THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

CONDOMINIUM OFFERING PLAN

THE OLMA BRIGHTON CONDOMINIUM
2925 BRIGHTON 8th STREET
BROOKLYN, NEW YORK 11235

Residential Units 8	$4,000,000.00
Total Amount of Offering	$4,000,000.00

SPONSOR AND SELLING AGENT

OLMA BRIGHTON, LLC
2225 65TH Street
Brooklyn, New York 11204

Approximate date of the first offering of this Plan is April 6, 2005.

This Plan may not be used after April 6, 2006, unless extended by a duly filed amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO THE PURCHASER. SEE PAGE iii.

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 GOVERNMENTAL AGENCY HAS APPROVED THIS OFFERING.

Prepared By:

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TABLE OF CONTENTS

PART I	PAGE
SPECIAL RISKS	iii
INTRODUCTION	1
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	5
LOCATION AND AREA INFORMATION	6
SCHEDULE A - PRICES OF UNITS	7
FOOTNOTES TO SCHEDULE A	8
SCHEDULE B - PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION	11
FOOTNOTES TO SCHEDULE B	12
SCHEDULE B-1	15
SECTION 339i COMPLIANCE	18
CHANGES IN PRICES AND UNITS	20
PROCEDURE TO PURCHASE	20
EFFECTIVE DATE OF THE PLAN	26
TERMS OF SALE	28
CLOSING COSTS AND ADJUSTMENTS	29
OBLIGATIONS OF SPONSOR	32
BOARD OF MANAGERS	35
CONTROL BY SPONSOR	39
RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS	41
REAL ESTATE TAXES	48
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM	50
RESERVE FUND	51
WORKING CAPITAL FUND	51
IDENTITY OF PARTIES	52
GENERAL	53
DOCUMENTS ON FILE	54
REPORTS TO UNIT OWNERS	54
SPONSOR'S STATEMENT OF BUILDING CONDITION	55
PART II	56
DESCRIPTION OF PROPERTY AND SPECIFICATIONS	C-1
FEE TITLE DESCRIPTION	C-11
SITE (PLOT) PLAN	C-12
FLOOR PLANS	C-15
PURCHASE AGREEMENT	D-1
WARRANTY RIDER	D-1-1
HOUSING MERCHANT IMPLIED WARRANTY LAW	E-1
UNIT DEED	F-1
POWER OF ATTORNEY	G-1

CONTRACT DEPOSIT ESCROW AGREEMENT H-1
APPLICATION TO ATTORNEY GENERAL FOR DETERMINATION
OF DISPOSITION OF DOWN PAYMENTS I-1
REAL PROPERTY LAW SECTION 339kk J-1
DECLARATION OF CONDOMINIUM K-1
CONDOMINIUM BY-LAWS L-1
COUNSEL'S TAX OPINION M-1
CERTIFICATIONS:
SPONSOR N-1
SPONSOR'S ENGINEER (OR ARCHITECT) O-1
SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET P-1

SPECIAL RISKS

1) The Sponsor has made, and will pursue, an application for abatement and exemption of taxes under 421-a of the Real Property Tax Law of the State of New York, and shall make all filings necessary to obtain such benefits. Upon closing, the Sponsor will make all tax benefit documents available to the Condominium for inspection and copying for the life of the benefits. The Sponsor will timely file all applications and timely comply with all procedures required to properly process and maintain the benefits. Sponsor will make the initial application at his own cost and expense.

The Sponsor's projection of tax due for the first year of operation is based on the figures and assumptions in the accompanying expert's opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase and actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate tax rates, which may affect the amount of tax due on the property.

NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH THEREIN WILL BE OBTAINED IN THE EVENT THE BENEFITS ARE NOT OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE OR THE PROPERTY'S ASSESSED VALUATION OR IN THE STATUTES GOVERNING THE TAX BENEFITS, REAL ESTATE TAXES MAY HIGHER THAN SET FORTH ABOVE FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS HENCE INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSO BE HIGHER.

Prospective purchasers are urged most strongly to read the section entitled REAL ESTATE TAX BENEFITS OPINION included herein.

2) Closing will not take place, and no individual Condominium apartment will be sold until a permanent or temporary Certificate of Occupancy has been obtained for the premises. In the event closing occurs after the issuance of a temporary Certificate of Occupancy, but prior to the issuance of permanent Certificate of Occupancy, then it will remain the obligation of the Sponsor to, at its own cost and expense, obtain such permanent Certificate, and the Certificate must be obtained within two (2) years from date of closing. Prior to obtaining the permanent Certificate of Occupancy, the Sponsor is required to either: a) maintain all deposits and funds in a special

escrow account required by GBL-352e(2)(b) unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified may be released; or, b) deposit with an escrow agent an unconditional, irrevocable letter of credit, or post a surety bond, in the aforesaid specified amount, in accord with the regulations of the New York State Department of Law. See OBLIGATIONS OF SPONSOR section of this Offering plan.

3) Due to the size of the building, it is contemplated that the building will be self-managing, and that no managing agent will be employed. Therefore, no amount has been included in the projected budget for the first year of operation for a management fee. In the event the Board of Managers determines that it is in the best interest of the Condominium to employ a managing agent, this item will represent an additional expense not included in the projected budget, and will require an increase in Common Charges of approximately 6 to 10%. In addition, no amount is budgeted for a superintendent or custodian and, again, in the event the Board of Managers determines that it is in the best interest of the Condominium to employ a superintendent or custodian, this will also result in an increase in Common Charges. See FOOTNOTES 8 and 9 to SCHEDULE B.

4) There are numerous time constraints imposed in the Purchase Agreement set forth in Part II of this Offering Plan. **Time is of the essence** as to all such time constraints. This means that if the Purchaser fails to perform within the applicable time frame, he may wave substantive rights, or incur a forfeiture of substantial sums of money. Thus, a purchaser who fails to cure a default within thirty (30) days after notice of said default, will both have the Contract canceled, and lose his down payment. Similarly, a Purchaser who fails to notify the Sponsor in the event he has failed to obtain mortgage financing within forty (40) days after executing the Purchase Agreement, will be required to proceed to closing, notwithstanding the fact that purchaser has failed to obtain mortgage financing; and, if such purchaser fails to proceed to closing, the down payment may be retained by the Sponsor. Purchasers are advised to consult with their attorney concerning all terms of this offering. Please see

section of this Plan entitled PROCEDURE TO PURCHASE, and the PURCHASE AGREEMENT, set forth in Part II, for a statement of all applicable time limitations.

5) The terms of this Offering Plan transfer the statutory obligation to pay New York City Real Property transfer taxes (1% of purchase price for residential units, and New York State Documentary Stamp Taxes ($4.00 per thousand) to the Purchaser, so that the cost of such taxes represent an additional closing cost to the Purchaser, and an additional item of consideration on which transfer taxes must be paid. Additionally, the Purchaser is responsible for paying to the Sponsor's attorney a document preparation fee of $1,000.00, and may be responsible for certain other fees such as travel fees and default fees. See section of the Offering Plan entitled UNIT CLOSING COSTS AND ADJUSTMENTS.

6) While all residential apartments will be equipped for installation of washers, dryers, stoves, refrigerators, and dishwashers no appliances will be provided by the Sponsor as part of the sale; except that a stove will be included. To the extent the Purchaser elects to install any of such appliances in his/her apartment, it will represent an additional cost of purchasing the apartment. See DESCRIPTION OF PROPERTY AND BUILDING CONDITION included in Part II of this Offering plan.

7) At the earlier of the second anniversary of the first closing date, or such time as less than fifty percent of the Units of the Condominium constitute unsold Units, control of the Condominium shall be transferred to a Board of Managers elected by Unit Owners other than Sponsor. Prior to that time, the Condominium will be controlled by a Board of Managers elected by the Sponsor. There are certain limitations on actions which can be taken by the Sponsor while he remains in control of the Board of Managers, which limitations are set forth in the CONTROL BY SPONSOR of this Offering Plan.

Until the earlier of five (5) years from the date of closing, or at the time at which the Sponsor or other Holder of Unsold Units owns Units consisting of less than 25% of the Common Interest of the Condominium, Sponsor may exercise veto power over any expenses other than those described in SCHEDULE B, or in Item 3 of the section entitled CONTROL BY SPONSOR in the offering plan. Additionally, so long as the Sponsor retains ownership of

at least one Unit in the building, the By-Laws, Declaration, and Rules and Regulations of the Condominium, may not be amended or modified in any way so as to adversely affect the Sponsor without written consent by the Sponsor. See section of the Offering Plan entitled CONTROL BY SPONSOR for a more complete explanation.

8) Sponsor is liable for all Common Charges, special assessments, and real estate taxes with respect to unsold Units, and represents that Sponsor has financial resources to meet these obligations. However, no bond or other security has been furnished to secure the Sponsor's obligations. Please see section of the Offering Plan entitled SPONSOR'S OBLIGATIONS for a more detailed explanation.

9) Pursuant to existing law and regulation, the Sponsor may declare the plan effective by entering into a contract for a minimum of 15% of the apartments in the building.

10) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 35% or 50%) of the 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 after a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See PROCEDURE TO PURCHASE section of offering Plan.

11) All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account set forth herein. However, Purchaser should note that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to a rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. See PROCEDURE TO PURCHASE Section of this Offering Plan.

12) The cost of providing heat and hot water for individual Units is not included in the monthly Common Charges. Heat and hot water are separately provided to each Unit by its own heat and hot water facility; and the cost of fuel for providing such heat and hot water will be separately billed for each Unit. Thus, the cost of heat and hot water represents a cost in addition to the monthly maintenance (see FOOTNOTES TO SCHEDULE B and SECTION B1).

13) Sponsor shall only be obligated to cure title exceptions raised in a title report prepared by Titlecrafters, Inc. Purchaser will take subject to exceptions raised in a title report prepared by any other title or abstract company, unless Sponsor, at Sponsor's sole discretion, elects to cure same. See TERMS OF SALE and PURCHASE AGREEMENT set forth in Part II of this Offering Plan.

14) All down payments will be placed in an IOLA account and will be federally insured up to $100,000, to the extent that the contract deposits exceed $100,000, they will not be federally insured.

15) The Sponsor excludes the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, other than the Limited Warranty included as a Rider to the Purchase Agreement set forth as Exhibit D-1 of the Offering Plan. Sponsor's limitation of liability under this Limited Warranty is limited to ten percent (10%) of the purchase price of the Unit set forth in the Purchase Agreement to which the Warranty is attached less any insurance proceeds received by the Warrantee(s) (Purchaser). See LIMITED WARRANTY set forth as Exhibit D-1 of this Offering Plan.

16) The Purchaser of the handicapped parking space who is not himself/herself handicapped must have his/her space available to the handicapped tenants of the building at monthly market rent lease in compliance with RS4.6 of the NYC Building Code 27-292-19. Under such circumstances, the handicapped parking space will not be available to the owner of the handicapped parking space.

INTRODUCTION

This is an Offering Plan for the sale of Condominium apartments at 2925 Brighton 8th Street, Brooklyn, New York. The purpose of this Plan is to fully set forth all material terms of the Offer. This Plan may be amended from time to time, if such amendment is filed with the New York State Department of Law. Any such amendments will be served on all prospective Purchasers who have executed a Purchase Agreement for any apartment, all Unit Owners, and all other persons entitled to service pursuant to local law or statue.

The Sponsor of this offering is Olma Brighton, LLC. The principals of the Sponsor are Igor Shikhris and Svetlana Shikhris. The Sponsor acquired the property on August 18, 2003. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances. Units will be conveyed by delivery of a UNIT DEED set forth in Part II of this Offering Plan.

The prices contained in this Offering, as set forth in SCHEDULE A, are set by the Sponsor, and are not subject to approval by the New York State Department of Law, or any other governmental agency.

This Condominium will be subject to, and in compliance with, the New York State Condominium Act, Article 9-B of the New York Real Property Law.

This Plan, including all schedules and exhibits submitted herewith, constitutes the entire offering plan. Copies of the Plan and Parts A, B, C and D of the exhibits will be available for inspection to potential Purchasers and their attorneys at the office of the Sponsor indicated on the front cover of this Offering Plan, and the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, New York, New York, without charge; and for copying, at a reasonable charge.

The premises consists of a single building containing four (4) stories and a basement, and located in the Brighton Beach section of Brooklyn and containing in total eight residential Units. There will be no on-site laundry or recreational facilities; however, individual apartments have laundry hook-ups. There are six parking spaces located on the subject premises, five indoor spaces and one

outdoor space. The allocation and assignment of each parking space will be decided at the time a Purchase Agreement is executed for the first six Units sold on a first-come first-served basis. Street parking is available to the two Unit Owners without assigned condominium parking.

This Offering is made only to individuals over the age of 18.

In accordance with the provisions of the Laws of the City of New York, the Sponsor represents that neither the Sponsor, nor the Condominium nor the Selling Agent will discriminate against any person because of his race, creed, color, sex, national origin, ancestry, or any other reason prohibited by civil rights law in the sale of apartments offered by this Plan, or in the leasing of any apartment in the Building. Unit Owners have an unrestricted right to lease, sell or mortgage units. Use of Units is limited to residential use, and appurtenant home office use.

This is a newly constructed building. Work on the building is scheduled for completion in March of 2005.

As of the date of submission of this Offering Plan to the Attorney General, all of the Units offered in the Plan are vacant.

The Sponsor has not entered into any contracts or agreements and no deposits or advances of funds have been accepted by the Sponsor as of the date the Plan is accepted for filing.

Ownership of a Condominium Unit resembles in many ways ownership of a private home. Basic aspects of Condominium ownership include:

(1) Each Purchaser owns his Unit outright and is entitled to exclusive possession of his/her Unit. Each Purchaser also has an interest, and a right to use Common Elements and limited Common Elements of the building. However, each Unit Owner is obligated to comply with the Declaration, By Laws, rules and regulations, and any other requirements of the Board of Managers.

(2) Common Elements are parts of the Property, in addition to his/her own Unit, which a Unit Owner owns in common with

the Owners of all other Units, such as entryways, stairways, hallways, utility areas, and similar elements of the building, which serve all Unit Owners. A Unit Owner will share the non-exclusive right to use the Common Elements with all other Unit Owners.

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the Owner(s) of such Unit or Units, but which are not owned by that Unit Owner. Thus, in this Condominium, the balcony areas, as well as the enclosed parking area at the basement floor level, are Limited Common Elements.

(3) Each Unit may be separately taxed and mortgaged; each Unit Owner may deduct from adjusted gross income for income tax purposes real estate taxes and mortgage interest;

(4) Each Unit Owner may vote for the members of the Board of Managers, which is the group elected by Unit Owners to operate the Condominium. The Board of Managers will set Common Charges based on cash needs of building operation, decide on special assessments, and, in general, make all decisions necessary to run the building.

(5) Each Unit Owner must pay Common Charges in accordance with the New York Condominium Act, any applicable state or local law. The Common Charges payable under the By-Laws will be based strictly on the projected cash requirements of ownership and operation of the Property and may include an allowance for contingencies, replacements, and/or repairs. Furthermore, the Board of Managers may impose special assessments in order to meet emergencies, contingencies, or other unforeseen events, which will become the financial obligation of each Purchaser of a Condominium Apartment. These assessments will be levied in direct proportion to the percentage of Common Interest allocated to each apartment.

(6) Individual Purchasers should explore obtaining insurance coverage, which would be at their own cost and expense, to insure them for such risks as fire and casualty losses in their apartments to their personal contents therein, as well as liability insurance for each occurrence which might occur within their respective apartments. Unit Owners are responsible for maintenance and repairs to their individual Units.

(7) Each Unit Owner is obligated to comply with the Declaration, By-Laws, rules and regulations, and any other requirements of the Board of Managers.

The estimated Common Charges for the first year of Condominium operation are set forth below in SCHEDULE A.

The projected budget for the first year of Condominium operation is set forth below in SCHEDULE B.

THE PURCHASE OF A CONDOMINIUM APARTMENT 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 CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The structure which is the subject of this Offering Plan consists of a single building containing a cellar and four stories above, laid out as per the attached floor plans and containing in total eight residential Units. There are six parking spaces located on the subject premises, five indoor spaces and one outdoor space. The allocation and assignment of each parking space will be decided at the time a Purchase Agreement is executed for the first six Units sold on a first-come first served basis. Street parking is available to the two Unit Owners without assigned condominium parking. There are no on-premises recreational or laundry facilities. All cabinetry and fixtures in kitchens and baths will be new. The Sponsor, except for a stove to be installed in each kitchen, will provide no appliances. All Units on floors 2nd through 5th each have attached balconies. This is a newly constructed building; work on the building is scheduled for completion in March of 2005.

The Sponsor will complete the work set forth in this Plan relating to the building, and the apartments contained therein, in conformity with all applicable New York City Administrative Code requirements, and subject to procurement of all applicable and proper permits which are required, if any. The Sponsor may make changes in design, layout, and arrangement of apartments, and substitute equipment and materials, except that the Sponsor may not (i) substitute materials or equipment of lesser quality or design; or, (ii) change the size, location, or value of any Units, or of other improvements or public areas, if such changes adversely affect the percentage of common interest, or adversely affect the value of any Unit to which title has been closed, or for which a Purchase Agreement has been fully executed and is in effect, unless any affected Unit Owners, and the Board of Managers (if applicable) consent in writing to such changes, and unless an amendment setting forth such changes in detail is duly filed with the New York State Department of Law.

The Sponsor hereby adopts the detailed description of property and building condition set forth in the section entitled DESCRIPTION OF PROPERTY, SPECIFICATIONS, and BUILDING CONDITION of this offering plan. With reference to such material, a licensed architect prepared the description of property and building condition contained

therein. Prospective Purchasers are urged to refer to said Section for a more complete understanding of the physical condition of the subject property and building.

LOCATION AND AREA INFORMATION

The premises are located in the Brighton Beach section of Brooklyn. This is a highly developed area essentially residential in character, but served by a rich and diverse assortment of shopping, recreational, medical, religious, and educational facilities, as well as a network both of streets and roads, and urban transportation. Police, Fire, Water, Sanitation, snow removal, and road maintenance are provided by the City of New York. Police Precinct serving the community includes the 60th precinct. Police and fire stations are located approximately 1/2 mile from the project. Medical needs of the community are served by Coney Island Hospital. Students living in this project will be eligible to attend a Public School approximately 3 blocks away and Lincoln High School.

Zoning of the site is residential. There is no landmark designation of the site. There are no adjoining undeveloped areas of the site. Neither the Sponsor, nor any principals of the Sponsor, own in whole or in part, or have an optional right to acquire in whole or in part, any adjacent areas which are not fully developed.

SCHEDULE A - OFFERING PRICES AND RELATED INFORMATION

ESTIMATED COSTS FOR THE FIRST YEAR OF CONDOMINIUM OPERATION
EXPECTED TO COMMENCE JUNE 1, 2005

THE OLMA BRIGHTON CONDOMINIUM

Unit	(1) Rooms Bedrooms And Baths	Approx. Total Square Footage	(2) Percentage of Common Interest	(3) Offering Price	(4) Projected Monthly Common Charges for 1st Year	(5) Projected Monthly Real Estate Taxes for 1st Year	(6) Projected Total Monthly Carrying Charges without 421-a Benefit	(5) Projected Monthly Real Estate Taxes with 421-a Benefits for 1st Year	(6) Projected Total Monthly Carrying Charges with 421-a Benefit
1A	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
1B	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
2A	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
2B	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
3A	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
3B	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
4A	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
4B	2BR/2BTH	1,060	12.5%	$500,000	$202.00	$2,366.25	$2,568.25	$21.48	$223.48
		8,480	**100.00%**	**$4,000.000**	**$1,616.00**	**$18,930.00**	**$20,546.00**	**$171.84**	**$1,787.84**

NOTE: There is a fee of 1.50% of the Offering Price which must accompany the application for the Section 421-a tax exemption benefits. The Purchase Agreement requires that each Purchaser reimburse the Sponsor for such fees in an amount equal to 1.50% of the price of each Unit. See Section XIV. There is a fee of $500.00 which is paid at closing and deposited in the Building Reserve Fund.

The OLMA BRIGHTON CONDOMINIUM

FOOTNOTES TO SCHEDULE A

1. The number of rooms listed for each Unit is based upon the "Recommended Room Count" of the Real Estate Board of New York, Inc. For more details regarding the rooms within the Units, please consult the floor plans in Part II for the layout of each Unit.

2. Percentage of Common Interest is based upon the approximate proportion that the floor area of the Unit bears in relation to the floor area of all the Units, reflecting the substantially exclusive advantage enjoyed by some, but not all. The Units in the Common Elements as of the date of recording of the Declaration are pursuant to Real Property Law Section 339(i)(1)(iv).

3. No change in the sales price will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sale prices below the Offering Plan prices without filing an amendment to the Plan at any time during the Offering where a reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated Unit purchase. See Section X "Changes In Prices Or Layouts And Substitution of Materials". See Section XI, "Procedure to Purchase." See Section XIV "Closing Costs and Adjustments" for estimated closing costs and adjustments, which costs are in addition to the sale prices set forth herein.

4. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements, landscape maintenance and maintenance and operation of the Common Elements. Common Charges exclude repair and decoration to the inside of a Unit, electricity for each Unit and insurance for personal belongings. See Schedule B-1 for estimated heating and electrical costs for each Unit.

5. For the projected real estate taxes, after the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be

subject to, any lien arising from the non-payment of taxes on any other Unit(s). The property has qualified for a partial tax exemption pursuant to Section 421-a of the New York State Real Property Tax Law. See the 421-a Tax Opinion included in this Plan). Units will not be separately assessed for the first year of Condominium operation. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of 2005/2006 tax year. The Board of Managers shall be authorized to pay such taxes as and when due from such escrow fund. As each subsequent individual Condominium Unit is sold, the Purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the date of closing through the end of the 2005/2006 tax year. It is anticipated that Units will be separately assessed for the 2006/2007 tax year, and that individual Unit Owners (whether purchasers, holders of unsold shares, or the Sponsor) will pay the taxes thereof as set forth in the attached SCHEDULE A.

The Property is taxed by the City of New York, which, through the Department of Finance, has assessed the property at a pre-construction value of $16,339.00, and imposes a tax rate of 12.62%. The HPD regulations states that the basis for 421a abatement should be based on the assessed valuation (AV) of the entire property one year prior to the start of construction, which was tax year 2002/2003. Construction was started during June 2004. The assessed valuation of $16,339.00 times the current class two rate of 12.62% apportioned over the 8 Units equals $257.78 - $16,339.00 times 12.62% = $2,062.00 divided by 8 Units would equal $257.78 per Unit per year or $21.48 per month. Without the benefit of the 421a abatement program a class 2 property should be assessed for 45% of the sales price times the 12.62% rate. Thus the $500,000.00 sales price would be assessed for $225,000.00. The Real Estate taxes could be $28,395.00 per Unit per year or $2,366.25 per month.

The real estate taxes payable in SCHEDULE A are determined by applying the applicable tax rate to the non-exempt portion of the assessment and then allocating the amount due in conformity with the

allocation of Common Interests. The City of New York is not bound by the allocation of Common Interests, and may allocate on a different basis. All figures are estimates.

6. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage his monthly carrying charges will increase. Any Purchaser who applied for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any closing costs that the Purchaser will be obligated to pay the lending institution.

VI. **SCHEDULE B**

The OLMA BRIGHTON CONDOMINIUM

Projected Budget for the First Year of Operation
Beginning June 1,2005

INCOME:

Common Charges (Note 1)	$19,392.00
Total Estimated Income	$19,392.00

ESTIMATED EXPENSES:

(1) Salaries and Wages	$ 0.00
(2) Electricity (Note 2)	$ 3,800.00
(3) Heating (Note 3)	$ 0.00
(4) Insurance (Note 4)	$ 3,500.00
(5) Water & Sewer (Note 5)	$ 3,692.00
(6) Accounting (Note 6)	$ 1,000.00
(7) Legal Fees	$ 1,000.00
(8) Management	$ 0.00
(9) Repairs, Maintenance & Supplies	$ 3,900.00
(10) Contingencies	$ 2,500.00
Total Expenses	$19,392.00

The budget year is projected to commence on June 1, 2005. If the projected commencement date differs by six months or more from June 1, 2005, the Plan will be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by 25% or more, the Sponsor will offer all Purchasers the right, for a period of 30 days thereafter, to rescind their Offer to Purchase and have their deposits refunded. Sponsor may not declare a Plan effective where there are any material changes to the budget if these changes have not been disclosed by a filed amendment to the Plan.

