height of the Ground Floor from floor-to-ceiling is 9'-0".
The approximate height of the Floors two through seven from floor-to-ceiling is 9'-6".

5. There will be a gas meter room, an electrical room, and a boiler room located in the Cellar.
6. The existing parapet masonry walls around the North and East facades are above 3'-6" high and in fair condition. The South parapet masonry wall is 2'-0" high, in fair condition, and will receive safety pipe railings or equivalent. The two interior courtyard parapet masonry walls will be reconstructed as necessary. The west parapet masonry wall will be entirely reconstructed. All parapet conditions will provide a safety height of at least 3'-6", as per the New York City Building Code.

H. Structural/Construction System

1. The existing perimeter structure of the Building is comprised of 16" thick load bearing masonry walls, with stone veneer on the north and east facades. The load bearing masonry walls that define the central vertical core- including the stair, elevator, and two courtyards- support the interior floor assembly and appear to be in good condition. Masonry openings are supported with steel lintels, unless corbelled at window openings. All load-bearing walls appear to be in good condition. The floor and roof assemblies will consist of steel C-joists with plywood sub-floors, solid oak finish floor, gypsum wall board ceilings, and fiberglass batt insulation. Interior partitions consist of metal stud framing and gypsum wall board, with sound dampening materials as required. The foundation walls and piers are a combination of stone rubble and brick, though subsoil conditions have not been visually inspected, it is probable that there are spread footings approximately 2'-6" below the cellar concrete slab-on-grade.

- i) Walls: Existing exterior perimeter walls are masonry load-bearing walls with an average thickness of 16", including a stone veneer on the north and east sides of the building. The stone veneer has been cleaned and re-pointed and is in good condition. All other masonry walls will be cleaned and re-pointed as required and are in good condition. All lintels located within the outer brick wythe are stone and there are wood back-up header supports within the inner wythes. All sills are stone. The lintels and sills have been refurbished or replaced as required to match existing materials and they are in good condition. On their interior face, the existing exterior walls will receive furring strips with rigid insulation board and a finished surface of gypsum wall board. The average thermal resistance of the exterior stone/masonry walls of the building will be approximately $R=5$.

The Building is required to comply with Local Law 11, and the sponsor will comply with such regulations as described by the NYC Department of Buildings.

- ii) Windows: All new windows will be aluminum frame, thermally broken, double glazed, double-hung units. They will have an aluminum finish. Hardware will be brushed nickel or similar. Screens will be provided. Exterior sills and lintels will be stone similar to exterior building walls found on the North and East facades. Interior lintels will be corbelled masonry or steel, and the sills will be predominantly 4" thick slate. Caulking will be Dow Corning 795 Silicone Building Sealant™ exterior caulk or similar.

There are no lot-line windows in the Building.

iii) This Building has no landmark status.

2. Parapets and Coping: Parapets: The parapets on the North, South, East, and West are masonry extensions of the exterior bearing walls. The south parapet will be reconstructed as necessary. The North and East cornice/parapet is a cast decorative cover secured to an existing brick substrate, which is in good condition. All new coping stones will be terra cotta.
3. Chimneys and Caps: Each new residential unit on floors two thru seven will have their own working wood fireplace. Each fireplace will be reconstructed with fire brick, cast iron dampers, double-insulated metal flue liners, and a galvanized-steel natural convection turbine as a chimney cap. There will be four additional metal flues to exhaust the furnaces located in each residential unit type.
4. There are no balconies or terraces.
5. Exterior Entrances: There is one exterior entrance from West 119th Street accessing the residential units of the Building and one cellar egress located on the same façade. There are six individual commercial entrances along Lenox Avenue.
 - i) Exterior Doors and Frames: The residential exterior entrance door will be steel and glass. A new intercom system will be connected to an electric strike, allowing each unit to release the lock from within the unit to permit visitors to enter. The individual commercial unit entrance doors will be integral with the unit storefront made of aluminum and glass.
 - ii) Vestibules, Doors and Frames: A vestibule door will be located immediately inside the entry door at the location of the mailboxes. The vestibule door will be a 1 1/2 hour fire resistant self-closing metal door with glass sidelights. This door will have a separate lock, also fitted with an electric strike, and connected to the intercom system.
 - iii) Exterior Stairs: There will be one new exterior stair leading from the sidewalk down to the cellar. It will be of concrete construction, and will be protected by concrete retaining walls. There will be a new hinged, metal gate at the sidewalk entrance to the stairs. There will be one refurbished exterior stair constructed of stone and concrete leading from the sidewalk up to the main entrance to

the Building. Commercial units 1E and 1F have a short existing concrete ramp from the sidewalk up to the entrance doorway. These ramps are in fair condition.

- iv) Railings: New painted metal railings will be provided along the exterior stair leading from the cellar to street level and from the street to the main entrance to the Building.
- v) Mail Boxes: Mail will be placed in government-approved individual mailboxes located in the vestibule.
- vi) Lighting: There will be a new lighting system with pendulum type fixtures in the vestibule/entry area. New fluorescent lighting fixtures will be installed throughout the common spaces on floors two thru seven. There is a pole mounted mercury-vapor street lamp located at the corner of Lenox Avenue and West 119th Street.

6. Service Entrances:

There are no service entrances.

7. Roof and Roof Structures

- i) Type : a new roof will be installed as per the following specifications.
 - a) Material: Steel C-joist rafters with 3/4" ply sheathing.
 - b) Insulation: R19 fiberglass insulation will be installed between the roof rafters.
 - c) Surface Finish: Black EPDM 4-ply cold applied roll membrane.
 - d) Expected Useful Life: 20 years
 - e) Bond or Guarantee: A ten year roofing guarantee will be provided by Firestone.
 - f) Flashing Material: A continuous cant strip covered with bituminous base flashing will be installed integral to brick parapet wall.
- ii) Drains:

- a) Location, Material and Type: There will be three existing metal scuppers at roof level which will empty into individual 4" diameter galvanized metal leaders and carry down to the cellar emptying directly into the building storm drain.
- iii) Skylights:

There are no skylights.
- iv) Bulkheads:
 - a) There is one building-wide masonry bulkhead, providing access to the roof from the central vertical core. This bulkhead is in good condition.
 - b) There is one masonry bulkhead accommodating the elevator machine room.
- v) Metal Work at Roof Level:
 - a) There are no exterior metal stairs at the roof level.
 - b) There are no vertical ladders at the roof level.
 - c) Railings: See description of Parapet/Roof Railings (Section G-6).
 - d) There are no hatches to the roof.
- vi) There will be no rooftop facilities.
- 8. Fire Escapes. There is a fire escape on the North, East, and South facades of the Building extending from the roof down to the street level. All existing fire escapes will be scraped, reinforced as required, and painted.
 - i) Location: Each fire escape is secured to the building with steel bracing attached through the 16" brick exterior walls and bolted to a steel bearing plate on the interior surface of the wall.
 - ii) Floors two through seven have access to the fire escapes.
 - iii) There is a drop ladder from all three fire escapes beginning at the lowest metal grating platform and extending to the ground.
 - iv) Type: Exterior unenclosed stairway.

- v) Materials. Steel.
9. Yards and Courts: The Building has no yards and two courtyards. The Courtyards are accessible from the cellar, and are intended for natural light and ventilation.
- i) There will be no paving other than a concrete surface at grade.
 - ii) The courtyards will be drained as required to prevent standing water.
 - iii) There will be no railings in the courtyards.
 - iv) There will be no stairs in the courtyards.
 - v) There will be no fencing in the courtyards.
 - vi) The existing courtyard walls are made of masonry, which are in good condition.
10. Interior Stairs:
- i) There is one stair from the first floor to the roof. This stairway is in good condition, except for the run from the first to second floor, which will be refurbished.
 - ii) The stairwell is enclosed by 16" thick masonry wall to the third floor, then reducing in thickness to 12" wide up to the roof..
 - iii) Stair Construction: Existing stairs are constructed of steel and marble.
 - iv) Stringers: Existing stringers are steel and will be scraped and painted. They are in good condition.
 - v) Treads: Existing stair treads are marble and are worn, but in fair to good condition, except for the first run which will be refurbished or replaced by a similar marble. Otherwise, individual damaged treads throughout the building will be replaced with marble to match existing.
 - vi) Risers: Existing stair risers are steel and in good condition. They will be scraped and painted.

- vii) Guardrails: Existing guardrails are comprised of wood handrails over decorative iron work. They are in good condition and will be refinished.
- viii) Balustrade: All balustrades are decorative iron work and are in good condition. They will be scraped and painted.

11. Interior Doors and Frames:

- i) Unit Entrances and Interior: All unit entrances will be located off the main common hallway. Unit entrances will have metal frame UL listed fire rated steel doors in accordance with the New York City Building Code. Interior doors and frames within the units will be wood.
- ii) There will be no corridor doors.
- iii) Roof Doors, Cellar Doors and Frames: These doors will have metal frame UL listed fire rated steel doors in accordance with the New York City Building Code.

12. Elevators: There will be one new passenger elevator that provides service to all units from the cellar to the seventh floor.

- i) There will be one new passenger elevator located in the common hallway at the vertical core of the Building.
- ii) The new 2004 elevator is made by Hollister-Whitney, and has a capacity of 2000 lbs or thirteen passengers.
- iii) The elevator will be operated automatically.
- iv) O. Thompson automatic controls will be used in the passenger elevator.
- v) The elevator will be serving the cellar and floors one through seven.
- vi) The elevator will have overhead gears with the machine room located in the rooftop bulkhead.
- vii) The elevator will have an automatic sliding door at each floor, including the cellar.
- viii) The elevator machine room is located in the rooftop bulkhead.

- ix) The elevator will be powered by an AC motor.
- x) The elevator will operate on an Imperial™ AC generator-motor, or equal.

13. Elevator Cabs:

- i) The elevator cab will be an EDI, Elevator Doors, Inc. or equal.
- ii) The flooring of the elevator cab will be rubber tile.
- iii) The walls of the elevator cab will be stainless steel with wood paneling.
- iv) The ceiling of the elevator cab will be stainless steel.
- v) The lighting of the elevator cab will be fluorescent fixtures.
- vi) There will be a dial-out intercom system connected to the elevator company as per New York City Building Code.

I. Auxiliary Facilities

1. Laundry rooms: Each residential unit will have one washer and dryer.

- i) The washer and dryer will be located in the kitchen area of each unit.
- ii) There will be one electrically operated heavy-duty laundry washer in each residential unit: Maytag™ washer/dryer combo unit - LSE7806ACEWW, or equal.
- iii) There will be one gas-powered heavy-duty dryer in each residential unit: Maytag™ washer/dryer combo unit - LSE7806ACEWW, or equal.
- iv) There will be a vented wood door to the individual laundry room.
- v) The dryer will be mechanically vented and exhaust at the roof.

2. Refuse Disposal

- i) Incinerators: none
- ii) Compactor: none
- iii) Approvals: n/a

- iv) Storage Location: Refuse bags with mandated recyclables separated will be deposited by unit owners into designated pails located in the Cellar of the Building.
- v) The bags from the refuse pails will be picked up by the New York City Department of Sanitation. The current pick up schedule is Tuesday, Thursday, and Saturday for regular refuse and Thursday for recycled refuse.

J. Plumbing and Drainage Systems

1. Water Supply.

There will be a new 3" municipal water service main provided from West 119th Street. The new water service main will be metered and provided with an approved RPZ device, as required by the appropriate New York City authorities.

Domestic hot and cold water systems for the Residential units will be horizontally distributed in the Cellar to water risers, placed within 2 hr. fire rated vertical shaftways. Branch piping of type "L" copper tubing will be provided to all applicable plumbing fixtures and mechanical equipment.

2. Fire Protection System. There will be hardwired smoke detectors in each unit.

- i) Standpipes. None
- ii) Hose racks, hoses and nozzles. None
- iii) Sprinkler heads. None

3. Water Storage. None

4. Water Pressure. The building pressure is supplied directly from the municipal water main, which provides the upfeed distribution system with approximately 35 psi. The domestic water system pressure will be supplemented with a new RPZ device and booster pump rated for 150 gpm at 55 foot of head.

5. Sanitary Drainage and Vent Systems.

- i) Sanitary drainage piping will be no-hub cast iron. All horizontal and vertical piping will be newly installed.
- ii) Sewage pumps. None

- iii) Sewage disposal. The building waste distribution piping will deposit all sewage into the New York City combined sewage system.
- 6. Building permits will be obtained for a new water service and backflow preventer. All other interior plumbing has been filed with and will be inspected by the New York City Department of Buildings under the following permit numbers: 103694977-01-PL, #103604967-01-PL,
- 7. Storm Drainage System
 - i) Catch basins. None
 - ii) Yard and roof drains. New storm drainage piping from the roof drains and courtyard drains will be piped by gravity to connect with the existing New York City combined sewage system.
 - iii) Piping. The new cast iron storm house drain will extend to a point of connection with the existing combined sewers.
 - iv) Sump pumps. None

K. Heating

- 1) Domestic hot water will be provided by a new gas-fired heater with an 80 gallon capacity tank and a temperature rise of 100°F and 65,000BTU/Hr heating capacity. The useful life for the heating system equipment is approximately 10 years.
- 2) The domestic water system will include a RPZ device and booster pump rated for 150 gpm at 55 foot of head.
- 3) The gas-fired furnaces for heating in each residence will be Carrier model 58MVP-220-20 horizontal blow high-efficiency condensing unit, or equal. Heating units will be capable of delivering 1900-2100 CFM on high heat with an external static pressure of 0.8" WG.. (Note: the same furnace/air handling section is used for heating and cooling). The useful life for the heating system equipment is approximately 15 years.

L. Gas Supply.

- 1. Natural gas supply will provide the fuel for cooking and heating in the building.
- 2. All units will be individually metered.

3. There will be a new upgraded 6" main service gas line installed by Con Edison. All piping will conform to New York City Building Code requirements.

M. Air Conditioning.

1. There will be a Heating, Ventilating, Air-Conditioning high-efficiency gas fired furnace/air handler unit with cooling coils in each residence. These units are Carrier model 58MVP-220-20 horizontal blow high-efficiency condensing units, or approved equal. Units shall be capable of delivering 1900-2100 CFM on high cooling with an external static pressure of 0.8" WG. The ductwork will be run primarily in corridors, complete with acoustical lining, volume dampers, return register and supply outlets. The cooling coil will be a direct expansion horizontal coil - Carrier model CKA5030, or approved equal. Each coil will be capable of 2100 CFM with a maximum pressure drop of 0.25" WC. (Note: The same furnace/air handling section is used for heating and cooling).
2. A programmable thermostat will be provided with night setback.
3. The individual outdoor air-cooled condensing units will be located on the roof and in the courtyards. The condensing unit will be a Carrier model 38BRC030-31, or approved equal.
4. The useful life for air conditioning equipment, including the coil and air-cooled condensing unit is approximately 15 years.

N. Ventilation.

Kitchens and bathrooms, that do not have natural ventilation, will have individual roof mounted mechanical exhaust fans connected to exhaust air shafts. All habitable rooms will have operable windows.

O. Electrical. **ELECTRICIAN TO SUPPLY/CONFIRM**

1. Service from main service switchgear
 - i) Service to the Building will be provided by Con Edison as follows:
 - a) 200 Amps, 3-phase 4-wire will feed the public lighting and power.
 - b) 600 Amps, 3-phase 4-wire will feed the residential units.
 - c) 600 Amps, 3-phase 4-wire will feed the commercial units.
 - ii) Telephone service will be provided by VERIZON.

- iii) Cable TV service is provided by Time Warner.
 - iv) Category 5 data cable will be located in the living/dining room of each residential unit.
2. Service to individual units
- i) 25 meter pans will be provided by Con Edison, each with 100 amp, single phase, 220V for each individual residential unit. Individual commercial units will be allocated amperage from the total 600 Amp commercial service pursuant to the needs of each unit and as per local building codes. It is estimated that each unit will receive 100 Amps. The commercial units are not being offered at the time.
 - ii) Service to individual apartments from each meter pan will be run with 4/3 bx wire.
3. Compartment switch-gear will be located in the cellar of the Building.
- 4-5. Unit Service / Adequacy
- i) Panels to individual residential units will be load center circuit breaker type, with On, Off and Trip positions and a maximum of 24 branch circuits per panel.

Service will be sufficient for all anticipated loads within the apartments, including air conditioning units and dishwashers.
 - ii) General lighting of the units will be provided.
 - iii) Receptacles will be Decora style specification grade, 125 volt, 2 pole 3 wire, grounded, 15 amperes for convenience and 20 amperes or as required for appliance circuits. GFI type outlets will be provided in all bathrooms, and in kitchens every 4' on center above countertops.

P. Intercommunication/ Security/ Television

- i) All residential units will have a Elvox 6300 video/ telephone intercom system or equal, permitting the occupants of these units to communicate audibly and visually with the West 119th Street entry door location.
- ii) Each residential unit will be wired to permit the installation of telephone jacks. Units will be internally wired with Category 5 cable lines in the living/dining rooms to accommodate high speed internet use. Each residential unit must set up individual Internet

service accounts, provide related networking hardware and individual service lines from the residential unit to a service provider access location.

- iii) Cable television reception will be provided to the building by Time Warner Cable™. Each residential unit must establish a separate account for cable service.

Q. Public Area Lighting

Lighting will be furnished to the public hallways of the Building through fluorescent fixtures providing adequate light levels in all locations. The mercury-vapor, pole-mounted street light will be supplemented by an exterior wall-mounted light fixture at the front entrance to the Building. The cellar public spaces will be illuminated with incandescent bulbs mounted in ceramic fixtures to the cellar ceiling.

R. Garage and Parking Area: None

S. Swimming Pool: None

T. Tennis Court: / Playgrounds/ Recreation facilities: None

U. Permits and Certificates:

The following Permits and Approvals have been obtained as required:

New York City Department of Buildings:

- a. General Construction and Plumbing Permits
- b. Alt. 2 - Construction Equipment

The following Permits and Approvals will be obtained as required:

New York City Department of Buildings:

- a. HVAC, Equipment Installation Permit
- b. Certificate of completion from the Bureau of Electrical Control
- c. Smoke tests at fireplace flues

Upon final inspection and approval by the Department of Buildings, receipt of the letter of D.O.B. job completion, and the Bureau of Electrical Control Certificate, all approvals will be final requiring no further permitting, certificates or inspections. The duration of the approvals is unlimited.

V. Violations

There are thirty-five (35) active DOB violations. The violations will be removed as part of the current scope of renovation. The violations are as follows: V 2586-74C, V 020576C04Y2944, V 121376ES3S, V 102777ESD6, V 052782CDTB3, V 031893LL629117900, V 082995LL629113032, V 021097LL629108826, V 091697LL6291190329, V 050498LL629109305, V 080802L1198NRF51764, V 122788B46175-01, V 070192LL1080NRF0805, V 100592CD3PR01, V 102593E1464C01, V 041795LL108101756, V 030896LL108101389, V 011397LL108101604, V 010698LL108101238, V 012099LL108101486, V 031699LL629106526, V 020700LL629106617, V 031000LL108101499, V 0227001LL629106422, V030801LL108101409, V 0219002LL108101579, V 032602LL629106619, V 110602CNE04GA, V 031903LL629106203, V 032103LL108101225, V 021304LL629107044, VECB122788BFF38, VECB 052396LL1080NRF

W. Unit Information

The alteration work in each of the units, which includes the following finishes and fixtures, constitutes a complete "gut" renovation of the space, with entirely new mechanical, electrical and general construction materials.

There are twenty-five (25) residential units plus six (6) commercial units in the Building. There are seven (7) units on the first floor, (six commercial and one residential), and four (4) units on each floor two thru seven.

The cellar contains mechanical and building utility rooms.

The floor numbering systems for construction and marketing purposes are identical: Cellar, Floors 1 - 7.

The square footage of each unit is measured horizontally from the exterior face of the exterior walls of the Building to the centerline of the partitions separating one unit from another unit, and to the centerline of the wall separating one unit from corridors, stairs, shaftways, and other mechanical spaces or any common elements (as herein after defined). Each unit will consist of the area measured vertically from the top of the sub-floor to the underside of the structural members above.

All residential and commercial units have been inspected and are represented as follows:

Unit	Area (in sq. ft.)	Rooms	Total Rooms
1A	1403	4 bedrooms, living/dining room, kitchen, 2 bathrooms	6/2
2A,3A, 4A,5A, 6A,7A	1456	4 bedrooms, living/dining room, kitchen, 2 bathrooms	6/2
2B,3B, 4B,5B, 6B,7B	1524	4 bedrooms, living/dining room, kitchen, 2 bathrooms	6/2
2C,3C, 4C,5C, 6C,7C	1658	4 bedrooms, living/dining room, kitchen, 3 bathrooms	6/3
1B	1096	1 commercial space, 1 bathroom	1/1
1C	582	1 commercial space, 1 bathroom	1/1
1D	510	1 commercial space, 1 bathroom	1/1
1E	658	1 commercial space, 1 bathroom	1/1
1F	359	1 commercial space, 1 bathroom	1/1
1G	1061	1 commercial space, 1 bathroom	1/1

1) Finishes for Units are as follows:

Space	Floor	Wall	Ceiling	Moldings	Other
Bedrooms	WF	PT/GWB	PT/GWB	WB	
Living room	WF	PT/GWB	PT/GWB	WB/CM	SHM
Kitchen	CT	PT/GWB	PT/GWB	WB	GC
Bathrooms	CT	CT/PT/GWB	PT/GWB		
Closets	WF	PT/GWB	PT/GWB	WB	

Abbreviations

WF	Solid oak 3/4" wood flooring
PT	Paint
CT	Ceramic tile
GWB	Gypsum wallboard
SHM	Stone hearth and mantelpiece
GC	Granite countertop
WB	Wood base
CM	Crown moldings

2) Bathroom fixtures for Units are as follows or equal:

Toilet	Kohler™ K-3422 Wellworth w/ K-4652 seat, White
Lavatory	Kohler™ K-2253-8-Royale lav., white
Lavatory Faucet	Kohler™ K-7435-K Triton w/ K-16012-4
Bathtub	Kohler™ K-1496-H Rappoport 5'
Shower body and head	Kohler™ K-T6910-4A Triton

3) Kitchen and Laundry equipment in Units is as follows or equal:

Refrigerator	Frigidaire™ Gallery - stainless steel
Gas Range	Frigidaire™ Gallery - stainless steel - gas powered
Dishwasher	Frigidaire™ Gallery - stainless steel -24" built-in
Microwave	30" built-in, 1.3 cu.ft, Frigidaire™ Gallery - stainless steel
Sink	Kohler™ K-3348-4 Toccata Single Basin - stainless steel
Faucet	Kohler™ K-6353 Avatar kitchen faucet
Cabinets	Wood door fronts over standard carcass
Countertop	Granite countertop
Washer	Maytag™ white on white washer/dryer combo unit-LSE7806ACEWW

Dryer

Maytag™ white on white washer/dryer combo unit-
LSE7806ACEWW

X. Finish Schedule Common Rooms and Public Spaces

Building Public Space consists of the entry vestibule, the hallways and stairs from the Ground Floor to the Roof. Finishes of all Public Spaces are as follows or equal:

<u>Space</u>	<u>Floor</u>	<u>Wall</u>	<u>Base</u>	<u>Ceiling</u>
Entry Vestibule	CT	PT/GWB	CT	Tin
Hallways	CT	PT/GWB	CT	PT/GWB
Stairs	M/ST	PT/GWB	N/A	ST
Cellar	CONC	PT/GWB	N/A	PT/GWB

Abbreviations

ST Steel
M Marble
GWB Gypsum wallboard
CT Ceramic Tile
CONC Concrete
PT Paint

Y. Safety and Warning Devices:

Hard-wired smoke detectors as required by Code will be installed in all units, common areas, and utility rooms. If required by code for the commercial units, will be the responsibility of the commercial unit owner.

Z. Additional Information

- 1) Site Plan: Building substantially covers entire lot. The Southern edge is set back $\pm 5'$ from the lot line to accommodate the fire escape at the south façade, and a portion of the Western edge is set back $\pm 5'$ to allow for natural light and ventilation.

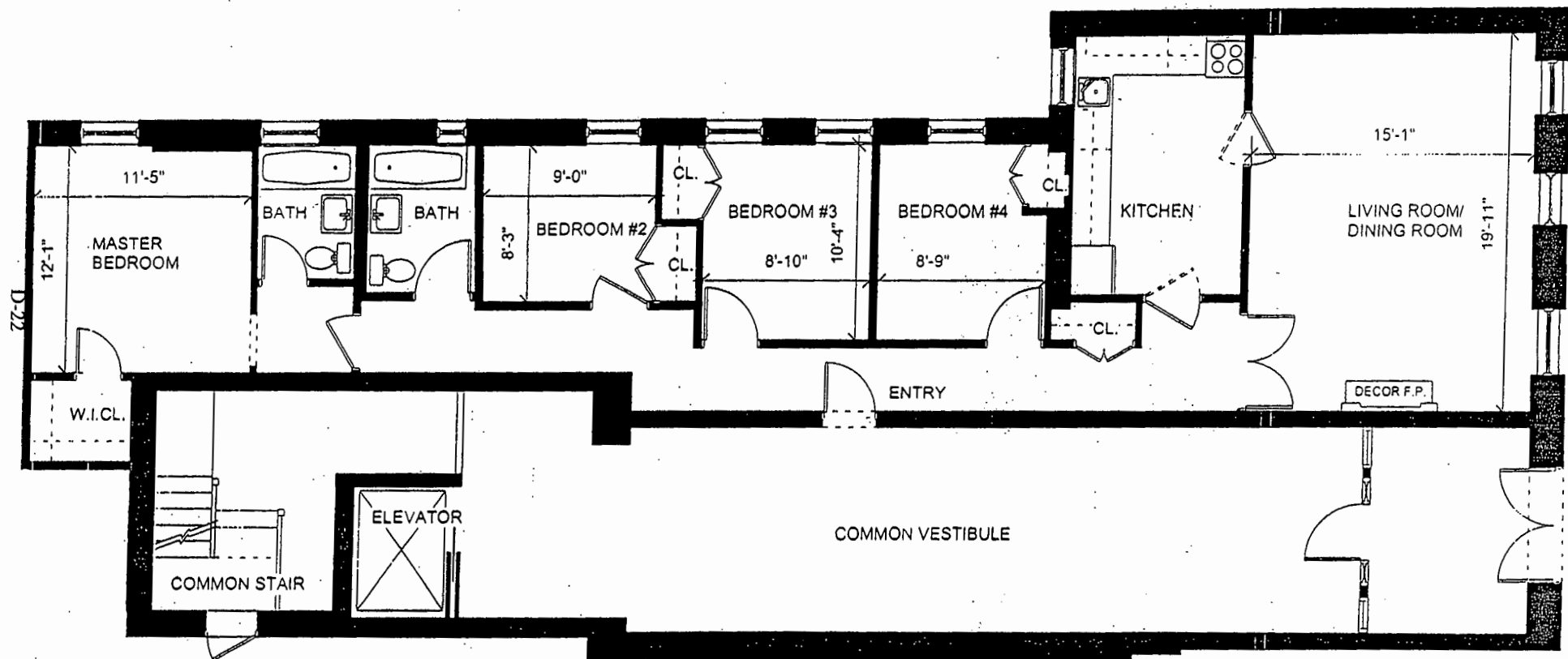
- 2) The Building is in a highly urban area.
- 3-6) See plans herewith submitted
- ab) There will be no further development.
- ac) See copies of ACP 5 forms attached

I hereby affirm that the above description of the property and specifications are an unbiased professional opinion arrived at without inducements of any kind.