FOOTNOTES TO SCHEDULE B

1. Common Charges: This figure is based upon the Annual Residential Common Charges which are 100% of the Common Charges.

2. Based on the opinion of Mottola Rini Engineers P.C., 36 West 25th Street, New York, New York 10010. The estimate assumes average yearly usage of 19,490 KWH at an estimated cost of electricity of $0.195 KWH. The estimate is for the cost of electricity in the Common Areas only, and does not include the cost of electricity for each Unit, which shall be individually metered and billed directly to each Unit Owner.

3. Heat and hot water for each Unit are provided by separate facilities serving each Unit. Each Purchaser will pay separately for the heat and hot water supplied to their Unit. No heat is provided to the common areas of the building. See Schedule B-1 hereinafter set forth for an estimate of individual heat and hot water charges.

4. Insurance coverage is estimated based upon a projection from Dimver and Associates, 130 Highlawn Avenue, Brooklyn, New York, 11223 providing for the following coverages:

DESCRIPTION AND COVERAGES:

I. Special All-Risk Policy: $600,000 coverage blanket all risk. Coverage shall be afforded to the building including bathroom and kitchen equipment, air conditioning equipment as originally installed, maintenance supplies, fixtures, etc.

II. Comprehensive general liability Broad Form Endorsement including:

1 - BUILDING PROPERTY COVERAGE - $600,000 Limit

2 - COMPREHENSIVE GENERAL LIABILITY BODILY INJURY AND PROPERTY DAMAGE - $1,000,000 PER OCCURRENCE LIMIT

REPLACEMENT COST	AMOUNT OF INSURANCE	ANNUAL PREMIUM
AGREED AMOUNT	$109 per square foot	$3,500.00

The premium has been estimated for the complete and occupied condominium based on Standard New York Policy and forms. The policy will provide that each Unit Owner is an additional insured; there will be no cancellations without notice to the Board of Managers and Unit owners; waive subrogation; waive invalidity because of the acts of the insured and Unit owners, and waive pro-rata reductions if additional Unit owners obtain coverage.

5. Based on a letter dated July 6, 2004, received from Mottola Rini Engineers, P.C., 36 West 25th Street, New York, New York 10010, and is based on current cost of water of $3.94 per 100 cubic feet, which cost includes all taxes and adjustments. It is estimated that each person will use 80 gallons of water per day. Calculations are based on metered method.

6. This figure reflects the estimated cost of retaining an accountant to prepare an audited year-end fiscal statement and federal and state tax returns for the first calendar year of Condominium operation. This estimate is based upon the fee quotation provided to the Sponsor by Anatoliy Tpbiash, CPA, of AT Professional Accounting CPA, PC, with offices at 13-51A River Road, Fair Lawn, New Jersey 07410.

7. This figure reflects the estimated cost of retaining an attorney to advise the Board of Managers on legal issues that may arise in connection with the Condominium's normal business operations. The amount reflected does not cover extraordinary costs or expenses for additional services rendered or costs incurred to conduct litigation on behalf of the Condominium.

8. The Sponsor shall manage the Condominium for the first year at no charge to the Unit Owners for the first year or until all the Units are sold, whichever comes first. It is expected that thereafter the Condominium will be self-managed.

9. General repairs necessary to maintain building, including exterminating as needed.

10. This amount is to provide for any unanticipated expenses. This fund on an annual basis should be sufficient to pay for major capital repairs or replacement items likely to be needed within the first five years of Condominium operation.

IN THE OPINION OF THE CONSULTANT, BARNETT MALLER, (SET FORTH IN "CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET," IN PART II OF THIS PLAN), THE PROJECTED RECEIPTS APPEAR REASONABLE AND ADEQUATE BASED ON PRESENT PRICES (ADJUSTED TO REFLECT CONTINUED INFLATION AND PRESENT LEVELS OF CONSUMPTION FOR COMPARABLE UNITS SIMILARLY SITUATED) TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING JUNE 1, 2005. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A REPRESENTATION OR WARRANTY THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM BOARD WILL BE AS SET FORTH IN THE SAID BUDGET.

IT IS LIKELY THAT THE ACTUAL COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

VII. SCHEDULE B-1

The OLMA BRIGHTON CONDOMINIUM
2925 Brighton 8 Street
Brooklyn, New York

PROJECTED BUDGET FOR INDIVIDUAL ENERGY COSTS

Year Beginning JUNE 1, 2005

	Estimated Annual Electric	
Unit	KWH	COST
1A	4,900	$955.00
1B	5,050	$985.00
2A	4,900	$955.00
2B	5,050	$985.00
3A	4,900	$955.00
3B	5,050	$985.00
4A	5,385	$1,050.00
4B	5,560	$1,085.00

Year Beginning JUNE 1, 2005

	Estimated Annual Gas	
Unit	Therms	COST
1A	720	$900.00
1B	824	$1,030.00
2A	720	$900.00
2B	824	$1,030.00
3A	720	$900.00
3B	824	$1,030.00
4A	792	$990.00
4B	900	$1,125.00

The above estimate of the cost of electricity for individual consumption and gas consumption (including heat, hot water and cooking) has been passed upon by Anthony Rini, P.E., of Mottola Rini Engineers, P.C., by estimate dated July 6, 2004, and is made on the basis of the average estimated use multiplied by the estimated electric cost of approximately $0.195 per KWH including taxes and adjustments. The cost of gas is estimated at $1.25 per therm average including taxes and adjustment. Heating is based on 4871 degree days, 68F space temperature average with +5F outdoor design with 15mph wind. Cooling is based on 600 load hours per air conditioning residential season anticipating 6,000 BTUH unit for bedrooms and 10,000 BTUH unit for living rooms.

In view of the fact that these averages may include the use of energy by persons of varying need, with different standards of comfort, or with families of different sizes, the amount of energy used by the purchaser may vary substantially from the average estimates herein provided. In addition, the effect of

inflation, fuel shortages and other factors may raise the cost of electricity substantially higher than the current or projected rate.

Although the Sponsor is under obligation to provide accurate information to prospective Purchasers, factors beyond its control may substantially affect the cost of electricity and/or gas after the purchase of a Home or in subsequent years. Sponsor represents however, that it has followed the plans and specifications provided by the manufacturer of the appliances together with the recommendation of the manufacturer and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost. Further, that it has not been induced to select the appliances etc. described herein on the basis of any financial inducement other than the cooperative advertising and price of the system made to it by the manufacturer or distributor of the system or by the supplier of energy to be used in connection therewith or by any of their agents or employees.

BARNETT MALLER
Condominium, Co-op and Construction Consultant
Licensed Real Estate Broker
249-02 Jericho Turnpike
Bellerose, New York 11001

September 9, 2004

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

Re: The Olma Brighton Condominium
Compliance With Real Property Law Section 339 (i)

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the referenced property has retained this writer to review the percentage of common interest applied to the Units contained in Schedule A to the Offering Plan.

My experience in this field includes the following:

I have been actively involved in the construction and development of residential real estate for over 25 years; and have built and developed more than 750 homes in Nassau, Suffolk and Queens Counties. For such projects, I handled all phases of the construction operation. I am past President of the Long Island Builders Institute, New York State Builders Association, Honorary Life Director of the National Association of Home Builders and Life Director of the Long Island Builders Institute.

I have been involved in condominium consulting work for sponsor/developers since June 1985. In addition to preparing certifications of budgets for submission to the New York State Department of Law, I have been actively involved in the day-to-day management as a consultant with the sponsors until such time as management was turned over to the unit owners.

Some of the condominiums with which I have been involved include Paerdegat Bay Condominium II, Brooklyn, NY, Flatlands Gardens Concominium, Brooklyn, NY, Canarsie Gardens Concominium, Brooklyn, NY, Bay Ridge Plaza Concominium, Brooklyn, NY, Dyker View Condominium, Brooklyn, NY, Forest Hills Royale Condominium, Queens, NY, Cambridge Gardens Condominium, Queens, NY and Woodview Condominium, Staten Island, NY.

I have been a member of the Deepdale Gardens Board of Directors, a self-managed co-op of 1,396 units in Queens, NY for more than ten years. During this period I have been President, Chairman of the Operations Committee and have worked on budgetary matters for the preparation of the annual budgets.

In reviewing said Schedule A, the percentage of common interest for each Unit as contained therein has been determined based upon the approximate proportion that the floor area of the Unit at the date of the declaration bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the common elements. Said method of determining the percentage of common interest in a condominium complies with and is pursuant to S339-i(1) (iv) of the Real Property Law of the State of New York.

I hereby authorize inclusion of this opinion in the offering plan for The Olma Brighton Condominium to be filed with the Department of Law.

Very truly yours,

BARNETT MALLER

Sworn before me
this 9TH day of SEPTEMBER, 2004

Notary Public

IRWIN ROSEN
Notary Public, State of New York
No. 01RO4523865
Qualified in Queens County
Commission Expires June 30, 2006

19

CHANGES IN PRICES AND UNITS

The offering prices, as set forth in SCHEDULE A, may only be increased or decreased by a duly filed Amendment to the Plan when the change in price is an across-the-board change affecting one or more lines of units, or unit models, or is to be advertised, or represents a price increase for any individual Unit. However, prices are negotiable, and Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower from those set forth in SCHEDULE A without filing an Amendment prior to entering such agreement, as per FOOTNOTES TO SCHEDULE A.

No change will be made in the size or number of Units, and/or their respective percentage of Common Interest; and no material change will be made in the size or quality of Common Elements; except by Amendment to the Plan and when applicable, to the Declaration. Unless an effected Purchaser consents, no material change will be made in Unit size, layout or percentage of Common Interest, if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default. Unless all Purchasers consent, no material change will be made in the size, and no material adverse change will be made in the quality, of Common Elements. No change of any type set forth in this paragraph shall be made except by Amendment duly filed with the New York State Department of Law.

PROCEDURE TO PURCHASE

Persons desiring to purchase Condominium Units will be required to execute a Purchase Agreement and Transferee Affidavit in the form contained in Part II of this Plan and return it to the Selling Agent, together with a check in the amount of 10% of the purchase price, as a down payment, drawn to the order of MICHAEL & SWERDLOFF, AS ATTORNEY. Sponsor reserves the right to accept a lesser down payment to accommodate Purchaser, but in no case will down payment be less than $1,000.

The prospective Purchaser must have the Offering Plan and all filed Amendments in his possession at least three (3) business days prior to executing the Purchase Agreement. In the event Purchaser has not had said Offering Plan in his possession for at least three (3) business days prior to

execution, Purchaser may rescind the Purchase Agreement by, mailing Notice of Rescission to Sponsor or Selling Agent, or by hand delivering notice, within seven (7) days after executing same. Notice by mail will be effective if it postmarked within seven (7) days of executing Purchase Agreement. Purchase Agreement shall not be binding on any party until accepted by the Sponsor. Within twenty (20) days after the prospective Purchaser has delivered to the Selling Agent a signed Purchase Agreement, together with the required down payment, the Sponsor must either accept the Purchase Agreement and return a fully executed counterpart, or reject the Purchase Agreement and refund in full any down payment taken. The Plan will expire twelve (12) months from the date of acceptance unless extended by a duly filed Amendment.

All down payments will be placed in an account in conformity with the disclosure contained in this Plan.

The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-3(2-b) and 352-h, and Lien Law section 71-a(3) and the Attorney General's regulations promulgated, pursuant thereto.

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

All deposits, down payments, or advances, made by Purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after the Agreement is signed by all necessary parties, in a segregated special escrow account of MICHAEL & SWERDLOFF, LLC whose address is 2226 Ocean Avenue, Brooklyn, New York 11229. The signatories on this account authorized to withdraw funds are: MICHAEL MICHAEL and LEONARD SWERDLOFF, 2226 Ocean Avenue, Brooklyn, New York 11229. The name of the account is IOLA-MICHAEL & SWERDLOFF/THE OLMA BRIGHTON CONDOMINIUM, located in JPMorgan Chase Bank, 1501 Avenue M,

Brooklyn, New York 11230. This bank is covered by federal bank deposit insurance to a maximum of $100,000.00. To the extent deposits in the account exceed $100,000.00 they will not be federally insured. If the Escrow Agents are replaced or funds are transferred to a new escrow account, the Plan will be amended to reflect same.

This account will be an IOLA account with no interest accrued to the benefit of either the Purchaser or the Sponsor.

All instruments shall be made payable to or endorsed to the order of MICHAEL & SWERDLOFF, As Escrow Agent.

Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the Escrow Agent will notify the Purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate, if applicable. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the deposit. Such Purchaser may also apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations.

Since all contracts are contingent upon the Plan becoming effective, under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan.

The Escrow Agent will hold funds in escrow until otherwise directed in:

(i) a writing signed by both sponsor and purchaser; or,

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

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

If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will 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 application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General regulations and has so notified the Escrow Agent in accordance with such provisions.

The Sponsor will not object to the release of the escrowed funds to:

(i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan, or an Amendment to the Plan;

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

Purchasers and Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the down payment and any interest thereon. The Sponsor must avail itself of this procedure if there is a dispute that needs to be resolved. A form for this purpose is included in Part II of this Offering Plan, and is also available at the New York State Department of Law, 120 Broadway, New York, New York. A party applying to the Department of Law for determination on the disposition of a down payment must also contemporaneously send a copy of the application to all other parties.

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. If the application permitting release of funds is granted, the deposit and interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action from which preliminary relief is granted. The Attorney General shall act on the application within 30 days after a submission to the Department of Law for either making a determination or notifying the parties that an extension of time in which to do so. 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 the written direction signed by both Sponsor and Purchaser; or

ii) judgment or order of a court of competent jurisdiction is served on the escrow agent; or

iii) Escrow Agent deposits the disputed amount with the court.

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

Set forth in Part II of this Offering Plan is a copy of the Escrow Agreement between the Sponsor and the Escrowee that incorporates the terms of the Attorney General's regulations.

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

The Sponsor may apply to the Attorney General to use security in the form of surety bonds or a letter of credit, in accordance with the regulations of New York State Department of Law, in lieu of escrow of such funds. In the event the Sponsor elects to use such alternative security, an Amendment to that effect will be filed in the Offering Plan fully complying with all provisions of the Department of Law for proof of satisfactory insurance of said funds.

Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the Purchaser is given the right of possession of that Unit pursuant to a written agreement with the Sponsor.

Purchase Agreements will be contingent on Purchaser obtaining a firm written commitment for financing.

Purchaser shall have 40 days from the date on which a signed and executed Purchase Agreement is delivered to such Purchaser within which to obtain such financing. If a Purchaser fails to obtain a firm written commitment for financing within such 40 day period, and fails to notify Sponsor's attorney within 5 days thereafter, time being of the essence thereto, Purchaser shall conclusively be deemed to have waived the financing contingency and will be required to proceed to closing, or forfeit his down payment, whether or not a mortgage commitment is obtained. If Purchaser, after a good faith attempt to do so, fails to obtain a firm written commitment for financing, and notifies Sponsor within the prescribed time period, then Sponsor will return the down payment or deposit within 10 days after receipt of such notice. In the event Purchaser obtains a firm written commitment for financing, and the terms of such commitment are changed prior to closing, such change in terms shall not be an allowable reason for Purchaser to cancel the contract. Similarly, if the commitment expires prior to closing, Purchaser shall be under a good faith duty to take all required actions necessary to extend such commitment, including the payment of any extension fee required by the lending institution; however in the event Purchaser has made such good faith effort to extend the commitment, and is unable to do so, then, provided that Purchaser notifies Sponsor within 10 days after receipt of a notice from a lending institution that it will not under any circumstances extend the commitment, that Purchaser is exercising his right to rescind the Contract, Sponsor will return the down payment.

Certain provisions of the Purchase Agreement are "Time Of The Essence". This means that failure to strictly comply with the time requirements of said provision may result in the Purchaser losing his right to complete the purchase, and forfeiting his down payment hereunder. Thus, a Purchaser who fails to cure a default within thirty (30) days after notice of said default, will both have the Contract canceled, and lose his down payment; however, Sponsor must make written demand for payment after default at least 30 days before forfeiture of the deposit may be declared. Similarly, a Purchaser who fails to notify the Sponsor in the event he has failed to obtain mortgage financing within forty (40) days after executing the Purchase Agreement, will be required to proceed to closing, notwithstanding the fact that Purchaser has failed to obtain mortgage financing; and, if such Purchaser fails to

proceed to closing, the down payment may be retained by the Sponsor.

After the Plan has been declared effective, the Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such Purchaser's closing date. Such notice will be served in compliance with the Attorney General's rules no less than 30 days prior to the closing date set therein. Purchasers may waive this 30 day provision if Sponsor has included such waiver in the Plan, or in an Amendment thereto.

The first closing of a Unit is expected to occur on or about June 1, 2005. If such closing is delayed more than twelve (12) months beyond the originally scheduled date, Purchaser will be offered the right to rescind this contract. On closing, Purchaser will be required to sign a Power of Attorney in favor of the Board of Managers as otherwise set forth in this Offering Plan.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Offering Plan shall be resolved in favor of the Offering Plan. Sponsor will not permit the assignment or transfer of Purchase Agreements.

EFFECTIVE DATE OF THE PLAN

The offer to sell embodied in this Offering Plan is contingent upon the Plan being declared effective in accord with its terms and conditions, and the terms and conditions imposed by law.

The Plan shall be declared effective by personal service of notice on each Purchaser, or by commencement of service by regular mail, registered or certified mail with or without return receipt addressed to the Purchaser at the last known residence of such Purchaser; or if the Purchaser has provided written information of an alternative address for notices, addressed to the Purchaser at the alternative address (if Sponsor has no information of the last known residence address, but has written information of the place

of business or employment of such Purchaser the mailing shall be addressed to such last business or employment address). The notice shall state that the Plan was declared effective on a particular date, the percentage of sales used to declare the Plan effective, and a list of Units being counted to meet the minimum percentage under the terms of the Plan to declare it effective.

The Plan may be declared effective upon the execution of Purchase Agreements for 15% (in number, not Common Interest) of the Residential Units in the building to bona fide Purchasers, including investors. A minimum of one (1) residential unit must be sold to declare the Plan effective. The count of Purchase Agreements towards the minimum number for effectiveness shall not include those: signed by Purchasers granted a right of rescission which has neither expired nor has been waived; a Purchaser who has not been afforded the protections required by 13NYCRR20.3(o)(15) (i.e., a Purchaser who has not been afforded seven days after executing a Purchase Agreement to rescind same, or a Purchaser who has had fewer than three business days prior to executing the Purchase Agreement to review the Plan and all filed amendments) with any Purchaser who is the Sponsor, the Selling Agent, or the Managing Agent, or is a Principal for the Sponsor, the Selling Agent, or the Managing Agent, or is related to the Sponsor, Selling Agent, or the Managing Agent, or to any Principal of the Sponsor, or the Selling Agent, or the Managing Agent by blood, marriage, or adoption, or as a business associate, employee, shareholder, or a limited partner; except that such a Purchaser, other than the Sponsor or a Principal of the Sponsor, may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Plan must be declared effective upon the execution of Purchase Agreements for 80% (in number, not Common Interest) of the Units, which, in the case of this Plan means six (6) Units. Prior to the sale of 80% of such Units, or prior to being declared effective, the Sponsor at his option may abandon the Plan. In such case, the Sponsor will return all monies paid by Purchasers, together with interest earned, if any, within ten business days. The Sponsor will also file with the New York State Department of Law an Amendment abandoning the Plan and form RS-3,

detailing why the Plan was abandoned, and explaining all disbursements of funds.

The Sponsor may not abandon the Plan after it has been declared effective for any reason other than: a defect in title which cannot be cured without substantial litigation, or expenditure of an amount in excess of one-half (1/2) of one percent (1%) of the total offering price, or substantial casualty damage, which cannot be cured for less than one-half (1/2) of one percent (1%) of the total offering price, or the taking of any material portion of the property by condemnation or eminent domain; however, such title defects or casualty losses, as are known to the Sponsor at time of presentation, shall be excluded from calculations under this section. Additionally, any dollar amount relied on as a basis for abandonment after effectiveness must exclude any attorney's fees.

TERMS OF SALE

On closing, Sponsor will deliver to Purchaser a Bargain and Sale Deed with Covenants Against Grantor's Acts in the proper form for recording as set forth in Part II of this Offering Plan. Title, together with the appurtenant interest in the Common Elements will be conveyed at closing, free and clear of all liens, encumbrances, and title exceptions other than easement set forth in the aforementioned Deed, the Condominium Declaration, and any state of facts an accurate survey may show, provided same does not render title unmarketable.

Risk of loss from fire or other casualty remains with the Sponsor until title is passed, unless and until the Purchaser is given the right of possession of that Unit pursuant to a written agreement with the Sponsor. Upon Purchaser acquiring right of possession of the Unit, all risk of loss passes to Purchaser, and Sponsor shall not thereafter be responsible to repair any damage, which occurs before closing. No closing will occur unless and until a partial temporary or permanent Certificate of Occupancy for the Unit to be closed has been issued.

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, which property is owned by the Sponsor or the Owner of the

property, is included in the conveyance unless specifically excepted elsewhere in this Offering Plan.

The Declaration, By-Laws, and Floor Plans for the Condominium, and such other documents as are required by law, will be recorded with the New York City Register for the County of Kings in accordance with the New York Condominium Act prior to the first conveyance of title to a Unit.

If existing mortgages or construction loans encumbering the property will be not satisfied at or prior to closing of the first Unit, each mortgagee will, at the time of conveyance of the first Unit, either consent to the formation of a Condominium, and acknowledge that its lien will be limited to Unsold Condominium Units; or subordinate the lien of its mortgage to the Declaration of the Condominium; or, release its lien upon the Concominium Unit being conveyed, and its interest in the Common Elements.

CLOSING COSTS AND ADJUSTMENTS

As set forth in the Purchase Agreement, the Purchaser will pay the following estimated closing costs at the time of Closing of Title for the Purchaser's Unit. These estimates are based on current costs and charges, which are subject to change:

(a) If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium thereof that will vary depending upon the Purchase Price of the Unit. Rates set by the New York Board of Title Underwriters are currently $1,117.00 on a Purchase Price up to $200,000.00 and approximately $4.00 for each additional thousand dollars or fraction thereof; or alternatively, where a mortgage title policy is simultaneously issued, the reduced rate set by the title company. Title insurance will be provided through Titlecrafters, Inc.

(b) Fees for recording the Deed and Power of Attorney are approximately $100.00 per document. Additionally, there is a $25.00 charge for recording the Real Property Transfer Tax Return along with the deed;

(c) If the Purchaser obtains a mortgage loan, the Purchaser will pay a mortgage tax of 1.75% of the principal of the mortgage. If a mortgage tax credit is or becomes available

pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, the Purchaser will reimburse the Sponsor for any mortgage tax credit allowed; and will pay the balance of the mortgage recording tax as provided by law.

(d) All legal costs, fees and expenses charged by the Purchaser's attorney will be the sole responsibility of each Purchaser;

(e) New York City Real Property Transfer Taxes, currently one (1%) percent of the Purchase Price of a Unit, will be the sole responsibility of the Purchaser. Payment of the New York City Real Property Transfer Tax by the Purchaser is deemed an additional consideration to the Seller, and so is in it of itself taxable and will result in a "tax on a tax" effect.

(f) New York State Documentary Stamp Taxes presently $4.00 per $1,000.00 of the Purchase Price of a Unit less existing and continuing mortgage, will be the sole responsibility of the Purchaser. Payment of the New York State Documentary Stamps Tax by the Purchaser is deemed an additional consideration to the Seller, and so is in it of itself taxable and will result in a "tax on a tax" effect.

(g) Each Purchaser will be required to make a contribution to the Working Capital Fund in the amount of $500.00.

(h) All costs with regard to any mortgage that the Purchaser will place on his/her Unit (i.e. loan origination fees, commitment fees, application fees, appraisal fees, credit reports, survey fees, bank attorney fees, tax service fees, bank document preparation fees, etc.) will be his own and sole responsibility.

ALL COSTS FOR RECORDING CHARGES, MORTGAGE, TRANSFER, AND OTHER TAXES, ARE SUBJECT TO CHANGE. THESE CHARGES ARE NOT SET BY THE SPONSOR, AND SPONSOR SHALL NOT BE LIABLE ON ACCOUNT OF ANY INCREASE IN SUCH CHARGES.