Joel E. Towers, RA
SR+T, Architects

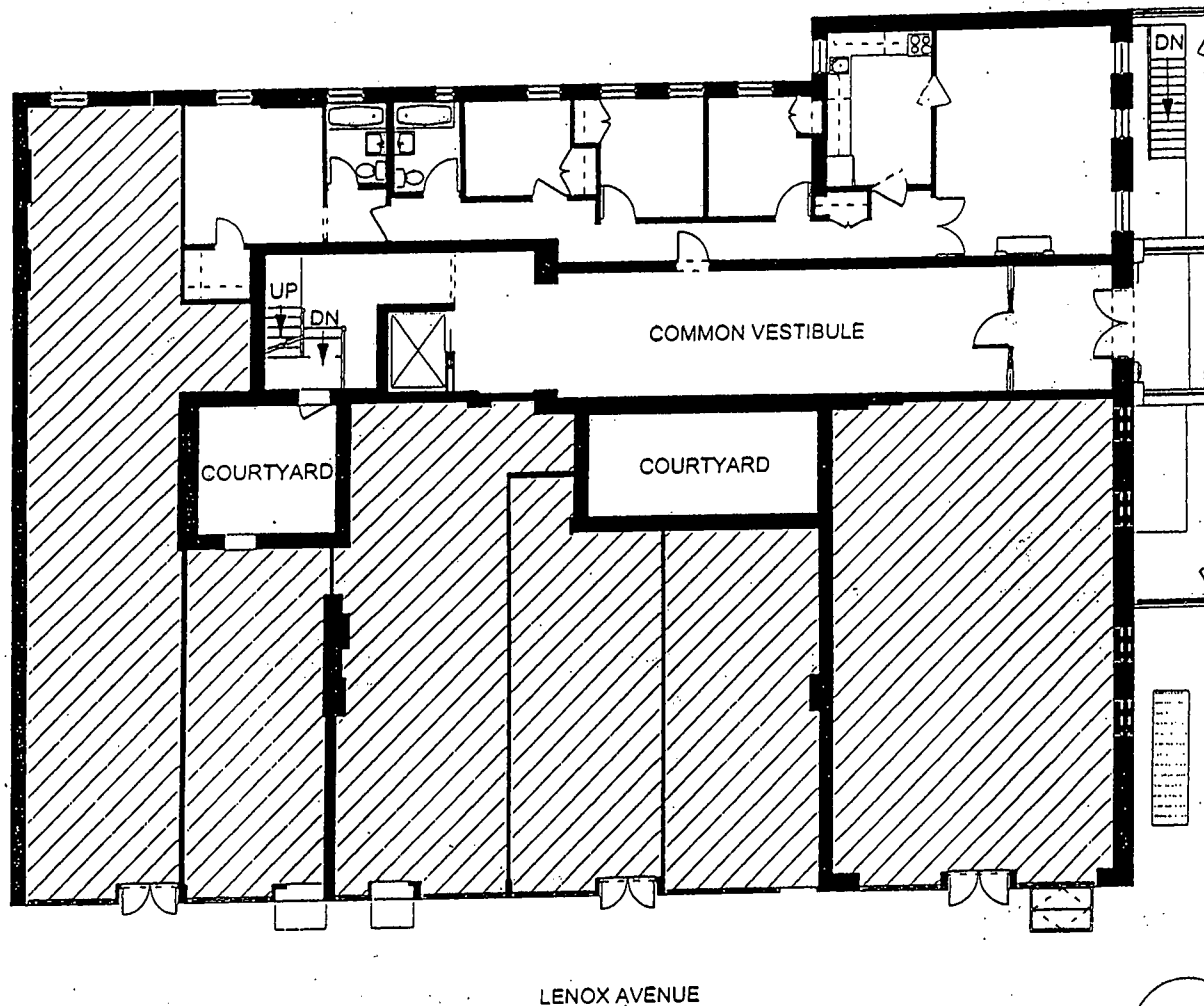
End of Report





UNIT 1A
GROUND FLOOR

UNIT 1A
GROUND FLOOR
FOUR BEDROOM
NET AREA = 1424 sq.ft.

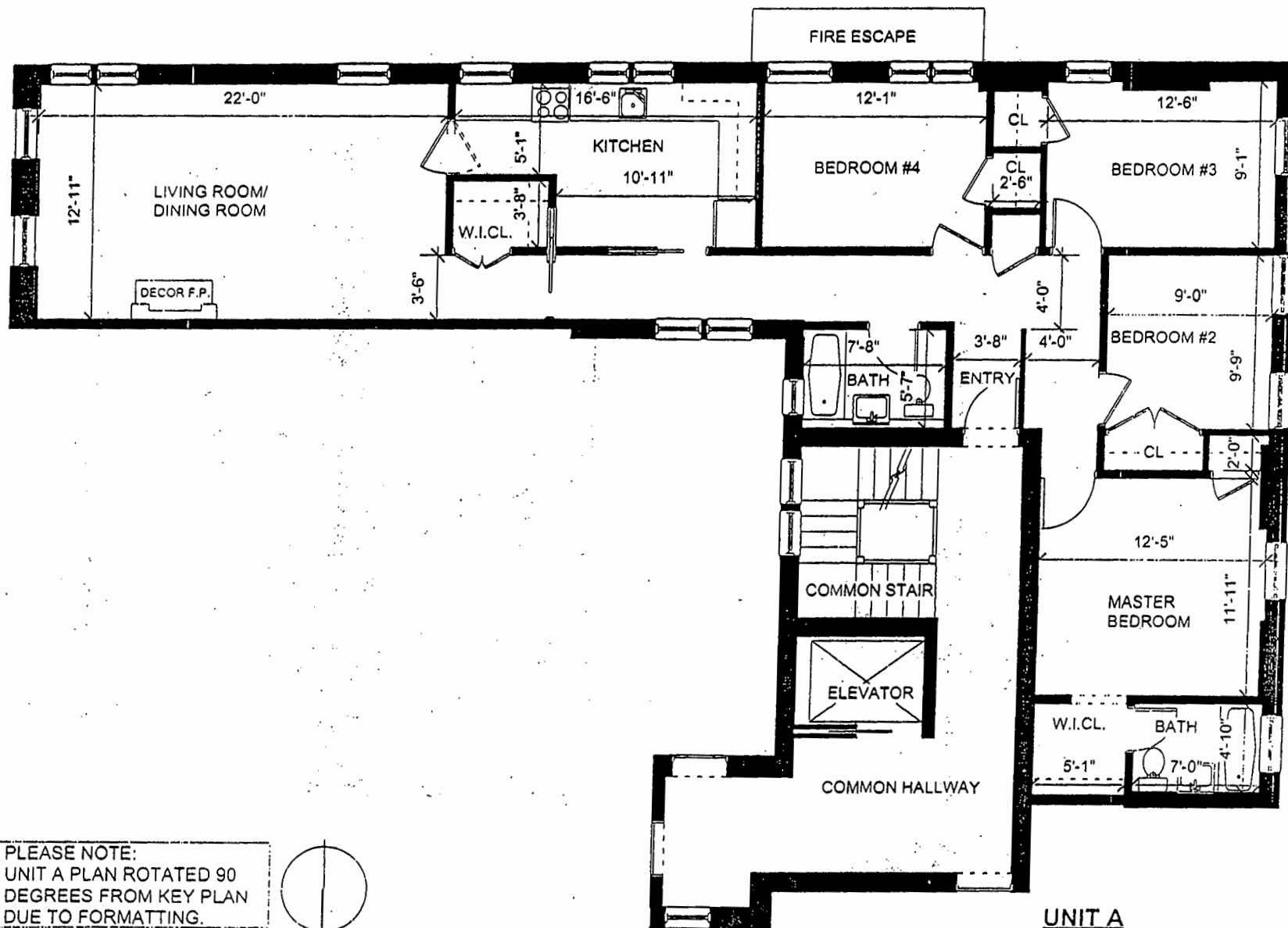


100 WEST 119TH STREET
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FROM FLOOR TO FLOOR

SR+T ARCHITECTS

D-23

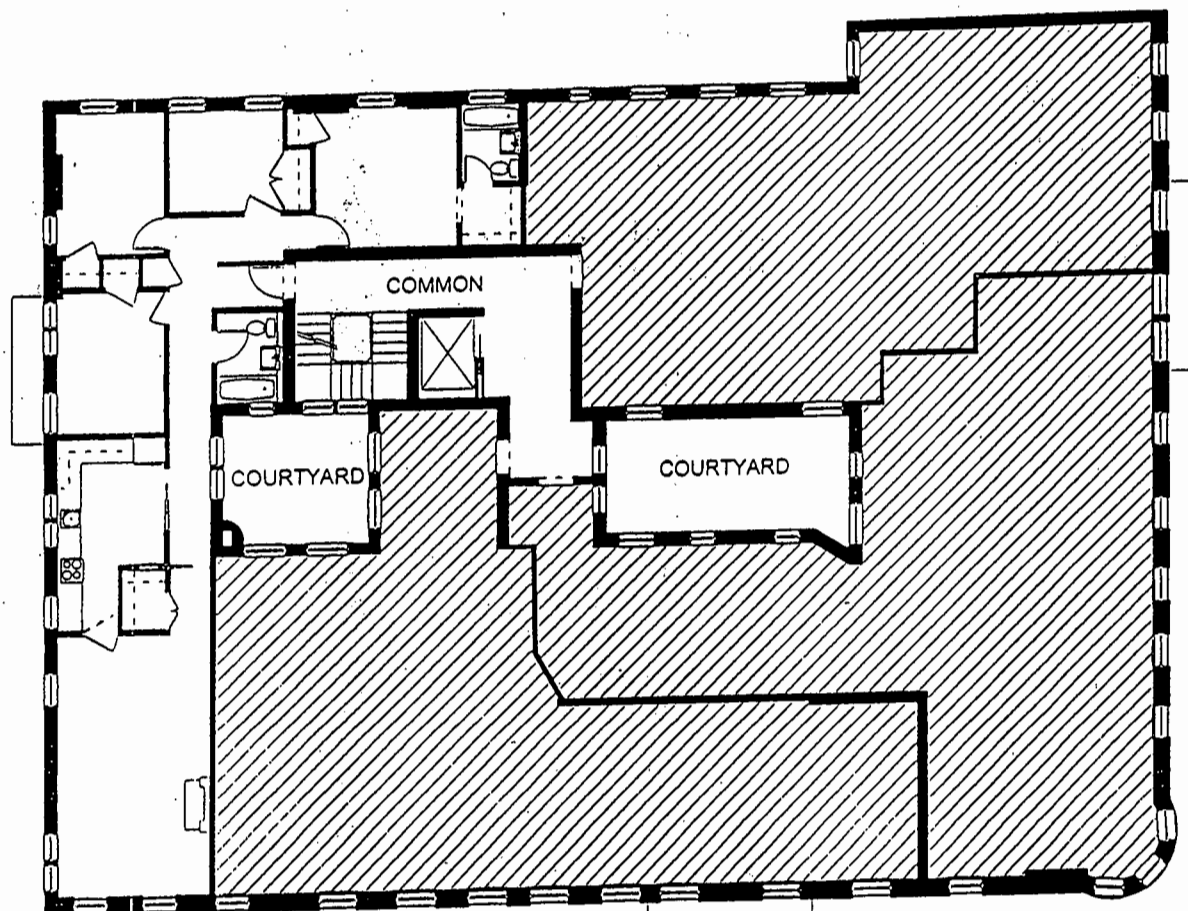


UNIT A
FLOORS 2-7

UNIT A FLOORS 2-7

TYPICAL
FOUR BEDROOM
NET AREA = 1456 sq.ft.

D-25



WEST 119TH STREET

LENOX AVENUE

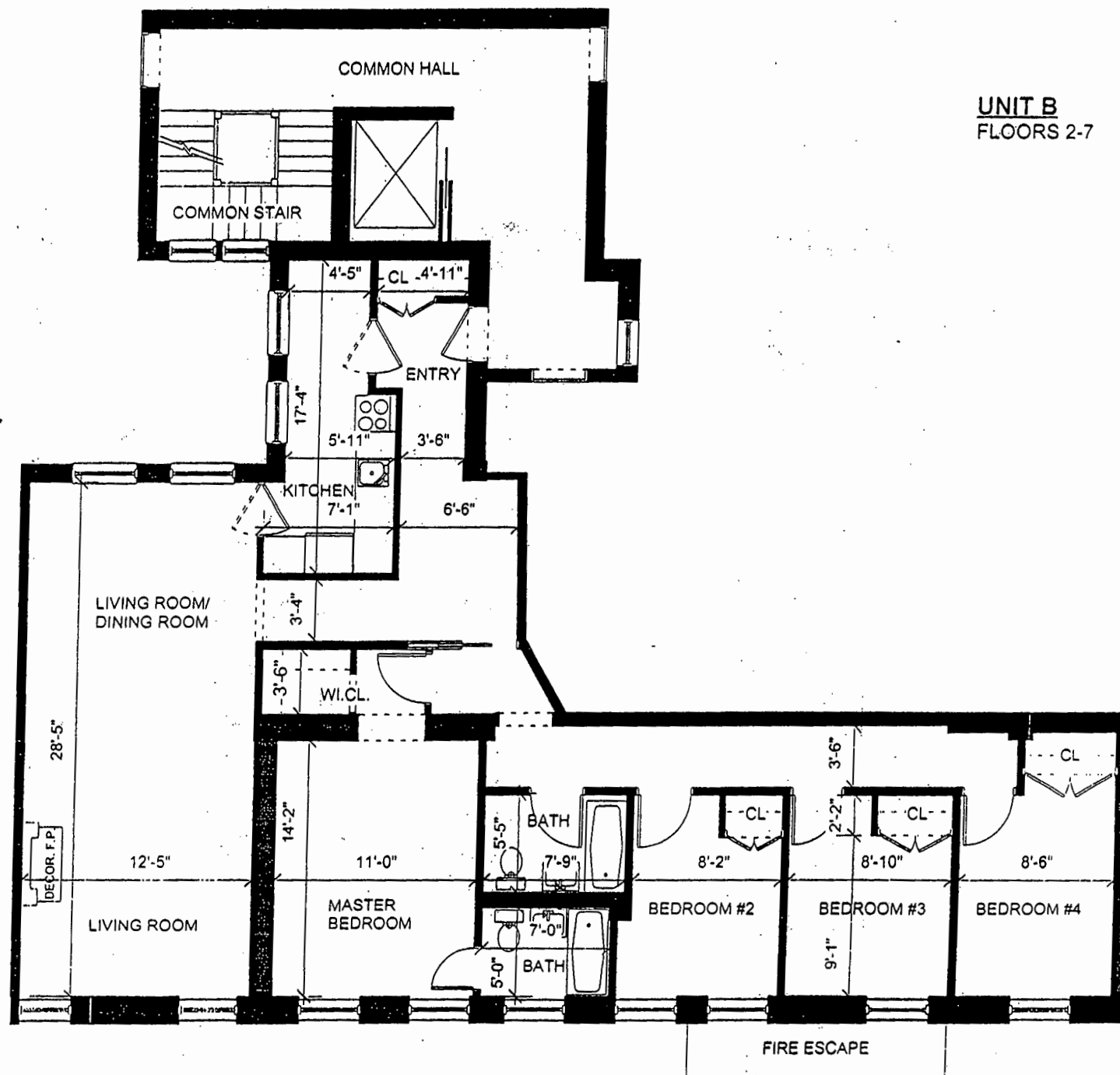
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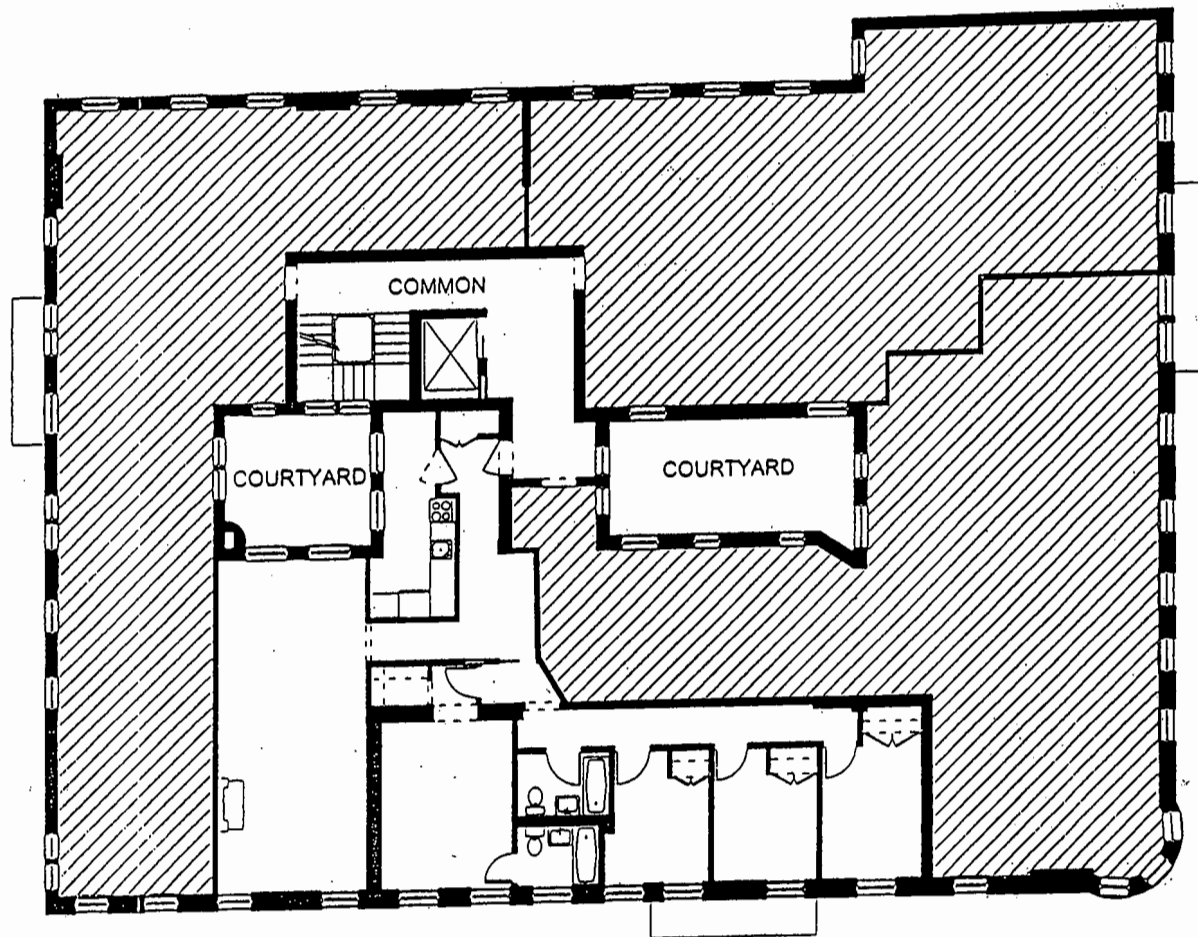
UNIT B
FLOORS 2-7



UNIT B FLOORS 2-7

TYPICAL
FOUR BEDROOM
NET AREA = 1524 sq.ft.

D-27



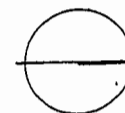
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UNIT C
FLOORS 2-7

COMMON HALLWAY

COMMON STAIR

ELEVATOR

ENTRY

BEDROOM #4 (12'-0" x 9'-1")

BATH (5'-6" x 8'-2")

BEDROOM #3 (12'-5" x 9'-0")

BATH (5'-0" x 7'-3")

BEDROOM #2 (11'-7" x 10'-8")

BATH (5'-0" x 6'-8")

MASTER BEDROOM (12'-7" x 11'-8")

KITCHEN (11'-7" x 10'-6")

LIVING ROOM/ DINING ROOM (19'-2" x 14'-8")

DECOR F.P.

FIRE ESCAPE

CL. (Closets)

DIMENSIONS:

- Entry: 4'-9" x 7'-1"
- Bedroom #4: 12'-0" x 9'-1"
- Bedroom #3: 12'-5" x 9'-0"
- Bedroom #2: 11'-7" x 10'-8"
- Master Bedroom: 12'-7" x 11'-8"
- Kitchen: 11'-7" x 10'-6"
- Living Room/Dining Room: 19'-2" x 14'-8"

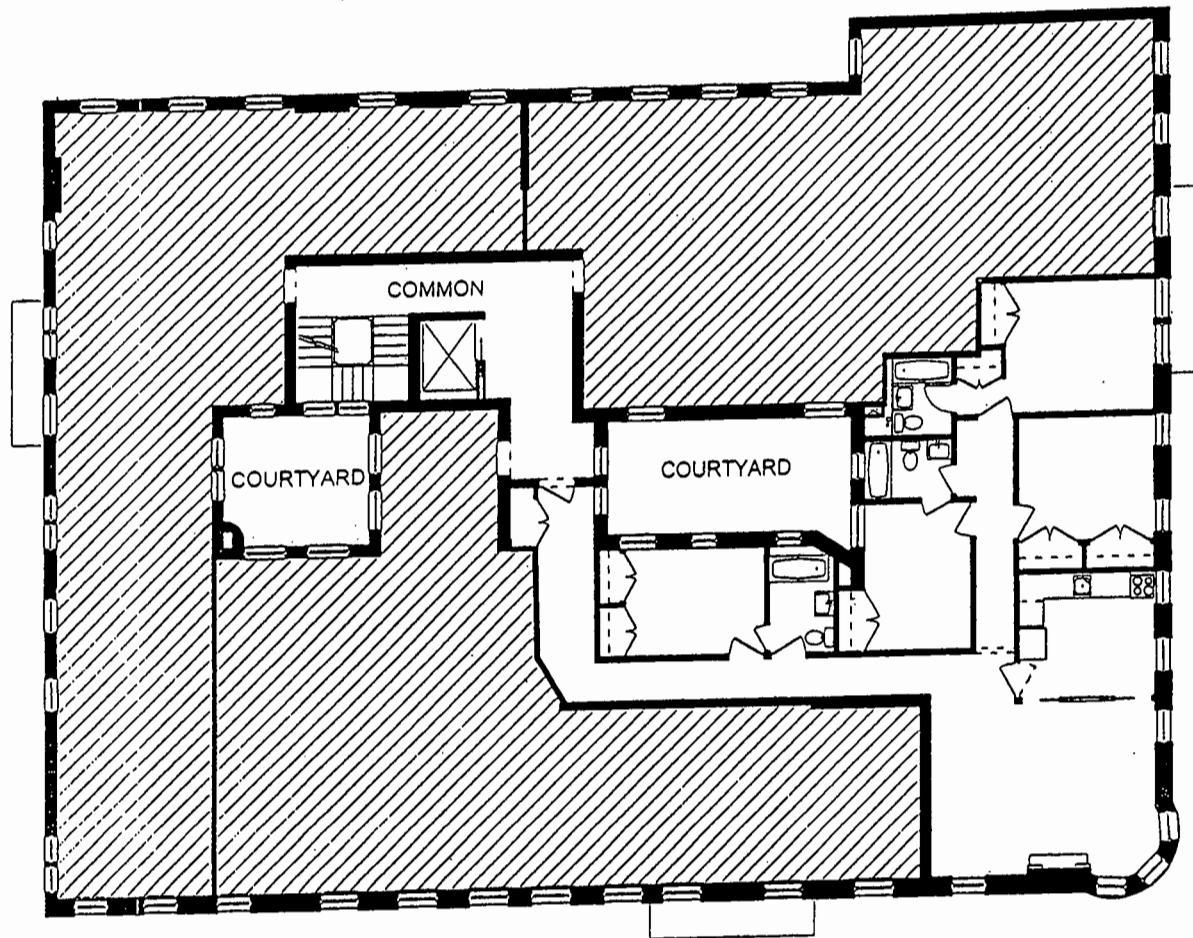
Other Features:

- Common Stair
- Elevator
- Decorative Fireplace (DECOR F.P.)
- Fire Escape

UNIT C FLOORS 2-7

TYPICAL
FOUR BEDROOM
NET AREA = 1658 sq.ft.