Purchasers shall pay to the Sponsor's Attorney at closing a fee of $1,000.00 for the preparation of closing documents. If a Purchaser fails to close on the date set for first closing, or adjourns a scheduled closing date on less than three (3) days notice, there shall be a late closing

adjournment fee of $350.00 added to the above. If Purchaser obtains a title report from any agency other than Titlecrafters, Inc., a charge of $500.00 will be imposed for additional expenses incurred in coordinating with said title company. If, at the request of the Purchaser, closing is held outside the office of the Sponsor's attorney, there shall be an additional attendance fee of $250.00 for closings held within New York City, and $350.00 for closings outside of New York City. In the event Purchaser fails to fulfill the terms of the Purchase Agreement and Sponsor's attorney mails a Notice of Default, there will also be a $100.00 charge for such notice. Purchaser will also pay to the Sponsor $1,000.00 as partial reimbursement for the cost of preparing the Offering Plan. The above closing fees are cumulative to the extent applicable to an individual closing.

If the Units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, the Sponsor will place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes (or estimates thereof based on current assessments) due for the next ensuing six months (or until the Units are separately assessed, whichever is shorter), provided, however, that as closings occur, the portion of such funds held in escrow which represent the portion allocable to the Unit being sold shall be released; and interest accrued on such escrow, if any, shall inure to the benefit of, and belong to, the Sponsor. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and is entitled to reimbursement from Unit Owners.

Except as specifically set forth in herein, the Sponsor will pay all costs and expenses incurred in connections with this Plan, the creation of the Condominium and the initial sale of Units.

A numerical example of closing costs allocable to a typical Unit is set forth below.

SAMPLE CLOSING COSTS Unit 1-A

$500,000.00 Purchase Price $400,000.00 Mortgage

A. Title Insurance	$3,039.80
B. Deed and Power of Attorney Recording	$ 225.00
C. Mortgage Recording Tax	$6,975.00

D.	New York City Transfer Tax	$5,000.00
E.	New York State Documentary Stamp Tax	$2,000.00
F.	Working Capital Fund Contribution	$ 500.00
G.	Document Preparation Fee	$1,000.00
H:	Reimbursement Fee	$1,000.00
	Total:	$19,739.80

In addition to the foregoing, the Purchaser will, of course, be responsible for any fees charged by his own bank; his own Attorney; and additional fees incurred because of Default or failure to close at the scheduled time or place.

OBLIGATIONS OF SPONSOR

The Sponsor is using its own capital to complete the construction of the building as set forth herein.

The Sponsor will complete the work set forth in this Plan relating to the building and the apartments contained therein in conformity with and in accordance with the Building Plans and Specifications, and all applicable New York City Administrative Code requirements, and subject to procurement of all applicable and proper permits which are required, if any. Insofar as this is a newly constructed building, there are currently no housing, building, or fire department violations; however, in the event any housing, building or fire department violations arise prior to closing, all such violations, if any, will be cured prior to closing. The Sponsor may make changes in design, layout, and arrangement of apartments, and substitute equipment and materials, except that the Sponsor may not (i) substitute materials or equipment of lesser quality or design, or (ii) change the size, location, or value of any Units, or of other improvements or public areas, if such changes adversely affect the public areas, or effect the percentage of Common Interest, or adversely effect the value of, any Unit to which title has been closed, or for which a Purchase Agreement has been fully executed and is in effect, unless all affected Purchasers consent in writing to such change, and all affected contract vendees are given the opportunity to rescind their contracts and receive a refund of the deposit or down payment given to the Sponsor. All representations under the Offering Plan, and all obligations pursuant to the GBL, and any additional obligations under the Offering Plan which are to be performed subsequent to the closing date, will survive delivery of the Deed.

Closing will not take place, and no individual Condominium apartment will be sold until a permanent or temporary Certificate of Occupancy has been obtained for the premises. In the event closing occurs after the issuance of a temporary Certificate of Occupancy, but prior to the issuance of permanent Certificate of Occupancy, then it will remain the obligation of the Sponsor to, at its own cost and expense, obtain such permanent Certificate, and the Certificate must be obtained within two (2) years from date of closing. Prior to obtaining the permanent Certificate of Occupancy, the Sponsor is required to either: (a) maintain all deposits and funds in a special escrow account required by GBL-352e(2)(b) unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified may be released; or (b) deposit with an escrow agent an unconditional, irrevocable letter of credit, or post a surety bond, in the aforesaid specified amount. In the event option "(b)" is employed, posting of the surety bond or letter of credit must be in compliance with the applicable laws and rules of the New York State Department of Law. Notwithstanding the foregoing, alterations or improvements to the common areas and public portions of the building will be completed before the closing of the first Unit.

The Sponsor gives no warranty as to materials or workmanship that shall survive sale of a Unit, except as required by the New York State Housing Merchant Implied Warranty Law. New York State General Business Law requires the builder of new dwelling consisting of five stories or less to provide a warranty to the Purchaser as follows:

(a) For one year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for the items not covered by code, the construction must be in accordance with locally accepted building practices.

(b) For two years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation.

(c) For six years, the home must be free from physical defects in the structural elements (foundations, floors, walls, roof framing) which make it unsafe or unlivable.

Each prospective Purchaser may have the building and apartments therein inspected by an architect or engineer of their own choosing, and at their own expense, to determine the quality of materials and workmanship.

The Sponsor will pay for the authorized and proper work involved in the conversion of the property that the Sponsor is obligated to complete under the Plan. All mechanic's liens that are lodged against the property by virtue of work done by the Sponsor, or in the Sponsor's behalf, will be promptly discharged or appropriately bonded. Sponsor guarantees payment of all Common Charges and assessments with respect to unsold Units. Such guarantees will remain in effect until all Units are sold. Sponsor warrants and represents that he has adequate financial resources to meet its obligations with respect to any unsold Unit.

The Sponsor agrees to pay all Common Charges, special assessments, and real estate taxes with regards to unsold Units, and has financial resources to meet its obligations with respect to such unsold Units, which source of funding includes both proceeds of the sale of Units and existing financial resources of the Sponsor. **No bond or other security has been furnished to secure Sponsor's obligations.** In the event of dissolution or liquidation of the Sponsor, or transfer of 20% or more of the total number of residential Units in the Condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all obligations of the Sponsor for those Units under the Offering Plan, applicable laws, or regulations.

Any suits or proceedings instituted against the Sponsor, which may result in a lien against the property and any suits or proceedings against the Condominium arising from the Sponsor's acts or omissions, which acts or omissions occurred prior to closing of title, will be defended by the Sponsor, and the Sponsor does hereby indemnify the Condominium, the Board of Managers, and individual Unit Owners therefore. Nothing contained herein shall limit the rights of the Condominium that are granted pursuant to law and statute.

In the event the work on the building as set forth herein is not fully completed at the time the building becomes occupied, the Sponsor will have the right to enter the premises to complete its obligations under the Plan. Such entry shall be conducted in such a manner so as to produce a minimum of discomfort to those Purchasers already in possession.

In the event the Sponsor finds it necessary to enter the property after closing of title to complete work, then such work will be performed between 8 A.M. and 6 P.M. on weekdays and non-holiday weekends. Damage caused by such work will be repaired in a good and workmanlike manner.

Sponsor will secure, and provide at closing, an agreed amount replacement value multi-peril hazard policy which will prevent the Condominium from being a co-insurer. The cost of such policy will be paid by the Condominium, and is provided for in Schedule B. Sponsor also agrees to deliver a set of "As Built" plans to the Board of Managers upon election of the first Board of Managers after closing of the first Unit. Sponsor will assign any manufacturer's warranties with respective equipment and appliances installed in any individual unit to the Unit Owner, and with respect to equipment and appliances installed in the Common Elements, same will be assigned to the Board of Managers.

The property will be conveyed free and clear of all liens. The Sponsor will not dissolve or liquidate for a minimum of six (6) years. Copies of the Plans, exhibits and documents referred to herein shall be kept on file at the office of the Attorney for the Sponsor for a period of six years after filing of the Declaration of Condominium. No bond or other security has been furnished to secure Sponsor's obligations hereunder. The Sponsor will repair any damage from a casualty or other cause that occurs prior to the closing of any Unit; and no Purchaser shall be required to accept a damaged Unit.

BOARD OF MANAGERS

The Condominium shall be governed according to the By-Laws in Part II.

The By-Laws limit the number of Managers to not less than three (3) members. The first Board of Managers shall

consist of three (3) members designated by the Sponsor, and they are Igor Shikhris, Svetlana Shikhris, and Eugenia Ioffe. Igor Shikhris is a principal of the Sponsor; Svetlana Shikhris is a principal of the Sponsor; and Eugenia Ioffe is the architect of the Condominium. However, these Officers and Managers will resign in favor of Officers and Managers which will be elected by the Unit Owners at a meeting to be convened within 60 days after the First Closing; they may however, be re-elected at such time.

Managers shall be elected by a plurality of the votes at a meeting at which a quorum shall be present. When voting for Managers, each Unit Owner shall be entitled to cast one vote for each 1% of Common Interest in the Condominium appurtenant to such Owner's Unit, which may be cast all for one nominated manager or divided among any number of candidates. At such time as the Unsold Units constitute less than fifty percent of the Condominium, but in no event later than the second anniversary of the Closing Date, not less than a majority of Managers shall be residents of the Building and unrelated to the Sponsor. Members of the Board of Managers shall serve without compensation, except for reimbursement for expenses actually incurred in the course of any furtherance of business for the Board of Managers.

The Board of Managers shall meet at least annually, and at such regularly scheduled times as shall be adopted by resolution by the Board. Emergency meetings may be called on five (5) days written notice by any two Managers.

The Board of Managers will be responsible for the operations of the affairs of the Condominium including, but not limited to, the fiscal operation, repairs and maintenance of the common areas of the Property, replacement and capital improvements to the common areas of the Property; the hiring, supervisions and discharging of employees and Managing Agent (if any), and the enforcement of the provisions of the By-Laws, and shall have the powers and duties necessary for the administration of such affairs. The Managers shall serve without compensation or remuneration.

Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate votes are at least 51% of the votes of the

Condominium at a Unit Owner's meeting duly called for the purpose; provided, however, that the Manager(s) elected by the Holder(s) of Unsold Units can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Holders of the Unsold Units.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake 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 against any liability or claims except those arising out of the bad faith or willful misconduct of a member of members of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, or out of the aforesaid indemnity in favor of the members of the Board of Managers, shall be limited to such proportion of the total liability there under as his/her interest in the Common Elements of all Unit Owners.

The principal officers of the Condominium shall be the President and the Vice President, who are automatically Board Members, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The President and Vice-President, but no other officers, need be members of the Board of Managers. All officers shall serve without compensation or remuneration. The Board of Managers shall elect the officers annually; and, each officer shall hold office at the pleasure of the Board of Managers or until succession, resignation, or death. Upon the vote of a majority of the Board of Managers, any officer may be removed, with or without cause.

The President shall be the chief executive officer of the Condominium, and shall have all of the general powers and duties which are incident to the office of a president of a stock corporation organized under the Business Corporation Law of the State of New York.

The Vice-President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. The Vice-President shall also perform such other duties as shall from time to time be

imposed upon his/her by the Board of Managers or by the President.

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

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for: keeping full and accurate financial records and books of account; and, deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers.

The Board of Managers, or the Secretary, shall keep detailed records of the actions and minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and, financial records and books of account of the Condominium. In addition, an annual audited financial statement of the Condominium, and an income tax deduction statement certified by an independent Certified Public Accountant, shall be rendered by the Board of Managers to all Unit Owners March 1 of each calendar year.

The Secretary shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice shall state the purpose of the meeting as well as the time and place where it is to be held, and the notice will be given at least ten (10), but not more than forty (40) days prior to such meeting.

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

Both the Declaration and the By-Laws may be modified or amended by the vote of two-thirds (2/3) of the Unit Owners, as that term is defined in Article II, Section 8 of the By-Laws, at a meeting of Unit Owners duly held for such purpose. Anything herein contained to the contrary

notwithstanding, so long as the Sponsor is the owner of one or more unsold units, the By-Laws may not be altered, amended, repealed, or added to, without the consent of the Sponsor.

The Board of Managers shall be required to maintain hazard and casualty insurance on the building in an amount sufficient to ensure that the Condominium shall not be a co-insurer (which generally means that the policy must be retained at replacement value); and it shall also maintain liability insurance in an amount which it deems appropriate. The proceeds of the hazard and fire insurance policy shall be payable to the Condominium Board in the event of a loss amounting to $100,000 or less and to the insurance trustee, if the loss exceeds $100,000. Such proceeds shall be applied to the repairing, restoring or rebuilding the building unless otherwise determined by Unit Owners. In no event shall the proceeds of any such insurance policy be paid to the holder of any mortgage on a Unit unless there has been a determination by Unit Owners not to rebuild the building. The insurance trustee, if any, shall be a bank or trust company having an office in the City and State of New York.

The Condominium shall continue, unless terminated by reason of casualty, loss, or by condemnation, until such time as the Condominium shall be legally abandoned and terminated as a result of the vote of Unit Owners owning at least eighty (80%) percent of the total votes of the Condominium, at which time the Property shall be subject to an action for partition by any Unit Owner, or any lienor, as if owned in common, and the net proceeds of the sale resulting therefrom shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, after first applying the share of the net proceeds of such sale otherwise payable to each Unit Owner to the payment of any liens on his/her Unit in the order of the priority of such liens.

Copies of the Declaration and By-Laws are set forth in Part II of the Plan.

CONTROL BY THE SPONSOR

The Sponsor's Control of the Board of Managers of the Condominium will be subject to the following:

The By-Laws are reproduced in Part II. A summary of certain pertinent provisions of these By-Laws is set forth below. The By-Laws limit the number of Board of Managers (hereinafter called "Managers") to not less than three (3). The first Board of Managers to be elected by the Unit Owners shall consist of three (3) members.

At the time of the First Closing there will be three Managers designated by the Sponsor. However, the Managers will resign in favor of Managers who will be elected by the Purchasers at a meeting to be convened within 60 days after First Closing; they may, however, be re-elected at such time.

The By-Laws provide that at such time as the Unsold Units constitute less than Fifty (50%) percent of the Condominium, but in no event later than the second anniversary of the Closing Date, not less than a majority of Managers to be elected at all subsequent annual meetings of Unit Owners shall be elected by Unit Owners other than the Sponsor. A meeting to elect a new Board of Managers will be held within thirty (30) days of 50% of the Units being sold, or within thirty (30) days of the second anniversary of the Closing Date, whichever is sooner.

So long as a majority of the Board of Managers consists of managers elected by the Sponsor or holders of Unsold Units, the board:

1. Shall not eliminate or reduce the number of employees, insurance coverage or any service to a level less than that provided in Schedule B unless a majority of Board Members elected by bona fide Unit Purchasers vote in favor thereof.

2. Shall, to the extent of their authority as Board Members, use all reasonable efforts to cause the Building (including its equipment, services and installations) to be kept operational, clean, and, in a good state of repair and condition;

3. Shall not veto expenditures required to comply with applicable laws or regulations and/or expenses necessary to remedy notice of violations of law or work orders of an insurance carrier.

The Sponsor may exercise veto power over expenses other than those described in Item 3 above for a period ending not more than five years after closing of the first Unit, or whenever the Unsold Units constitute less than 25% of the Common Interest, whichever is sooner.

All Board members shall serve without compensation. Any member of the Board of Managers, who is a designee of the Sponsor, may contract or deal with Sponsor, or a partner, affiliate or entity controlled by the Sponsor, and no other member of the Board of Managers, or any Unit Owner may claim that such designee is self-dealing.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Unit Owners will have the right to sell, lease, or mortgage their Unit, without restriction, except as set forth herein, subject to the requirements that all Common Charges are current. A Unit Owner may only sell or lease the entire Unit. A Unit Owner may not sell or rent only a portion of a Unit.

The By-Laws provide that the use of the Units shall be restricted to and be in accordance with the following provisions:

(a) A Unit Owner may only use his/her Unit for a purpose consistent with any applicable ordinance or statue, or regulation of a government authority that has jurisdiction over the Condominium, but in no event for a use that violates the By-Laws of the Condominium.

(b) The Common Elements shall be used for the furnishing of services and facilities for which they are reasonably suited and capable, and which are incident to the use and occupancy of Units.

(c) No nuisances shall be allowed on the Property, nor shall any use or practice be allowed which interferes with the peaceful possession, or use of the Property, by its residents or occupants.

(d) No improper, offensive, or unlawful use shall be made of the Property nor any part thereof. 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 respective Unit Owners or by the Board of Managers, whichever shall have the obligation

to maintain or repair such portion of the Property, or comply with such laws.

(e) Each Unit Owner shall keep his Unit in a good state of cleanliness and repair in accordance with the provisions of the By-Laws, and the rules and regulations of municipal departments or agencies having jurisdiction thereof.

Each Unit Owner will have an undivided interest in the Common Elements in the respective percentages set forth in SCHEDULE A in Part I. Subject to the provisions of the By-Laws and Rules and Regulations, the Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements, and the Common Elements are for the common use of all Unit Owners.

Further restrictions on the use of Units are set forth in the By-Laws Rules and Regulations made in accordance with the By-Laws, which are set forth in Part II of the Plan. Rules and Regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers as provided in the By-Laws. Such restrictions include a restriction that the Unit shall be used for private residents only, or any home occupation use permitted under applicable zoning law, ordinances, building codes or other governmental regulations. Units may also be used as a professional office by a resident thereof provided such professional use does not violate zoning regulations and that consent of Board of Managers has been obtained. Units may not be used for any unlawful purpose and any use which amounts to a violation of law or to rules, regulations or requirements of any governmental agency having jurisdiction thereover shall be eliminated at the sole expense of the Unit Owner.

The Board of Managers shall from time to time, but at least annually, prepare a budget for the Condominium determining the amount of the Common Charges payable by the Unit Owners. Common Charges will be established by determining the operating budget for the coming year of Condominium operation and allocating to each Unit Owner a percentage of that budget in accordance with their percentage of ownership for Common Interest in the Condominium. The Common expenses include, among other things, the cost of all insurance premiums on all policies of insurance

required to be, or which have been, obtained by the Board of Managers. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property including, without limitation, an amount of working capital and a general operating reserve. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges payable by each of them, and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and to their mortgagees of record, if requested.

Under the provisions of Section 339-z of the Condominium Act, the Board of Managers on behalf of the Unit Owners shall have a lien on each Unit for unpaid Common Charges assessed against such Unit by the Board of Managers, together with interest thereon. Such lien shall be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on the first mortgage or record of such Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the Kings County Office of the City Register, and until all sums secured thereby with the interest thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six year period), whichever 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. In the event the Sponsor is more than thirty (30) days in arrears on Common Charges for any unsold Unit during the time the Sponsor is in control of the Board of Managers, Sponsor will cause the Board of Managers to file a lien as provided for in section 339-aa of the Real Property law.

Under section 339-kk of the Real Property Law, the Board of Managers has the right to require the tenant in an apartment owned by a non-occupying Owner to make rental payments directly to the Board of Managers where such non-occupying Owner is in default on payments of Common Charges, assessments or late fees for such unit, for a period of 60 days after the expiration of any grace period after they are due. Payments by such rental tenant to the Condominium pursuant to this statute relieves such rental

tenant from the obligation to pay such rent to such non-occupying owner, and is an absolute defense in any nonpayment proceeding commenced by such non-occupying Owner. The procedures by which the Board of Managers may enforce this right, including required notice, means of protest, and termination are set forth in the aforementioned section which is recited at page of this Offering Plan.

No Unit Owner may exempt himself from liability for Common Charges or Expenses by waiver of the use, or enjoyment of any of the Common Elements, or by abandonment of his Unit. The liability of each Unit Owner for the payment of the Common Charges and Expenses thereafter assessed or becoming due against the Unit shall terminate upon a permissible sale, transfer or other conveyance of such Unit, and the appurtenant interests in the Common Elements. In addition, any Unit Owner may, subject to the terms and conditions specified in the By-Laws, convey his/her Unit together with the said appurtenant interests to the Board of Managers or its nominee on behalf of all other Unit Owners, and in such event will be exempt from all Common Charges and Expenses thereafter assessed.

All maintenance or any repair to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decoration of the side of the elevator doors and stairwell doors which do not face into a Unit, and the exterior side of windows), electrical (except Common Elements) within the Unit or belonging to the Unit Owner, shall be at the Unit Owner's expense, except for structural elements as specifically required herein. All maintenance, repairs, and replacements to the Common Elements (including the exterior walls of the Building and exterior sides of the windows) and the painting and decorating of the side of the elevator doors and stairwell doors which do not face into a Unit shall be made at the direction of the Board of Managers, and be proportionately charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Unit Owners who enjoy use of a Limited Common Element are responsible for regular repair and maintenance of such Limited Common Element such as cleaning, painting, repair to surface damage, etc. Damage to the structural or mechanical systems serving such Limited Common Element (except where directly caused by act

or omission of the Unit Owner, their agents, employees or invitees) are the responsibility of the Condominium through the Board of Managers.

No Unit Owner may make any structural addition, alteration or improvement in his Unit, or do any work which would jeopardize the soundness or safety of the Building, reduce the value thereof, or impair any easement or hereditament of the Property, without the prior written approval of the Board of Managers. As a condition of the granting of its consent to the above acts, the Board of Managers may require the Unit Owner to execute an agreement in form and substance satisfactory to the Board of Managers setting forth the terms and conditions under which such alteration, addition, improvement, or repair, may be made, including without limitation, the days and hours during which any work may be done. No application shall be filed with any governmental authority for a permit covering an addition, alteration, or improvement to be made in a Unit, unless approved and executed by the Board of Managers; such approval, however, shall not result in liability on the part of the Board of Managers or any of them, to a contractor, subcontractor, materialman, architect or engineer, by reason of such addition, alteration, or improvement, or to any person having any claim for injury to person, or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided that any alterations to such Unsold Units shall be in accordance with, and only as permitted, by the Condominium Act and all governmental regulations. Non-structural alterations and improvements to Residential Units that do not affect the exterior of the Building, or the value of other Units, may be made without prior approval of the Board of Managers.

Unit Owners may perform all standard repair and maintenance items within their apartment and standard home improvements items without permission of the Board of Managers. Thus Unit Owners may repair or replace fixtures, equipment, cabinetry, flooring, sheetrock, etc. without permission of the Board of Managers. However, Unit Owners may not relocate plumbing, heating, electric or other service lines affecting other Units in the building during the course of such repairs or improvements without receiving Board permission.

The Board of Managers shall obtain and maintain, to the extent determined by them to be appropriate; (1) hazard insurance, with extended coverage, insuring the Building and Units (but not including furniture, furnishings or other personal property supplied to, or installed by, Unit Owners), together with all service machinery contained therein covering the interests of the Condominium, The Board of Managers, and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the insured property without deduction for depreciation,; (2) machinery insurance; (3) water damage legal liability insurance; (4) liability insurance for personal injury or property damage in an amount not less than one million dollars; (5) officer's and director's insurance covering the Board of Managers; and (6) such other insurance as the Board of Managers may determine. Each of the policies shall contain a New York standard mortgage 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 interests may appear, subject, however, to the loss payment provisions in favor of the Board of Managers in the event of casualty or condemnation. Unit Owners shall be entitled to carry casualty insurance protection for their furniture and the interior of their Units and for personal liability coverage for their own benefit at their own expense, 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 other insurance carried by a Unit Owner.

A Unit Owner by acceptance of a Deed for a Unit shall have granted a right of access to the Unit and storage areas and balcony, if any, to the Managing Agent and/or any other person authorized by the Board of Managers of the Managing Agent, for the purposed of performing installations, alterations or repairs to the mechanical or electrical services of other Common Elements in his/her Unit or elsewhere in the Building in which the Unit is located, to remove violations, cure defaults by a Unit Owner, and for any other purpose provided in the Plan, Declaration, or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner. In case of emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Provided reasonable care is exercised to safeguard the Unit Owner's property, such entry shall not render the Board of Managers or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Each Unit Owner will deposit with the President of the Board of Managers a key to his/her Unit to allow for entry in an emergency. The Board of Managers may designate responsible individual(s) to hold such keys.

Each Unit Owner shall be required to pay the Common Charges and Expenses levied by the Board of Managers. All Unit Owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner, are subject to the By-Laws, the Declaration and the Rules and Regulations. A copy of the Declaration and By-Laws and Rules and Regulations appear in Part II of this Plan. The violation of any of the Rules and Regulations or the breach of any By-Laws or provision of the Declaration shall give the Board of Managers, in addition to other rights set forth in specific provisions of the By-Laws, the right to: (i) enter any Unit in which, or as to which, such violations or breach exists and to abate and/or remove same summarily, at the expense of the defaulting Unit Owner. The Board of Managers shall not thereby be deemed guilty or liable for trespass nor be liable for any damage to the Unit, nuisances or fixtures incurred in connection with such rights unless such damage is caused by negligence on the part of the Board of Managers; or (ii) enjoin, abate or remedy by appropriate legal proceedings, the continuance of any such violation or breach. The costs incurred by the Board by virtue of the exercise of its rights to correct such breaches or violations, including attorney's fees, shall be due upon demand from the Unit Owner in question, and shall constitute a Common Expense against his/her Unit.