D-29



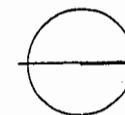
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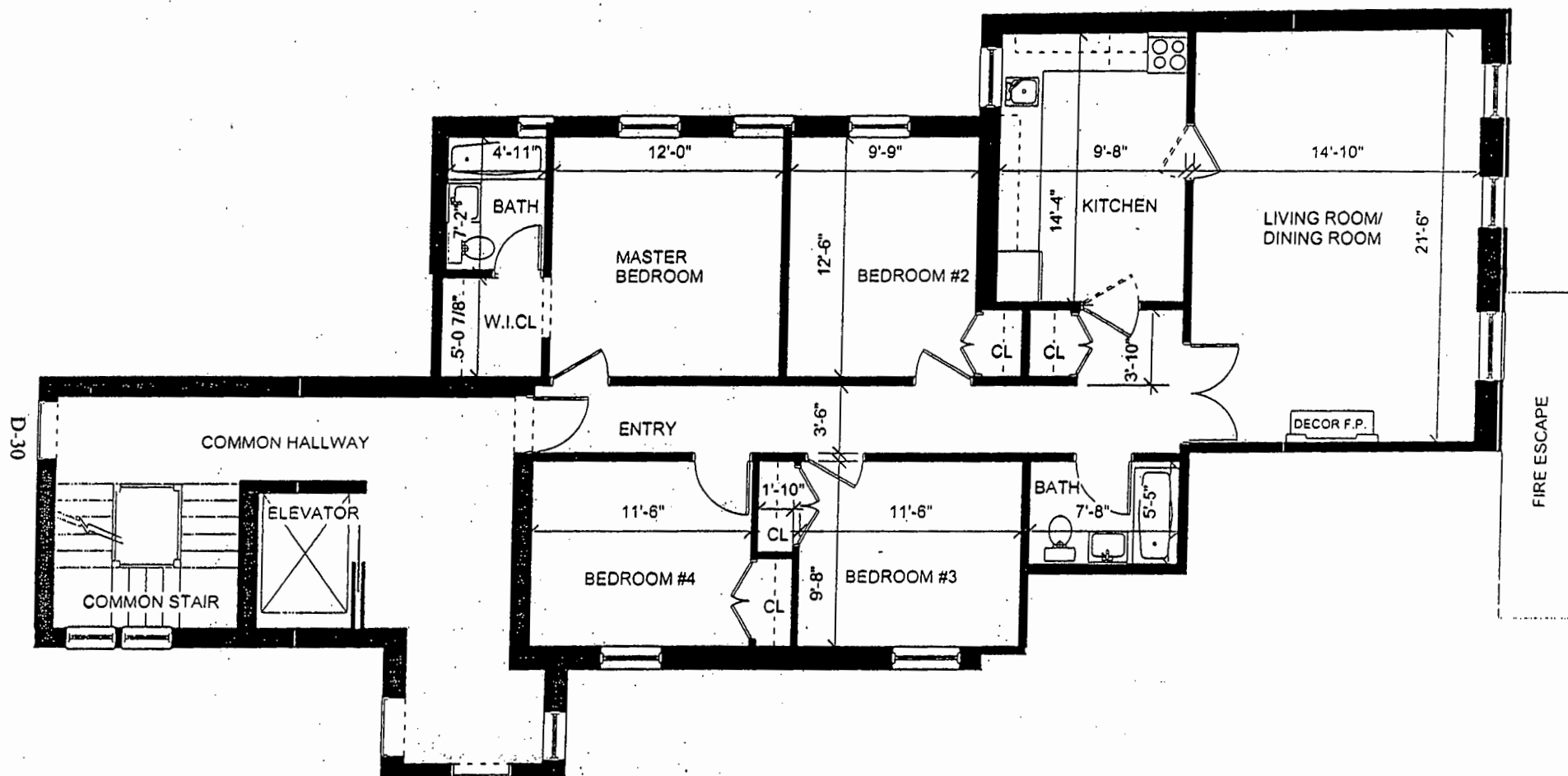
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LENOX AVENUE

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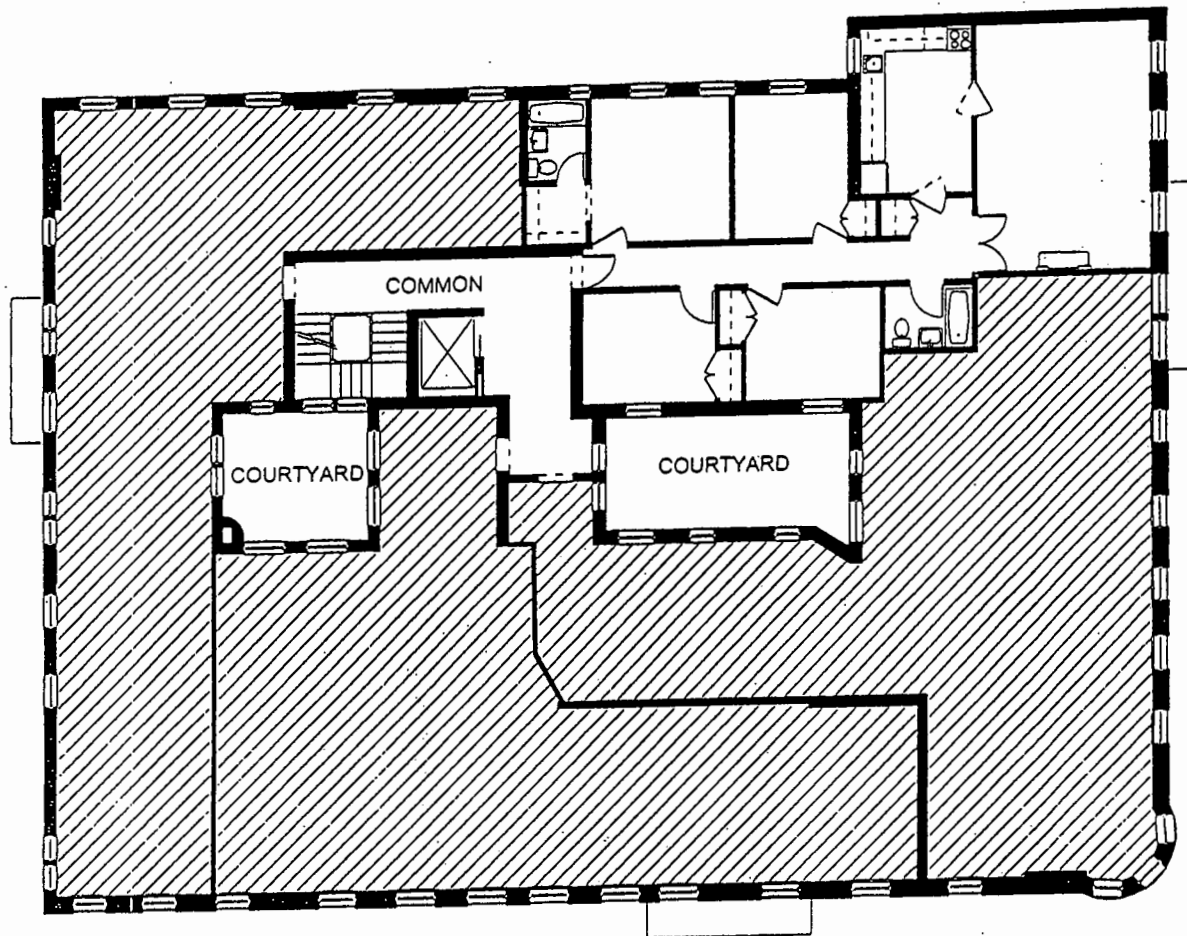


UNIT D
FLOORS 2-7

UNIT D FLOORS 2-7

TYPICAL
FOUR BEDROOM
NET AREA = 1425 sq.ft.

D-31



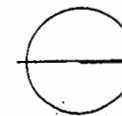
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LENOX AVENUE

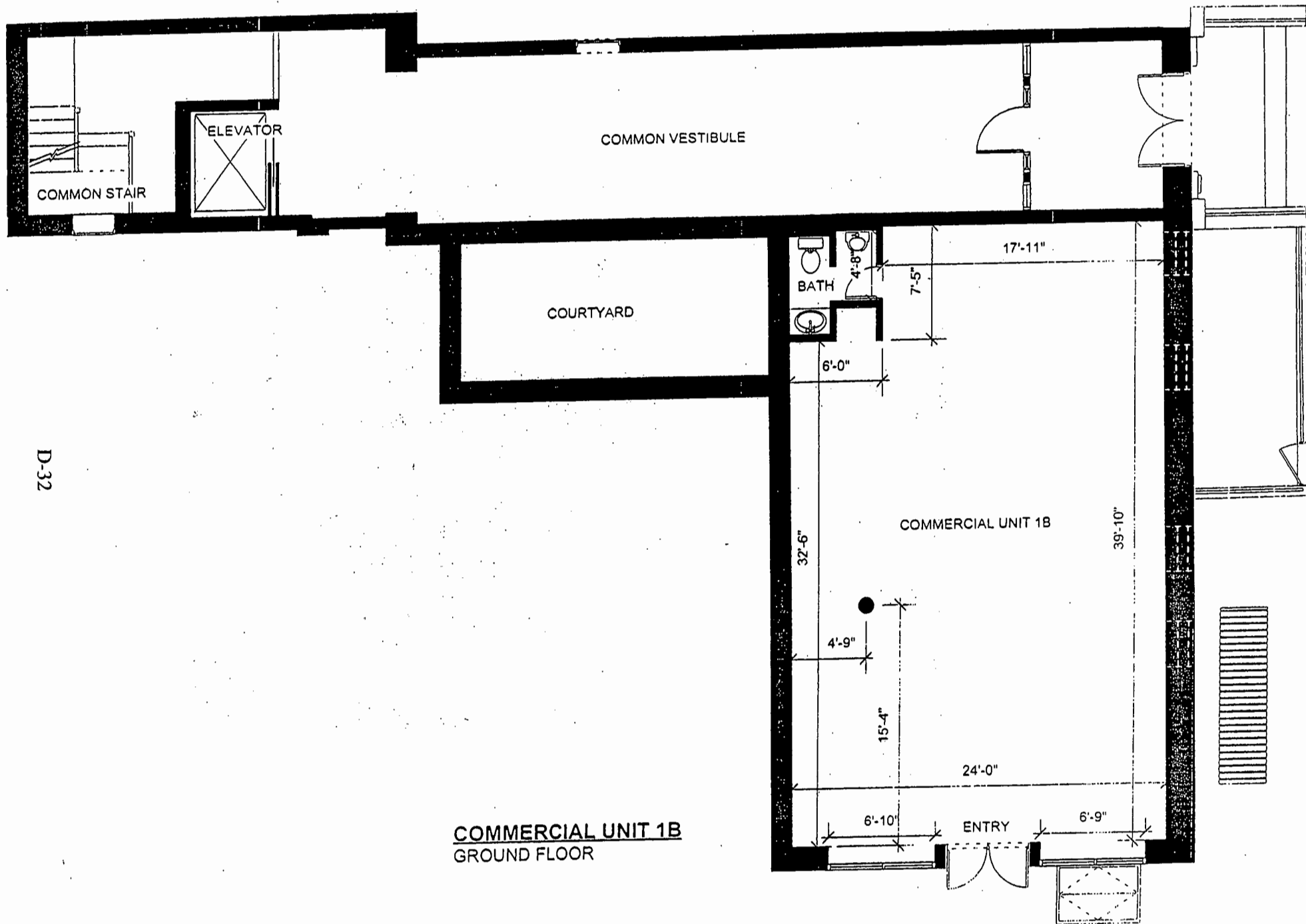
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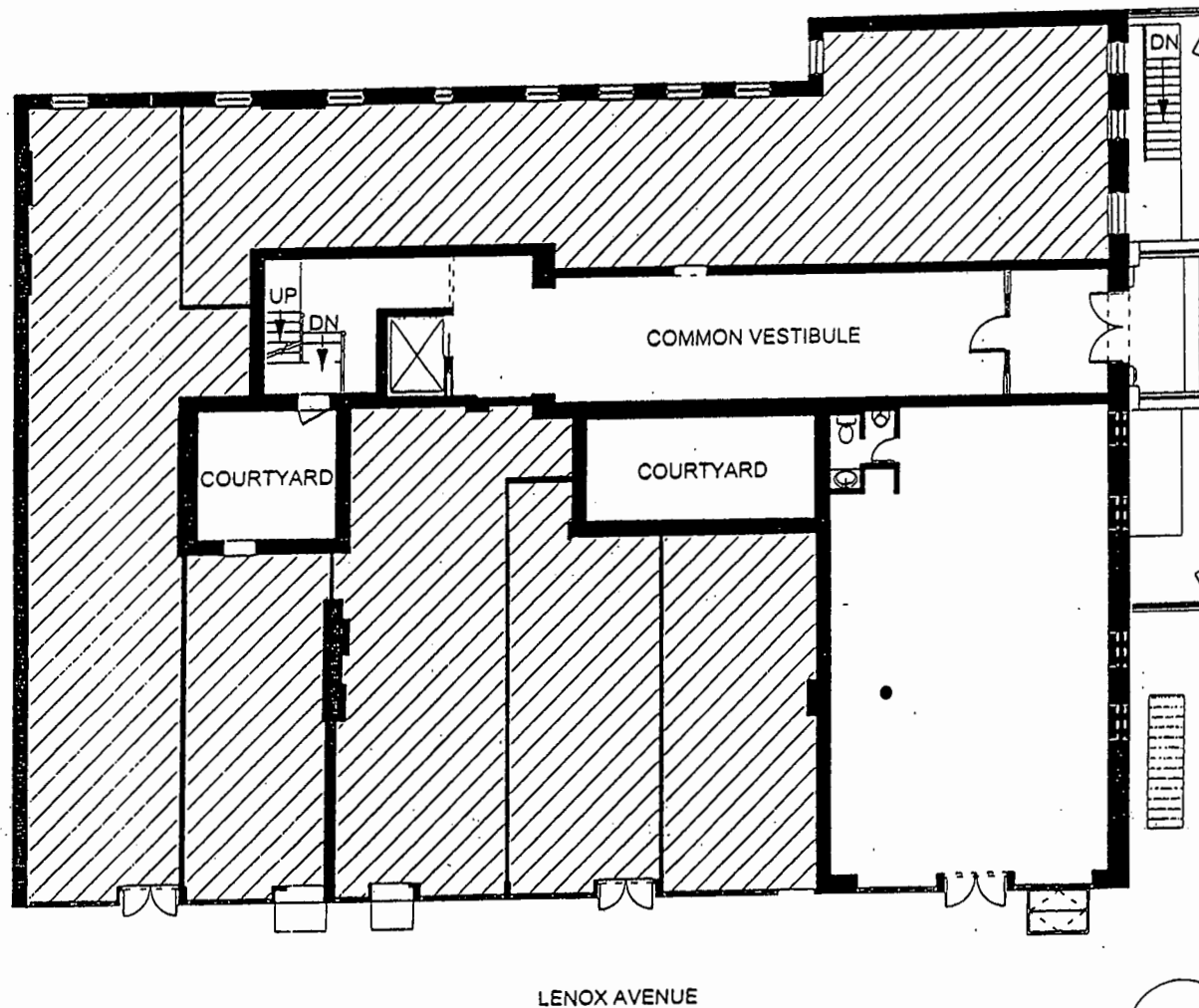
D-32



COMMERCIAL UNIT 1B
GROUND FLOOR

COMMERCIAL UNIT 1B
GROUND FLOOR
NET AREA = 1124 sq.ft.

D-33

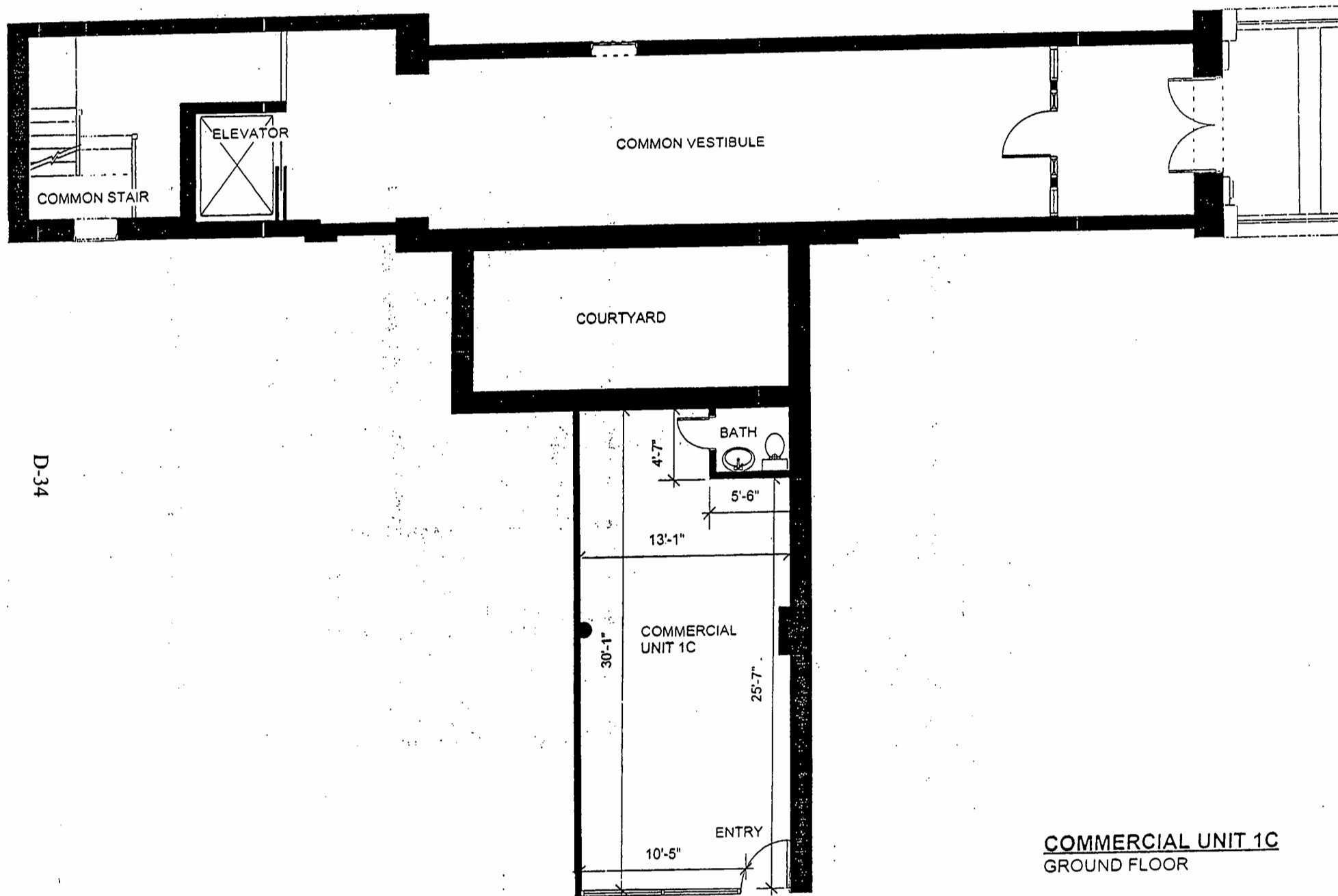


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COMMERCIAL UNIT 1C
GROUND FLOOR

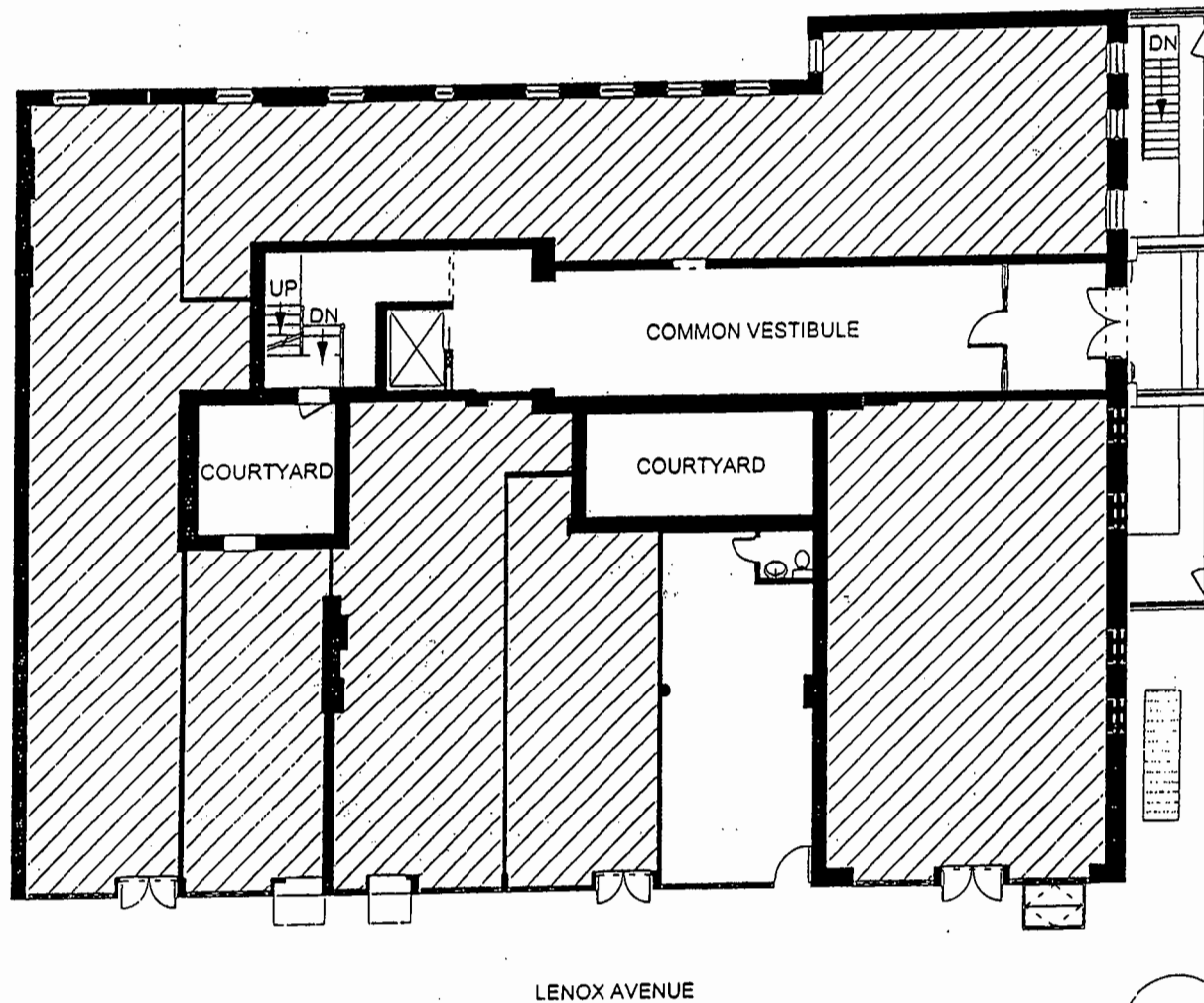
D-34

COMMERCIAL UNIT 1C

GROUND FLOOR

NET AREA = 444 sq.ft.