As part of purchase of the Unit, Purchaser will be required to execute a Power of Attorney in favor of the Board of Managers of the Condominium. This Power of Attorney will give the Board of Managers the right to acquire and otherwise administer defaulted, abandoned or foreclosed Units in the name of the Condominium. It will also give the Board of Managers the right to execute amendments to the Condominium Declaration, Deeds conveying Condominium property, filing for severance of tax lots and other functions reasonable or necessary to effectuate the purposes set forth in the Condominium Declaration, on

behalf of all of the Unit Owners. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan.

REAL ESTATE TAXES

After the Units are separately assessed, each Unit Owner will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor subject to, any lien for non-payment of taxes on any other Unit. Units will not be separately assessed for the first year of Condominium operation. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of 2005/2006 tax year. The Board of Managers shall be authorized to pay such taxes as and when due from such escrow fund. As each subsequent individual Condominium Unit is sold, the Purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the date of closing through the end of the 2005/2006 tax year. It is anticipated that Units will be separately assessed for the 2006/2007 tax year, and that individual Unit Owners (whether purchasers, holders of unsold shares, or the Sponsor) will pay the taxes thereof as set forth in the attached SCHEDULE A.

The Property is taxed by the City of New York, which, through the Department of Finance, has assessed the property at a pre-construction value of $16,339.00, and imposes a tax rate of 12.62%. The HPD regulations states that the basis for 421a abatement should be based on the assessed valuation (AV) of the entire property one year prior to the start of construction, which was tax year 2002/2003. Construction was started during June 2004. The assessed valuation of $16,339.00 times the current class two rate of 12.62% apportioned over the 8 Units equals $257.78 - $16,339.00 times 12.62% = $2,062.00 divided by 8 Units would equal $257.78 per Unit per year or $21.48 per month. Without the benefit of the 421a abatement program a class 2 property should be assessed for 45% of the sales price times the 12.62% rate. Thus the $500,000.00 sales price would be assessed for $225,000.00. The Real Estate taxes could be $28,395.00 per Unit per year or $2,366.25 per month.

The real estate taxes payable in SCHEDULE A are determined by applying the applicable tax rate to the non-exempt

portion of the assessment and then allocating the amount due in conformity with the allocation of Common Interests. The City of New York is not bound by the allocation of Common Interests, and may allocate on a different basis. All figures are estimates.

There are no tax certiorari proceedings currently pending. Individual Unit Owners may challenge the assessment of their property by filing a tax protest in accord with the rules of the New York City Tax Commission. The Board of Managers may also file a protest on behalf of all Unit Owners. While there is no specific section of the By-Laws dealing with review of real estate tax assessment, the general grant of power in the Board of Managers to operate the property in the best interest of Unit Owners is sufficient to delegate to the Board of Managers a right to file tax protests on behalf of all Unit Owners. The Building benefits from the limitations imposed by Sections 581 and 1805 of the Real Property Tax Law.

The Sponsor has applied for Real Estate Tax Exemption Benefits pursuant to Section 421-A of the Real Property Tax Law of the State of New York. The benefits provided pursuant to this section are stated in more particularity in the letter, included in the exhibits of this Offering Plan from Sheldon Lobel, P.C., who have filed an application on behalf of the Sponsor. Briefly stated, however, the program provides an exemption from any increase in assessed value of the property for real estate tax purposes, to the extent that such increase results from the reasonable cost of alteration or improvement to the building, for a period of eleven (11) years after granting of the exemption. Thereafter, the exemption declines by 25% per year until, after the fifteenth (15th) year, real estate taxes will be based on the full assessed value of the property. Sponsor has obtained an estimate from Barnett Maller of a post-completion assessed value of $1,800,000.00, commencing in the July 2005 tax year. SCHEDULE A includes the estimated tax payments in the event 421-A Tax Benefits are not obtained. The projections set forth herein are based on current New York City Tax rate and assessment procedures. No guarantee or warranty is or can be made that the tax rate will not change in the future, or that the assessed value of the property will not rise due to changes in assessment practices and policies or increases in market value which are reflected in the assessed value. Therefore, the estimate contained in

Schedule A for monthly real estate taxes in the event 421a tax benefits are not obtained may not accurately reflect the taxes which will apply at the expiration of the benefits period.

Sponsor will use best efforts to obtain the aforementioned real estate tax exemption benefits, and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the life of the benefits.

The explanation and projection prepared by the Sponsor's tax abatement expert, who prepared the 421-A application, is expressly adopted by the Sponsor and included as part of this Offering Plan.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

Unit Owners who itemize their deductions should, for Federal Income Tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid, or accrued, under Sections 163 and 164 of the IRS Code. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the COUNSEL'S TAX OPINION LETTER. Each individual Unit Owner should, for New York State and New York City Income Tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid, or accrued, during the taxable year.

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners, and will have certain discretionary powers over the operating expenses and the application of the assessments. While there is presently no direct authority as to the tax status of the Condominium for Federal Income Tax purposes, Sponsor's Counsel is of the opinion that the Condominium will not be treated as an association taxable as a corporation, due to the fact that it will qualify as an exempt homeowner's association under section 528 of the IRS code. As a result, the Condominium may not be subject to Federal corporate income tax on its taxable income, if any.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Revenue Procedures, and judicial decisions. It is emphasized, however, that legislative, judicial or administrative changes may be made which would require modification of such statements, or that, the IRS or other applicable administrative agency may disagree with Counsel's interpretations and conclusions. A more detailed statement of the tax factors involved may be found in the COUNSEL'S TAX OPINION; however, each purchaser should consult with his or her own attorney with regard to tax consequences of this transaction.

RESERVE FUND

No fund will be created on closing as a reserve for capital expenditures. In the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, it will be necessary to raise needed capital either by assessing individual Unit Owners for the cost of such expenditures. However, in the Sponsor's estimation, and in view of the fact that all building systems and components are new, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a Condominium Unit under the Offering Plan.

WORKING CAPITAL FUND

At closing of title to each residential Unit, the Unit Owner for such Unit will contribute $500.00 to the capital of the Condominium as a Working Capital Fund contribution (see CLOSING COSTS AND ADJUSTMENTS). Thus, there will be a $4,000.00 Working Capital Fund created on closing. Sponsor will make the required contribution for all unsold Units at the time of the closing of the first Unit, and will be reimbursed therefore on each subsequent closing of a Unit by the Unit Purchaser. This Working Capital Fund will be used to make repairs and improvements, and for other appropriate purposes as determined by the Board of

Managers, particularly to meet emergencies not budgeted for in SCHEDULE A. While the Sponsor controls the Board of Managers (see CONTROL BY SPONSOR), the Working Capital Fund will not be used to reduce estimated Common Charges.

The Working Capital Fund will not be reduced by any closing adjustments to the Sponsor. All closing adjustments to the Sponsor will be paid in equal monthly installments over the twelve (12) month period following closing. All adjustments represent reimbursement for prepayment of expenses already included in the budget set forth herein as Exhibit B, and therefore do not represent an additional expense to Condominium Purchasers.

No representation is made that the Working Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

IDENTITY OF PARTIES

SPONSOR: The Sponsor of this project is OLMA BRIGHTON, LLC, a New York limited liability company formed on June 27, 2003, with offices located at 2225 65th Street, Brooklyn, New York. The principals of the Sponsor are Igor Shikhris and Svetlana Shikhris. Neither the Sponsor nor the principals of the Sponsor of this Offering Plan have previously been the Sponsor or principal of the Sponsor of any other public offering of condominium or cooperative offering of real estate interest in or from the State of New York.

COUNSEL: Sponsor has engaged Michael Michael, Esq. Of Michael & Swerdloff, LLC, 2226 Ocean Avenue, Brooklyn, New York, 11229, to prepare this Offering Plan. Sponsor will be represented in all other matters arising out of or relating to the condominium conversion of the premises by Michael Michael, Esq., of the firm of Michael & Swerdloff, LLC, 2226 Ocean Avenue, Brooklyn, New York.

ARCHITECT: The architect, Eugenia Ioffe, principal of Construction & Custom Remodeling, Ltd., has offices at 147 Norfolk Street, Brooklyn, New York, has examined the physical condition of the property and has rendered her

report thereof as set forth in PART II. She has varied experience in preparing such reports, and has prepared a number of such reports. The architect has no financial interest in the property, Sponsor, Condominium, Selling Agent, or any other party interested in this transaction, except for her fee for services rendered in connection with her report.

SELLING AGENT: The Sponsor is the Selling Agent for the plan. Neither the Sponsor nor the Principals of the Sponsor have previously been the Selling Agent or Principal of the Selling Agent of any other Offering Plan and have no experience with regards thereto.

GENERAL

The Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies are contained in Part II hereof of the Condominium Declaration, Purchase Agreement, Condominium By-Laws, and form of Unit Deed.

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or any other person or persons which might become a lien against the Property or which may materially affect this offering, the Property, Sponsor's capacity to perform all obligations under the Plan, the Condominium, or the operation of the Condominium.

The Property has not been the subject of any prior cooperative or condominium offerings. There are no preliminary binding agreements entered with any Purchasers, nor has any money been collected from any perspective Purchasers. There has been no market test pursuant to Cocperative Policy Statement No. 1.

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

If there is a material amendment to the Offering Plan that adversely affects a Purchaser, Purchaser shall

have the right to rescind his Purchase Agreement within fifteen (15) days after the date of presentation by the Sponsor, which rescission shall be made by CERTIFIED MAIL - RETURN RECEIPT REQUESTED, and shall be deemed made on the date when notice of rescission is deposited with the United States Post Office. Sponsor shall return the deposit on contract to any purchaser who validly rescinds.

No person has been authorized to make a representation which is not expressly contained herein. This Plan may not be changed or modified orally.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Offering Plan, all documents referred to in the Offering Plan, and all exhibits submitted to the Department of Law in connections with the Offering Plan on file and available for inspection without charge, and for copying at a reasonable charge, at the Sponsor's office as set forth in this Offering Plan, or at the office of the Sponsor's attorney, for a period of six (6) years from the date of first closing. The Sponsor shall deliver to the Board of Managers of the Condominium, a copy of all documents filed with the appropriate recording office at the time of the first closing of a Condominium Unit.

REPORT TO UNIT OWNERS

The Board of Managers of the Condominium shall give annually to each and every Unit Owner:

1) On or before March 1st of each year a financial statement. During the period the Sponsor is in control of the Board of Managers, there shall be a certified financial statement prepared by a certified public accountant.

2) Prior notice of the annual Unit Owners meeting.

3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsor, this statement shall be certified by a qualified budget expert.

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor hereby adopts the DESCRIPTION OF PROPERTY set forth in Part II of this offering plan. With reference to such material, a licensed architect prepared the description of property and building condition contained therein.

The Sponsor represents that it does not know of any defect or need for major repairs except as hereinafter set forth, and that, to the best of the Sponsor's knowledge, the following description accurately states the condition of the building and its equipment (see DESCRIPTION OF PROPERTY AND BUILDING CONDITION in Part II of the Plan).

The Property will be offered in its present condition as described in this Plan. Neither the Sponsor nor the Condominium will have any obligation to make repairs or improvements except as set forth in this Plan. The Sponsor will cure, or cause to be cured, all violations of record against the Property on the closing date and eliminate all known dangerous or hazardous conditions, and comply with all work orders from mortgagees.

PART II

OLMA BRIGHTON CONDOMINIUM
DESCRIPTION OF PROPERTY
and SPECIFICATIONS

January, 17, 2005

A. LOCATION AND USE OF PROPERTY

The condominium is located in Block 8668, Zoning Lot 808; Kings County, Brooklyn, New York. The building lies within the residential zoning district R-6OP recorded on Map 28d of the New York City Zoning Resolution dated 5/9/01. The New York City Zoning Resolution, as per Section 22-12, permits Use Group 2 residential use as a matter of right. The plans were approved by the New York City Department of Buildings on 04/20/2004 under application #301688065.

B. STATUS OF CONSTRUCTION

This building will comply with Section 27-278 of the New York City Building Code for Type I-C Construction.

There is one newly-constructed newly-constructed building on the site. The building will consist of eight (8) residential units. A Certificate of Occupancy will be issued upon completion of the buildings and sidewalks, and prior the closing..

C. SITE

The land and premises is situated on the east side of Brighton 8 Street 388' south of the intersection of Ocean View Avenue and Bedford Avenue.

The land and premises:

> begin at the aforementioned point
> and runs in the north direction 40'-11"
> thence in the west direction 92"-8"
> thence in the south direction 40'-11"
> thence in the east direction 92'-8" to the point of the beginning.

The area enclosed is 3690,64 square feet . The street is owned and maintained by the City of New York. The pavement is composed of asphalt and the sidewalk and curbs are concrete. The sidewalk slopes away from the buildings providing positive drainage without ponding. Under current approved plans, this site will be graded to conduct storm water away from the buildings.

Street lighting is provided by the City of New York. Street lamps are located in front of the building and provide sufficient illumination to meet public safety. In addition to the lighting provided by the City, incandescent lamps will be provided to illuminate the entrance foyer.

SCHEDULE C

D. UTILITIES

Water is furnished by the City of New York Water Distribution System and is obligated to the condominium owners in common. The Building contains a single water meter.

Natural gas service is provided by the KeySpan Energy. Natural Gas service is metered to each unit for cooking purposes, domestic hot water and heating each.

Electric service is provided by the Consolidated Edison Company of New York and is individually metered to each apartment unit. The electrical service provided to each unit (100 amps 3 phase) is adequate for a full complement of modern appliances. A separate electric meter obligated to the condominium owners in common, services public areas, the cellar, meter room, and all other non-occupied spaces.

Telephone service is provided on an individual basis to each unit by the Verizon Telephone Company.

Storm water as well as sanitary waste will be carried from the building into the New York City Sewer system's combined sewer running under Bedford Avenue.

E. SUB-SOIL CONDITIONS

No unusual water conditions such as flooding, ponding or wetness were observed in the area and no water was apparent on the surface.

F. LANDSCAPING AND ENCLOSURES

The front area will consist of concrete paved area. There will be two trees at the front of the property as required by the Department of Buildings. There will be planted per architect's Site Plan in compliance Department of Parks Rules for Street Trees. The paved areas will be pitched to prevent storm water runoff. A 6'- 0" high fence will enclose the rear perimeter of the property.

G. BUILDING SIZE

There is one newly-constructed building on the site, consisting of basement, basement and first floor through fourth floors. The total number of residential units is 8:

Two bedroom apartments	8
TOTAL	8

H. STRUCTURAL SYSTEMS

The structure is of non-combustible construction. This type of structure has exterior walls and floors constructed of non-combustible materials and assemblies as specified by Building Code Article 15 Table 3-4 Construction Group 1 Non Combustible Construction Classification requirements of the City of New York.

Foundation walls are supported on continuous reinforced footings. Basement floor and foundation wall are poured concrete. Exterior bearing walls consist of solid block bonded and a structural steel frame. Interior bearing walls consist of metal studs. Floor construction consists of lightweight steel framing, metal decking and concrete slab. All exterior walls should be insulated with 3 $^{1}/_{2}$" fiberglass insulation having an "R" factor of 11. The roof will be insulated with foam insulation having an average "R" factor of 16.

EXTERIOR OF BUILDING

The exterior walls of the building shell be finished 8" 75% solid block on two sides, front and back wall shell be light metal frame and stucco system. . The exterior wall assembly shall have a thermal performance value of 0.20 to comply with the minimum requirements of Table 4-1 of the New York State Energy Conservation Construction Code.

I. WINDOWS

All casement or double hung wood windows are manufactured by Anderson and are double pane glazed. All windows and doors to be insulated glass as per minimum requirements of the New York State Energy Conservation Construction Code.

Air Infiltration loss for doors shall not exceed 11.00 linear foot of crack. Air Infiltration loss for windows shall not exceed 0.37 cfm per linear foot of operable sash crack.

Manufactures warranty for five (5) years limited to glass and (1) one year for product and components other than glass.

The sponsor reserves the right to provide windows by a different manufacturer, which are equal to or better than those, listed herein.

J. BALCONIES AND TERRACES

The building has balconies at the second through forth floors. The balconies are located on the front and rear facades. The balconies are constructed of structural steel framing with concrete. Metal safety railings are provided on each balcony. Doors leading to balconies are glass doors set in metal frames. The floors and soffits are constructed of concrete. Wall-mounted 150 watt sodium lights are provided. The balcony floors are sloped to allow drainage to leaders at building façade. Weatherproof convenience outlets are also provided.

K. EXTERIOR ENTRANCES

Front entrance doors to be metal type with integral weather stripping, 1-pair 3'-0" x 7'-0" Stanley or equal. Doors to be fitted with a cylinder lock. Doors to comply with New York State Energy Code. Doors to have a minimum of five square feet of glass area.

Doors to comply with New York State Energy Code and BSA 501-68 SR.

Apartment entry doors to be metal type with cylinder lock and an approved type peephole. Door to be 3/4 hour fire rated and self-closing.

Two way buzzer system to be located in vestibules to contact each apartment.

Railings- Any metal railings for exterior stair to cellar shall be 2'-8" high. Any metal railings at grade shall be3'-6"high.

Mail Boxes- Shall be U.S. Postal Service approved type (Superior Steel Door Co. or equal) cluster type.

L. ROOF AND ROOF STRUCTURES

The roof is constructed of structural steel framing with concrete planks and built-up roofing with waterproof rubber membrane covering four inches concrete slab and two inches gal. metal deck. All roof penetrations (e.g.: vent stacks, vents and fans) will be flashed with aluminum cap or base flashing where necessary. Provide an approved type galvanized metal chimney flue with anti-down draft gas vent cap/ Top;0f flue-minimum 3'-0" above any part of roof within 1O'-O" of flue. All bulkheads and parapets are masonry with copper flashing at inner side and masonry /stucco finish at exterior to match the façade material. Roof materials are from Firestone Roofing products. Access to the roof is from the bulkhead using metal door with the push bar. The bulk head shown on the page A-10 of approved drawings.

The roof is pitched to permit storm water to flow towards drains. Storm water drains without ponding. The drains carry the flow of water to the house storm line where it enters the New York City Sewer System.

All lintels to be steel angles with a standard soldier course. All sills to be precast stone sloped away from windows.

ML STAIRS

INTERIOR STAIRS IN PUBLIC HALL
2 stairs are to be provided with metal pan treads filled with concrete.

Handrails for stair to be 2'-8" high constructed of metal (childproof design). Partitions enclosing stairs to be minimum 2 hour fire rating. There is no exterior stairs in the building.

N. INTERIORS DOORS
Swing type room entry doors to be hollow core wood with masonite raised panel. Closet doors to be swing type, sliding type, or bi-fold type, hollow core with masonite raised panel.

Apartment entry doors to be metal self-closing, 3/4 hour rated with an STC rating equaling 35 or better.

Apartment Entry	Mortise Lock
Bedroom Doors	Passage
Closet Doors	Passage
Bathroom Doors	Privacy

O. RATED PARTITIONS BETWEEN UNITS
Party walls will consist metal studs. Each side of metal stud walls to be covered with two layers of 5/8" type 'X' gypsum board and 3" thick thermafiber sound - proofing insulation.

Partitions enclosing the mechanical room in apartments to be 1-hour fire rated. Partitions enclosing light shaft to be 2-hour fire rated.

P. FLOOR CONSTRUCTION & FINISHES

Floor construction to be lightweight steel framing with metal decking and concrete topping.

Cellar floor to be 6" concrete slab with welded wire mesh. Smooth finish to be provided.

Underside of floor beams to receive 1/2" resilient channel clips and 5/8" type "x" sheetrock.

Living rooms and bedrooms in all units, excluding kitchens, foundry rooms & bathrooms, will be wood flooring as provided from sponsor's samples. All bathroom, laundry and kitchen floors will be ceramic tile with ceramic tile base.

Porches to be concrete arch construction consisting of 6" steel beams covered with minimum 2" concrete with 4" concrete slabs between steel. Balcony rails to be 3'-6" high decorative wrought iron rails (childproof). Balcony doors to be sliding patio doors or.

Public indoor spaces, stair landings and steps to be carpeted with low pile commercial indoor/outdoor carpets Hype Park Style manufactured by Weathertex or approved equal. Lobby floor to be vinyl composition tile. Public space walls and ceilings to receive one coat of primer with one coat of white sand paint for ceilings and one coat of off white flat paint for walls.

All gypsum board unit walls to receive one coat of primer with one coat of flat paint.

Q. METAL WORK AT ROOF

Metal work at the roof consists of vents. All metal work is weather protected and flashed at roof penetrations.

R. RECREATION FACILITIES

The buildings do not contain recreation facilities.

S. FIRE ESCAPES

The building does not contain fire escapes.

T. REFUSE DISPOSAL

Refuse will be collected at the basement level by the building residents. Refuse is removed by the New York City Department of Sanitation. Refuse will be collected as per Department of Sanitation requirement as per their schedule.

U. LAUNDRY FACILITIES

Laundry facilities are provided within the individual units. The dryer units are vented using flexible metal ducts to exterior.

V. PLUMBING AND DRAINAGE

Water is provided by the New York City Water Supply System. Water is metered by a single meter obligated to the owners of each section in common, located in the basement area. The sewage system carries both waste and sanitary sewage from teach apartment unit. Sewage is carried by gravity to local city sewers. The roof storm drainage system is adequate to carry runoff without ponding. Water is disposed of by drains located in all paved areas to the NYC combined sanitary and storm sewer.

Within the property line: soil and waste stacks are made of cast iron, vent stacks of cast iron. Domestic hot and cool water piping is "L" copper tubing. Water distribution system piping will be of hard temper type "K" copper tube below grade, hard temper type "L" copper tube above grade only.

W. HEATING

Each dwelling unit will have a gas-fired hot water boiler located in fire-rated enclosed utility room within the unit. Room space heating will be provided by forced hot air provided through the HVAC system. Heating system will be thermostatically controlled. There will be 1 vent in the kitchen; 2 vents in the living room; 1 vent in the corridor; and 1 vent in each bedroom. The heating system installed is adequately sized for the space to be heated. Domestic hot water will be supplied by a gas-fired hot water heater located in the unit's utility room, with a 50-gallon capacity, for each Unit. The hot water system installed is adequately sized to provide sufficient amounts of hot water for each Unit.

Boiler: Low pressure Slant/Fin Victory Cast-iron vented gas boiler MOD # V-140 input 140,000 BTU/HR

MEA # 416-90-E or approved equal.

Water heater: A.O. Smith - Model # PGC-50. MEA # 180-78-E or approved equal.

All Air Handlers: RHEEM RBHA Series Handlers. Model RNHS 17J, MEA # 150-93-E

W. GAS SUPPLY

Natural gas for cooking, the boiler and domestic hot water is supplied by Keyspan Energy. Natural gas is metered through individual 8 meters. The meters are located at the Cellar floor level. Gas pipe is made of black iron.

X. AIR CONDITIONING

Central air conditioning is to be provided for each individual apartment. Supply unit to be located within each unit in the mechanical room. Units to be York 2 ton or 3 ton hi-efficiency units. Evaporators are located Within roof top level above elevator machine room. Heat are distributed by HVAC system.

Y. VENTILATION

All interior bathrooms and kitchenettes are ventilated by exhaust fans through galvanized metal vent ducts.

AA. ELECTRICAL SYSTEM

Service to the building is 600 AMP feeder supplying 3 phase, electrical voltage 120/208 and there are eight (8) electrical meters. Each apartment unit is individually metered with 100 AMP 3 phase and individual sub-panel with12 circuit breakers. A separate meter obligated to the condominium owners in common service public spaces. Meters are located in the cellar. Only copper wire shall be used. Lighting circuits are 15 AMPs. Appliance and air-conditioning circuits are 20 AMP. Intercom system per apartment shall be low Voltage (24 Volts). Outside fixtures shall be waterproof type. The electrical service provided is adequate for a full complement of modern appliances. Standard ceiling mounted incandescent lighting with porcelain base will be provided throughout the unit interior.

BB. ELEVATOR SYSTEM

The proposed elevator system will be Leistritz Corp. a 2000 pound overhead traction-type elevator with five (5) stops at the following levels C1,1,2,3,4. The interior finish will be formica with baked enamel finish. There will be recessed down light at the interior. The elevator will provide handicap access and fireman control as required by New York City Building Code. The motor will be a 15 hp, 208v 3-phase and total power need for operation will be 208v 3-phase and 110 AC 20 amps. The elevator interior will be vented with a two speed exhaust fan. The elevator machine room will be at the roof level. The elevator will serve basement, 1^{st}, 2^{nd}, 3^{rd}, 4^{th} floor.