D-35



WEST 119TH STREET

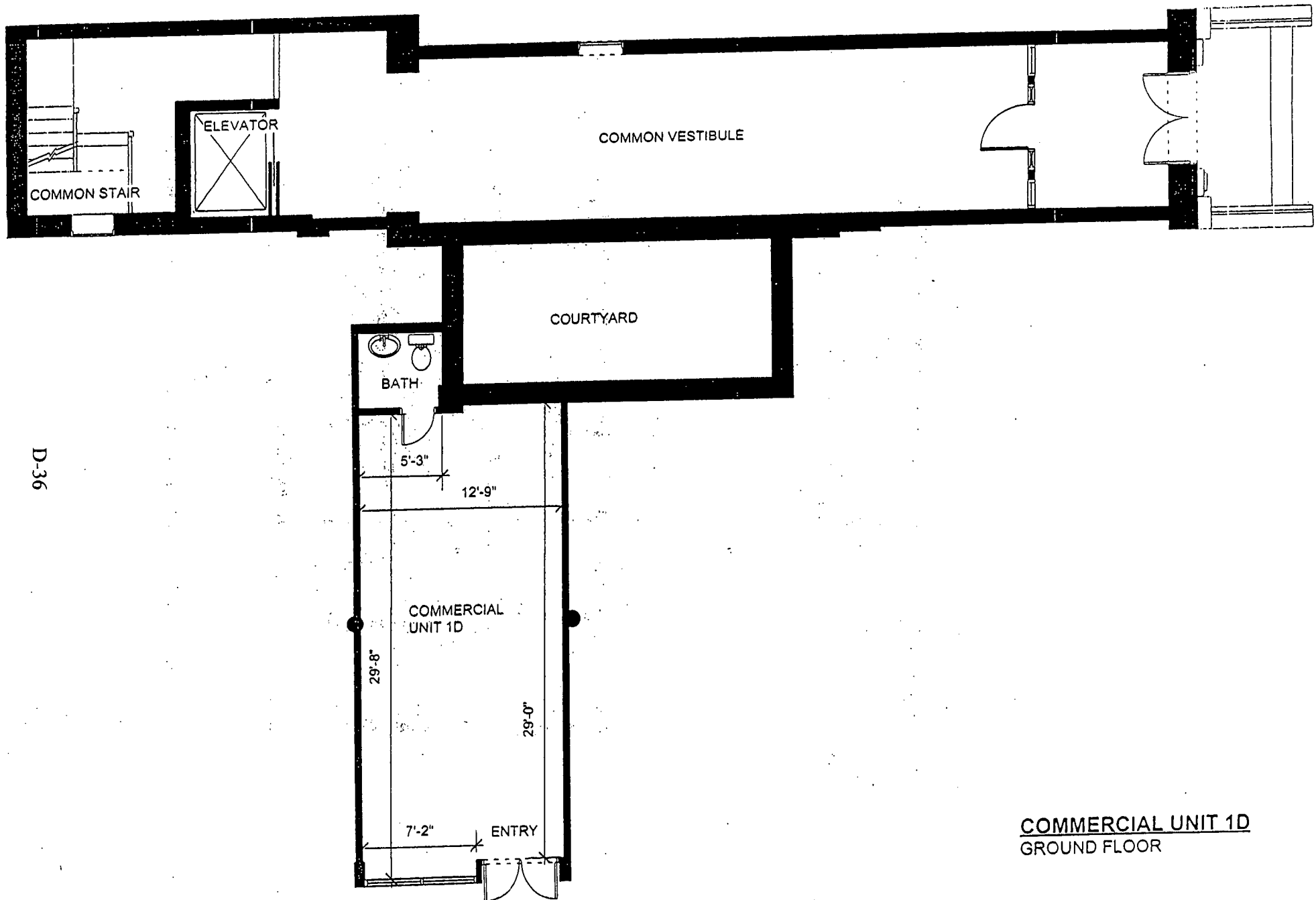
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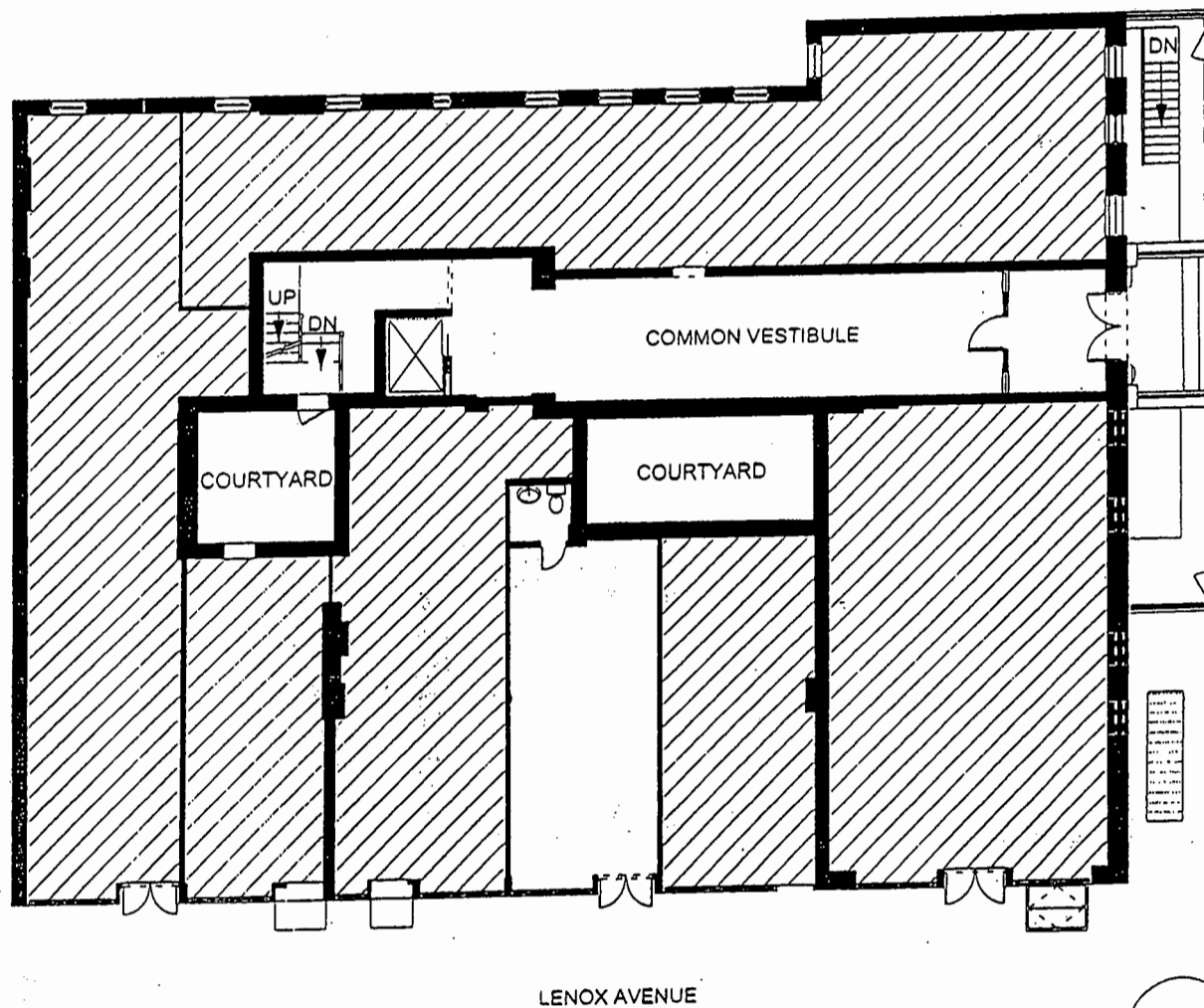
COMMERCIAL UNIT 1D
GROUND FLOOR

COMMERCIAL UNIT 1D

GROUND FLOOR

NET AREA = 450 sq.ft.

D-37

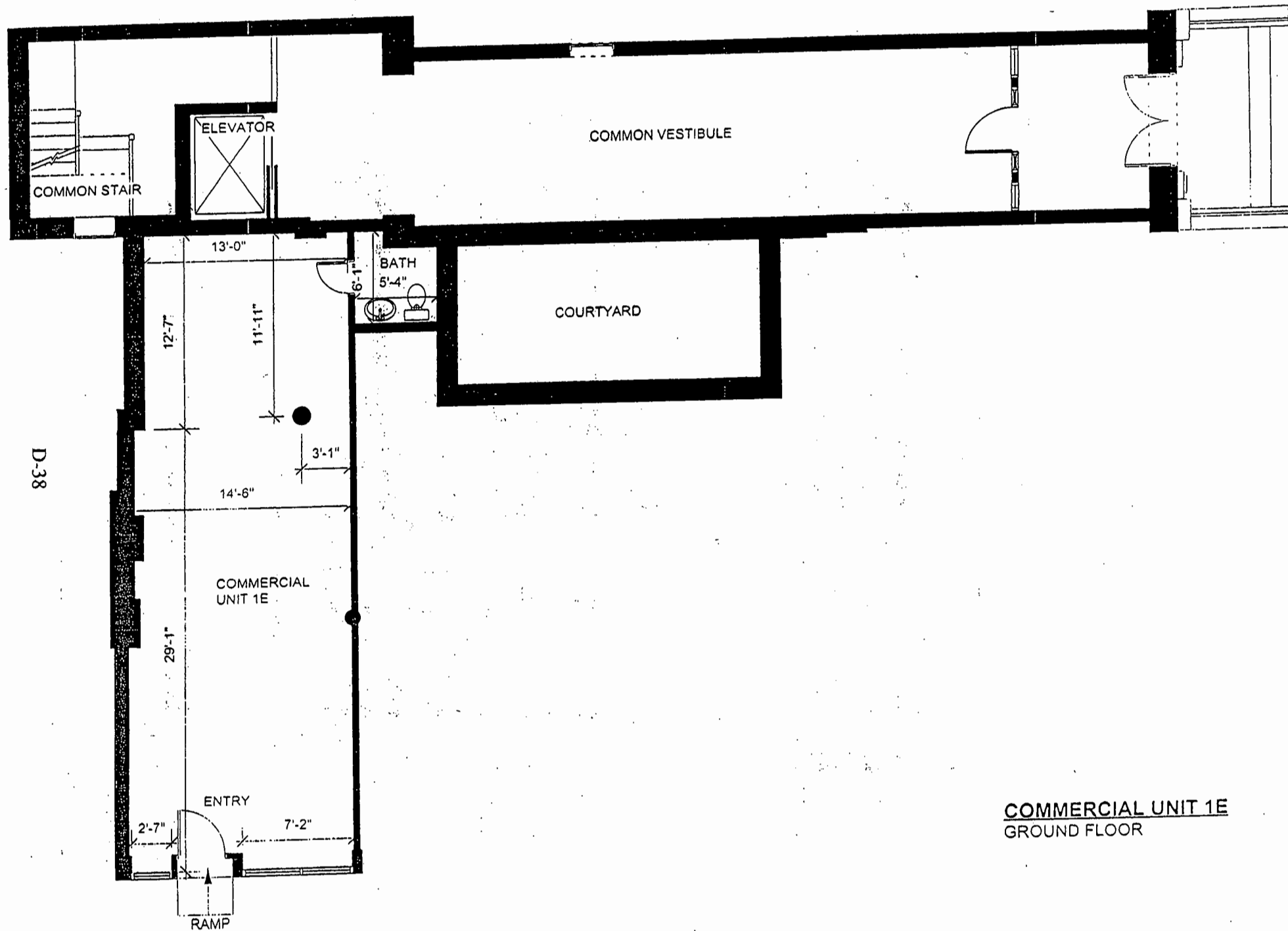


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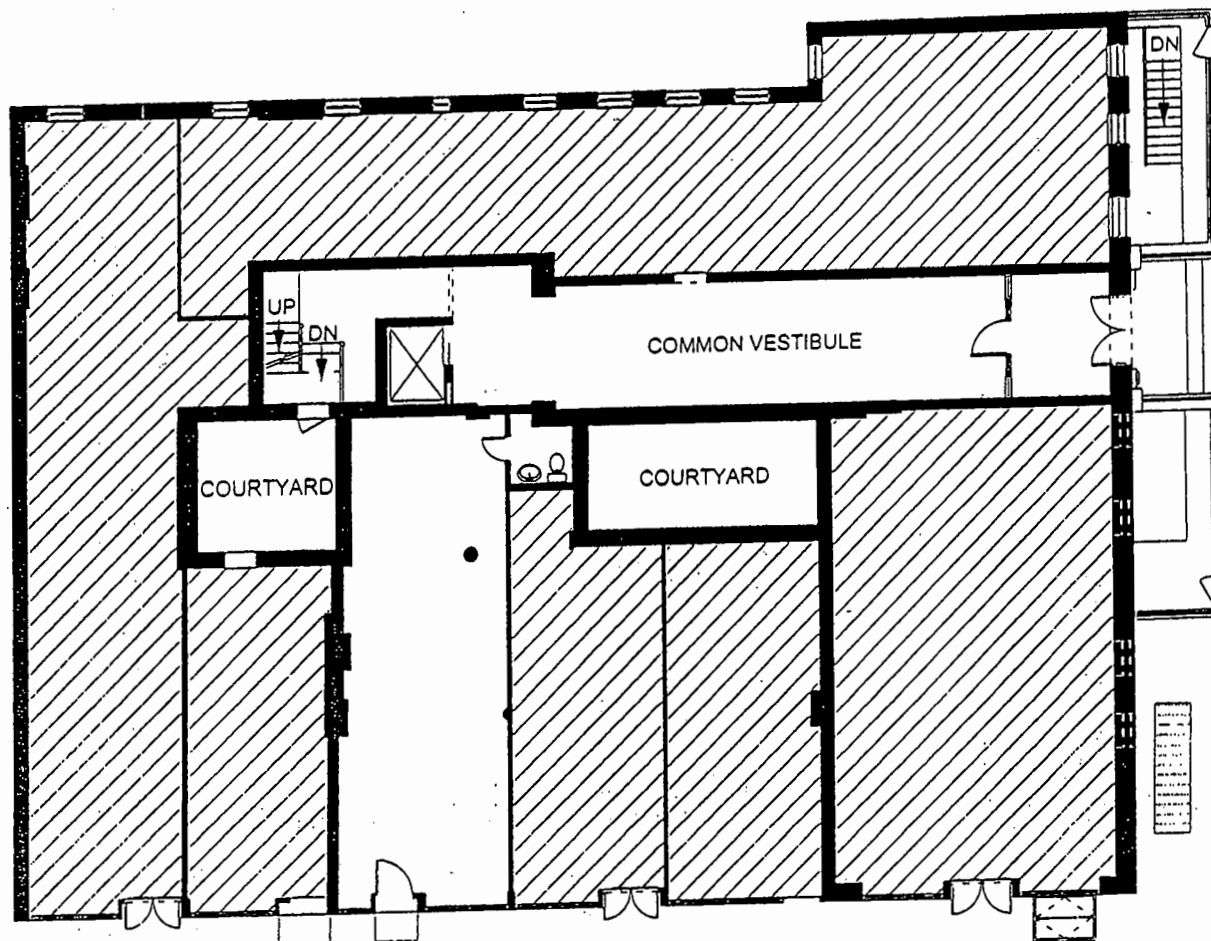
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COMMERCIAL UNIT 1E
GROUND FLOOR

COMMERCIAL UNIT 1E
GROUND FLOOR
NET AREA = 677 sq.ft.

D-39

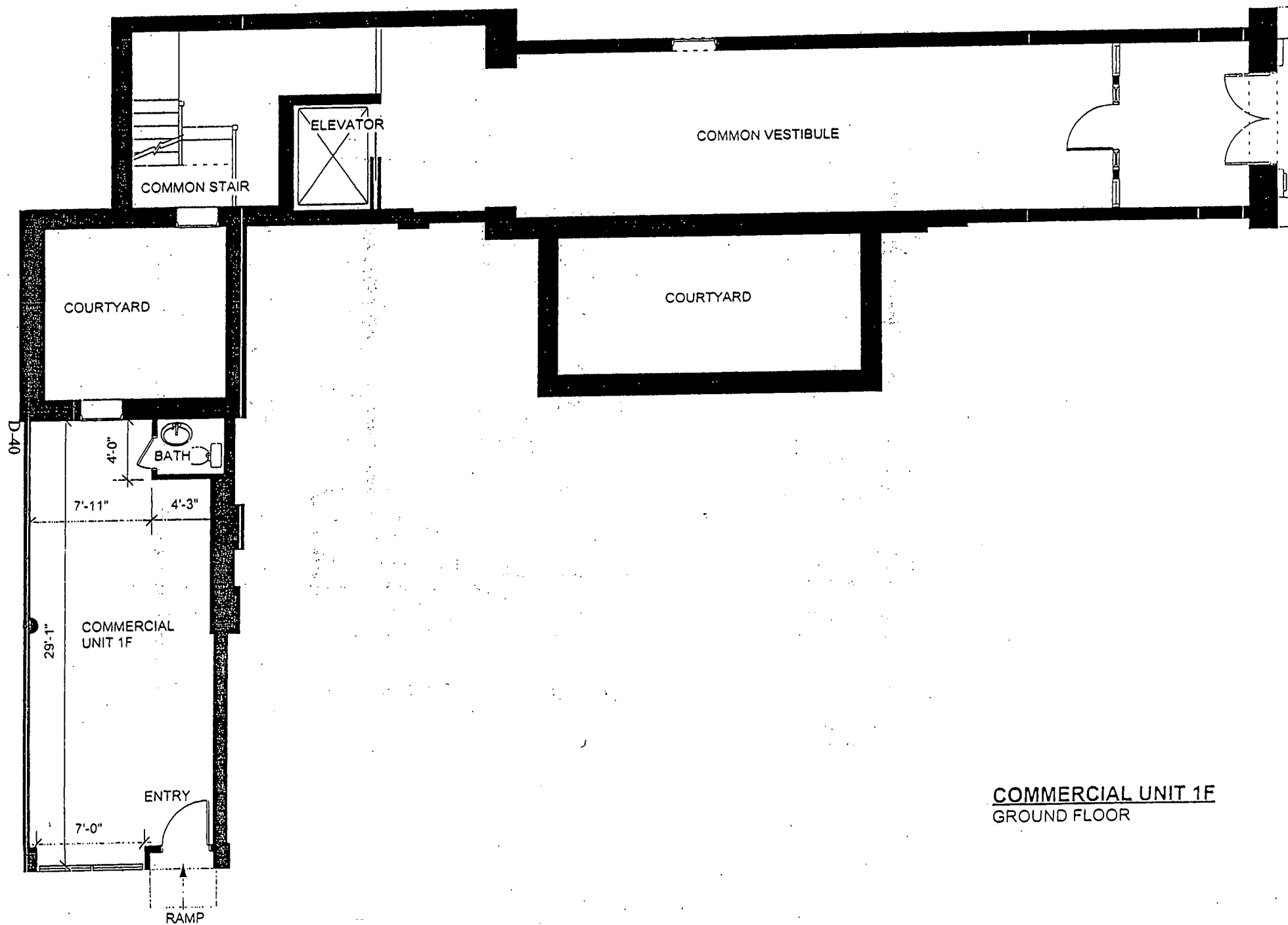


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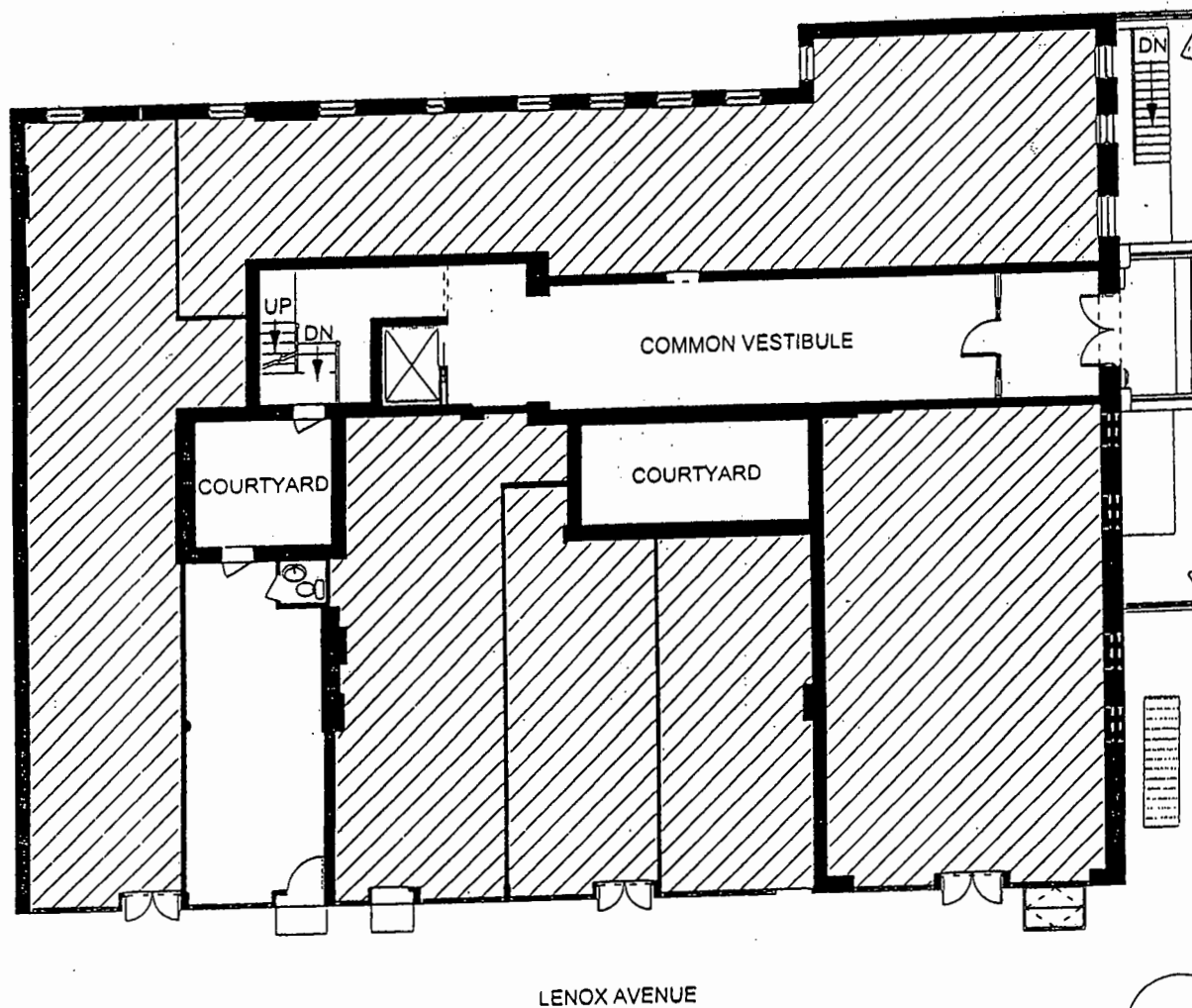
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COMMERCIAL UNIT 1F
GROUND FLOOR

COMMERCIAL UNIT 1F
GROUND FLOOR
NET AREA = 390 sq.ft.

D-41



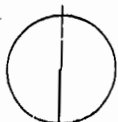
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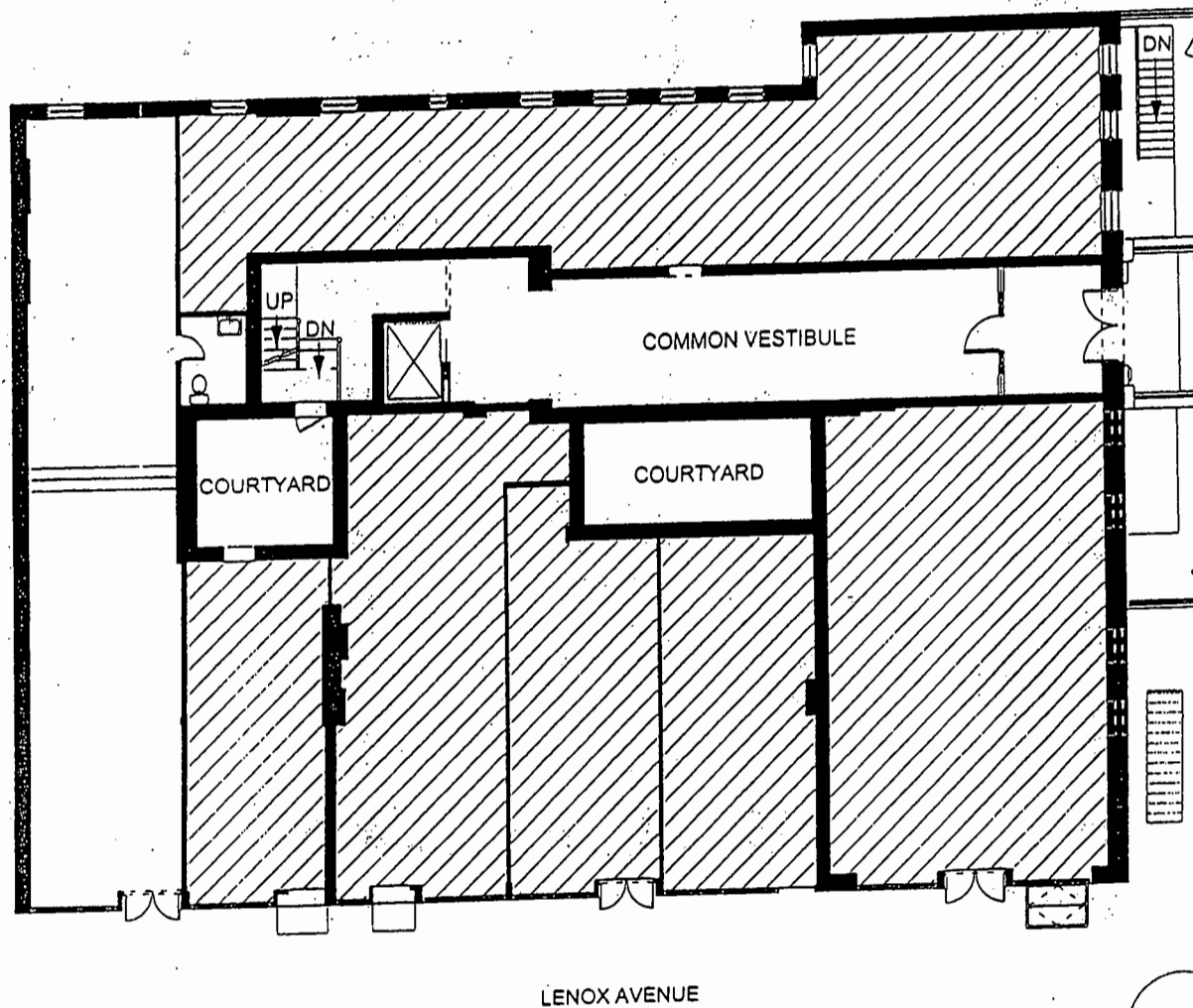
PLEASE NOTE:
COMMERICAL UNIT 1G PLAN
ROTATED 90 DEGREES FROM KEY
PLAN DUE TO FORMATTING.



COMMERCIAL UNIT 1G
GROUND FLOOR

COMMERCIAL UNIT 1G
GROUND FLOOR
NET AREA = 1080 sq.ft.