CC. SMOKE DETECTORS

Smoke detectors to be provided for each apartment unit are to be hard wired and to be installed as per local Law 62/81 and R.S. 17 of the New York City Building Code. All detectors to be approved by the Board of Standards and Appeals.

DD. ASBESTOS DISCLOSURE

This statement is to disclose that there will be no asbestos made products, partially or in whole, specified for the construction of this condominium as per approved plans.

EE. PERMITS AND INSPECTIONS

PERMITS

Before starting any work, builder is to obtain work permits from the Department of Buildings, City of New York.

INSPECTIONS

Builder to retain the service of an architect or engineer for controlled inspection for subgrade, underpinning, high strength bolts, fire stopping, engineer/installer ventilation certificate, shoring, structural stability, masonry units, all concrete, concrete design mix, and concrete test cylinders, all in accordance with the requirements of the New York City Building Code.

FF. PUBLIC AREA LIGHTING

Undercurrent "Approved Plans" the lobby will be illuminated by fluorescent ceiling mounted fixtures. Stair And halls will be illuminated with ceiling hung lumps and public corridor will be illuminated with ceiling mounted fixtures.

All lighting, exterior lighting and night lighting in public parts of the buildings to comply with the New York State Multiple Dwelling Laws and New York City Housing and Maintenance Code.

GG. PARKING AREAS

6 parking spaces are provided as these requirements per Zoning Resolution Section ZR 36-341. All parking area will be covered with 6" thick concrete slab. Parking area will have four drains. All lighting and night lighting in public parts of the buildings to comply with the New York State Multiple Dwelling Laws and New York City Housing and Maintenance Code. Handicapped parking shown on the page A-5 of approved drawings and has size 13 feet by 18 feet.

HH. GUARANTEES AND WARRANTIES

The roof assembly will be guaranteed by the contractor for a period of three (3) years for both the materials used and labor. There is no separate warranty from manufactory.

II. UNIT DESCRIPTION

A "Unit" as hereinafter referred to shall be defined as follows:

Each unit shall consist of the area enclosed horizontally by exterior walls of the building and to the center line when a partition divides the unit from corridors or other units, and vertically by the upper face of the sub-floor of the unit up to the unexposed face of the dry wall forming the upper ceiling of the unit. Door and windows which open from a unit and interior walls of a unit shall be deemed to be part of the unit.

The description of the units set forth herein pertains to the location of the walls, floors, and ceilings of the units as they are finally set forth in the certified ^as built' floor plans to be filed simultaneously with the recording of the declaration. All dimensions are approximate. Plans and dimensions will vary from floor to floor.

JJ. UNIT INFORMATION

Room	Floor	Wall/Ceiling	Fixtures
Bath	Ceramic	Paint w/4'-6" Tile Tub Surround	Vitreous China Water Closet, Americast Lavatory & Americast Tub or whirlpool (Americast is porcelain bonded to enameling grade metal, bonded to a patented structural composite) American; Standard fixtures or equal
Kitchen	Ceramic	Paint	18 Ga. Stainless Steel Sink
Bedroom	Wood	Paint	
Living/ Dining	Wood	Paint	
Entry Hall	Wood	Paint	

Bath fixtures consist of: Tub by American Standard Model # 23&1 or equal, Lavatory Basin by American Standard 'Affinity' model # 3420 or equal, Water Closet by American Standard 'Cadet RF 1.6/pa' model # 2172 or equal, Shower Head and Medicine Chest

Kitchen fixtures consist of: Sink. Cabinets are laminate faced cabinetry or equal and countertops are Formica brand laminate or equal

KK. FINISH SCHEDULE OF SPACES OTHER THAN UNITS

Room	Floors	Walls	Ceiling
Lobby	Vinyl Tiles	Paint	Paint
Public Halls	Vinyl Tiles	Paint	Textured Paint

Note: All wood flooring to be #2 grade oak or equal.

LL. UNIT DIMENSIONS AND OTHER INFORMATION

Unit 1L (First floor)
Two bedroom apartment which contains approximately 1060 square feet.

Unit 1R (First floor)
Two bedroom apartment which contains approximately 1060 square feet.

Unit 2L (Second floor)
Two bedroom apartment which contains approximately 1060 square feet, a front balcony of 40 square feet and rear balcony of 40 square feet as limited common elements.

Unit 2R (Second floor)
Two bedroom apartment which contains approximately 1060 square feet, a front balcony of 40 square feet and rear balcony of 40 square feet as limited common elements.

Unit 3L (Third floor)
Two bedroom apartment which contains approximately 1060 square feet, a front balcony of 40 square feet and rear balcony of 40 square feet as limited common elements.

Unit 3R (Third floor)
Two bedroom apartment which contains approximately 1060 square feet, a front balcony of 40 square feet and rear balcony of 40 square feet as limited common elements.

Unit 4L (Fourth floor)
Two bedroom apartment which contains approximately 1060 square feet, a front balcony of 40 square feet and rear balcony of 40 square feet as limited common elements.

Unit 4R (Fourth floor)
Two bedroom apartment which contains approximately 1060 square feet, a front balcony of 40 square feet and rear balcony of 40 square feet as limited common elements.

MM. GENERAL INFORMATION

The construction of the building is expected to begin in the spring of 2004. Plans and applications are approved at the Department of Buildings. A permit is obtained from the Department of Buildings. The construction of the building is expected to be completed in the 2005. It is expected that title to the first unit can be delivered on or about Spring 2005.

The building and site will be constructed in accordance with the New York City Building Code, the Multiple Dwelling Code, the New York City Zoning Resolution and all other applicable authorities and in accordance with plans and applications on file with the Department of Buildings of the City of New York. With reference to the preparation of plans and specifications, the sponsor has retained the services of a registered architect who prepared same. The sponsor represents to the best of its knowledge that the plans accurately describe the building units, common elements and equipment as the same which will be delivered upon the completion of construction.

As of the date of the first closing, the sponsor represents that it will have a Temporary or Final Certificate of Occupancy for the building contained therein, and deliver title without violations or liens on the premises and in accordance with the sponsor's undertakings elsewhere as set forth in this offering.

David Silberman P.E. 1/22/05



Sworn to before me this
22 day of Jan 2005

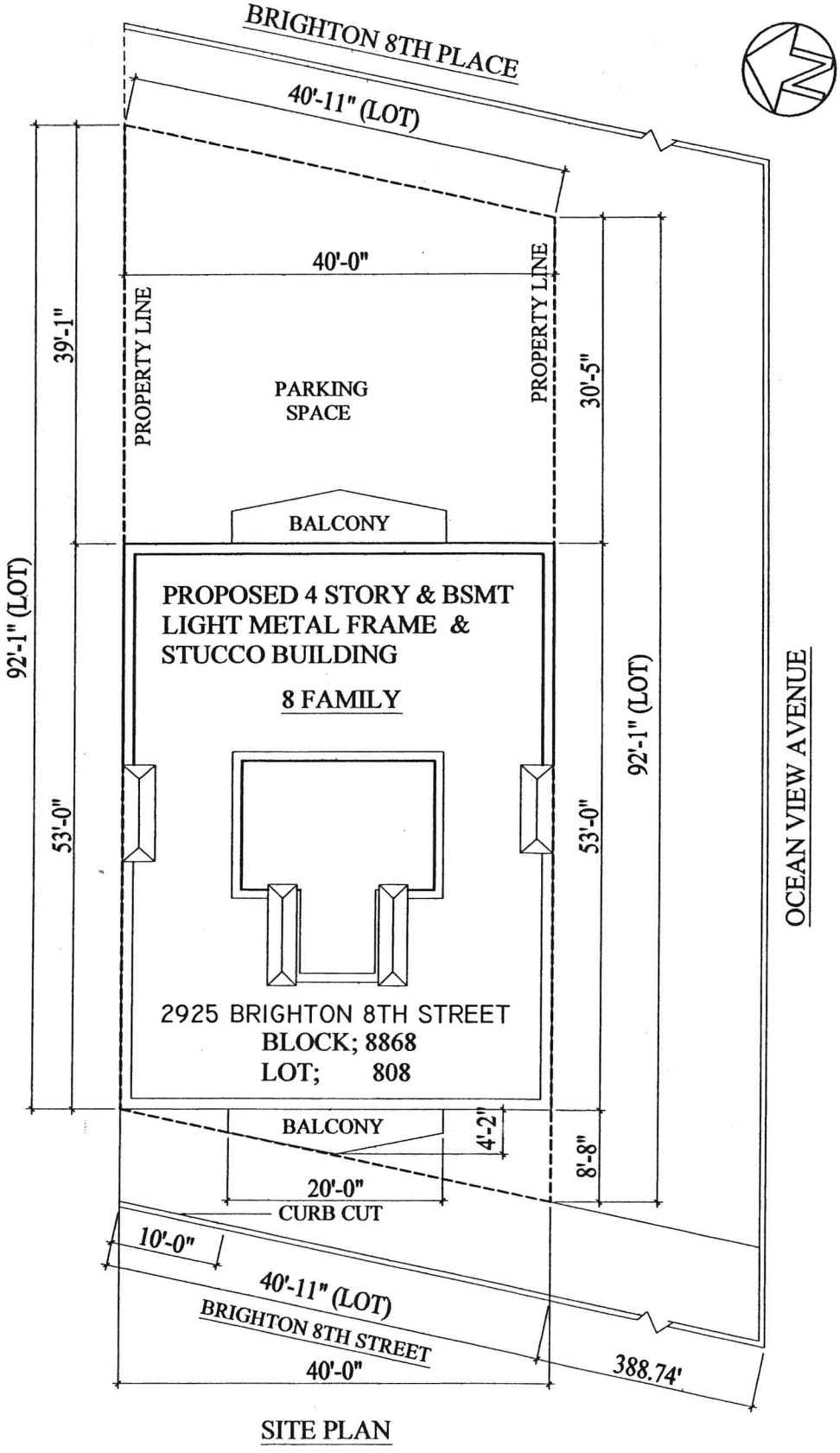
SCOT SIMON
Notary Public, State of New York
No. 02SI5044138
Qualified in New York County
Commission Expires May 22, 2007

C-10

FEE TITLE DESCRIPTION

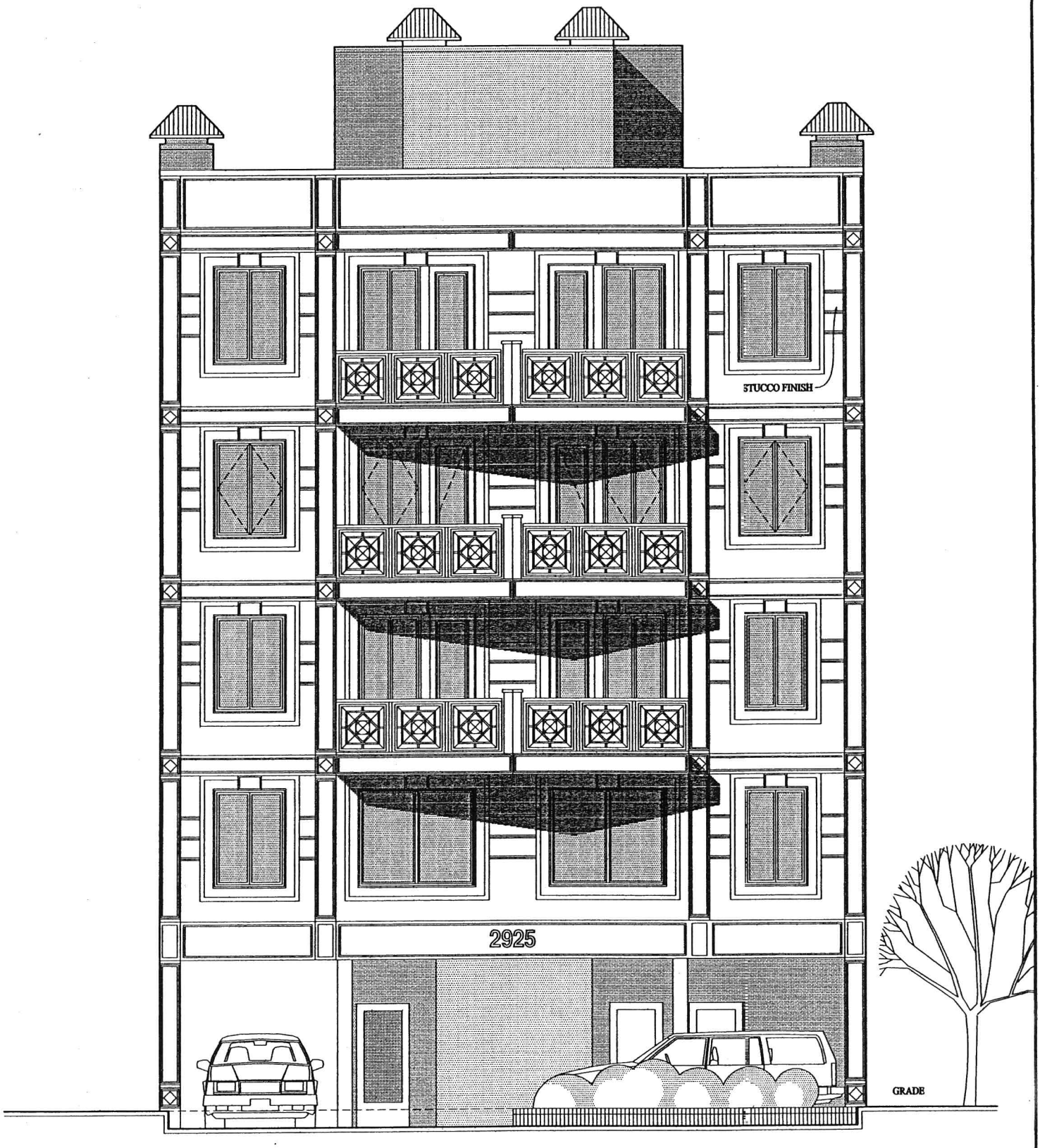
A "Unit" as hereinafter referred to shall be defined as follows:

"Each Unit consists of the area enclosed horizontally by the unexposed faces of the dry walls, including the thickness of such dry walls, located at an exterior wall of the buildings and the unexposed faces of the dry walls, including the thickness of such dry walls, dividing the Residential Unit from corridors, stairs or other Unit and vertically by the upper face of the sub-floor of the Residential Unit up to the unexposed side of the sheetrock forming the upper ceiling or the plaster ceiling of the Residential Unit. Doors and windows which open from a Residential Unit and interior walls of a Residential Unit shall be deemed to be part of the Residential Unit. "



SITE PLAN

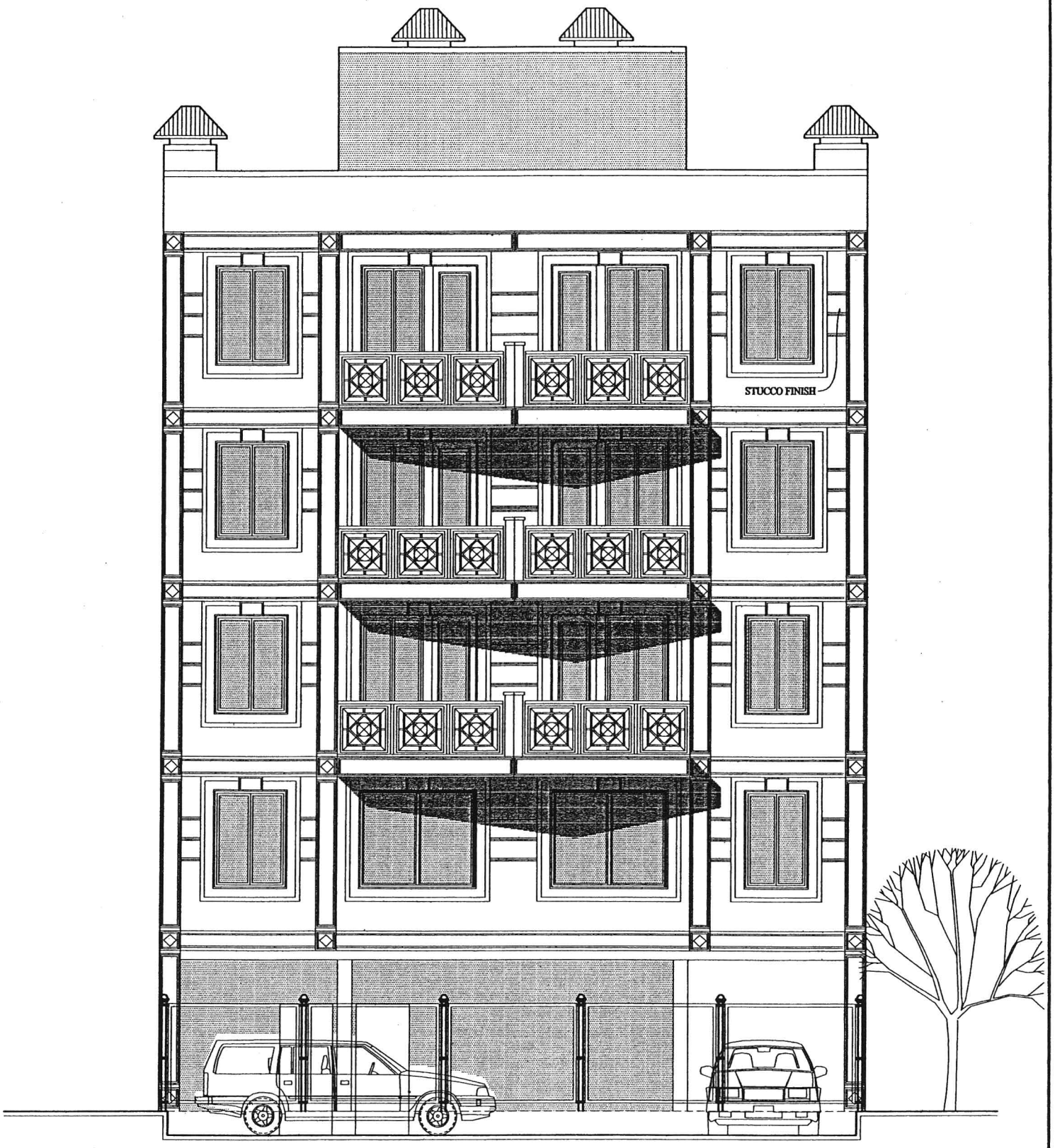
ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.



FRONT ELEVATION,

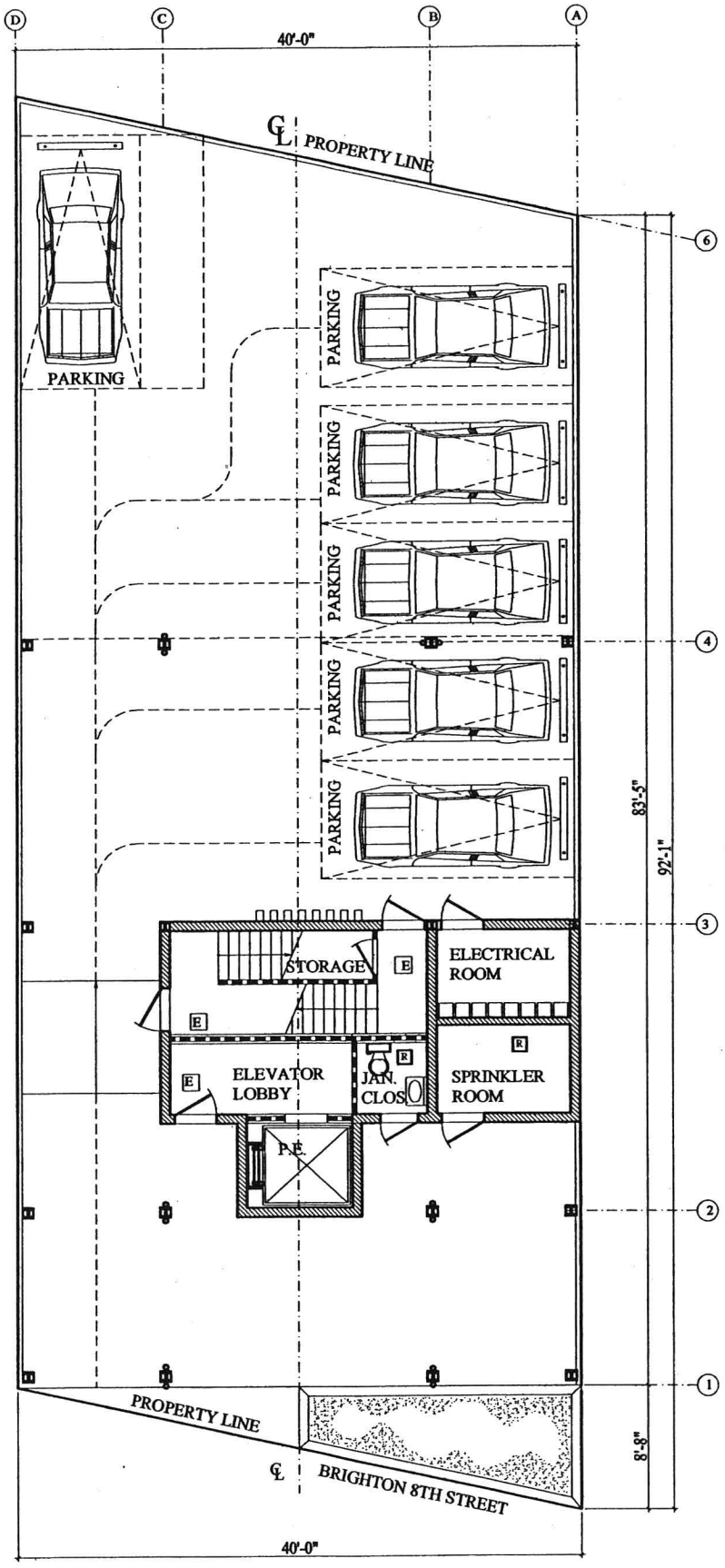
C-

C-13



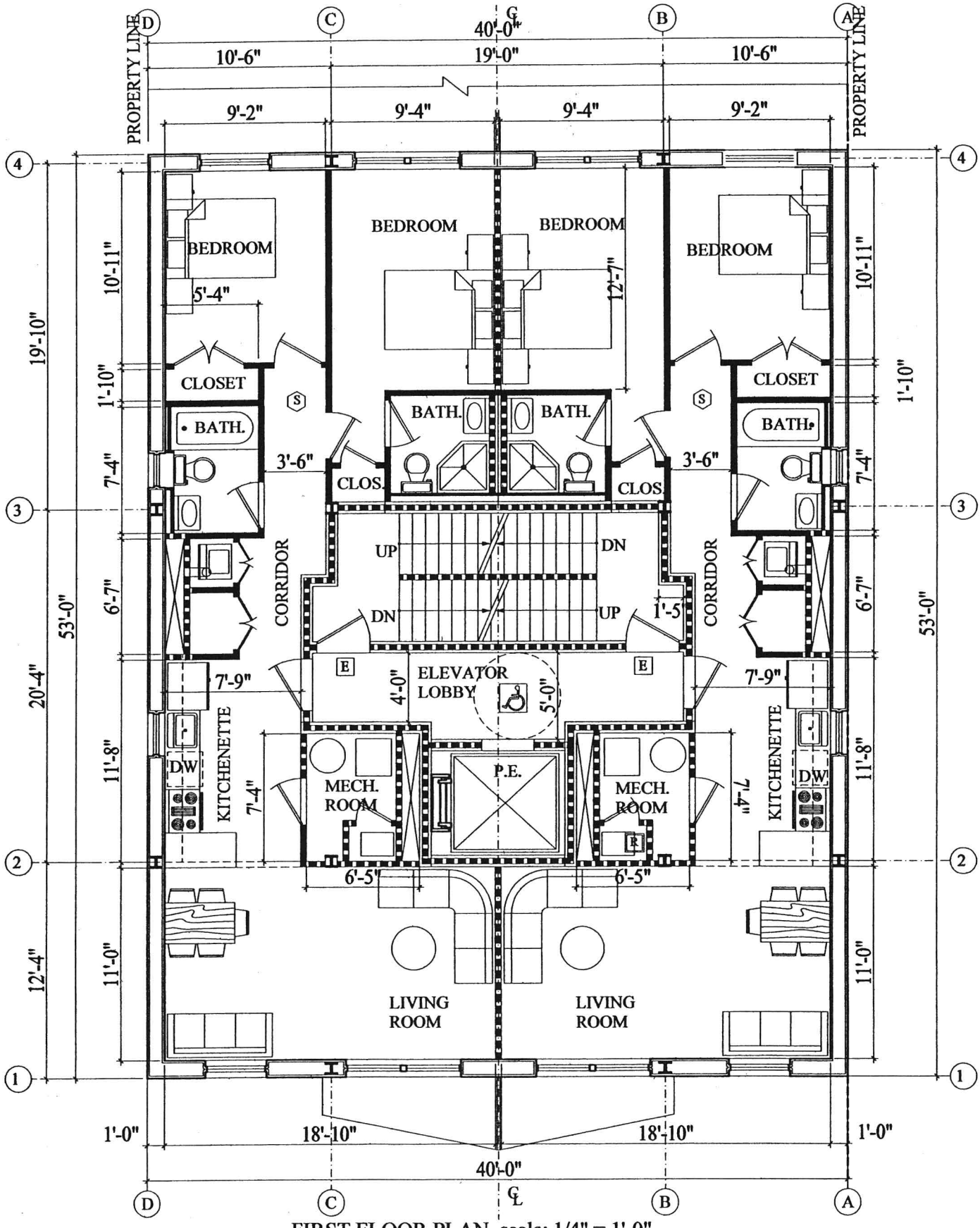
REAR ELEVATION, scale: 1/4" = 1'-0"

C-



BASEMENT FLOOR PLAN

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

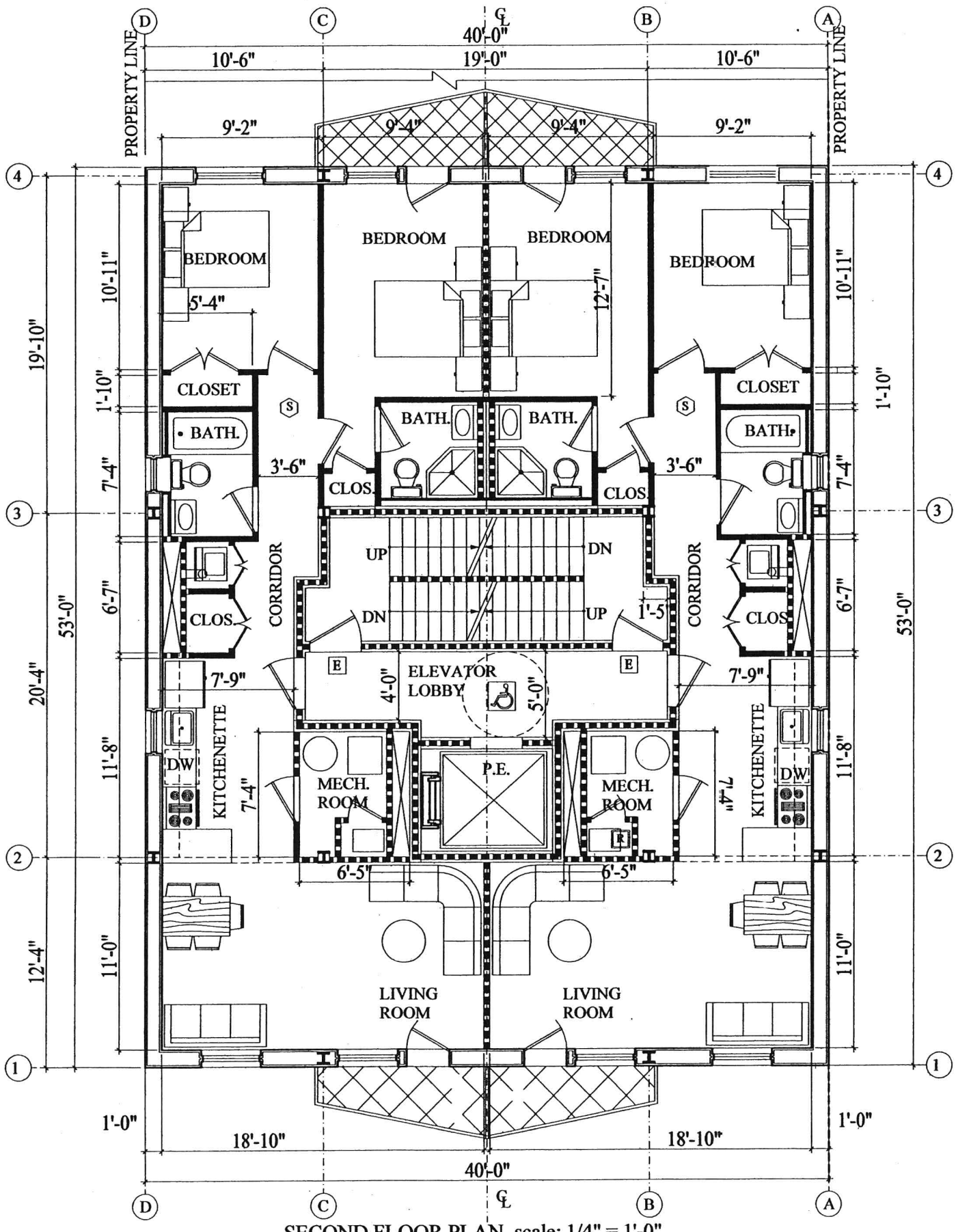


FIRST FLOOR PLAN, scale: 1/4" = 1'-0"

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

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C-16

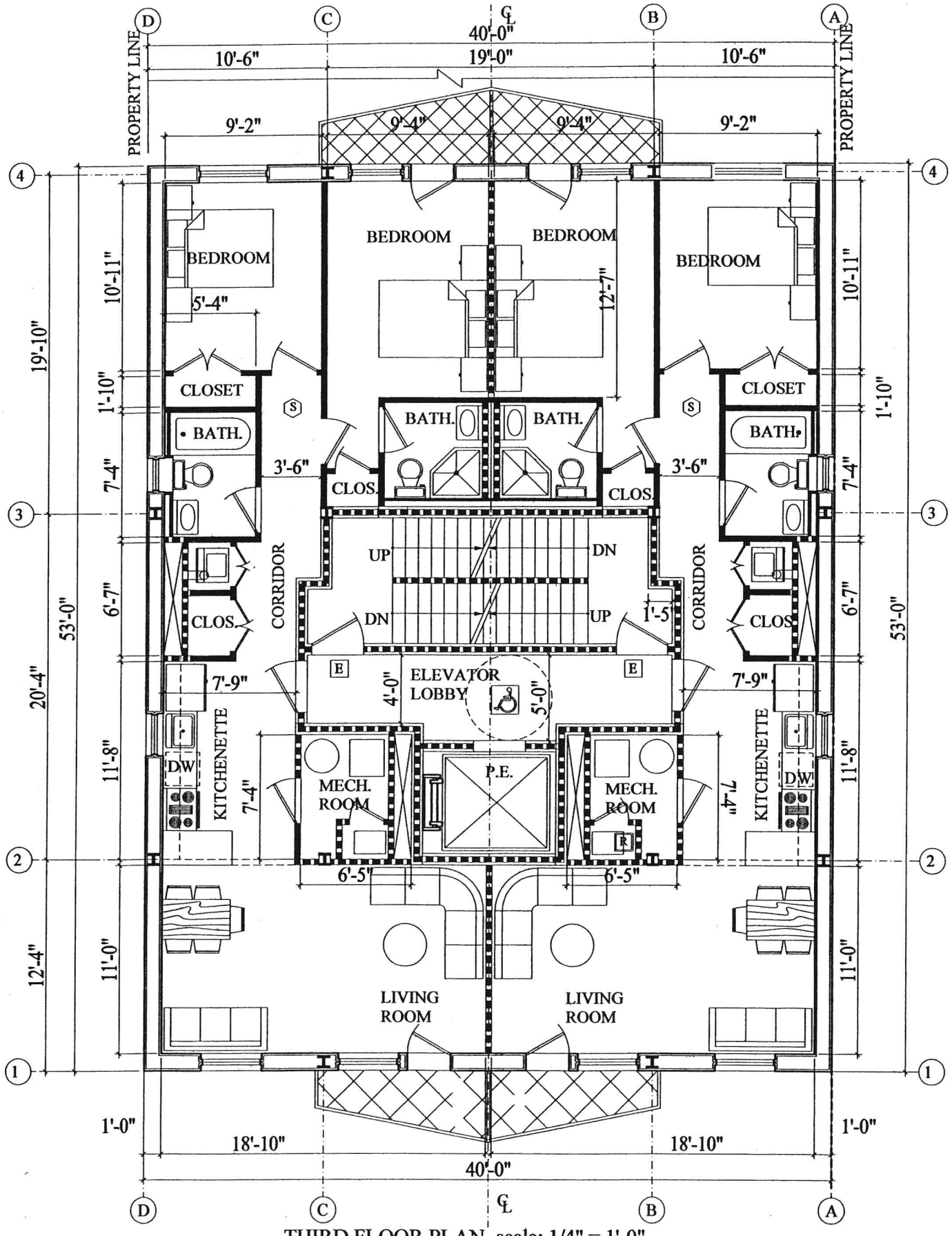


SECOND FLOOR PLAN, scale: 1/4" = 1'-0"

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

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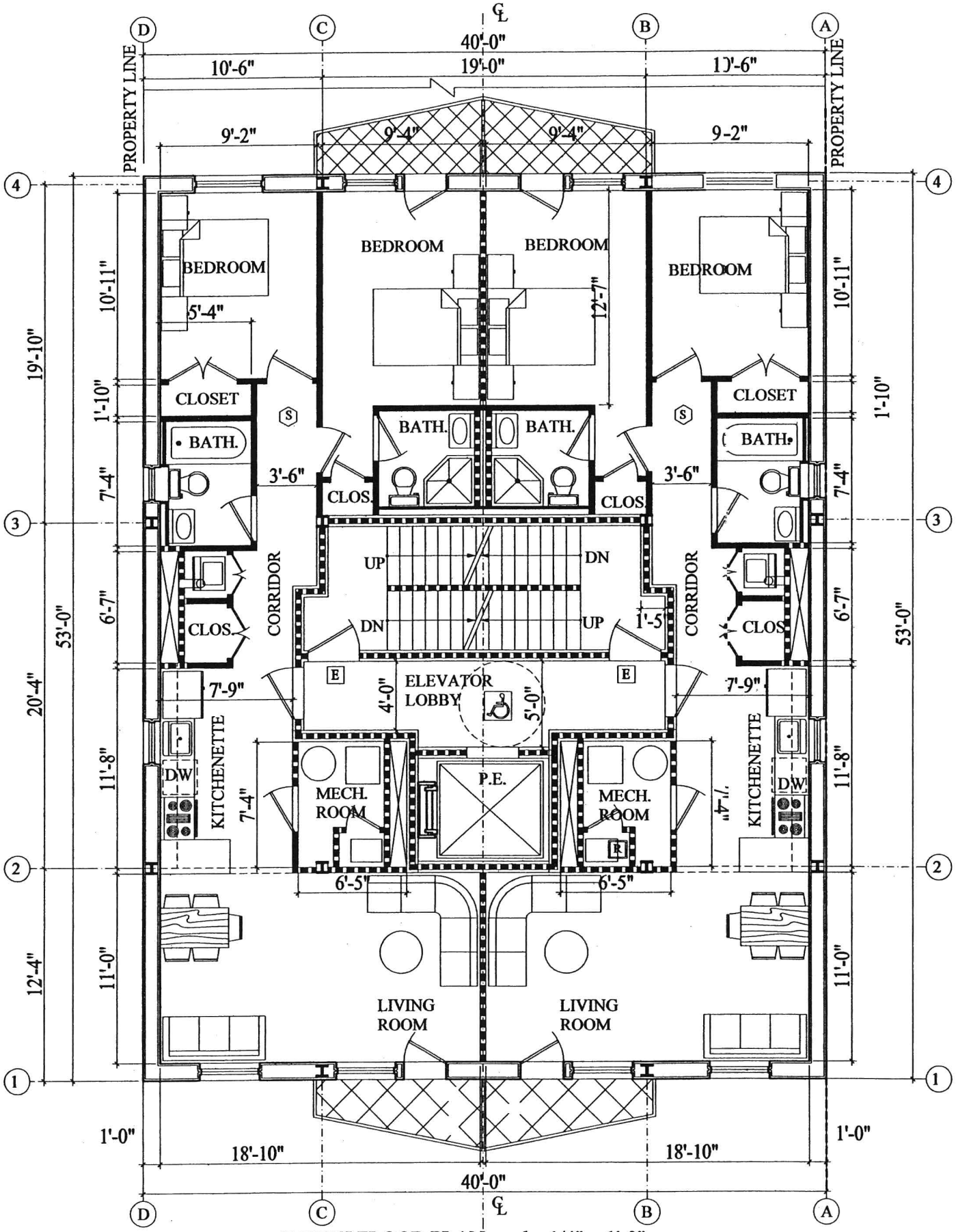
C-17



THIRD FLOOR PLAN, scale: 1/4" = 1'-0"

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

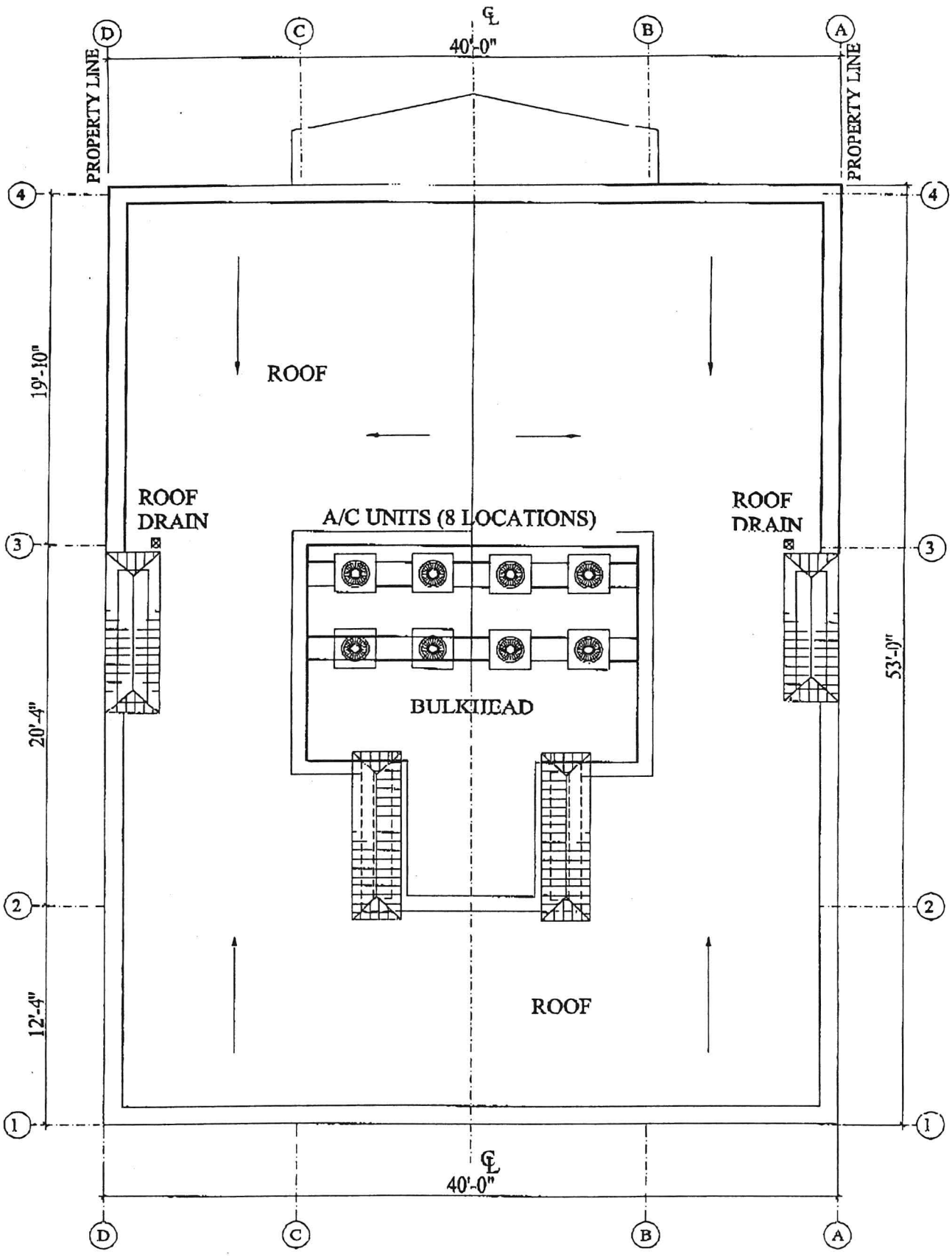
C-



FORTH FLOOR PLAN, scale: 1/4" = 1'-0"

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

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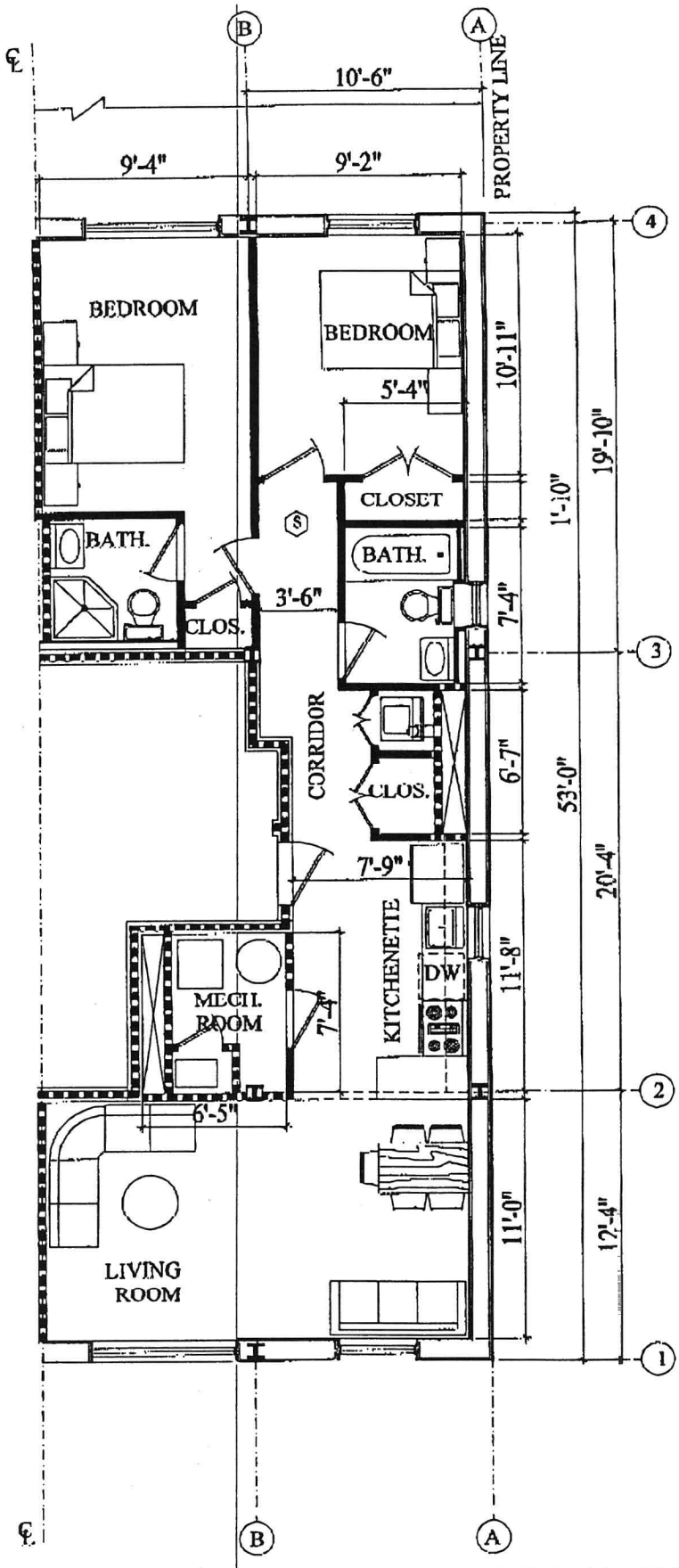


ROOF PLAN, scale: 1/4" = 1'-0"

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

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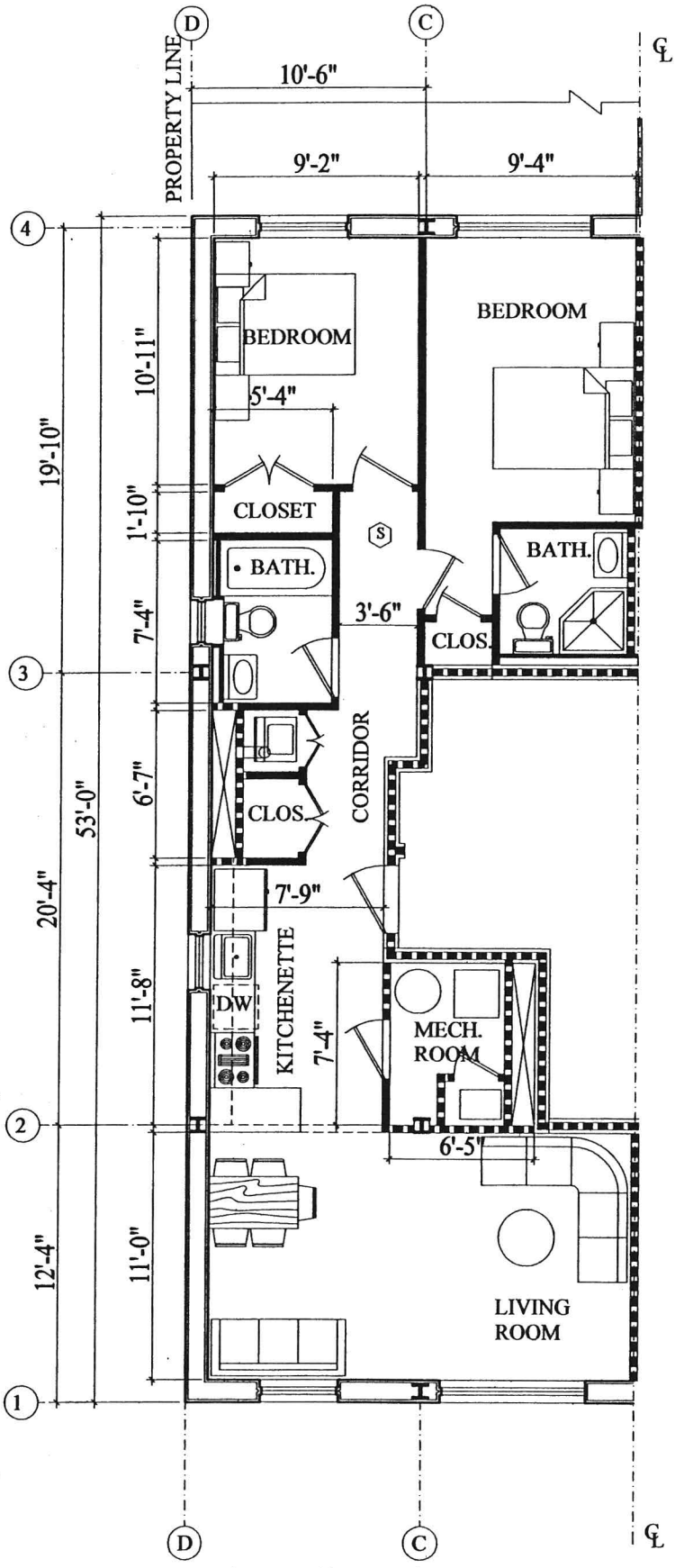
C-20



FIRST FLOOR (RIGHT UNIT - 1A), N.T.S., (1060.00 SQ FT..)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