D-43



WEST 119TH STREET

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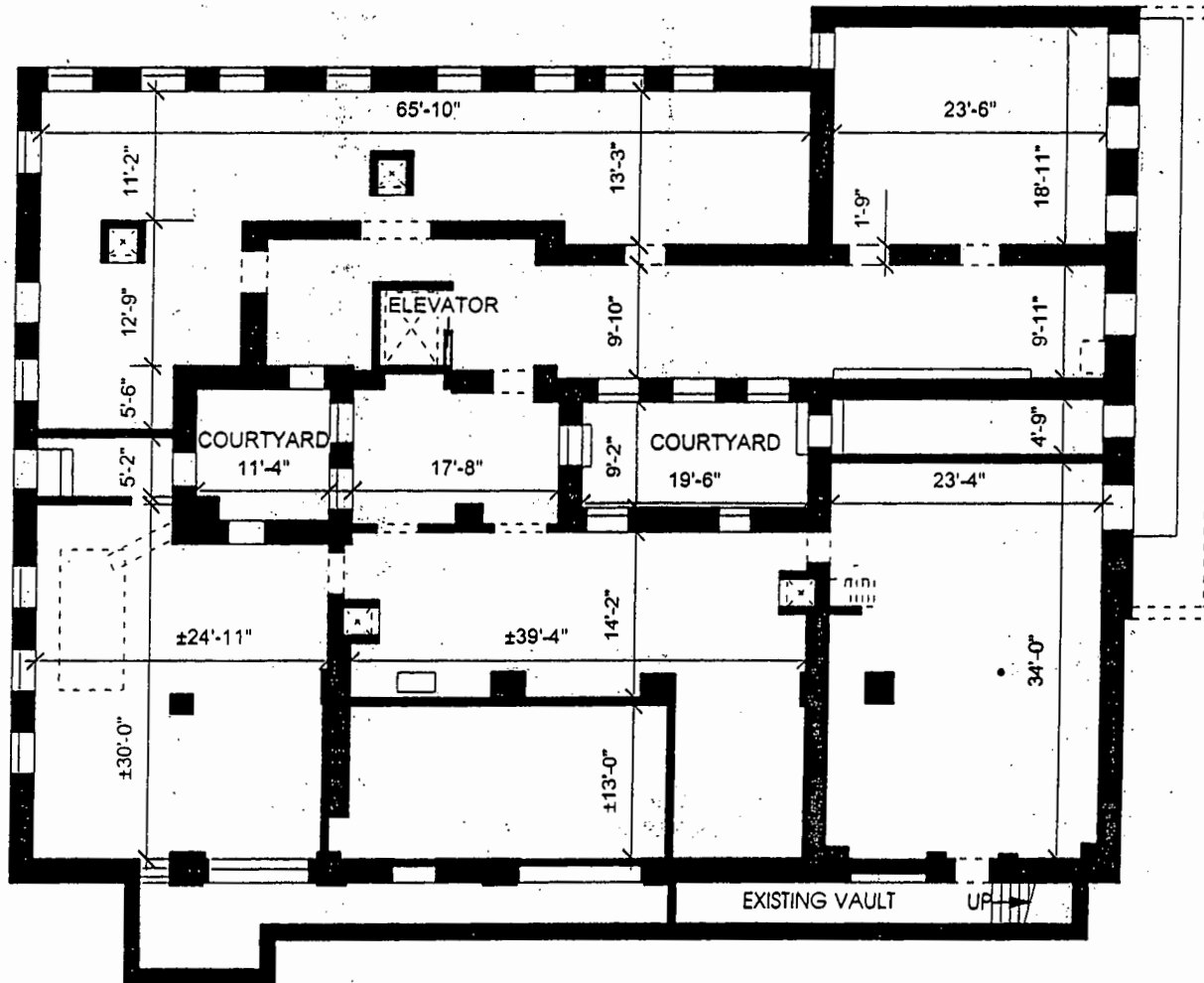
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CONTAIN MINOR VARIATIONS
FROM FLOOR TO FLOOR

SR+T ARCHITECTS

CELLAR

NET AREA = 6876 sq.ft.

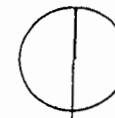
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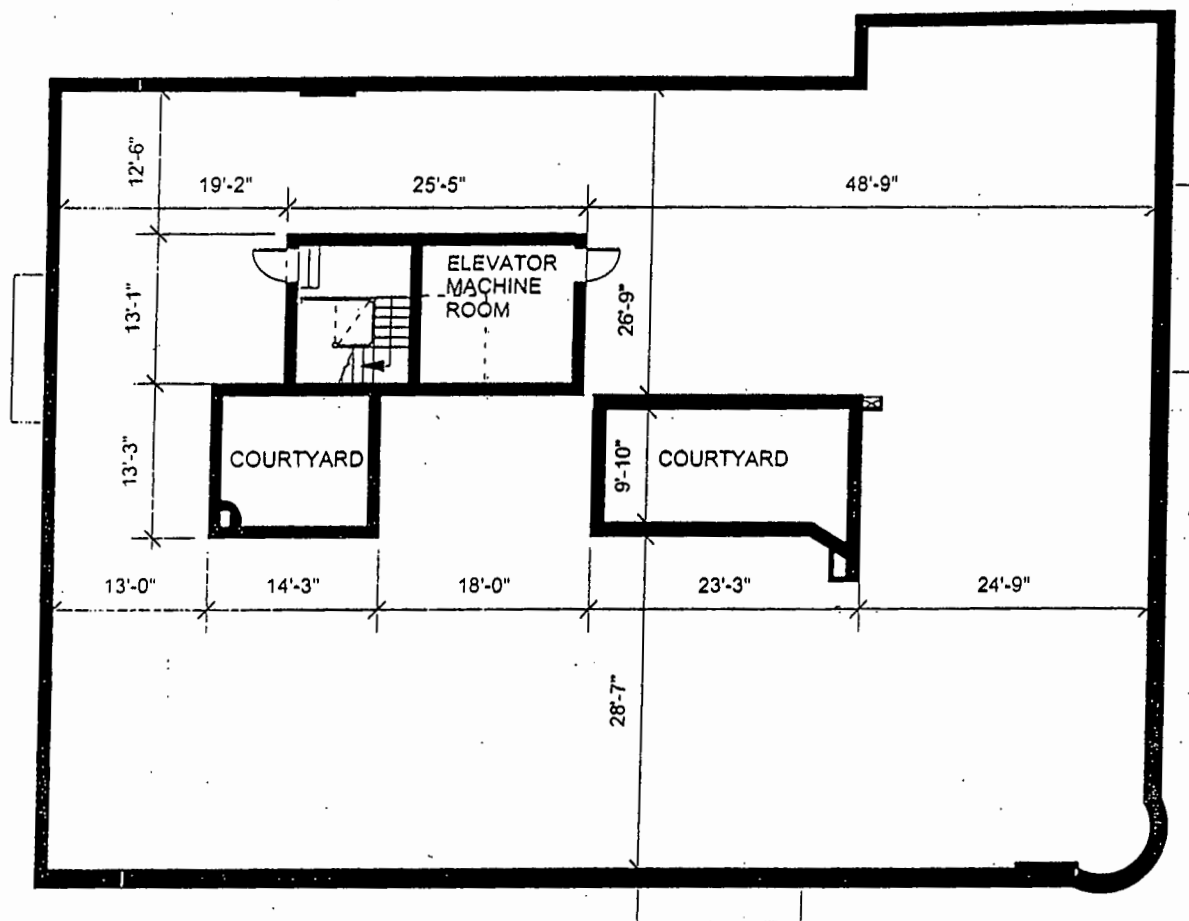
ALL DIMENSIONS ARE
APPROXIMATE AND MAY
CONTAIN MINOR VARIATIONS
FROM FLOOR TO FLOOR

SR+T ARCHITECTS



ROOF

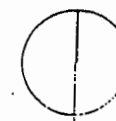
NET AREA = 6844 sq.ft.



D-45

100 WEST 119TH STREET
NEW YORK, NY 03.2004

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CONTAIN MINOR VARIATIONS
FROM FLOOR TO FLOOR



SR+T ARCHTITECTS

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DECLARATION OF CONDOMINIUM

**ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF
PREMISES LOCATED AT 100 WEST 119TH STREET, NEW YORK, NEW YORK
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW
OF THE STATE OF NEW YORK**

NAME: THE NORMANDIE CONDOMINIUM

**SPONSOR:
167-177 LENOX, LLC
c/o Tahl-Propp Equities
405 Park Avenue, Suite 1103
New York, NY 10022**

DATE OF DECLARATION:

_____, 200__

**SMITH, BUSS & JACOBS, LLP
Attorneys for Sponsor
733 Yonkers Avenue
Yonkers, NY 10704**

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PLAN OF CONDOMINIUM OWNERSHIP

DECLARATION OF THE NORMANDIE CONDOMINIUM PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

In the City of New York, County of New York and State of New York on this ____ day of _____, 200__, 167-177 Lenox, LLC, a limited liability company organized and existing under the laws of the State of New York, whose principal office is situated c/o Tahl-Propp Equities, 405 Park Avenue, Suite 1103, City of New York, County of New York, State of New York, hereinafter referred to as the "Sponsor", does hereby state:

FIRST: Submission of Property. By this Declaration the Sponsor submits the property described in this Declaration, including the land and the Building and 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, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: Description of Property. The Sponsor owns all that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of New York, County of New York, and State of New York, and more particularly described on Schedule B annexed hereto.

THIRD: Certain Definitions.

(a) A "**Building**" as hereinafter referred to shall be defined as a number of Units, all of which are constructed under a continuous roof. The Units are contained in a seven-story building together with a cellar and commercial space.

(b) "**Condominium**" as hereinafter referred to shall mean **THE NORMANDIE CONDOMINIUM** which is composed of the Unit Owners.

(c) "**Party Walls**" as hereinafter referred to shall be defined as a wall which is common to and separates two Units.

(d) "**Repair**" or "**Repairs**" means "repair, maintain or replace."

(e) "**Sponsor**" as used herein refers to (i) 167-177 Lenox, LLC, the Sponsor of an offering plan (the "**Plan**") for the conversion of the Property to condominium ownership; (ii) any person deemed a sponsor under the applicable definition under 13 NYCRR Part 20; or (iii) any person or entity designated by Sponsor to acquire title to a Unit and which is specifically designated by Sponsor at the time of acquisition of such a Unit to succeed to the rights and obligations of Sponsor in place of the former Sponsor under this Declaration with regard to any such Unit, and any

successor in interest to such a Sponsor-designee who is specifically designated by the then current Sponsor to succeed to the rights and obligations of Sponsor under this Declaration with respect to a Unit. With regard to a Unit owned by it, a Sponsor-designee shall have all rights and obligations as are set forth in this Declaration and the Plan for Sponsor.

(f) The Owner of each Unit is hereinafter referred to as the "**Unit Owner**". Every Unit Owner shall be treated for all purposes as a single owner, irrespective whether such ownership is joint, in common, or tenancy in the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast the Unit Owner's vote referred to in paragraph **TENTH** of this Declaration.

(g) (i) A "**Unit**", as hereinafter referred to, shall include, individually and collectively, the Residential Units and Commercial Units. Any Commercial Unit resulting from the subdivision or combination of one or more Commercial Units shall also be a Commercial Unit. Each Unit is defined as consisting of the area measured (1), horizontally, as follows: from the unexposed inside surface of the exterior walls, the Unit side of any window glass, and the unfinished inside surface of any exterior wall door or window frame, to the centerlines of any partition demising one Unit from another Unit, corridors, stairs, elevators and other mechanical equipment, or other Common Elements, or the unfinished inside surface of any opposite exterior wall; and (2) vertically by the underside of the Unit's finished flooring or the lower surface of the concrete slab forming the floor or basement of the Unit, where applicable, and the exposed painted face of a concrete ceiling or the unexposed side of the Unit's drywall or plaster ceiling. Certain doors, windows, and interior walls are part of the Unit, as specified more particularly in the definition of the Common Elements set forth herein. The description of the Units set forth herein pertains to the location of the walls, floors and roof and boundaries of the Units as they are finally set forth in the Floor Plans to be filed simultaneously with the recording of this Declaration.

(ii) Each Unit includes, and each Unit Owner shall be responsible for any doors to or within such Unit (other than the front entrance door), smoke detectors, for cleaning purposes the exterior glass surfaces of all windows; all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, 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 (subject to the following sentence) shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, (ii) any special equipment or fixtures affixed, attached or appurtenant to the Unit, and (iii) any wiring for such appliances or fixtures to the extent that such wiring runs from a panel or junction box serving or benefitting only that Unit. The front entrance doors to Units shall be deemed Residential Limited Common Elements (as described further in this Declaration), but a

Unit Owner will nevertheless be responsible for repairing and maintaining the interior surface of the front entrance door to the unit, and any locks, bells or peepholes within the front entrance door. Notwithstanding anything contained in this Article 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, wallpaper, 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 of the Building.

(h) The term "**Unit**" and "**Unit Owner**" as used herein shall be construed to mean Unit and Unit Owner as defined in Section 339-e of Article 9-B of the Real Property Law of the State of New York.

FOURTH: Community. The Sponsor is constructing the building on the parcel of land described above and establishing a condominium community known as **The Normandie Condominium** according to the plans filed simultaneously with the recording of this Declaration in the office of the Register of the County of New York, which plans set forth a description of the building stating the number of stories and the number of Units.

The Community will consist of twenty-five (25) Residential Units and six (6) Commercial Units located in a seven-story building and the common elements appurtenant thereto, as set forth on the Plot Plan filed simultaneously herewith. Under the provisions of the New York State Building and Fire Prevention Code the Building shall be classified as Type I-C. A more detailed description of the Building is annexed hereto and made part hereof as Schedule B. For the purposes of describing the location, approximate area, type and number of rooms of each Unit, and the common elements to which each Unit has immediate access, each Unit is numerically designated as set forth on Schedule "A" annexed hereto. Each unit will be sold to one or more Owners, each Owner obtaining fee ownership in, and exclusive right of occupancy and possession of the Unit, together with an undivided interest in the common elements of the Community, as listed hereinafter in this Declaration, and referred to as the "common elements", all of the above in accordance with Article 9B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Owner and the Unit Owner at the time of construction of the Unit.

FIFTH: Common Elements.

(a) The Common Elements of the Condominium consist of the entire Property, including the land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "**Limited Common Elements**") consist of those

Common Elements which serve or benefit exclusively (a) more than one Residential Unit or Residential Unit Owner (in which event they are called "**Residential Limited Common Elements**") or (b) a Commercial Unit or Commercial Unit Owner (in which event they are called "**Commercial Limited Common Elements**"). Within the category of Residential Limited Common Elements is the subcategory of "**Restricted Residential Limited Common Elements**", which are Residential Limited Common Elements appurtenant to a particular Residential Unit, the use of which is restricted to the owner of such Residential Unit. In addition, if a Commercial Unit is subdivided into two or more Commercial Units, the Commercial Unit Owner will have the right to convert any Commercial Limited Common Element into a "**Restricted Commercial Limited Common Element**", which is a Commercial Limited Common Element appurtenant to a particular Commercial Unit; the use of which is restricted to the owner of such Commercial Unit. A Common Element which is not a Limited Common Element is a "**General Common Element**".

(b) (i) The General Common Elements include the following:

(1) The land on which the Building stands and all other land within the boundaries of the property, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Article);

(2) All foundations, columns, beams, supports, bearing walls; those portions of the exterior walls and insulation beyond the unexposed face of the dry wall at the exterior face of the Building or, where applicable, those portions of the exterior walls beyond the interior face of the exterior wall; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the unexposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing a Unit; storage and utility areas located beyond the unexposed face of the dry walls enclosing a Unit; all basement or cellar areas which are not included within a particular Unit and are used for the benefit of all Unit Owners; any laundry facilities not located within a Unit and the entrances to and exits from the Building; and mail rooms or mailboxes. Notwithstanding the above, the foregoing excludes all windows and window frames of the Residential Units (which are considered Residential Limited Common Elements), and all doors, windows and window frames of Commercial Units (which are considered part of each Commercial Unit).

(3) All central and appurtenant installations for services such as power, light, intercom, telephone, television, gas, hot and cold water, heat (including all pipes, ducts, wires, shoots, cables and conduits used in connection therewith) and all other mechanical equipment spaces, except that installations regarding such utilities and other services that have been or will be made by the owners or tenants of Commercial Units to exclusively benefit one or more Commercial Units shall be Commercial Limited Common Elements, and any such installations exclusively serving the Residential Units or the Residential Unit Owners shall be Residential Limited Common Elements;

(4) Water service pipes and sewer pipes;

(5) Any house tank providing water to all Units and the pipes used in connection therewith;

(6) To the extent the Building is served by steam heat or hot water, portions of any steam riser and connections originating in the boiler room and distribution piping at below grade level and through the first floor;

(7) Ventilation supply system consisting of motors, duct work, fans and controls serving General Common Elements and steam and condensate return piping serving General Common Elements;

(8) All passages and corridors, mechanical and other rooms, tank room, meter room, areas and indoor or outdoor spaces located at the property serving or benefitting both the Commercial and Residential Units;

(9) Copings, flashings, leaders, gutters and parapets appurtenant to the main roof of the Building; and

(10) All other facilities of the Building, including (but not limited to) vaults, shafts, pipes, wires, ducts, vents, cables, conduits, lines, and roof over public stairways, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of both the Commercial Units and the Residential Units.

(ii) The expense for the repair and maintenance of General Common Elements shall be part of the Common Expenses, and shall be apportioned among Unit Owners as provided by this Declaration.

(c) (i) The Residential Limited Common Elements include the following:

(1) All stairs in the Building that (a) do not connect with the Commercial Units or (b) are located above the first floor of the Building;

(2) The main entrance to the Building, the lobby, service corridor and service entrance, portions of the basement or cellar used solely for the benefit of the Residential Unit Owners, any vaults accessed only from portions of the basement or cellar used solely for the benefit of the Residential Unit Owners, and other areas used in connection therewith. Any portion of the basement and cellar expressly reserved for the benefit of a particular Residential Unit, without a reservation by the Board of Managers to terminate usage or change the location of such reserved area, is a Restricted Residential Limited Common Element for that particular Unit;

(3) Compactor rooms, laundry room, and boiler room (if any);

(4) All fire escapes and landings in the Building (except as set forth elsewhere in this Declaration);

(5) Passages and corridors above the first floor of the Building, including, any passages and corridors that do not serve or connect with any Commercial Unit;

(6) Trash chutes, room(s) and access doors, and any sanitizing units or compactor units serving the Residential Units, and all passageways and ducts, chutes, or other facilities used in connection therewith;

(7) Window glass and window frames located on the perimeter of (but not exclusively serving) a Residential Unit, and all other window frames and window glass in the Building. Window frames and window glass that are located within a Commercial Unit are part of the Commercial Unit, and the window glass and window frame serving a particular Residential Unit are Restricted Residential Limited Common Elements for that particular Unit as per subsection (d);

(8) Corridor supply risers and ducts, kitchen and toilet exhaust risers and ducts, kitchen and toilet water vents, gas risers, electric risers and shafts serving Residential Units;

(9) Gas piping serving Residential Limited Common Elements and Residential Units;

(10) All passages and corridors, mechanical and other rooms, areas and indoor and outdoor spaces located at the Property serving exclusively one or more Residential Units and which are not General Common Elements or Commercial Limited Common Elements or part of any Unit;

(11) All doors abutting on common areas other than entrance or exit doors to or from Commercial Units, including, but not limited to, doors opening from Residential Units to corridors, and the entrance and exit doors to and from the Building. Any door leading to or from the Building or a General Common Element to a Commercial Unit shall be deemed part of the Commercial Unit that it leads to or from. The front entrance doors to Residential Units shall be deemed Residential Limited Common Elements, but a Unit Owner will nevertheless be responsible for repairing and maintaining the interior surface of the front entrance door to the unit, and any locks, bells or peepholes within the front entrance door.

(12) Residential passenger elevators, including their respective shafts, pits, machine rooms, rooftop elevator room, and appurtenant facilities;

(13) Any portion of the basement or cellar designated on the floor plans of the Condominium to be used for the residential occupants;

(14) All space devoted to the lodging or use of any person employed exclusively in connection with the operation of the Residential Units;

(15) All other facilities of the Property (including, but not limited to, shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Residential Units; and

(15) All other Common Elements other than General Common Elements, Restricted Residential Limited Common Elements, or Commercial Limited Common Elements.

(ii) The expense for the repair and maintenance of the Residential Limited Common Elements shall be part of the Common Expenses, which are to be apportioned among Unit Owners as provided by this Declaration.

(d) Restricted Residential Limited Common Elements.

(i) Certain portions of the Residential Limited Common Elements are limited and further restricted in use to the owners of particular Residential Units to which the Residential Limited Common Elements are appurtenant, subject to the right of the Board of Managers to enter upon any such Restricted Residential Limited Common Element to make repairs and replacements to such Restricted Residential Limited Element or any Common Element contained therein, and subject to the By-laws and Rules and Regulations of the Condominium.

(ii) The Restricted Residential Limited Common Elements include, but are not limited to, the following:

(1) Windows and window frames located on the boundary of a Residential Unit and serving exclusively that Unit;

(2) Any portion of the fireplace or fireplace flue available for use by and serving exclusively one Residential Unit;

(3) Any portion of the cellar expressly reserved for the service of a particular Residential Unit without a right by the Board of Managers to terminate such use or change the location of such area.

(iii) The Restricted Residential Limited Common Elements (as defined in the Declaration) shall be maintained, repaired and replaced by, and at the expense of, the following persons under the following circumstances: (i) the Board of Managers at the expense of the Unit Owner, if it is a Restricted Residential Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of leaks); or (ii) by the Unit Owner having direct and exclusive access to a Restricted Residential Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs (as defined in Article THIRD.)

(e) Commercial Limited Common Elements.

(i) In addition to other references in this Declaration, the following shall be Common Elements which shall be Commercial Limited Common Elements which shall be allocated to the specific Commercial Unit having exclusive use thereof;

(1) Any dividing wall or walls which are created in the event that any Commercial Unit is subdivided or combined which is for the exclusive use of the Commercial Unit Owners whose Units are separated by such walls;

(2) All drains, vents, flues, or other mechanical equipment installed by the owner or tenant of a Commercial Unit solely for the use of one or more Commercial Units;

(3) All other facilities of the Property (including, but not limited to, the courtyard and any shafts, pipes, wires, ducts, vents, cables, conduits and lines) which exclusively serve or benefit, or are necessary or convenient for the existence, maintenance, operation or safety exclusively of a Commercial Unit Owner.

(ii) All doors and all windows and window frames located on the boundary of a Commercial Unit, all doors leading from a Commercial Unit to other portions of the Building, and all street level doors and entrances to and exits from a Commercial Unit, shall be part of that Commercial Unit.

(iii) Commercial Limited Common Elements shall be maintained, repaired and replaced by the owner of the Commercial Unit who has use of or benefits by the particular Commercial Limited Common Element.

(iv) The holders of a majority in interest of the percentage of common interest allocated to the Commercial Units shall have the right to designate any Commercial Limited Common Element as a Restricted Commercial Limited Common Element, and to allocate the responsibility for the Repair of any such Restricted Commercial Limited Common Element to one or more Commercial Units who utilize such common element, upon written notice to the Board of Managers. The Commercial Unit Owner shall amend the floor plans of the Condominium to reflect such change.

(f) The common elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law. Notwithstanding the foregoing, the Board of Managers of the Condominium shall have the right to convey, lease and mortgage any Unit owned by the Condominium (including one used for the lodging of the superintendent) on behalf of all of the Unit Owners. If such Unit is conveyed by the Board of Managers, it shall no longer be deemed a common element of the Condominium and the floor plans appurtenant to the Declaration shall be amended accordingly.

(g) The percentage of the undivided interest in the common elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment of this Declaration.

(h) The undivided interest in the common elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

SIXTH: Special Rights of Sponsor and Commercial Unit Owners.

(a) The Sponsor, its successors, assigns and purchasers, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the common elements of the Condominium for the purpose of completing construction and sale of a Unit and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the common elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. For further easements in favor of the Condominium and Unit Owners, see Article FIFTEENTH.

(b) The Sponsor, its successors, assigns, and purchasers, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the common elements.

(c) The Sponsor, its successors, assigns and purchasers, reserves the right to continue to use the common elements and any facilities, sales offices, model units, and signs located on the common elements, in its efforts to market units in the Condominium.

(d) The Sponsor shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or holders of Unit mortgages, to (i) make alterations, additions or improvements, structural and nonstructural, ordinary and extraordinary, interior and exterior, in, to and upon any Unit Owned by it (provided that no such change may be made to the exterior of the Building except in accordance with the laws governing changing the facades of landmark buildings, to the extent such laws actually apply to the Building); (ii) change the layout or number of rooms in the Unit; (iii) change the size or number of such Units by subdividing a Unit, combining separate Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between Units, or otherwise; and (iv) reapportion among the Units affected by such change their appurtenant interests in the Common Elements, provided that in each instance Sponsor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. The Board of Managers shall sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural change made by Sponsor to any Unit, provided that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the signing of the application or such other document. With respect to any such change, Sponsor shall have the right to require the Board of Managers to execute and record any appropriate amendment to this Declaration, and Sponsor shall also have the right to execute and record such Amendment upon its own execution of

such Amendment. A copy of any such application or other documents required by Sponsor will be furnished to the Board of Managers.

(e) The provisions of subsections (a) through (e) may not be added to, amended or deleted without the consent of Sponsor. For further easements in favor of the Sponsor, see Article FIFTEENTH.

(f) The owner of a Commercial Unit shall have the right, without the consent of the Board of Managers or other Unit Owners or holders of Unit mortgages to (i) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary in to and upon his Commercial Unit (provided that no such change may be made to the exterior of the Building except in accordance with the laws governing changing the facades of landmark buildings, to the extent such laws actually apply to the Building); (ii) subdivide the Commercial Unit into separate Units and combine Units resulting from any subdivision of one or more Commercial Units into single Units; (iii) change the layout of his Unit and any boundary walls between one or more of the subdivided or combined Commercial Units; (iv) alter or improve any Commercial Limited Common Elements; and (v) apportion among the subdivided or combined Commercial Units their appurtenant interests in the Common Elements, provided that in each instance the Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. The Board of Managers shall sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural change made by a Commercial Unit Owner, provided, however, that neither the Board of Managers or the Unit Owners shall be subjected to any expense or liability by virtue of the signing of the application or such other document. With respect to any such change, the owner of the appropriate Commercial Unit shall have the right to require the Board of Managers to execute and record any appropriate amendment to this Declaration, or such Commercial Unit Owner shall also have the right to execute and record such amendment upon his own execution of such amendment. A copy of any such applications or other documents required by a Commercial Unit Owner will be furnished to the Board of Managers. The provisions of this subsection (f) may not be amended, added to or deleted without the consent of all of the owners of the Commercial Units. For further easements in favor of the Commercial Unit Owner, see Article FIFTEENTH.

SEVENTH: Service of Process. Service of process on the Unit Owners in any action with relation to the common elements shall be made upon the Secretary of State of the State of New York as the Agent for the Board of Managers of the Condominium. The Condominium Board shall file with the Secretary of State the name and post office address of the Condominium for purposes of receiving copies of any process served against the Condominium Board. Copies shall also be mailed att: the President of the Board of Managers of The Normandie Condominium at 100 West 119th Street, New York, New York 10026. The Condominium's address for service of process may be changed by recording a Notice of Change of Address for service of process.

EIGHTH: Common Interest; Payment of Common Expenses.

(a) Each Unit Owner shall have such percentage interest in the common elements as is set forth on Schedule A attached hereto and shall bear such percentage of the common expenses of the Condominium. Each Unit Owner shall have one vote for each hundredth (.01) percentage of that Unit Owner's common interest for all voting purposes at any meeting of the Unit Owners. The percentage of common interest of each Residential Unit and each Commercial Unit in the common elements is based on floor space, location and uniqueness as of the date of recording this Declaration.

(b) (i) The contribution of the Commercial Unit Owners to common expenses will be based on (1) a fair allocation of the following expenses of the Condominium based on anticipated actual usage of the Commercial Unit Owners from year to year: payroll and related expenses, gas, electricity, water and sewer, but only to the extent that such usage is not separately metered or submetered; plus (2) the percentage of common interest of the Commercial Unit Owners in the following other expenses of the Condominium: repairs and maintenance to the General Common Elements; service contracts, insurance; management; accounting; contingency reserve; telephone and miscellaneous administrative expenses; income taxes (if any); and capital Repairs to the General Common Elements.

(ii) Notwithstanding part (i) the Commercial Unit Owners will be obligated to pay their fair share of the expenses incurred by the Condominium in furnishing the services set forth above, as well as operating, maintaining and repairing those Common Elements that are utilized by the Commercial Unit Owners. No more frequently than once per year, the Board of Managers may seek to adjust the allocation of Common Expenses to reflect the proportions fairly attributable to the Residential and Commercial Units to the amount of usage fairly anticipated by such Unit Owners of the services and Common Elements in question during the following year, based on historical usage or (in the event of capital repairs) anticipated costs. However, without the consent of the Commercial Unit Owners, the Condominium Board may not (1) modify its method of allocations and assessments, or increase the number of Building employees servicing the Commercial Units or the categories of services, utilities or supplies provided to the Commercial Units, in such a manner as would increase the Common Charges otherwise payable by the Commercial Unit Owners or (2) increase the Common Charges payable by the Commercial Unit Owners beyond their Percentage of Common Interest in any particular category of Common Charges, including charges for capital Repair projects not otherwise reflected in the annual operating expense budget. Any allocation shall conform to Section 339-m of the Real Property Law. If any category of Unit Owner contends that any method of allocation determined by the Board is inequitable, the Board or the Commercial Unit Owner may submit the dispute to arbitration in accordance with the By-laws.

(iii) In the event that the use of a Commercial Unit is changed from its then existing use, the Board of Managers may allocate expenses or specific expense items and apportion Common Charges allocated to the Commercial Unit resulting solely from such changes in use. If a Commercial Unit Owner objects to any such allocation by the Board of Managers, the dispute shall be submitted to the American Arbitration Association for arbitration and the determination made in such arbitration shall be binding and conclusive on the parties. The cost of such arbitration shall be borne equally by the parties. Any allocation shall conform to Section 339-m of the Real Property Law.

(iv) Either the Board of Managers or Commercial Unit Owners shall have the right to require that any utility used in common by the Residential and Commercial Units be separately metered or (if separate metering is not economically feasible) submetered. In such case, the cost of such utility will be payable based on actual usage rather than percentage of common interest. The ongoing cost of reading or Repairing any submeter will be split equally between the Residential Units and the Commercial Unit whose consumption is being measured. The initial cost of installing any meter or submeter will be split equally between the Residential and Commercial Units. The ongoing cost of any separate meter (as opposed to submeter) shall be paid for by the Unit whose consumption is being measured.

(v) If the Condominium contains a vault, the Board of Managers shall allocate any fees charged by the City of New York in connection with the use of the vault between the Residential and Commercial Unit Owners on the basis of the square footage of the vault actually used by each Unit Owner. If any portion of the vault is used in common by the Residential Unit Owners, the allocable portion of such fees shall be borne by the Residential Unit Owners as a common expense.

(vi) The provisions of this subsection (b) may not be amended without the consent of the affected Unit Owner.

NINTH: Administration. The administration of the Condominium, the Community and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto.

TENTH: Amendment and Withdrawal.

(a) The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless 80% of the Unit Owners in number and in common interest and the first mortgagees, if any, of each of these same units agree to such revocation or removal of the property from the condominium plan by duly recorded instruments.

(b) Subject to the rights of the Sponsor or Commercial Unit Owners as set forth in this Declaration, the provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of 67% of the Unit Owners in number and common interest held at a duly called meeting of the Unit Owner, provided however, that:

(i) No amendment shall change any condominium parcel, nor a Unit Owner's proportionate share of the common charges, nor the voting rights appurtenant to any unit, unless all unit owner(s) affected in number and common interest thereof and the first mortgagees, if any, of each of those same units agree to such revocation by recorded instrument.

(ii) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees or the rights and privileges granted or reserved to the Sponsor hereunder.

(c) There shall be a presumption for a period of 60 days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the 60 day period such presumption will be deemed conclusive.

(d) No amendment to this Declaration shall take effect until it is recorded in the Office of the City Register of the County of New York, New York.

(e) Irrespective of any other provision of this Declaration, no action for partition or division of the common elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

(f) The Sponsor and any Commercial Unit Owner shall have the right, without vote or consent of other Unit Owners, the Board of Managers or the holders of Unit mortgages, to execute or (on Sponsor's request) to require the Board of Managers to execute and record in the Office of the Register of the City of New York, County of New York, and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, plans and maps as may be required to effectuate the same) to reflect any changes in Units and the reapportionment of the Common Interest resulting therefrom, made by Sponsor or a Commercial Unit Owner in accordance with this Declaration. All expenses in connection with the preparation, recording and filing of any such amendment shall be paid by Sponsor or the Commercial Unit Owner making such filing, as the case may be.

(g) Pursuant to Section 339-i(2) of the Real Property Law of the State of New York, where an Owner of a Unit changes the number of rooms (provided that in no case such division results in a greater percentage of Common Interest for the total of the new Units than existed for the original Unit before division), an appropriate amendment to the Declaration may be filed by a new Unit Owner under the same file number and under the procedure set forth in Section 339-p of the Real Property Law of the State of New York, and the local tax authorities shall provide and certify upon the proposed amendment a conforming tax lot number upon completion of new Units. Nothing in this subsection shall give any Residential Unit Owner the right to change the number of rooms without the consent of the Board of Managers in accordance with the By-laws of the Condominium.

(h) Except as provided in this Article with regard to the right of Sponsor or its designee(s) to amend this Declaration, the following shall apply:

(i) Without the prior written consent of the affected Commercial Unit Owner(s), no amendment, modification, addition or deletion of or to the By-laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner, shall be effective in any way against that Unit Owner. The Board will not adopt any rules or regulations or amend the Declaration or By-laws in a manner which would adversely affect the operation of the Commercial Units.

(ii) Without the prior written consent of the Sponsor, no amendment, modification, addition or deletion of or to these By-laws, the Declaration or the Rules and Regulations modifying the rights of the Sponsor or affecting the rights, privileges, easements, licenses or exemptions granted to the Sponsor shall be effective in any way against the Sponsor. The Board will not adopt any rules or regulations or amend the Declaration or By-laws in a manner which would adversely affect the sales, marketing or operations of the Sponsor.

ELEVENTH: Subject to Declaration, By-Laws, Etc. All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Community in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Community or the mere act of occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

TWELFTH: Common Charges. All sums assessed as common charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on his Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivision of any governmental authority, including but not limited to State, County and City taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit in excess of six months of unpaid common charges and attorneys fees incurred by the Condominium in collecting such charges. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid common charges, the unpaid balance shall be charged to all Unit Owners as a common expense. However, where the holder of an institutional first mortgage obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder purchasing for its own account obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of common charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such mortgagee. In such event, the unpaid balance of common charges shall be charged to all other Unit Owners as a common expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Sponsor to a purchaser of a Unit or in which the Sponsor participates with one of the above. Every Unit Owner shall pay the common charges assessed against him when due and no Unit Owner may exempt himself from liability for the payment of the common charges assessed against him by waiver of the use or enjoyment of any of the common elements or by the abandonment of his Unit. In addition, every non-occupying Unit Owner shall be subject to the provisions of Section 339-kk of the Real Property

Law. However, no Unit Owner shall be liable for the payment of any common charges accruing subsequent to a sale, transfer or other conveyance by him of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws. The By-laws of the Condominium contain additional provisions regarding the right of the Board of Managers of the Condominium to collect Common Charges owed by a Unit Owner, which shall be deemed incorporated into this Declaration.

THIRTEENTH: Units Acquired by the Board. If any Unit Owner shall surrender, convey or lease his Unit to the Board of Managers or its designee in accordance with Section 339-x of the Real Property Law, or if the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article X of the By-Laws, title to such Unit or the rights to the lease of such Unit together with the Unit Owner's percentage of common interest, shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners in proportion to their percentage of common interest.

FOURTEENTH: Power of Attorney. In order to carry out the provisions of Article 13 and to facilitate the proper operation of the Condominium, each Unit Owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest, to the Board of Managers and their successors to exercise or waive the right of first refusal under the Condominium By-laws, acquire title or lease any such Unit under whatever terms the Board may in its sole discretion deem proper, to finance such acquisition, and to sell, lease, sublease, mortgage, vote, execute documents with respect to, or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper; to protest the Condominium's real estate tax valuations with the City of New York, and amend the Declaration and By-Laws of the Condominium; to borrow money for the repair of the General Common Elements; and to amend the Declaration and By-laws of the Condominium, provided that any such action is consistent with applicable law. Notwithstanding the above, the Board of Managers may not exercise any such power granted to it under the power of attorney so as to (i) adversely affect any rights or privileges of the Sponsor or Commercial Unit Owners, or (ii) increase the financial obligations of fewer than all unit owners (or, if the change affects only the Residential Units, fewer than all Residential Unit Owners) or change the percentage of common interest allocated to any Unit.

FIFTEENTH: Easement for Pipes, Ducts, Cable, Wires, Conduits, Public Utility Lines and Other Common Elements Located Inside of Units; Special Rights of Sponsor and Commercial Unit Owner.

(a) Each Unit Owner shall have an easement in common with the Owners of all other units to use in accordance with present use and present available facilities all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other units and serving his unit. Each unit shall be subject to an easement in favor of the owners of all other units to use in accordance with present use and present available facilities the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other units and located in such unit. The Board of Managers shall have a right of access to each unit to inspect the same, to remove

violations therefrom and to maintain, repair or replace the common elements contained therein or elsewhere in the Building.

(b) In addition to the above, an easement in favor of the Board of Managers, its agents, contractors and employees shall exist providing for a right of access to the Units and to the Common Elements to inspect, maintain or repair or make repairs to the Units to prevent damage to the Common Elements or to any other Units, to make repairs to the Common Elements, to any wires, pipes, conduits or cable television systems servicing any of the Units or to make repairs to any other Units, or to perform such inspection, maintenance or repair work as would be necessary for the purpose of removing violations or curing defaults by Unit Owners or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the owner, tenant or other occupant of a Commercial Unit or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that notice will not be necessary in the case of an emergency condition that requires repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other persons, or as required to avoid the suspension of any necessary service in the Building. The right of access to the Board of Managers will be subject to other provisions of the By-laws.

(c) The Sponsor, its designees, and their invitees, licensees, contractors and employees shall have an easement to erect, maintain, repair and replace from time to time one or more signs in or on the Property for the purposes of advertising the sale of the Units and the leasing of space in any Unit, as well as an easement in and access to Units and Common Elements consistent with the purposes of the Plan, as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units.

(d) Sponsor and its agents shall have an easement to maintain general and sales and leasing offices and personnel on the premises of the Property, to erect, repair, maintain, replace and post signs on the Property and to conduct other activities connected with promotion, sales or leasing, such as allowing inspections by invitees of Sponsor and the display of vacant Units or leased Units owned by Sponsor, as well as Common Elements.

(e) Sponsor shall have the right to renovate and/or decorate and perform any construction work within or to any Unit owned by it or in connection with the subdivision or combination of any Units owned by Sponsor. In accordance with this right, Sponsor shall have a right of access and all necessary easements to perform any such work, including, but not limited to, access to the Building, corridors, hallways, elevators and all other Common Elements. Sponsor and its designee shall also have the right to store construction and renovation materials in any Unit owned by it. Sponsor's rights in accordance with the foregoing paragraph are subject to the obligation of Sponsor to comply with all appropriate laws and regulations of governmental agencies and the obligation not to prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of any Commercial Unit or with the use of the Residential Units for their permitted purposes.

(f) Sponsor shall have for itself, its invitees, contractors, agents, employees and tenants, any and all easements and rights of access, in and to Units and the Common Elements as are consistent with the purposes of the Plan and Sponsor's rights and obligations thereunder.

(g) Sponsor and the Board of Managers shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property as Sponsor or its designee, or the Board of Managers, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of a Commercial Unit or with the use of the Residential Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Units or the Common Elements in furtherance of any such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Units or with the use of the Residential Units for their permitted purposes.

(h) The owner of a Commercial Unit will have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of a Commercial Unit or a Commercial Limited Common Element or any portion of the Common Elements in connection with the subdivision or combination of Commercial Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of other Commercial Units or with the use of the Residential Units for their permitted purposes.

(i) A utility company and its employees and agents shall have the right of access to any Units or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of Commercial Units or with the use of the Residential Units for their permitted purposes.

(j) Any owner of Commercial Unit shall have an easement for any installation, maintenance, repair or replacement work performed in accordance with the combination or subdivision of any Commercial Units, and any such owner shall have the right to install, maintain, repair and replace separate mechanical systems, such as heating systems and all necessary pipes, lines, conduits, ducts, water lines, flues, etc. in connection with the subdivision, combination or operation of Commercial Units, and such easements shall run through the Building, its walls and common areas.

(k) Each Commercial Unit Owner shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property for the purposes of advertising the sale or lease of all or any portion of his Commercial Unit and the operation of any business of a tenant or occupant of all or any portion of the Commercial Unit. Each Commercial Unit Owner shall have an easement to install, create, alter, repair, replace and maintain

such signs and displays as may be permitted by law on or in the exterior wall of the Building to the height and width of the Commercial Unit bounded on the interior side of such wall.

(l) Notwithstanding any other provisions of this Declaration, each Unit owner shall have, in common with all other Unit Owners, an easement for ingress and egress through any Unit or the Common Elements to the extent necessitated by an emergency.

(m) 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.

(n) The beneficiary or user of any easement granted pursuant to this Article of the Declaration shall have the obligation of repairing any damage resulting from the use of such easement.

SIXTEENTH: Encroachments. The Unit Owners agree that if any portion of a Unit encroaches upon another Unit or the common elements, or if any portion of the common elements (whether restricted in use to an individual Unit Owner or not) or shall hereinafter encroach upon a Unit as a result of original construction or settling of the Building, or by reason of the repair, alteration or restoration by the Board of Managers of the Building, any Unit or the Common Elements, or by reason of the installation, maintenance, repair or replacement by the owner of a Commercial Unit or any Unit resulting from the subdivision or combination of a Commercial Unit of signs, flues, vents, air conditioning, heating, ventilating and water lines and other mechanical fixtures and equipment, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and are rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the common elements as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Buildings shall stand.

SEVENTEENTH: Unit Ownership. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as he ceases to own the Unit for any reason.

EIGHTEENTH: Conveyance of a Unit. In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of the Unit shall be jointly and severally liable with the Grantor for any unpaid common charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid common charge against the Grantor and such Grantee shall not be liable for any unpaid common charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of

record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

NINETEENTH: Covenants and Restrictions and Statement of Permitted Uses. The use of the Unit by the Unit Owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-laws and Rules and Regulations of the Board of Managers, and the following covenants and restrictions:

(a) The Unit and area restricted to the Unit Owner's use shall be maintained in good repair and good overall appearance.

(b) No alterations to the exterior of the Unit or any part of the common elements may be made without the written consent of the Board of Managers. No alterations to the inside of a Unit which would affect the structure or affect the utility systems of the Building may be made without the written consent of the Board of Managers. No appliances may be installed (other than electrical appliances) without the consent of the Board of Managers. Consent may be requested by mailing a letter, certified mail, return receipt requested to the Management Agent, if any, or to the President of the Board of Managers, if no Management Agent is employed. The Board of Managers shall have the obligation to answer within sixty days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration. The provisions of this paragraph shall not apply to the Sponsor or Commercial Unit Owners, provided that any such alterations do not materially adversely affect the structure or utility systems of the Building.

(c) Any Unit Owner who mortgages his Unit shall notify the Board of Managers prior to the date of the mortgage providing the name and address of his mortgagee. No mortgage will be permitted unless all common charges have been paid to the date of the mortgage.

(d) At the request of the mortgagee of the Unit, the Board of Managers shall report any unpaid common charges due from the Unit Owner of such Unit, at a charge to the Unit Owner of Fifty (\$50.00) Dollars for each such request.

(e) No nuisance shall be allowed upon the Property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(f) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(g) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owner provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.

(h) The common charges shall be paid when due.

(i) Occupancy of the Residential Units shall be restricted to residential occupancy, home occupation and professional use in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Community.

(j) The Commercial Units and any Units resulting from the subdivision or combination thereof may be used for lawful commercial purposes, including, but not limited to, professional offices or for any other lawful purpose, provided however, that the Commercial Units may not be used for (i) any obscene or pornographic use or any sort of commercial sex establishment or for any nude or semi-nude live performance, such as modeling, rap sessions, or a so-called rubber goods shop or as a sex club, (ii) as a dry cleaner with on-site cleaning, (iii) any form of gambling establishment including but not limited to "Off-Track Betting (OTB)," (iv) a billiard parlor or pool hall, (v) an amusement arcade or center having income from coin-operated games or other electronic devices; or (vi) massage parlor. The use of any Commercial Unit must conform to all applicable governmental and municipal regulations, including any applicable zoning requirements.

TWENTIETH: Allocation of Tax Benefits. Any real estate tax benefits meant to be conferred upon substantially all of the Residential Units by a governmental authority shall nevertheless be allocated among all of the Residential Units in accordance with their respective Percentage of Common Interest, regardless whether the construction of such Units resulted in an increase in the cubic content of the Building prior to the date of this Declaration.

TWENTY-FIRST: Invalidity. Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

Declarant: 167-177 LENOX, LLC

By: Tahl-Propp Manhattan North Investors III. LLC, Its
Managing Member

By: Tahl-Propp MNI. LLC, Its Managing Member

By: Joseph A. Tahl, Managing Member

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

On the ____ day of _____ in the year 200__ before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph A. Tahl, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

SCHEDULE A
TO THE DECLARATION OF
THE NORMANDIE CONDOMINIUM

<u>Unit Numbers</u>	<u>Tax Lot</u>	<u>Percentage of Common Interest</u>	<u>Approx. Cellar Storage and Roof Deck Area in Square Feet</u>	<u>Approx. Unit Area in Square Feet</u>	<u>Number of Rooms</u>	<u>Common Elements to Which Unit Has Access</u>	<u>Restricted Residential Limited Common Elements to Which the Unit Has Access</u>
Totals		100.0%					

**SCHEDULE B
TO THE DECLARATION OF
THE NORMANDIE CONDOMINIUM**

[to be inserted]

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BY-LAWS
OF
THE NORMANDIE CONDOMINIUM

ARTICLE I. PLAN OF UNIT OWNERSHIP

Section 1. Unit Ownership. The property located at 100 West 119th Street, New York, N.Y., County of New York, specifically set forth in the Declaration and more commonly known as "**The Normandie Condominium**" has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium. The Term "**Condominium**" as used herein shall include the land and all buildings and improvements thereon, including the Condominium Units (as defined below) and the common elements and the use and occupancy thereof. The term "**Building**" as hereinafter used shall be defined as the exterior walls and roof of a Unit or number of Units all of which are constructed under a continuous roof, or the entire interior and exterior of any building or structure which shall form a portion of the Condominium but which does not contain any of the Units. The Unit or Units referred to as the "**Commercial Unit**" or "**Commercial Units**" consists of commercial space on the ground floor, which may include some cellar space (as indicated in the Declaration). All other Units are referred to as "**Residential Units**". Any Unit resulting from the subdivision or combination of one or more Commercial Units shall also be a Commercial Unit. The Commercial Units and the Residential Units are sometimes hereinafter collectively referred to as "**Units**". The "**Sponsor**" means 167-177 Lenox, LLC and any successor Sponsor.

Section 3. Personal Application. All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy of any, of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners. "**Unit Owner**" as referred to herein shall mean all of the owners of each Unit.

Section 2. Voting. Each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be

entitled to cast one vote at all Unit Owners' meetings for each .01 (hundredth) percent of common interest in the common elements appurtenant to his or her Unit, but the Board of Managers shall not cast any of its votes for the election of any member to the Board. The total number of votes available shall be 10,000. For voting purposes, Units held jointly shall be deemed to be owned by a single Unit Owner. The number of votes available to each Unit Owner pursuant to the above formula shall be referred to in these By-Laws as the Unit Owner's "voting interest".

Section 3. Quorum. Provided a majority in voting interest of all Unit Owners is present in person or represented by written proxy at the meeting, so many Unit Owners as shall represent at least 50.01% of the total voting interest of all Unit Owners shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority in voting interest of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote. At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. Whenever any vote of Unit Owners at a meeting is required or permitted by any provisions of the Declaration, Statutes or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners, who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings. Within one year after the recording of the Declaration, the Sponsor shall call the first annual Unit Owners meeting. At such meeting a new Board of Managers

shall be elected by the Unit Owners and the former members of the Board shall thereupon resign. Thereafter annual meetings shall be held on or about the anniversary of such date each succeeding year. At such meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owner's as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owner's having been presented to the Secretary.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held to each Unit Owner of record, at least ten (10) but not more than fifty (50) days prior to such meeting. The mailing of a notice in the manner provided in the By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meeting
- (d) Report of officers
- (e) Report of Board of Managers
- (f) Report of committees
- (g) Election of inspectors of election (in the event there is an election)
- (h) Election of managers (in the event there is an election)
- (i) Unfinished business
- (j) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term.

(a) The number of Managers which shall constitute the whole Board shall not be less than three (3) or more than nine (9). Until succeeded by the Managers elected at the first meeting of Unit Owners called for such purpose, Managers need not be Unit Owners; thereafter all Managers, other than representatives of the Sponsor or the Commercial Unit Owner, shall be Unit Owners, the principal or officer of a Unit Owner, or the spouse, son or daughter of a Unit Owner. The number of Managers elected at the first such meeting shall be five (5), including the designee of the Commercial Unit Owner. Thereafter, within the limits above specified, the number of Managers may be changed by a vote of the Unit Owners at their annual meetings prior to the election of the next Board of Managers. At the first meeting of the Unit Owners at which Managers are to be elected, the term of office of two of the Managers shall be fixed for three years, the term of office

of two of the Managers shall be fixed at two years, and the term of office of one of the Managers shall be fixed at one year. The two nominees receiving the greatest number of votes shall serve a three year term; the two nominees receiving the next greatest number of votes shall serve two year terms; and the nominee receiving the next greatest number of votes shall have a one year term. The designee of the Commercial Unit Owner shall be deemed to have the one-year term. At the expiration of the initial term of office of each respective Manager his successor shall be elected to serve a three-year term. To the extent that the Sponsor or the Commercial Unit Owner is entitled to designate members of the Board of Managers as set forth in subsection (b), such designation shall reduce the number of Managers elected by the Unit Owners during that year.

(b) (i) The Managers shall hold office until their successors have been elected and hold their first meeting. Notwithstanding the foregoing, the Sponsor will have the right to designate a majority of the Board of Managers until the earlier of (y) the sale of 90% of all Units in percentage of common interest have been sold, or (z) five (5) years from the first unit closing, whichever comes first ("triggering event"). The Sponsor will relinquish control at a Unit Owner's meeting to occur within thirty (30) days after the triggering event.

(ii) To assure the Sponsor of minimum representation on the Board of Managers after it turns over control of the Board to Unit Owners independent of the Sponsor, the Sponsor shall have the right to designate one member of the Board so long as the Sponsor continues to own one or more Residential Units. In addition, the Commercial Unit Owner shall have the right to designate one member of the Board of Managers at all times in addition to any Sponsor designee, and notwithstanding whether the Sponsor has the right to designate a Manager due to its ownership of a Residential Unit. However, if the Sponsor is also the owner of the Commercial Unit, the Sponsor and Commercial Unit Owner will not designate more than one more than a majority of the members of the Board during the control period described in part (i) above.

Section 2. Vacancy and Replacement. If the office of any Manager or Managers becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining managers, though less than a quorum, at a special meeting of Managers duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. If the vacancy occurs with respect to any member of the First Board of Managers (see Section 4 of this Article III) who has been designated by the Sponsor, the Sponsor shall have the sole right to choose such Manager's successor to fill the unexpired portion of his term. In addition, only the Commercial Unit Owner may designate a successor to fill a vacancy relating to the Manager designated by the Commercial Unit Owner.

Section 3. Removal.

Except for a member of the Board of Managers designated by Sponsor or the Commercial Unit Owner, a member of the Board of Managers may be removed from office with or without cause by the affirmative vote of Unit Owners owning in the aggregate a percentage of Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor or Commercial Unit Owner may only be removed for

cause or by the Sponsor or Commercial Unit Owner, and in either event, only the Sponsor or Commercial Unit Owner, as applicable, shall have the right to designate a replacement.

Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting at which his proposed removal is to be acted upon. If a member of the Board of Managers ceases to be a Unit Owner or mortgagee (or a partner, officer, director, stockholder or employee of a partnership or corporate owner or mortgagee or fiduciary owner or mortgagee), unless such member is a designee of the Sponsor or Commercial Unit Owner, he shall be deemed to have resigned effective as of the date such ownership or mortgage interest ceased.