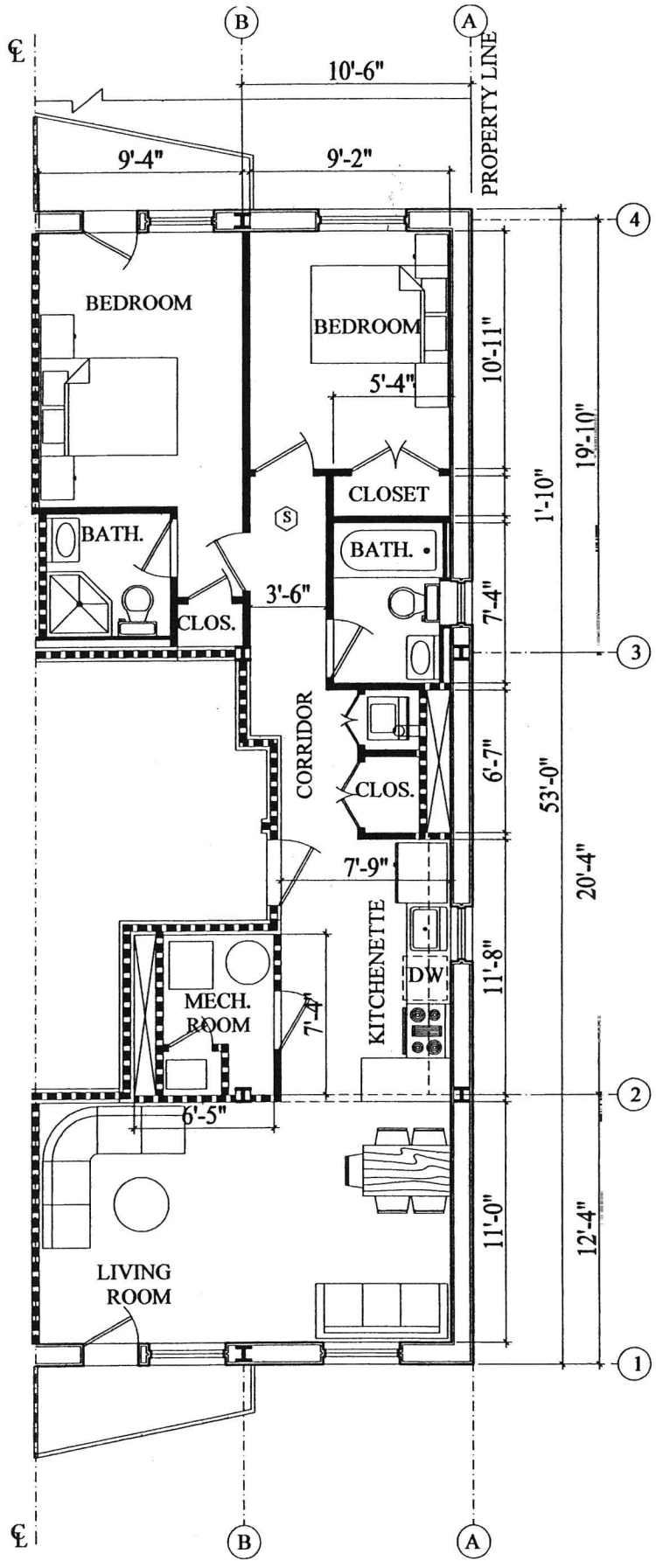
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FIRST FLOOR (LEFT UNIT 1B), N.T.S. (1060.00 SQ. FT.)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

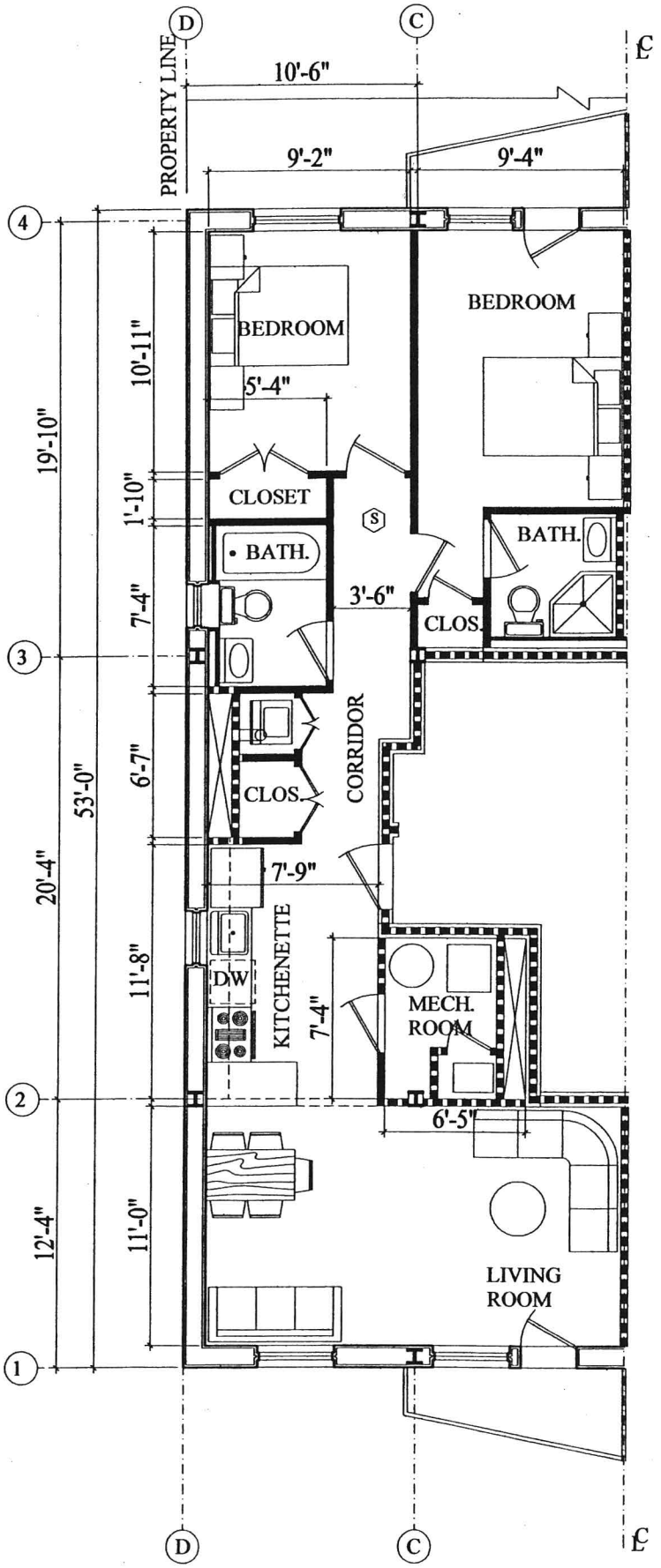
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SECOND FLOOR (RIGHT UNIT - 2A), N.T.S.,(1060.00 SQ. FT..)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

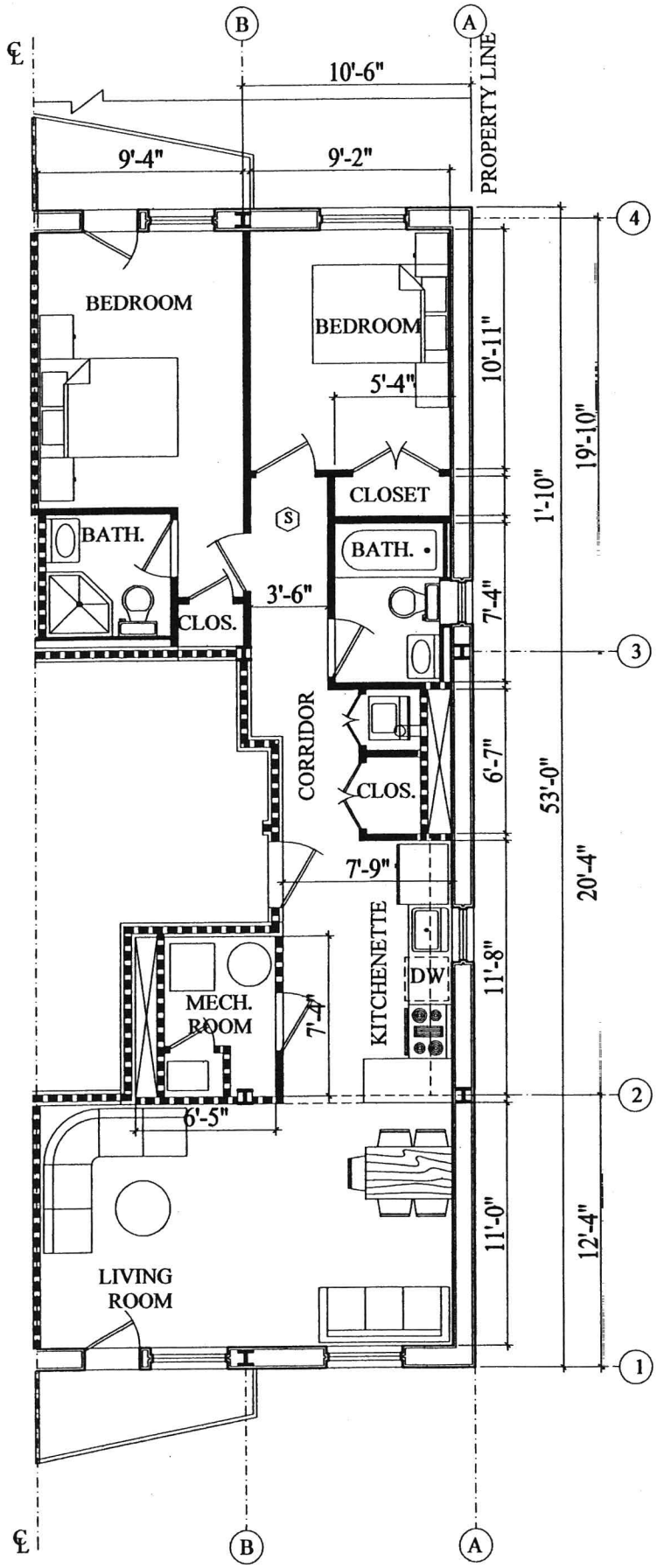
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SECOND FLOOR (LEFT UNIT - 2B), N.T.S.,(1060.00 SQ. FT..)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

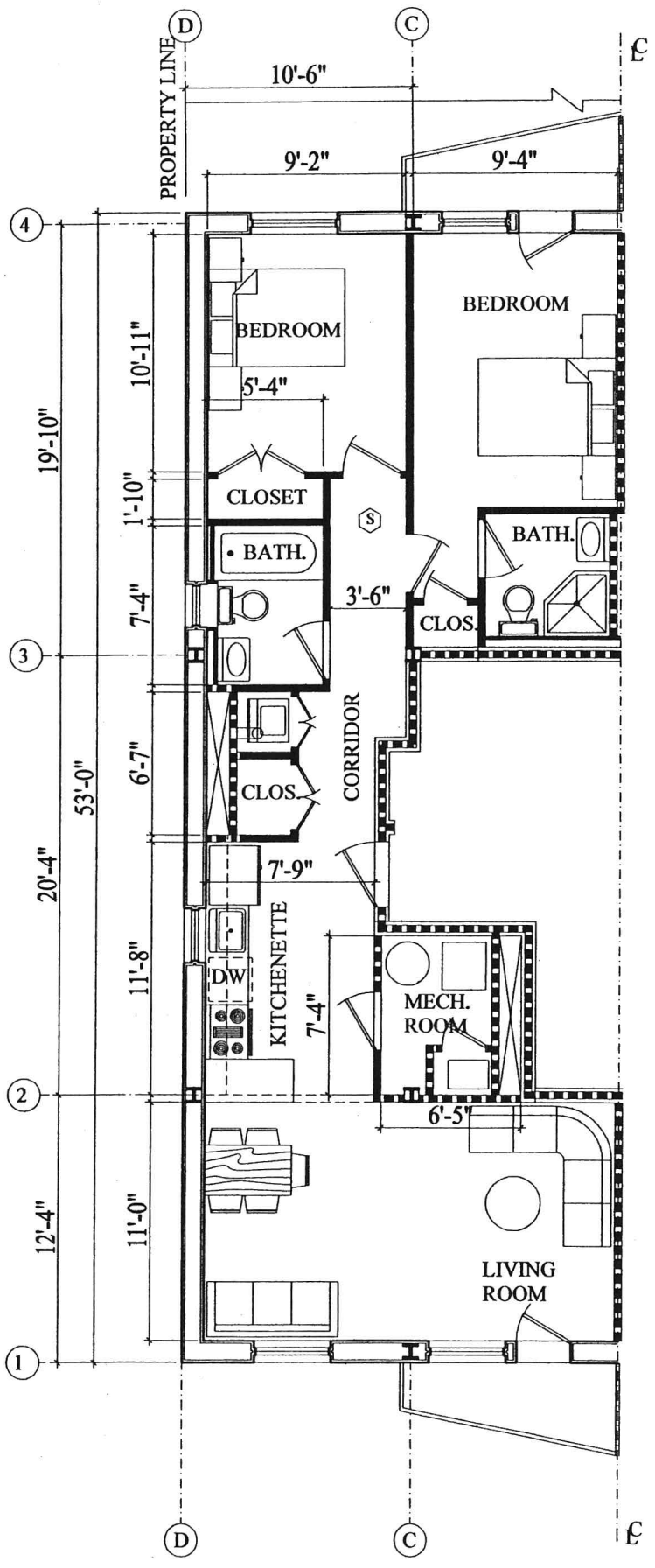
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THIRD FLOOR (RIGHT UNIT - 3A), N.T.S., (1060.00 SQ. FT..)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

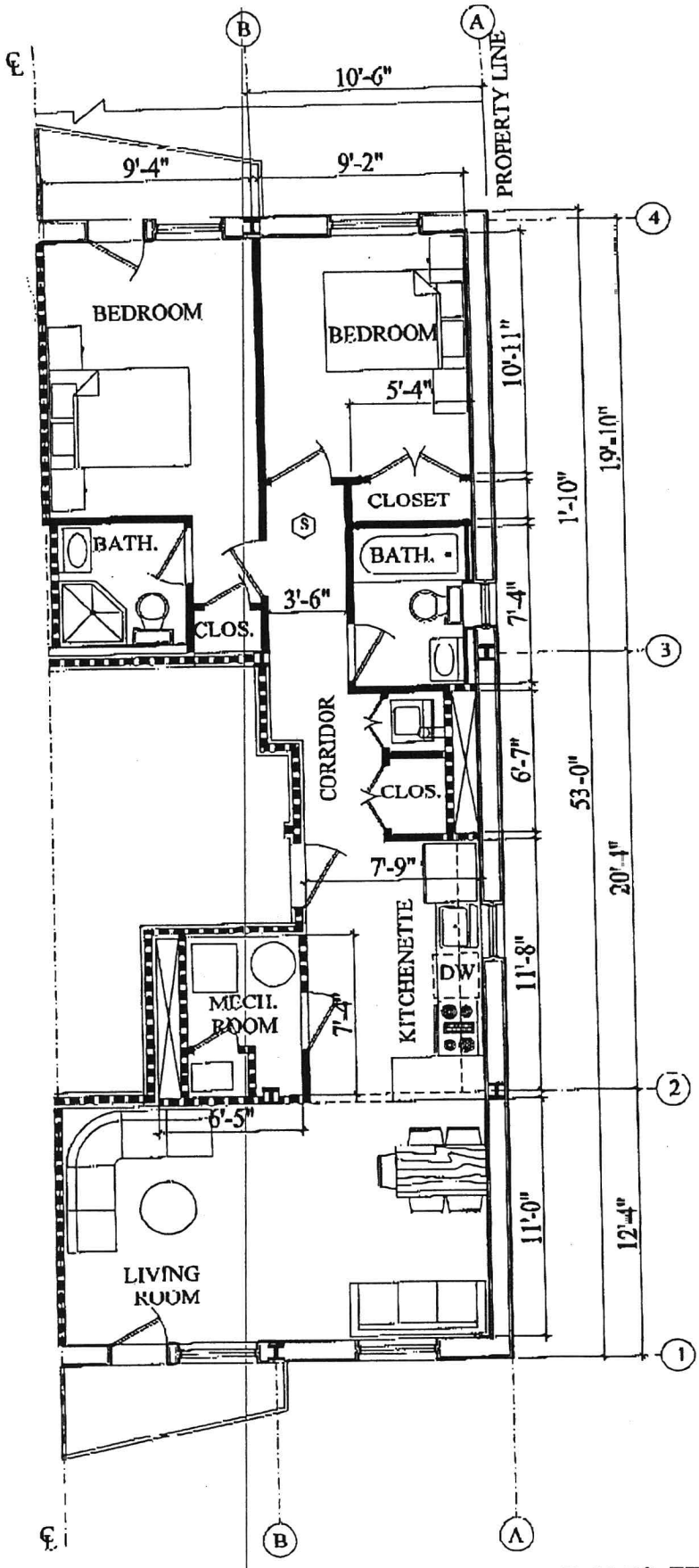
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THIRD FLOOR (LEFT UNIT - 3B), N.T.S.,(1060.00 SQ. FT..)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

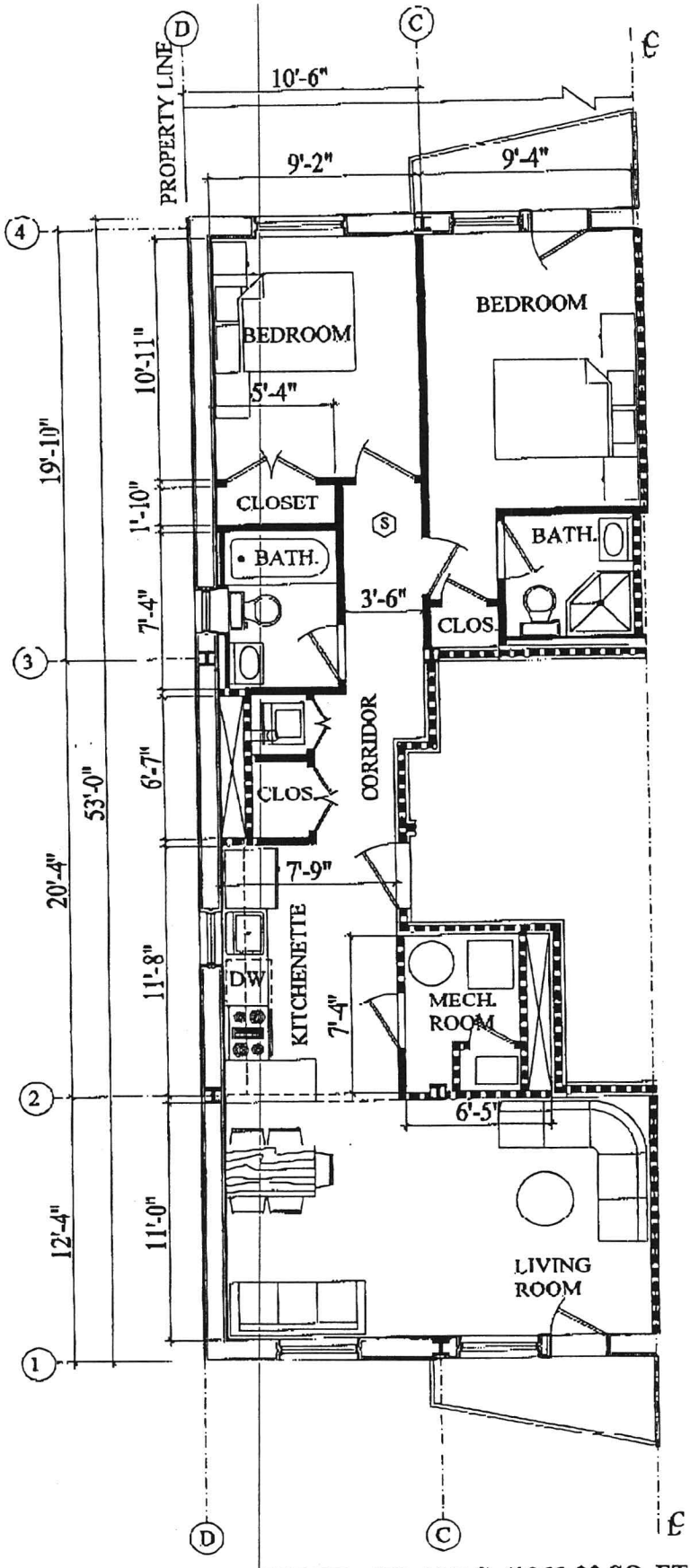
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FORTH FLOOR (RIGHT UNIT - 4A), N.T.S., (1060.00 SQ. FT..)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

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FORTH FLOOR (LEFT UNIT - 4D), N.T.S.,(1060.00 SQ. FT..)

ALL DIMENSIONS ARE APPROXIMATE.
PLANS AND DIMENSIONS WILL VARY FROM FLOOR TO FLOOR.
PLEASE SEE YOUR SALES REPRESENTATIVE FOR FURTHER INFORMATION.

C-

PURCHASE AGREEMENT

THE OLMA BRIGHTON CONDOMINIUM
2925 Brighton 8th Street
Brooklyn, New York

Date of this Agreement:_____

Purchaser(s) Name:_____

Address:_____

Residence Phone:_____

Business Phone:_____

Unit No./Parking Space:_____

Percentage Interest in Common Property:_____

Estimated Closing Date:_____

10% Down Payment: $_____

Amount of Mortgage,
If applicable see Exhibit B) $_____

Balance Due at Closing $_____
(by certified or New York
Bank check made payable to
the order of Seller or
Seller's designee)

Total Purchase Price $_____

Purchaser(s)' Attorney_____

Purchaser(s)' Attorney's Address & Telephone No.

_____

Broker's Name, Address & Telephone No.

_____

WHEREAS, OLMA BRIGHTON, LLC, having its offices at 2225 65th Street, Brooklyn, New York, hereinafter called the Seller ("Sponsor"), will prepare a Condominium Plan and desires to offer for sale, pursuant to Article 9-B of the Real Property Law of the State of New York, Condominium Homes to be situated on the land owned by it located in Brooklyn, in the Borough of Kings, State of New York and the Purchaser is desirous of purchasing a Condominium Home in such Condominium;

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth in this Purchase Agreement, the parties mutually agree as follows:

---

* Subject to change pursuant to Paragraph 2.

NOTE: For terms of the Limited Warranty, which excludes all other warranties, see the Rider to this Agreement.

1. Sale of Unit. The Purchaser hereby agrees to purchase and the Seller agrees to sell the Condominium Unit at The Olma Brighton Condominium designated above as shown on the plot plan which forms a part of the Offering Plan attached hereto, together with the percentage of undivided interest in the Common Elements appurtenant thereto above stated for the Total Purchase Price set forth above.

2. Delivery of Deed; Adjustments. The Closing of Title shall take place at an office to be designated by Seller or by the lending institution on the date set forth above or at another date and time designated by the Seller upon thirty (30) days written notice mailed to the Purchaser at their address herein above set forth. The Seller shall be entitled to a reasonable adjournment in the closing of title in the event of delay by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements. If the Purchaser is not ready to close title at the date and time fixed pursuant to the contract, any adjournment exceeding seven (7) days granted at the request of the Purchaser shall be upon the condition that all adjustments, including interest on the cash balance of the purchase price (including any portion financed by a lending institution) be paid at the rate of interest charged to Seller on the building loan mortgage, if any, or at 12% per annum, whichever is greater, and shall be made as of the

date originally fixed for the closing of title. Nothing herein contained shall be construed to require Seller to grant any adjournment not reasonable in duration.

3. Payment of Unit. The Down Payment has been made on the signing of this Agreement, receipt of which by check subject to collection is hereby acknowledged by the Seller. The Balance Due at Closing (including the proceeds of the mortgage loan referred to herein, if any) shall be payable at the closing of title, as herein provided, by certified check of the Purchaser drawn on, or a cashier's check of, a bank or trust company which is a member of the New York Clearing House Association, directly to the order of the Seller.

4. Recording of Condominium Declaration. The Declaration and By-Laws will be recorded by Seller in the Official Register of the City of New York, Kings County, prior to the conveyance of the first Condominium Unit as set forth in the Offering Plan. The Seller shall file with the Declaration when it is recorded or shall amend the Declaration prior to the closing date and file at such time a verified statement of a registered architect or licensed professional engineer certifying that the plans theretofore filed or being filed simultaneously with such amendment fully and fairly depict the layout, location, Condominium Unit designation and approximate dimensions of the Condominium Units as built. The Declaration and By-Laws, when recorded by the Seller, will be substantially in the form and substance of the Declaration and By-Laws delivered to the Purchaser and any changes therein will not substantially adversely affect the Purchaser.

5. Seller's Failure to Convey. It is specifically understood and agreed that in the event the Seller shall be unable to deliver or cause to be delivered a deed to the premises to the Purchaser in accordance with this Agreement because of the inability of the Seller to complete the filing of the premises as part and parcel of a condominium plan in accordance with the Offering Plan of The Olma Brighton Condominium and any amendments thereto, then the Seller shall immediately notify the Purchaser and thereupon this Agreement shall terminate and the sole liability between the parties shall be the return by the Seller to the Purchaser of the Purchaser's down payment with interest, if any, under this Agreement.

6. Construction of Condominium. The Seller has applied for a building permit from the local municipal authorities having jurisdiction over the issuance of permits for construction of the premises. Prior to the closing of title set forth herein, the Seller will declare the property and the Condominium Units erected thereon to be a Condominium pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York.