Section 4. First Board of Managers. The first Board of Managers shall consist of Joseph A. Tahl, Rodney Propp and Barna Tokay, who shall have the right to hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 5. Powers.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not required to be exercised or done by the Unit Owner personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("**Common Charges**") to cover the cost of common expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses, but said increases can only be assessed among the Unit Owners pro rata according to their respective common interests;
2. To collect, use and expend the assessments collected to maintain, care for and preserve the Units, Buildings and other common elements;
3. To make repairs, restore or alter any Units or the common elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings within the limitations of these By-Laws;
4. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owner as reasonably possible in connection with the maintenance, care and Preservation of the property;
5. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts;

6. To insure and keep insured the common elements and Units in accordance with Article VII of these By-Laws, and settle claims;

7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owner of the property for violations of the house rules or rules and regulations herein referred to, and to levy such fines and late charges upon Unit Owners who fail to pay such rent or assessments in a timely manner or to comply with such rules and regulations in order to ensure compliance, in the reasonable judgment of the Board, and to assess individual Unit Owners for the legal or administrative costs of enforcing such rules and collecting such assessments;

8. To make reasonable rules and regulations and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Unit;

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts and generally to have the powers of a manager in connection with the matters hereinabove set forth;

10. To bring and defend actions by or against more than one Unit Owner and pertinent to the operation of the Condominium and to levy special assessments to pay for the cost of such litigation;

11. To exercise or waive a right of first refusal to purchase Units, to acquire Units in foreclosure, by exercise of a right of first refusal on behalf of all Unit Owners, or as a result of abandonment, and to take any and all steps necessary to repair or renovate any Unit so acquired and to vote as Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

12. To hire a Management Agent to perform the duties of the Board of Managers, provided that if such a contract is entered into with the Sponsor, the contract may not be for a period in excess of three years and must contain a provision for termination by either party upon 60 days written notice after the second year;

13. To make additions, alterations, or improvements to the common elements of the Condominium, and to present to the Unit Owners the assignment of Common Charges or the placement of a lien on the common elements, when such presentation is required by law;

14. To borrow money on behalf of the Condominium when required in order to purchase a Unit at foreclosure, pursuant to the exercise of a right of first refusal, for Common Charges, and in connection with the operation, care, upkeep and maintenance of the common elements, provided, however, that if required by law, the consent of at least 50.01 % in percentage of common interest of all Unit Owners, obtained at a meeting duly called and held for such purpose

in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum (except sums required to comply with applicable law or a work order of an insurance carrier) which is to be secured by an assignment of income under Section 339-jj of the Real Property Law. Except as required by law, the consent of the Unit Owners shall not be required to make any unsecured borrowing to be used for the benefit of the Condominium, or to borrow funds by a lien on the common charge payments of the Unit Owners.

15. To request a reduction in the taxable assessed valuation of the Condominium on behalf of all Unit Owners;

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least one manager (but the committee may also have non-manager Unit Owners on it) which, to the extent provided in said resolution or resolutions, shall advise the Board of Managers in the management of the Condominium. The Manager who is a member of any such committee, acting on behalf of the Board of Managers, or (to the extent permitted by law) any other available member shall also have and may exercise the powers of the Board of Managers in the management of the business and affairs of the Condominium, and may have power to sign all papers which may be required provided the said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws so long as the Sponsor or its designee shall continue to own twenty-five (25%) percent of the Residential Units but in no event later than five (5) years from the closing of title to the first Unit, the Board of Managers may not, without the Sponsor's prior written consent: (i) make any addition, alteration or improvements to the common elements or to any Unit, at the expense of the Condominium, the foregoing not to include necessary repairs and maintenance work, or (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, except to the extent that the aggregate amount of such fund does not exceed 5% of the budgeted expenses of the Condominium or (iii) hire any employee in addition to the employees referred to in the Plan of Condominium Ownership, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date the said Plan is declared effective or (v) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are sufficient). The provisions of this paragraph may not be amended without the written consent of Sponsor.

(d) Notwithstanding Subsection (c), the Sponsor or Sponsor-designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law, or a work order of an insurance carrier.

Section 6. Management Agent. The Board of Managers may employ a management agent

for the Condominium under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to all of the duties of the Board listed in this Article which may be delegated under law.

Section 7. Compensation. Managers and officers as such, shall receive no compensation for their services.

Section 8. Meetings.

(a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately, upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Unit Owners meetings, and immediately after the adjournment of same. at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each manager either personally or by mail, telegram, facsimile or e-mail. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) managers.

(d) At all meetings of the Board, a majority of the managers shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the managers present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meeting of managers, the managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Manager may, in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Annual Statement. The Board of Managers shall furnish to all Unit Owners their mortgagees and the Department of Law (if required) of the State of New York, and shall present annually (at the annual meeting, but in no event later than four months after the close of the fiscal year) and when called for by a vote of the Unit Owners at any special meeting of the Unit Owner, a full and clear statement of the business conditions and affairs of the Condominium, including a

balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Unit Owners meeting.

Section 10. Fidelity Bonds. The Board of Managers shall obtain adequate fidelity bonds for all officers and employees of the Condominium who handle or are responsible for Condominium funds. The premiums on such bonds shall be a common expense.

Section 11. Liability of the Board of Managers and Unit Owners. Any contract, agreement or commitment made by the Board of Managers shall state that it is made by the Board of Managers as agent for the Unit Owners as a group only and that no member of the Board of Managers nor individual Unit Owner shall be personally liable for such contract, agreement or commitment except as set forth herein. The Unit Owners shall be liable as a group under such contract, agreement or commitment but the liability of each Unit Owner shall be limited to such proportion of the total liability thereunder as his common interest bears to the common interest of all Unit Owners. The Board of Managers shall have no liability to the Unit Owners in the management of the Condominium except for gross negligence, wilful misconduct or bad faith, and the Unit Owners shall severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties as such member except acts of gross negligence, wilful misconduct or acts made in bad faith. However, such several liability of the Unit Owners shall be limited as to each Unit Owner to such proportion of the total liability thereunder as such Unit Owner's common interest bears to the common interest of all Unit Owners.

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a president, a vice president, a secretary and a treasurer. The President must be a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner. Other officers are not so restricted. The Board of Managers may also choose one or more assistant secretaries and assistant treasurers and such other officers as in their judgment may be necessary. The President and Treasurer may not be the same person.

Section 2. Election. The Board of Managers at its first meeting after each annual Unit Owners meeting shall elect a president, a vice president, a secretary and a treasurer. Only the president must be a member of the Board.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or

without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers other than a member designated by the Sponsor, who may be removed only for cause. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; he shall preside at all meetings of the Unit Owners and Managers; shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of the President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 6. The Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all Unit Owners' meetings and special meetings of the Board of Managers and shall perform such other duties as may be prescribed by the Board of Managers, or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

He shall disburse the funds of the Condominium as he may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Managers, at the regular meetings of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

He shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

The foregoing shall not bar the Board of Managers from employing personnel to perform the administrative duties consistent with the execution of their responsibilities set forth above.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V. NOTICES

Section 1. Definition. Whenever, under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any manager or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Managers, such manager or Unit Owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice-Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of 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 VI. OPERATION OF THE PROPERTY

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and any supplement to the budget to every Unit Owner and mortgagee. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the common elements and other operating expenses as well as charges to cover any deficits from prior years. The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective common interest appurtenant to such Units. This proration of assessments shall remain constant regardless of the percentage of the building square footage included in each Unit or the common elements restricted to the use of the Unit Owner of said Unit. Said assessments shall be payable monthly in advance as ordered by the Board of Managers. The Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against his own Unit. The Board of Managers may impose administrative fees, late charges, and interest on unpaid Common Charges, as described in Article VIII. Special assessments, should such be required, shall be levied and paid in the same manner as hereinabove provided for regular assessments. The Board may take action to collect any Common Charges due from any Unit Owner which remains unpaid 30 days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339-aa of the Real Property Law or otherwise. In addition, every non-occupying Unit Owner shall be subject to the provisions of Section 339-kk of the Real Property Law.

No Unit Owner shall be liable for any Common Charges which accrue against his Unit subsequent to a sale, transfer or other conveyance by him of his Unit in accordance with these By-Laws and the Declaration. A purchaser of a Unit (other than a first mortgagee purchasing for its own account pursuant to a foreclosure sale, which bid has not been assigned, and subject to Article TWELFTH of the Declaration) shall be liable for the payment of all Common Charges assessed against the Unit and unpaid at the time of the purchase.

Section 3. Statement of Common Charges. Upon the written request of any Unit Owner or his mortgagee, the Board shall promptly furnish such Unit Owner or his mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 4. Liability for Electricity. All electricity consumed in the Units shall be the expense of the individual Unit Owner.

Section 5. Operating Account. There shall be established and maintained a cash deposit account to be known as the "**Operating Account**", into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the common elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 6. Other Accounts. The Board shall maintain any other accounts as it shall deem necessary to carry out its purposes.

Section 7. Repairs and Maintenance of Common Elements.

(a) All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except painting the exterior side of a Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be made at the Unit Owner's expense, excepting as otherwise specifically provided in the By-Laws.

(b) All maintenance, repairs and replacements (individually and collectively, "**Repairs**") to the General Common Elements (as defined in the Declaration) and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except if the Repairs are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case the expense shall be charged to such Unit Owner. Repairs in or to the Residential Limited Common Elements (as defined in the Declaration) will be performed by, and at the expense of, the following persons under the following circumstances: (i) the Board of Managers as a Common Expense, if such Residential Limited Common Element may be used by all Unit Owners, (ii) the Board of Managers at the expense of the Unit Owner, if it is a Restricted Residential Limited Common Element and the Repair involves structural or extraordinary maintenance, repairs or replacements (including, but not limited

to, the replacement of exterior windows or the repair of leaks); (iii) by the Unit Owner having direct and exclusive access to a Restricted Residential Limited Common Element at his sole cost and expense, if involving nonstructural or ordinary Repairs; or (iv) with respect to the Commercial Limited Common Elements, by the owner of the Commercial Unit who has use of or benefits by the particular Commercial Limited Common Element. The Board of Managers will have the right to establish rules and regulations regarding the approval of contractors, nature and standard of repair for any Residential Limited Common Element.

(c) Until all Units have been sold by the Sponsor, all repairs, painting or maintenance, whether made by the Unit Owner or by the Board of Managers to the doors, windows, or the exterior surface of any Building, including roofs, or to any generally visible portion of the common elements, shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor.

(d) The Condominium will have the right to enter any Unit upon reasonable notice for the purpose of making Repairs in an emergency, or if the Condominium determines (in its sole discretion) that it is necessary or appropriate for the Condominium to make the Repair, whether or not for the account of the Unit Owner, and to charge the cost thereof to the appropriate person under the Condominium Documents. The Condominium will also have the right, but not the obligation, to require a Unit Owner to make a Repair to a Restricted Residential Limited Common Element (also at the expense of the Unit Owner) in the discretion of the Board. The Commercial Unit Owner will have the right to Repair any Commercial Limited Common Element upon reasonable prior notice to the Board except in an emergency, in which case such Repair may be made as needed. If the Board of Managers charges a Unit Owner for repairs or maintenance to his Unit or for repairs to any common element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the unpaid amount will bear interest at the maximum legal rate, and the Board of Managers shall be entitled to bring suit thereon as additional Common Charges and, in such event, the Unit Owner shall be liable for the reasonable attorneys fees and costs of such suit or proceeding together with interest on all sums due.

(e) The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the common elements for the purpose of carrying out any of its obligations under these By-Laws or the Declaration of the Condominium. These purposes include (but are not limited to) making inspections, correcting any condition originating in his or her Unit and threatening another Unit or a Common Element, performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his or her Unit or elsewhere in the Building and correcting any condition which violates the provisions of any mortgage covering another Unit. Requests for entry shall be made in advance at a time reasonably convenient to the Unit Owner. Such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the occupants of the Commercial Units or with the use of the Residential Units for residential purposes. Notwithstanding the above, no prior notice shall be required if the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Building or for the safety of the residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the

Condominium.

(f) Notwithstanding the other provisions of this Section 7, if any painting, decorating, maintenance, repairs or replacements to the Property or any part hereof is necessitated by the negligence, misuse or neglect of any Unit Owner, the entire cost thereof shall be borne by such Unit Owner. Each Unit Owner shall be responsible for all damage to any and all other Units or to the Common Elements by reason of his negligence, misuse or neglect.

Section 8. General Restrictions on Use and Occupancy of Units.

(a) Each of the Residential Units in the Building shall be used as a residence only, except (i) a Residential Unit may be used for any home occupation or professional use as permitted under local zoning laws, (ii) a Residential Unit may be used for any permitted home occupation or professional use under applicable law, and (iii) that Sponsor, regardless of number of Units unsold, shall have the right to use any Unit owned by it for general and sales office purposes, as models and for other promotional purposes in connection with the sale or lease of Units and to erect and maintain signs at or on the Building and to use Units and the Common Elements in any other manner permitted to Sponsor pursuant to the provisions of the Declaration or these By-Laws.

(b) The Commercial Units and any Units resulting from the subdivision or combination thereof may be used for such commercial or professional purposes as may be permitted by law, subject to Article NINETEENTH (j) of the Declaration of Condominium.

(c) The use of any Unit must conform to the terms and conditions of the then existing Certificate of occupancy for such Unit and any and all applicable governmental and municipal regulations, including any applicable zoning variance.

(d) The foregoing provisions in Subsections (a), (b) and (c) of this Section 8 may not be amended, modified or deleted, except by an affirmative vote of 100% in number and Common Interest of the Unit Owners and the Condominium Board. The Residential Unit Owners shall not have the right to approve any change in the use of the Commercial Units or any part thereof or to approve any amendments to the Building's Certificate of Occupancy to authorize a different use for such Units.

(e) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. However, this provision shall not be in derogation of the right of a Commercial Unit Owner to use his Unit for the purposes allowed by the Declaration and By-Laws. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with by and at the sole expense of the Unit Owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

(f) Rules and regulations concerning the use of the Residential Units and the Common Elements may be promulgated and amended from time to time by the Board of Managers, provided that copies are furnished to each Unit Owner not less than five days prior to the time that they become effective. Any rule or regulation may be rescinded by vote of 66-2/3% of the Unit Owners at a meeting duly called for that purpose. The initial rules and regulations are attached hereto as Exhibit A for the purpose of distribution but not for recording as part of the Declaration and By-Laws.

Section 9. Additions, Alterations or Improvements by Board of Managers. Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements, and the Board determines to require the placement of a lien on the common elements or an assignment of Common Charges payable by the Unit Owners, and (if required by law) the making of such additions, alterations or improvements shall have been approved by 50% in number and in Common Interest of the Unit Owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws (and by the holders of Unit mortgages, if such approval is required), the Board of Managers shall have the right to proceed with such additions, alterations or improvements and to assess all Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements which do not require a lien to be placed on the common elements or an assignment of the Common Charges payable by the Unit Owners may be made by the Board of Managers, without approval of the Unit Owners or the holders of Unit mortgages, and the cost thereof (unless paid from the Working Capital Fund or Reserve Fund in accordance with the Plan of Condominium Ownership) shall constitute part of the Common Expenses. So long as Sponsor or its designee shall own 25% of the Units, or for a period of three years from the first Closing of Title to a Unit, the Board of Managers may not make any addition, alteration, or improvement to the Common Elements without Sponsor's prior written consent, unless required by law. In the event that the Condominium Board erects a sidewalk bridge or other scaffolding at the Building, the Condominium Board shall give due regard to the use of the Commercial Units at the time in question and shall use best efforts to (i) minimize any disruption to the use of such Commercial Units and (ii) not restrict ingress or egress through the exterior doorways to the Commercial Units. In furtherance thereof, the Condominium Board agrees to consult with the commercial Unit Owners prior to the installation of such sidewalk bridge or other scaffolding and to permit the Commercial Unit Owners to install, at their cost and expense, signs upon the sidewalk bridge and scaffolding

Section 10. Additions, Alterations or Improvements by Unit Owners.

(a) A Unit Owner may make a non-structural alteration to a Unit that does not affect the exterior of the Building, the utility systems of the Condominium, or the value of other Units without the consent of the Board of Managers. However, the Board of Managers may establish regulations governing access, insurance and other matters relating to the performance of any work within a Unit. No other installations or alterations may be made to a Unit without the consent of the Board of Managers as described below. No Unit Owner, other than the Sponsor or Commercial Unit

Owner, may make a structural alteration in a Unit, install any fixtures or appliances (other than electrical appliances), or make any alteration affecting the utility systems of the Building without the prior written approval of the Board of Managers, not unreasonably withheld. Any approval, if granted, shall provide that such alteration shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and workmen's compensation insurances, (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions shall be maintained in their entirety by said Unit Owner (who shall also be responsible for any repairs, including structural repairs, to such addition under all circumstances, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration). Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration. The Unit Owner shall sign an alteration agreement to the effect of the foregoing and incorporating such other terms as the Condominium may require.

(b) Any application to any department of the City of New York or to any other governmental authority for a permit to make an installation, addition, alteration or improvement in or to any Residential Unit may be executed only by the Board of Managers without, however, incurring any liability on the part of the Board of Managers or any member thereof to any contractor, subcontractor, materialman, architect or engineer on account of such installation, addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

(c) The Sponsor and the Commercial Unit Owner shall have the right, without the consent of the Board of Managers, other Unit Owners or the holders of Unit Mortgages, to make alterations or additions to unsold Units or to the Commercial Unit, whether or not such alterations are structural or nonstructural, ordinary or extraordinary, so long as they do not materially adversely affect the structure or utility systems of the Building. The Condominium hereby appoints the Sponsor and the Commercial Unit Owner (severally) as its attorney in fact, coupled with an interest, to execute such documents on behalf of the Condominium as may be required in order to obtain any necessary licenses or permits to make or complete an alteration, and grants to the Sponsor and the Commercial Unit Owner (severally) an easement of access, ingress and egress to make any such alterations. The Commercial Unit Owner is appointed the agent and attorney in fact of the Condominium to apply for changes in the Certificate of Occupancy of the Commercial Unit and to execute all documents that may be necessary in order to procure such change. However, the Commercial Unit Owner shall not be authorized to execute any application in regard to a variance with the Board of Standards and Appeals without the consent of the Condominium.

(d) With regard to any work that may result in the subdivision or combination of

Units, the Sponsor or the owner of the Commercial Unit, as the case may be, shall have the right, pursuant to Section 339-i (2) of the Real Property Law of the State of New York, to make and file an appropriate amendment to the Declaration under the same file number and procedure set forth in Section 339-p of the Real Property Law, and the local tax authority shall provide and certify upon the proposed amendment a conforming tax lot number upon completion of the Unit. In no event shall the subdivision of a Unit and its Common Interest appurtenant thereto result in a greater percentage of Common Interest for the total to the new Unit than existed for the original Unit.

(e) The Board of Managers shall execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by Sponsor to any Residential Unit, provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

(f) No Residential Unit Owner may alter, improve or enclose any portion of the Common Elements (including the Restricted Residential Limited Common Elements), without the consent of the Board of Managers.

(g) The Commercial Limited Common Elements may be altered or improved by the owner of the Commercial Unit who has use of or benefits by the particular Commercial Limited Common Element. However, structural alterations or alterations which affect the utility systems of the Building require the consent of the Board of Managers, not unreasonably withheld or delayed.

Section 11. Contributions of Unit Owners to Common Expenses.

The contributions of the Commercial Unit Owners shall be as set forth in Article EIGHTH, Section (b) of the Declaration.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: fire insurance with extended coverage, water damage vandalism and malicious mischief endorsements, insuring all of the Buildings in the Condominium including the Community room, the Buildings (but not including furniture, furnishings or other personal property supplied or installed by Unit Owner), together with all of the Building's heating, air conditioning and other service machinery, contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as interest may appear, in an amount equal to the full replacement value of the Buildings. Each of such policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such

mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers, except that adjustments in excess of \$250,000 will require the approval of the Insurance Trustee and that the net proceeds thereof, if \$250,000 or less, shall be payable to the Board of Managers, and if more than \$250,000 shall be payable to the Insurance Trustee.

The fire insurance will commence with the closing of title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the closing of title to all Units and until the first meeting of the Board of Managers following the first Unit Owners meeting. Such amount shall be at least in the sum of \$5,500,000.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least fifteen (15) days prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least fifteen (15) days prior to expiration of then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Buildings, including all of the common elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall have a minimum single limit of \$ 1,000,000 covering all claims for bodily injury and for property damage arising out of one occurrence. Such public liability insurance shall commence on the closing of title to the first Unit.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 2. Insurance Trustee. The Insurance Trustee shall be a Bank, savings and loan association, insurance company or trust company located in the State of New York designated by the Board of Managers. All fees and disbursements for the Insurance Trustee shall be paid by the Board

of Managers and shall constitute a common expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless 75% or more of the Units are destroyed or substantially damaged and 75% or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any heating, air conditioning or other service machinery which is covered by insurance, but not including any, wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all Unit Owners for such deficit as part of the Common Charges.

If 75% or more of the Units are destroyed or substantially damaged and 75% or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lien or, as if owned in common, in which event the net proceeds of sale together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration) then the excess of such insurance proceeds shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all Unit Owners in proportion to their respective common interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

ARTICLE VIII DEFAULTS

Section 1. Collection of Assessments. The Board of Managers shall take prompt action to collect any common charge due from any Unit Owner which remains unpaid for more than thirty (30) days from due date for payment thereof. Upon the failure of a Unit Owner to pay any element of Common Charges for the Unit within fifteen (15) days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against the Unit Owner's Unit for the unpaid Common Charges as set forth above, and impose late fees and administrative fees of up to \$100 as additional Common Charges with respect to each new violation to cover the additional costs of administration. Failure of the Board of Managers to place such a lien or impose such charges shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time. Common Charges which remain unpaid for more than 30 days shall bear interest at the maximum rate permitted by law.

Section 2. Default in Payment of Common Charges and Assessments. If any Unit Owner defaults in paying to the Board of Managers the Common Charges or any other amounts determined by the Board of Managers to be due, including (but not limited to) Common Charges, late payment charges, fees and expenses of collection or enforcement of the Condominium Documents (including attorneys fees), interest or fines (individually and collectively, "**Charges**"), such Unit Owner shall be obligated to pay interest at the maximum legal rate on such Charges from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Charges (which shall also be deemed Charges). Except as otherwise expressly set forth in the By-Laws, all Charges shall be payable within five (5) days after demand. The Board of Managers shall have the right and duty to attempt to recover such Charges, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against the Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York and Article TWELFTH of the Declaration of Condominium, in the manner provided in Section 339-aa thereof. For purposes of this section, all charges shall be deemed Common Charges under Section 339-z.

Section 3. Foreclosure of Liens for Unpaid Common Charges. All Charges assessed against a Unit Owner shall be a lien against a Unit upon the expiration of any grace period provided herein. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit from and after the date of commencement of the foreclosure action, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. A suit to recover a money judgment for unpaid Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 4. Assignment of Rents. The Condominium shall have the remedies set forth in this Section 4 in addition to any other remedies available to it.

(a) For purposes of this Section 4, the term "non-occupying owner" shall mean any owner of a Residential Unit who does not occupy such Residential Unit.

(b) If a non-occupying owner rents its Residential Unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Residential Unit within sixty (60) days of the expiration of any grace period after they are due, then upon notice in accordance with subdivision (c) below all rental payments from the tenant shall be directly payable to the Condominium c/o the Board of Managers.

(c) If the Common Charges, assessments or late fees due for any Residential Unit have not been paid in full within sixty (60) days after the expiration of any grace period after 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 c/o the Board of Managers at its 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 of Managers may elect not to require that rental payments be made payable to the Condominium c/o the Board of Managers. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and the non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Condominium's claim to rental payments pursuant to this Section 4 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 (30) days of the date that the Board of Managers receives notice that such owner seeks to dispute such claim.

(d) Nothing in this Section 4 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 c/o the Board of Managers made in accordance with this Section 4 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."

Section 5. Abatement and Enjoinment of Violations by Unit Owners; Imposition of Fines. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of provision of the Declaration, shall give the Board of Managers the right, in addition to any other rights set forth in these By-Laws: (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Managers shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity the continuance of any such breach. All costs of enforcement shall be deemed Common Charges. In addition, the Board of Managers may impose fines on Unit Owners violating the Declaration, By-Laws, or Rules and Regulations, in its reasonable discretion.

ARTICLE IX. AMENDMENTS

(a) Except as set forth below, these By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-seven (67%) percent of the Unit Owners in number and common interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the

validity or priority of a Unit Owners' interest and the interests of holders of a mortgage encumbering a Unit or Units.

(b) Sponsor and the Commercial Unit Owner shall have the right, without the vote or consent of other Unit Owners, the Board of Managers or the holders of Unit mortgages, to execute or (on its request) to require the Board of Managers to execute and record in the Office of the Register of the City of New York, County of New York and elsewhere, if required by law, all amendment or amendments to these By-Laws (together with such other documents as may be required to effectuate the same) to reflect any changes in unsold Units and the reapportionment of the Common Interest resulting therefrom, made by Sponsor in accordance with Article VI, Section 10 and the Declaration. All expenses in connection with the preparation, recordation and filing of any such amendment shall be paid by Sponsor or its designee.

(c) So long as the Sponsor continues to own a Unit, the provisions of these By-Laws may not be amended to adversely affect the rights of the Sponsor, without the consent of the Sponsor.

(d) These By-Laws may not be amended, modified or supplemented without the prior written consent of the affected Commercial Unit Owner(s) to the extent that such amendment, modification, addition, or deletion of or to these By-Laws, the Declaration or the Rules and Regulations modifies the permitted uses of any Commercial Unit or affects the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner.

(e) The following provisions of these By-Laws may not be amended without the consent in writing of Sponsor, so long as Sponsor or its designee shall be the Owner of one or more Residential Units, or the Commercial Unit Owner, insofar as such amendment may affect the rights of the owner of the Commercial Unit:

(i) Section 1 (b) of Article III with respect to the rights of the Sponsor and Commercial Unit Owner to designate a certain number of the members of the Board of Managers;

(ii) Section 5(c) of Article III insofar as it provides that so long as Sponsor shall continue to own a Residential Unit or 25% or more interest in the Common Elements the Board of Managers may not exercise certain powers without Sponsor's prior written consent.

(iii) Sections (2) and (3) of Article III with respect to the rights of the Sponsor and Commercial Unit Owner with respect to removal of its designated member of the Board of Managers and its designation of a new member upon such removal or in the case of a vacancy;

(iv) Section 8(d) of Article VI;

(v) Section 11 of Article VI; and

(vi) Section 8 of Article X insofar as it provides that the provisions of Section 1 of Article X shall not apply with respect to a sale or lease of any Residential Unit owned by Sponsor or to a sale or lease of the Commercial Unit or any Units resulting from the subdivision thereof; and

(vii) This Article IX.

ARTICLE X. SALES, LEASES AND MORTGAGES OF UNITS

Section 1. Sales and Leases. (a) Except as set forth in Section 8, no Residential Unit Owner may sell his Residential Unit or any interest therein except by complying with the following provisions:

Any Residential Unit Owner who receives a bona fide offer which he intends to accept (hereinafter called an **"Outside Offer"**) for the sale of his Unit together with: (i) the undivided interest in the common elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units previously acquired by the Board of Managers, or its designee, 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 (the interests in subsections (i), (ii) and (iii) are hereinafter collectively called the **"Appurtenant Interests"**), shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, to the Board of Managers or its designee, on behalf of the owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer to the Board of Managers on behalf of the other Unit Owners that such Unit owner believes the Outside Offer to be bona fide in all respects. The Board of Managers may request reasonable additional information relating to the Outside Offer at any time after reviewing the initial notice and any additional information previously supplied by the Unit Owner, and may schedule a personal interview to obtain additional information regarding a prospective purchaser. Within thirty days after receipt of such notice and all additional information that had been reasonably requested by the Board, the Board of Managers may elect by notice to such Unit Owner, either (a) to purchase such Unit, together with the Appurtenant Interests (or to cause the same to be purchased by its assignee or designee, corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner or (b) to produce a purchaser who will purchase such Unit, together with the Appurtenant Interests, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering of Unit Owner. The Board of Managers may assign their right to purchase the Unit on behalf of all Unit Owners at any time without liability to the selling Unit Owner. If the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to cause the Unit to be purchased by its designee, title shall close at the office of the attorneys for the Condominium in accordance with the terms of

the offer but not less than forty five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner shall convey the Unit (and Appurtenant Interests) to the Board of Managers or to its designee on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all other taxes arising out of such sale. Real estate taxes, mortgage interest and Common Charges and expenses shall be apportioned between the Unit Owner and the Board of Managers or its designee, as of the closing date. If the Board of Managers or its designee shall fail to accept such offer or to produce a purchaser within thirty (30) days as aforesaid or fails to act within the 30-day period, the offering Unit Owner shall be free to contract to sell the Unit to the Outside Offeror, together with the Appurtenant Interests, within sixty (60) days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer, on the terms and conditions set forth in the notice of such Outside Offer from the offering Unit Owner to the Board of Managers. Any such deed to an Outside Offeror 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. If the offering Unit Owner shall not convey such Unit within such 60-day period to the Outside Offeror on the terms and conditions contained in the Outside Offer, then should the offering Unit Owner thereafter elect to sell the Unit, together with the Appurtenant Interests, to the same or another Outside Offeror on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section I of this Article X.

Any purported sale of a Residential Unit in violation of this Section shall be voidable at the election of the Board of Managers by notice given to the person claiming to be the Unit Owner and the Board's right of first refusal shall be deemed reinstated.

(b) Except as set forth in Section 8, no Residential Unit Owner may lease his Unit except by complying with the following provisions:

(i) Any Residential Unit Owner who receives a bona fide offer for a lease of his Unit which he intends to accept ("**Lease Offer**") shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed lessee, the terms of the proposed lease, references and such other information as the Board of Managers may reasonably require, and shall offer to lease such Unit to the Board of Managers or its designee on the same terms. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer to the Board of Managers on behalf of the other Unit Owners that such Unit owner believes the Lease Offer to be bona fide in all respects. The Board of Managers may request reasonable additional information relating to the Lease Offer at any time after reviewing the initial notice and any additional information previously supplied by the Unit Owner, and may schedule a personal interview to obtain additional information regarding a prospective tenant. Within thirty days after receipt of such notice and all additional information that had been reasonably requested by the Board, the Board of Managers may elect by notice to such Unit Owner, either (a) to lease such Unit on behalf of all other Unit Owners (or to cause the same to be leased by its

assignee or designee, corporate or otherwise), on the same terms and conditions as contained in the Lease Offer and as stated in the notice from the offering Unit Owner or (b) to produce a tenant who will lease such Unit on the same terms and conditions as contained in the Lease Offer and as stated in the notice from the offering Unit Owner. If the Board does not elect to exercise the above rights within the thirty (30) day period, the Unit Owner may enter into the lease, but if the proposed tenant fails to take occupancy within sixty (60) days after the consent of the Board has been given or the right of first refusal waived, the Lease Offer shall be deemed void and the Unit Owner will be required to repeat the above proceedings with respect to approval of the proposed lease. The waiver of the Board of Managers of its right to lease the Unit shall not in any way be construed to relieve the Unit Owner from offering the lease to the Board of Managers and a Unit Owner who subsequently desires to lease such Unit shall be required again to comply with all the terms and provisions of this subsection (b).

(ii) Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers; that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers; that the Board of Managers shall have power to terminate such lease and 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; that in case of default by the Unit Owner the Board of Managers shall have the right to require the tenant to pay its rent to and attorn to the Board on demand; that the Unit Owner or tenant will maintain liability insurance naming the Condominium as an additional insured party, if available, and that the Board of Managers shall have the right to terminate the lease on not less than 30 days prior written notice upon foreclosure of the lien granted by Section 339-z of the New York State Real Property Law. Except as set forth above, the form of any such lease shall be substantially the then current form of apartment lease recommended by The Real Estate Board of New York, Inc. with such modifications as may be approved in writing by the Board of Managers.

(iii) Any purported lease of a Residential Unit in violation of this Section shall be voidable at the election of the Board of Managers, and if the board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board of Managers to institute legal proceedings to evict the purported tenant in the name of the said Unit Owner as the purported landlord at the expense of the Unit Owner.

(iv) Except for a Unit owned by Sponsor or the Commercial Unit Owner, or a Unit owned by a mortgagee who took title in foreclosure or a deed in lieu of foreclosure, any lease for a Unit must be for a minimum period of six months (with each such lease being to a specific named tenant and with no right to substitute any other tenant during the term of the lease).

Section 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers. The Board of Managers shall not actually purchase or lease any Unit without the approval of a majority in voting interest of the Unit Owners, except to the extent the right to conclude such

sale or lease has been delegated to the Board pursuant to a Power of Attorney executed by a Unit Owner.

Section 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article X may be released or waived by the Board of Managers in which event the Residential Unit, together with the Appurtenant Interests, may be leased, sold or conveyed, free and clear of the provisions of such Section.

Section 5. Certificate of Termination of Rights of First Refusal. A certificate, executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article X have been met by a Unit Owner, or have been duly waived by the Board of Managers, and that the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers and the Unit Owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article X or in respect to whom the provisions of such Section have been waived, upon request.

Section 6. Financing of Purchase of Units by Board of Managers. Acquisition of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be made from the working capital and Common Charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner in proportion to his ownership in the common elements, as a common charge, which assessment shall be enforce-able in the same manner as provided in Article VI, or the Board of Managers, in its discretion, may borrow money to finance the acquisition of such Unit, provided, however, that no financing, may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, to be acquired by the Board of Managers.

Section 7. Payment of Common Charges and Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges and assessments and expenses theretofore assessed by the Board of Managers against his Unit and until he shall have

satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 8. Exceptions to Restrictions on Sales and Leases. The provisions of Section 1 of this Article X shall not apply with respect to (a) any sale, conveyance or lease by a Unit Owner of his Unit and Appurtenant Interests to his spouse or to any of his children over the age of 18 years or to his parent or parents or to his brothers or sisters, or any one or more of them, or to a trust established for the benefit of any of them; (b) a sale or lease of a Unit and Appurtenant Interests owned by the Sponsor or any principal thereof (as defined in the Offering Plan pursuant to which the Condominium was established); or (c) the sale or lease of a Commercial Unit or any part thereof by a Commercial Unit Owner; (d) the acquisition, sale or lease of a Unit, together with the Appurtenant Interests, by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure; or (e) a conveyance or transfer by gift during a Unit Owner's lifetime; or (f) the devise of a Unit by will or intestacy. However, the Board of Managers must be given written notice of every sale or lease of a Unit.

Section 9. Waiver of Partition Rights. The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 10. Consent to Jurisdiction and Venue in Lease. By virtue of executing a lease, all Unit Owners, tenants and occupants irrevocably submit to personal jurisdiction in the State of New York and venue in New York County in any action commenced by the Board of Managers.

Section 11. Mortgages of Units. Each Unit Owner is free to mortgage his Unit. Prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy all arrearage for any unpaid Common Charges and assessments owed by such Unit Owner and discharge any liens therefor. The Board of Managers may request to a Unit Mortgagee that it be notified by a Unit mortgagee of any default under a mortgage on a Unit.

ARTICLE XI. CONDEMNATION

If all or part of the common elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than \$250,000 and to the Board of Managers if the award is \$250,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts;

(a) so much of the award as is applicable to unrestricted common elements, to the Unit Owners pro rata according to respective common interests appurtenant to the Units owned by such Unit Owners.

(b) so much of the award as is applicable to irrevocably restricted common elements

to the Unit Owner having general use of such common element.

In such eminent domain or condemnation proceeding, the Board shall request that the award shall set forth the amount allocated to unrestricted common elements and to each irrevocably restricted common element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to arbitration in accordance with the Arbitration Statutes of the State of New York.

ARTICLE XII. MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in his Unit which will increase the insurance rates on his Unit or any other Unit or on the common elements.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium. A Unit Owner who mortgages his Unit, shall notify the Condominium through the management agent, if any, or the President of the Board of Managers if there is no management agent, of the name and address of his mortgagee; and the Board Of Managers shall maintain such information in a book entitled "Mortgages of Units".

Section 4. Notice of Unpaid Assessments. The Board of Managers shall at the request of a mortgagee of a Unit, report any unpaid assessments due from the Units of such Unit.

Section 5. Examination of Books and Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and record of the Condominium on reasonable notice to the Board.

Section 6. Construction. Wherever the masculine singular form of the pronoun is used in the By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, wherever the context so requires.

Section 7. Compliance with Article 9-B. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

SCHEDULE A

RULES AND REGULATIONS

THE NORMANDIE CONDOMINIUM

1. Except as permitted under the By-Laws, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Units or Common Elements nor shall any "For Sale", "For Rent", or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent" or "For Lease" or similar signs on any unsold or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee. Additionally, the right is reserved by Sponsor and its designee to maintain and staff one or more vacant and unsold Units in the Building as a sales office and/or model Unit. Sponsor and its designee shall have the right to place "For Sale", "For Rent", or "For Lease" signs or similar signs on or in the vicinity of the Building without regard to size.
2. No exterior of any Residential Unit or the windows or doors thereof or any other portions of the Common Elements shall be painted or decorated by any Owner or in any manner without prior written consent of the Board of Managers.
3. No furniture, equipment, or other personal articles shall be placed in entrances, hallways, stairways, or other Common Elements.
4. No Unit Owner shall make or permit any noise or objectionable odor that will disturb or annoy the occupants of any of the Units in the Building or do or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Unit Owners.
5. Each Unit Owner shall keep his 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 of a Unit, any dirt or other substances.
6. No exterior shades, awnings, window guards, ventilators, fans or air-conditioning devices shall be used on or about the Building or Common Elements except such as shall have been approved by the Board of Managers.
7. Except for the Commercial Units, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of the Building, except such as shall have been

approved in writing by the Board of Managers, nor shall anything project out of any window of the Building without the approval of the Board of Managers.

8. All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct.

9. Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, papers, ashes, or any other article be thrown into the same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

10. No Unit Owner shall engage any employee of the Condominium to perform tasks outside their stated job description for any private business of the Unit Owner without prior written consent of the Board of Managers,

11. Not more than two (2) animals may reside in any one Residential Unit and the Board of Managers may establish reasonable rules and regulations regarding the type, size and weight of animals. In no event shall animals be permitted in any of the public portions of the Building unless carried or on a leash. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and hold it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of the Unit Owner having any animal in the Building.

12. No radio or television serial shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units.

13. The agents of the Board of Managers, and any contractor or workman authorized by them, may enter any Unit at reasonable hours, on reasonable notice, for any purpose permitted under the terms of the Declaration, By-Laws, or Rules and Regulations of the Condominium.

14. No Unit Owner shall alter any lock on any door leading into his Residential Unit unless the Residential Unit Owner shall also provide the Board of Managers with a key for their use.

15. No Unit Owner or any contractor, visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in the heating, electrical or mechanical equipment areas without the express permission of the Board of Managers.

16. All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

17. No Unit Owner shall interfere in any manner with any portion of the heating or lighting apparatus which are part of the Common Elements and not part of the Unit Owner's Unit.

18. No Unit Owner shall use or permit to be brought into the Building any inflammable oils or fluids such as gasoline, kerosene, naphtha, benzine, or other explosives or articles deemed extra hazardous to life, limb or property without in each case obtaining the written consent of the Board of Managers.

19. The Unit Owner shall not be allowed to put his name on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

20. Any damage to the Building or equipment caused by Unit Owners, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

21. Complaints regarding the management of the Building and grounds or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

22. No Unit shall be used or be occupied in such manner as to obstruct or interfere with the enjoyment of occupants or owners of adjoining Units; nor shall any nuisance or immoral or illegal activity be committed or permitted to occur in or about any, Unit or upon any part of the Common Elements.

23. Certain parts of the Common Elements are intended for the purpose of affording pedestrian movement within the Condominium and of providing access to the Units. No part of the Common Elements shall be obstructed so to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

24. No immoral, improper, offensive, or unlawful, use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations, or requirements or any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

25. In addition to any other remedies available to the Condominium, the Board of Managers may impose fines on Unit Owners who violate these Rules and Regulations. The amount and administration of such fines shall be established in the Board's reasonable discretion. Such fines shall be deemed additional Common Charges.

26. Guests of Unit Owners may occupy Units for up to thirty (30) days at a time, without a Unit Owner being required to comply with the right of first refusal and minimum term requirements

described in Article X of the By-laws, provided that the Unit Owner advises the Managing Agent of the identity of the guest and the length of the stay. However, the Board of Managers may establish additional restrictions on short-term occupancy of Units, whether or not consideration is being paid by the guest to a Unit Owner.

27. Subject to the provisions of the By-Laws, these Rules and Regulations may be added to or repealed at any time by the Board of Managers.

ESCROW AGREEMENT

AGREEMENT made this 1st day of November, 2004, between 167-177 Lenox, LLC ("Sponsor") as sponsor of the offering plan and Smith, Buss & Jacobs, LLP ("Escrow Agent") as escrow agent.

WHEREAS, 167-177 Lenox, LLC is the sponsor of an offering plan to convert to condominium ownership the premises located at 100 West 119th Street, New York, New York, which premises are known as The Normandie Condominium; and

WHEREAS, Smith, Buss & Jacobs, 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 and 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:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with Hudson Valley Bank at its branch located at 865 McLean Avenue, Yonkers, New York 10704. The account number is _____.

1.2 The name of the account is SBJ-The Normandie Condominium Special Escrow Account.

1.3 ESCROW AGENT is the sole signatory on the account.

1.4 The escrow account shall be an interest-bearing account as disclosed in the offering plan.

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payer, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by, the purchaser or subscriber to the order of Smith, Buss & Jacobs, LLP as escrow agent for The Normandie Condominium offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber 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.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds 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.

3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, 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 funds 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 has so notified ESCROW AGENT in accordance with such provisions.

3.5 All funds received by Sponsor for upgrades or extras will initially be placed in the escrow account. However such funds may be released from the escrow account by the ESCROW AGENT upon request as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras.

4. RECORD KEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by

one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agent, including any selling agent, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

- (a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or
- (b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire

to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

10.1 SPONSOR agrees that ESCROW AGENT's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstances.

11. SEVERABILITY.

11.1 If any provision of this Agreement or the application thereof to any person or circumstances is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. ENTIRE AGREEMENT.

12.1 This Agreement, read together with GBL Section 352-e (2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

Smith, Buss & Jacobs, LLP

By: Kenneth R. Jacobs, Member

SPONSOR: 167-177 Lenox, LLC

By: Tahl-Propp Manhattan North Investors III,
LLC, Its Managing Member

By: Tahl-Propp MNI, LLC, Its Managing Member

By: Joseph A. Tahl, Managing Member

**APPLICATION TO THE ATTORNEY GENERAL
FOR A DETERMINATION ON THE
DISPOSITION OF DOWNPAYMENTS**

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
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 downpayment.
 - ☐ forfeiture of downpayment.
 - ☐ other: _____
5. The project is
 - ☐ a conversion of occupied premises.
 - ☐ newly constructed or rehabilitated.
 - ☐ vacant (as is).
6. The project is structured as
 - ☐ a cooperative.
 - ☐ a condominium.
 - ☐ a homeowners association.
 - ☐ a timeshare.
 - ☐ other: _____

2/6/92

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If downpayments 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 downpayments 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 downpayments have been secured by a letter of credit:
- (a) Name and address of bank which issued the letter of credit: _____

 - (b) Date of expiration of the letter of credit, if known:

12. Plan information:
- (a) Date of filing of plan: _____

- (b) Plan
☐ has been declared effective. Approximate date: _____
☐ has not been declared effective.

- (c) If effective, the plan
☐ has closed or the first unit has closed. Approximate date: _____
☐ has not closed.
☐ don't know.

- (d) Downpayments 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 downpayment(s): _____
- (d) Total amount of downpayment(s): _____
- (e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____

Date: _____

Name (Printed): _____

Telephone: (Home) _____

(Business) _____

Mailing Address: _____

2/6/92

Sponsor's Certification

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

**Re: 100 West 119th Street
New York, New York**

Ladies and Gentlemen:

We are the sponsor and the principals of the Sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for 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; and

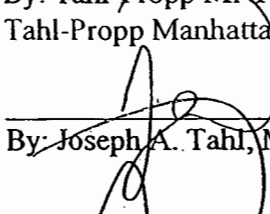
(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made.

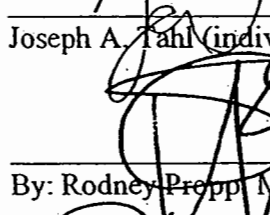
This certification is made under the penalty of perjury for the benefit of all persons to whom this offer is made. We understand the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

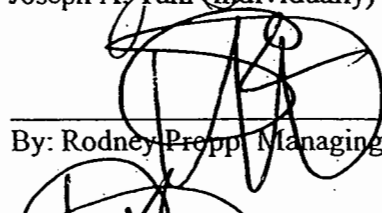
Sponsor: 167-177 Lenox LLC

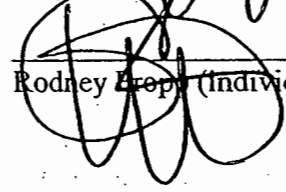
By: Tahl-Propp Manhattan North Investors III LLC,
Managing Member

By: Tahl-Propp MNI LLC, Managing Member of
Tahl-Propp Manhattan North Investors III LLC

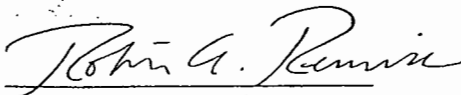

By: Joseph A. Tahl, Managing Member


Joseph A. Tahl (individually)


By: Rodney Propp, Managing Member


Rodney Propp (Individually)

Sworn to before me this
22nd day of April, 2004


Notary Public

Robin A. Remick
Notary Public State of New York
No. 02RE6094513
Qualified in New York County
Commission Expires June 23, 2005 

ARCHITECT'S CERTIFICATION

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

THE NORMANDIE CONDOMINIUM

100 WEST 119th STREET
NEW YORK, NEW YORK

The sponsor of the offering plan to convert the captioned property to condominium ownership and retained our firm to prepare a report describing the renovation of the property (the "Report"). Our firm visually inspected existing portions of the renovated property, if any, on May 03, 2004. I reviewed the building plans and specifications which were approved as of February 18, 2004 and prepared the Report dated May 12, 2004, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect in the State in which the property is located.

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 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

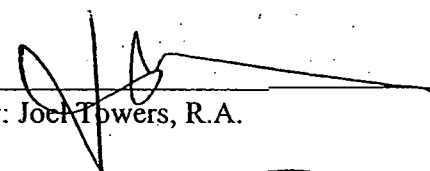
- (i) sets forth in narrative form the description and/or physical condition of the entire property (the aspects of the property discussed in the addendum) as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;
- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property (the aspects of the property discussed in the addendum) as it will exist upon completion of renovation and/or construction,

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

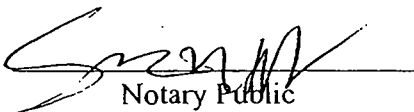
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) does not contain any representation or statement which is false, where 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.

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 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.

SR + T Architects

By:  Joel Towers, R.A.

Sworn to before me this
11th day of May, 2004


Notary Public

SALVATORE PERRY
Notary Public, State of New York
No. 01PE6072099
Qualified in Kings County
Commission Expires March 25, 2006



HALSTEAD

CERTIFICATION OF EXPERT

ADEQUACY OF BUDGET

Re: The Normandie Condominium
100 West 119th Street
New York, New York

The sponsor of the condominium offering plan for the captioned property retained my firm to review or prepare Schedule(s) B and B-1 containing projections of income and expenses for the first year of condominium operation. My experience in this field is as follows:

Our experience in this field includes: Managing and maintaining over the past 14 years over 300 residential apartment units and 1900, Cooperative and Condominium units, as well as managing over 15 commercial units; Specializing in the sale of over 2000, residential cooperative and condominium units in the Manhattan real estate market, preparing Schedule A and B information based upon my expertise in property management and sales for 10 other offering plans over the past 3 years; Investing in and developing real estate for the past 9 years.

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 20 insofar as they are applicable to Schedule(s) B and B-1.

I have reviewed the Schedule(s) and investigated the facts set forth in the Schedule(s) and the facts underlying it with due diligence in order to form a basis for this certification. I have also relied on my experience in managing residential buildings.

I certify that the projections in Schedule(s) B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation

I certify that the Schedule(s):

- (i) sets forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium

I-5

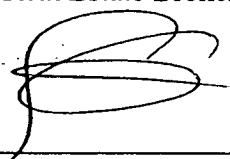
operation;

- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) does not contain any representation or statement which is false, where 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.

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first or second year of condominium operation.

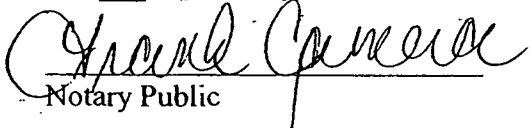
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Halstead Property, LLC,
Licensed Real Estate Broker



Stephen G. Kliegerman
Executive Director of Sales

Sworn to before me
this 5 day of May, 2004



Notary Public

FRANK CAMERA
NOTARY PUBLIC, STATE OF NEW YORK
No. 01CA6072473
QUALIFIED IN KINGS COUNTY
MY COMMISSION EXPIRES APRIL 8, 2006

HALSTEAD

May 5, 2004

CERTIFICATION OF EXPERT ADEQUACY OF BUDGET FOR COMMERCIAL UNITS

Re: The Normandie Condominium
100 West 119th Street
New York, New York

The sponsor of the condominium offering plan for the captioned property retained my firm to review Schedule(s) B and B-1 which include projections of common charges payable by the owners of the commercial units for the first year of condominium operation.

Our experience in this field includes: Managing and maintaining over the past 14 years over 300 residential apartment units and 1900 Cooperative and Condominium units, as well as managing over 15 commercial units; Specializing in the sale of over 2000 residential cooperative and condominium units in the Manhattan real estate market, preparing Schedule A and B information based upon my expertise in property management and sales for 10 other offering plans over the past 3 years; Investing in and developing real estate for the past 9 years.

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 20 insofar as they are applicable to the commercial units listed in Schedule(s) B and B-1.

I have reviewed the Schedule(s) as its impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. I have also relied on my experience in managing residential buildings.

I certify that the projections in Schedule(s) B and B-1 for common charges payable by the owners of commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first and second years of condominium operation, and that the allocation of common charges attributable to the commercial units also reflects special or exclusive control of particular common areas.

I-7

Greenwich Village: 784 Broadway, New York, NY 10003 212-253-9300 Fax: 212-614-0656
Eastside: 1356 Third Avenue, New York, NY 10021 212-734-0010 • Westside: 408 Columbus Avenue, New York, NY 10024 212-769-3000
SoHo: 451 West Broadway, New York, NY 10012 212-475-4200 • Midtown: 770 Lexington Avenue, New York, NY 10021 212-317-7800

www.halstead.com

I certify that the estimates in Schedule(s) B and B-1 for the common charges payable by the owners of the commercial units:

- (i) sets forth in detail the projected income and expenses for the first and second year of condominium operation;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and
- (vii) does not contain any representation or statement which is false, where 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.

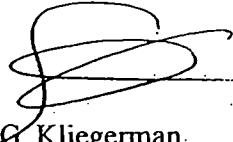
I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the first or second 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.

Sworn to before me
This 5 day of May 2004


Notary Public

Halstead Property, LLC
Licensed Real Estate Broker


Stephen G. Kliegerman
Executive Director of Sales