7. Purchaser Bound by Offering Plan, etc. The Seller has exhibited and delivered to the Purchaser and the Purchaser acknowledges receipt of the Offering Plan at least 72 hours prior to the execution of this Purchase Agreement and has read and agrees to be bound by the proposed Declaration, By-Laws and Offering Plan, as amended, of the said Condominium (and the Schedules, Plans and Exhibits attached thereto) all of which are incorporated by reference and made a part of this agreement with the same force and effect as if set forth in full herein. Any conflict between the Offering Plan, as amended, and the Purchase Agreement is to be resolved in favor of the Offering Plan, as amended. The Purchaser acknowledges that he is purchasing a Condominium Unit in a Condominium to be formed, and that, except as stated in this agreement (and as set forth in the Declaration, By-Laws, Exhibits and Offering Plan), he has not relied on any representations or other statements of any kind or nature made by the Seller or otherwise, including but not limited to any relating to the description, size or dimensions of the Unit or rooms therein, and the estimated common charges or other expense in connection therewith.

8. Purchase of Home Without a Mortgage Loan. The Purchaser may, at his option, pay the Purchase Price "All Cash" without obtaining a mortgage, provided Purchaser gives written notice to Seller thereof within 30 days from the date hereof. In the event Purchaser exercises this option, the provisions of this Agreement that refer to the mortgage to be obtained by Purchaser (including provisions for mortgage costs) shall be deemed deleted. In the event this option is exercised after 30 days, a Purchaser must reimburse Sponsor for all actual costs incurred in obtaining said mortgage commitment.

9. Mortgage Loan - Manner of Payment. The mortgage loan applied for by Purchasers herein shall be secured by a first mortgage on the Unit herein described which shall be self-liquidating and payable in monthly installments of

principal and interest, together with installments of taxes, and Common Charges as the lending institution shall require.

10. Purchase Agreement for Units Subject to Purchaser Receiving Mortgage Commitment. This Purchase Agreement for a Unit is conditional upon a Purchaser of a Unit obtaining mortgage financing in the amount set forth herein. Purchaser agrees to make all necessary applications for such financing and represents that he shall furnish all information that said institution may require within ten (10) days of the signing of this Agreement. Purchaser agrees that if the application is approved he will execute at title closing all papers, statements, or instruments that may be necessary to consummate the mortgage loan transaction. Failure to comply shall be deemed a material breach of this Agreement. If the Purchaser is unable to obtain a mortgage commitment in the amount set forth in Paragraph 3 above within forty-five (45) days of the date of this Agreement, and Purchaser has, within ten (10) days following the expiration of such forty-five (45) day period, sent Sponsor written notice, by certified mail return receipt requested, of his inability to obtain a commitment within this forty-five(45) day period, then this Agreement shall be deemed canceled and the parties hereto shall be released from any liability hereunder except that the Seller, for a period of thirty (30) days, reserves the right but not the obligation to designate another lending institution or to grant the mortgage loan itself on the same terms and conditions. Within ten (10) days following timely receipt of such notice, the down payments paid herein by the Purchaser shall be returned to him with interest, if any, unless the Seller designates another lending institution as above. In the event that written notice is not received by the Sponsor of the Purchaser's inability to obtain such financing within ten (10) days following expiration of said forty-five (45) day period at the then prevailing terms, this provision shall be deemed waived by the Purchaser and Purchaser shall be obligated to complete this transaction whether or not the Purchaser obtains financing. The Purchaser agrees to furnish the Seller at the Seller's request with a copy of his mortgage application and the name and address of the institution to which said application has been made and a copy of the commitment when received. If such other lending institution or the Seller does not approve the Purchaser within an additional 30 days, then this Agreement will be

deemed canceled and all monies paid by Purchaser will be refunded with interest, if any. In the event the mortgage shall be approved in a reduced amount, the Purchaser(s) agree to accept such mortgage on the condition it is not reduced by more than $5,000. In the event of such reduction of mortgage, the amount paid at title closing shall be correspondingly increased. Purchaser should be aware that a mortgage commitment may expire prior to closing. In the event the lending institution refuses to extend a firm commitment at the then prevailing terms prior to the closing of title, the Purchase Agreement shall remain in full force and effect and Purchaser shall be required to proceed on an "all cash" basis.

11. Closing Costs and Adjustments. The Purchaser further agrees to pay to the Seller at the closing of title the following costs that apply to the Purchaser's closing. Said costs shall include but not be limited to the actual cost of title examination; cost of mortgage insurance; bank attorneys' fees for preparation of the documents necessary for the mortgage loan; mortgage origination; bank credit and appraisal fee; survey costs; mortgage recording taxes; New York State and City real property transfer taxes; private mortgage insurance (if applicable); and any other governmental charges assessed on a loan or the transfer of title. The Purchaser shall pay to Seller an amount equal to 1.5% of the purchase price of the Unit representing reimbursement incurred in the preparation and filing of the Section 421-a partial tax abatement, and a survey fee of $375. The Purchaser shall pay the premium for a fee title insurance policy if desiring such coverage. In the event Purchaser obtains title insurance from a title insurer other than Titlecrafters, Inc., as agent for Old Republic Title Insurance Company, purchaser shall pay to Seller's counsel an additional fee of $500 for the additional work involved. There shall be a fee of $1000 payable to Seller's counsel for services rendered in coordinating and attending the closing, preparation of the deed and preparation of the Power of Attorney. If a Purchaser fails to close on a date set forth for first closing, or adjourns a scheduled closing date on less than three (3) days notice, there will be a late closing adjournment fee of $350.00 added to thte above. If, at the request of the Purchaser, closing is held outside of the office of the Sponsor's attorney, there shall be an additional fee of $250.00 for closings held within New York City and $350.00 for closings held outside of New York City. In the event

Purchaser fails to fulfill the terms of the Purchase Agreementand Sponsor's attorney mails a Notice of Default, there will also be a $100.00 charge for such notice. Purchaser will also pay to the Sponsor $1,000.00 as partial reimbursement for the cost of preparing the Offering Plan. In addition thereto, the Purchaser will contribute $500.00 to the Condominium as initial Working Capital. The Purchaser also agrees to apportion with Seller such taxes, utility charges and Common Charges as may be determined to be due at the time of closing. The above closing fees are cumulative to the extent applicable to an individual closing.

12. Sellers Right to Mortgage Tax Credit. Purchaser agrees that any mortgage tax credit received pursuant to Section 339-ee of the Real Property law will incur to the benefit of the Seller.

13. Escrow or Bonding of Deposits. The Seller will hold all monies received directly or through its agents or employees hereunder in trust until the closing of title to a Home or Sponsor may use said funds prior to closing if a bond or letter of credit is posted to insure a return of such payment in the event a Purchaser is entitled to a refund of such monies pursuant to the terms of this purchase agreement or the Offering Plan. In the event Sponsor secures a bond or letter of credit, it will disclose same in a duly filed amendment to the Offering Plan. If no bond or letter of credit is posted, such funds will be held as trust funds pursuant to Section 352-h and 352-e(2) (b) of the General Business Law, (and, if requested by Purchaser, pursuant to Section 71-a(3) of the Lien Law in accordance with provisions set forth in Section X of the Offering Plan), in a special segregated escrow account entitled "Michael and Swerdloff, LLC - IOLA/The OLMA BRIGHTON CONSOMINIUM" in JPMorgan Chase Bank, 1501 Avenue M, Brooklyn, New York. The signatures of either Michael Michael or Leonard Swerdloff, attorneys with the law firm of Michael and Swerdloff, LLC, 2226 Ccean Avenue, Brooklyn, New York 11229, attorneys for Sponsor, shall be required to withdraw such funds. The funds existing in the trust account will be payable to the Seller after the closing of title to the Unit covered by this Purchase Agreement. In the event of default by the Purchaser under this Purchase Agreement, which default continues for thirty (30) days after notice of such default from the Seller to the Purchaser, the down payment of 10% plus the actual cost

of any special work ordered may be released to the Seller from such account as liquidated damages and thereafter neither party shall have any rights or obligations against or to the other.

In the event the Seller cannot convey title to the Unit, all monies advanced by the Purchaser hereunder shall be returned to the Purchaser with interest, if any. The Seller will not record the Declaration until it has Purchase Agreements for at least 15% in number of all the Units. If the Seller does not record the Declaration and abandons the Offering Plan, all monies advanced by the Purchaser will be returned promptly thereafter with interest, if any.

14. Subordination of Purchase Agreement to Building Loan Mortgage. The 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 on the Condominium property heretofore or hereafter made, and any advances heretofore or hereafter made thereon, and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, to the full extent thereof, without the execution of any further legal documents by the Purchaser. This subordination shall apply whether such advances are voluntary or involuntary, and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments. The Seller shall satisfy all such mortgages or obtain a release of the Unit from the lien of such mortgages at or prior to the closing date, except for the individual mortgage of Purchaser thereon, whether same be by extension, assumption, consolidation or otherwise.

15. Construction of Unit by Seller. The Seller agrees, at its own cost and expense to erect and complete the aforementioned Unit in accordance with the requirements as to materials and workmanship of the local municipal authorities having jurisdiction and further agrees that when completed, same will be in substantial accordance with the plans as filed with the Building Department. The issuance of a permanent or temporary Certificate of Occupancy shall mean that the Unit is substantially completed in which event the Purchaser agrees to accept a letter agreement from the Seller wherein the Seller shall agree to complete all unfinished items within sixty (60)

days from the date of the closing of title, weather permitting.

In the event a permanent Certificate of Occupancy for a Unit has not been issued as of the date of closing and at least a temporary Certificate of Occupancy has been issued for said Unit, the Sponsor will continue to hold all monies previously deposited and being held in escrow pursuant to Sections 352-e(2)(b) and 352-h of the General Business Law unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy. Any sum of money exceeding the amount certified by the Sponsor's engineer or architect will be released to the Sponsor. Upon issuance of the permanent Certificate of Occupancy, such escrow deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by Sponsor's engineer or architect.

16. Personal Property Included in Sale; Excluded Items. All articles of personal property, fixtures, and equipment as set forth in the Offering Plan for the Model Type Condominium Unit referred to herein are included in this sale, and same will be delivered free and clear of all liens and encumbrances save and except the lien of the mortgage applied for by Purchasers herein. Decorative lighting fixtures, paints, carpeting, built-ins, wallpapers, furniture, furnishings, burglar alarm system and any other item exhibited in the Model Units, excepting those specifically set forth herein or in the Offering Plan, are for display purposes only and are not included in this sale.

17. Selection of Colors. It is further agreed that wherever the Purchaser has the right to make a selection of colors, fixtures, and/or materials as set forth in the Offering Plan, he shall do so within seven (7) days after written demand there-for. In the event the Purchaser fails to make such selection within such period, the Seller shall have the right to use its own judgment in the selection of colors, fixtures, and materials, and the Purchaser shall accept the same. Such written demand shall be by ordinary mail addressed to the Purchaser at the address herein set forth.

18. Sellers Right to Make Changes in Materials, etc. The Seller reserves the right to make changes or substitutions of materials or construction for items as set forth in the Offering Plan or Building Plan, provided any such changes are of comparable value and quality and are required and/or approved by the lending institution providing construction financing, if any.

19. Closing Deed; Power of Attorney. The closing deed shall be in proper statutory form for recording; shall be Bargain and Sale with covenants; shall be duly executed and acknowledged by the Seller at the Seller's expense and shall contain such a description of the premises as shall be acceptable and/or approved so as to validly convey under the Condominium Act, the Unit and the undivided interest in the Common Elements referred to herein. At the closing of title the Purchaser agrees to execute and deliver to Seller the Power of Attorney in the form annexed hereto (and made a part hereof) and designated "Schedule A".

20. Marketable Title, Subject To. The Seller shall give and Purchaser shall accept a good and marketable title (subject to the terms of the Declaration and By-Laws as filed and of the Offering Plan), free and clear of all liens and encumbrances except the lien of the mortgage applied for by Purchaser herein and except as set forth in the Offering Plan in Section XI thereof; and such title as Titlecrafters, Inc., as agent for Old Republic National Title Insurance Company, or any other licensed title insurance company will approve and insure for mortgages and/or fee title insurance. Fee title insurance, if ordered by Purchaser, shall be purchased at Purchaser's own cost and expense.

21. Acceptance of Deed - Full Compliance by Seller; Waiver of Jury Trial. Anything to the contrary herein contained notwithstanding, it is specifically understood and agreed by the parties hereto that the acceptance of the delivery of the deed at the time of the closing of title hereunder shall constitute full compliance by the Seller with the terms of this agreement, and none of the terms hereof, except as otherwise herein expressly provided, shall survive the delivery and acceptance of the deed. All

representations contained in the Offering Plan shall survive delivery of the deed. The parties hereto do hereby agree that trial by jury in any action, proceeding, or counterclaim arising out of or from this agreement is hereby waived.

22. LIMITED WARRANTY. SELLER HEREIN MAKES NO HOUSING MERCHANT IMPLIED WARRANTY OR ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS AGREEMENT OR HOME COVERED HEREBY AND ALL SUCH WARRANTIES ARE EXCLUDED, EXCEPT AS PROVIDED IN THE LIMITED WARRANTY ANNEXED TO THIS AGREEMENT. THE TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED INTO THIS AGREEMENT AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE THEREOF. PURCHASER HEREBY ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE ANNEXED LIMITED WARRANTY HAS BEEN PROVIDED BY SELLER TO PURCHASER FOR PURCHASER'S EXAMINATION AND THAT A REASONABLE PERIOD OF TIME FOR ITS EXAMINATION BY PURCHASER HAS BEEN AFFORDED TO PURCHASER PRIOR TO THE TIME OF PURCHASER'S EXECUTION OF THIS AGREEMENT. PURCHASER UNDERSTANDS AND ACCEPTS THE WARRANTY ANNEXED TO THIS AGREEMENT IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTIES IN CONNECTION WITH THIS TRANSACTION. THE WARRANTY ANNEXED TO THIS AGREEMENT WILL BE FULLY EFFECTIVE WITHOUT THE EXECUTION OF ANY OTHER DOCUMENT BY EITHER PURCHASER OR SELLER ON THE DATE THAT PURCHASER OR ITS FAMILY SHALL FIRST OCCUPY THE HOME WHICH IS THE SUBJECT OF THIS AGREEMENT AS A RESIDENTIAL HOME OR THE DATE THAT THE DEED TO SUCH HOME SHALL BE DELIVERED TO PURCHASER, WHICHEVER OCCURS FIRST. IN ADDITION TO THE ANNEXED LIMITED WARRANTY, PURCHASER WILL RECEIVE ANY MANUFACTURERS' WARRANTIES APPLICABLE TO THE APPLIANCES INSTALLED IN THE HOME.

23. Lack of Labor/Materials; Seller's Right to Cancel.

The parties hereto do hereby agree that the Seller may cancel this agreement by forwarding its check in the full amount paid by the Purchaser, with interest, if any, together with a notice in writing, addressed to the Purchaser, at their addresses herein above set forth in the event of the occurrence of either of the following: (1) that any governmental bureau, department, or subdivision thereto shall impose restrictions on the manufacture, sale, distribution, and/or use of materials necessary in the construction of residential housing and such restriction shall prevent the Seller from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (2)

that the Seller is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, or the installation of public utilities is restricted or curtailed.

24. Lien of Deposit; Risk of Loss. All sums paid on account of this agreement and the reasonable expense of the examination of the title to the Unit are hereby made liens hereon, but such liens shall not continue after default by the Purchasers under this agreement. The risk of loss or damage to the Unit by fire or any other cause until the delivery of the deed or Purchaser takes actual possession of the Unit pursuant to written agreement is assumed by the Seller.

25. Liens Satisfied at Closing. The existence of unpaid taxes or liens of any kind at the time of title closing shall not constitute an objection to title, provided the Seller shall deposit a sufficient amount with a title company so that said company shall be willing to insure against collection of same from the property herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the property, not provided for in this agreement, out of the monies to be paid by the Purchaser at the time of closing title.

26. Possession Prior to Closing. It is expressly understood and agreed that the Purchaser shall in no event take possession of the premises 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 them from the premises 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 upon such election, the amount paid hereunder and the actual cost of special work ordered shall belong to the Seller as liquidated damages. 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 on or after the closing of title herein.

27. Execution of Required Documents. Purchaser agrees to deliver to Seller all documents and to perform all acts required by the Seller to carry out the provisions

of the Offering Plan, establish the Condominium, and conform to the provisions of all applicable laws and regulations. This Paragraph shall survive delivery of the deed.

28. Delay in Closing; Purchaser's Option to Cancel. In the event the Seller shall be unable to convey title to the Condominium Unit on or before nine months after the date of delivery of title set forth herein and except for delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, installation of public utilities, governmental restrictions preventing Sponsor from obtaining necessary supplies and/or materials, in which event the period shall be extended to twelve months, except for the Purchaser's default, the Purchaser shall have the option for a period of one week following the expiration of the appropriate time period as set forth above, to cancel this agreement and to have the down payment returned to the Purchaser with interest, if any. Failure to timely cancel this agreement, time being of the essence, shall be deemed a waiver of this option to cancel and Purchaser shall be obligated to proceed under the terms of this agreement. The Seller has the option not to close title to the Condominium Unit described herein if less than 80% of all of the Condominium Units to be constructed as part of the Condominium are sold, so long as title to any Condominium Unit has not been conveyed and the Declaration has not been filed at such time. In the event Seller exercises such option, it shall forthwith return the Purchaser's down payment with interest, if any.

29. Options Ordered by Purchaser. Any special work or changes ordered by Purchaser shall be signed by the Purchaser and must be paid for in full within seven days of the order. If for any reason the Sponsor fails to install said special work in accordance with the work order, the limit of the Sponsor's liability is a refund of the amount of the charge.

Seller shall not be liable for damages to any extras ordered directly through a subcontractor or supplier by the Purchaser or other property of Purchaser in the premises prior to closing of title, notwithstanding Seller's consent for such installation or construction.

If the Seller makes an allowance to the Purchaser for any work or supply any materials in the premises after the closing of title to complete the premises and the lending

institution withholds from the Seller's building loan mortgage an escrow deposit to insure the completion of said work and materials the Purchaser agrees to reimburse the Seller, in cash at the time of closing the amount of such escrow deposit. The Seller agrees to refund such amount to the Purchaser immediately after the completion of such work to the satisfaction of the lending institution and the repayment of the escrow deposit to the Seller by the lending institution. Such repayment shall be deemed trust funds in the hands of the sponsor for the benefit of the Purchaser and this clause shall survive the delivery of the deed.

30. Default under Purchase Agreement. Should Purchaser violate, repudiate, or fail to perform any of the terms of this agreement ("default"), which default continues for thirty (30) days after written notice of such default from the Seller to the Purchaser, Seller will retain all of the moneys paid on account hereunder as liquidated damages plus the actual cost of any special work ordered in which event the parties shall be discharged of all further liability hereunder or Seller may otherwise avail itself of any legal or equitable rights it may have under this Agreement. This provision shall apply whether or not construction has commenced and regardless of any sale of the Unit subsequent to Purchaser's default.

31. Completion of Construction - Purchaser's Inspection Purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit or the building in which it is located or (b) other Units or (c) the Recreational Facilities (if any) or (d) the landscaped areas or (e) the open parking spaces, if any, or (f) other portions of the Common Elements have not been completed. Purchaser will inspect his Unit with a representative of the Seller during normal business hours prior to the closing date and will sign and deliver to Seller on or before closing date an inspection statement acknowledging the condition in which he has received his Unit.

32. Binding Nature of Purchase Agreement, Assignability; Notice. The parties agree that the stipulations and agreements herein contained shall be binding upon them, their respective heirs, executors, administrators, and/or assigns. The Purchaser agrees that

they will not record or assign this agreement or any of their rights hereunder without the written ccnsent of the Seller. Any notice to be given hereunder shall be in writing and sent by certified mail to the parties at the address above given or at such address as either party may hereafter designate to the other in writing.

33. Broker. The parties agree that no broker except brought about this sale and Purchaser agrees to indemnify Seller against any claim brought for brokerage by any other broker based upon Purchaser's act.

34. Purchasers - Agents for Each Other. If two or more persons are named as the Purchaser herein, any one of them is hereby made agent for the other in all matters of any and every kind or nature affecting the premises herein or this agreement.

35. Entire Agreement. This Agreement states the entire understanding of the parties and the Seller shall not be bound by any oral representations and/or Agreements. Any conflict between this Purchase Agreement and the Plan as amended shall be resolved in favor of the Plan.

36. Time to Accept Purchase Agreement. If this Agreement shall not be accepted by the Seller within ten (10) days of the date hereof, by the delivery or mailing to the Purchaser of such endorsed and fully signed copy, this Purchase Agreement shall be deemed to be rejected and canceled and Purchaser's deposit shall be promptly refunded to Purchaser.

OLMA BRIGHTON, LLC
(Seller)

By: _____

_____(L.S.)
Purchaser

_____(L.S.)
Purchaser

RIDER TO PURCHASE AGREEMENT DATED _____, 200_
BY AND
BETWEEN OLMA BRIGHTON, LLC, AS SELLER,
AND _____, AS
PURCHASER

LIMITED WARRANTY

NAME OF WARRANTEES: _____

ADDRESS OF WARRANTEE(S): _____
To the exclusion of all future Owners.

DESIGNATION OF UNIT WARRANTED: _____

NAME OF WARRANTOR: _____

ADDRESS OF WARRANTOR: _____

EFFECTIVE DATE OF THIS LIMITED WARRANTY: The date that Purchaser or its family shall first occupy the Unit warranted or the date of delivery of the deed to such Unit to Purchaser, whichever occurs first.

WARRANTOR'S LIMIT OF TOTAL LIABILITY: Ten percent (10%) of the purchase price of the Unit set forth in the Purchase Agreement to which this Warranty is annexed as a rider less any insurance proceeds received by Warrantee(s).

THIS LIMITED WARRANTY EXCLUDES AND PRECLUDES ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, AND INDIRECT DAMAGES EXCEPT AS REQUIRED BY NEW YORK STATE LAW.

THIS LIMITED WARRANTY IS IN LIEU OF AND REPLACES AND EXCLUDES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE HOME AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED (INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR CONSTRUCTION DEFECTS OF A LATENT OR HIDDEN NATURE THAT COULD NOT HAVE BEEN FOUND OR DISCLOSED ON FINAL INSPECTION OF THE HOME AND DO NOT INCLUDE ANY VISIBLE OR PATENT DEFECTS NOT INCLUDED ON THE PUNCH LIST SIGNED BY BOTH PARTIES.

1. To Whom Given. This Limited Warranty is given to the Purchaser named on page 1 while the Purchaser owns the Unit. IT DOES NOT EXTEND TO SUBSEQUENT OWNERS, TENANTS OR MORTGAGEES IN POSSESSION OF THE UNIT, ANY ONE WHO MAY SUCCEED TO THE RIGHT OF PURCHASER BY SUBROGATION OR OTHERWISE (EXCEPT BY INHERITANCE) OR ANY OTHER PERSONS.

2. By Whom Made. This Limited Warranty is made exclusively by the Seller whose name and address appear on page 1.

3. Final Inspection of the Unit. Before the Purchaser moves into the Unit or accepts the deed, the Seller will schedule an appointment for final inspection of the Unit with the Purchaser. The purpose of this final inspection is to discover any defects of a visible, obvious or patent nature, or any other unfinished work.

All defects found on final inspection of the Unit will be itemized on a Final Inspection Sheet, which will be signed by the Purchaser and the Seller before occupancy of the Unit or delivery of the deed.

4. Warranty Coverages and Periods. This Limited Warranty covers the Unit purchased by Purchaser which shall exclusively include the actual structure, and foundation, except as excluded below. The Warranty Period for all of the following coverage begins on the Effective Date of this Warranty shown on page 1 of this Limited Warranty. This Limited Warranty ends at the expiration of the coverages set forth below.

FIRST YEAR BASIC COVERAGE: for one year from the Effective Date of the Warranty (as shown on page 1 hereon), the Home will be free from latent defects that constitute:

(a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller;

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller; or

(d) defective installation of appliances sold as part of the Unit by the Seller or an agent, employee or subcontractor of the Seller.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Effective Date of this warranty, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which, if installed by the Seller, are warranted to be free from latent defects resulting from defective installation by the Seller.

The Plumbing System refers to the gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The Electric System refers to all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System, if installed, refers to all ductwork, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

Except by reason of a defect in installation by Seller, this major system coverage does not include any defects in appliances, fixtures and items of equipment, and any moving parts.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

SIX-YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Effective Date of this Warranty, the Unit will be free from latent Major Structural Defects that result from:

(a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller;

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller; or

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions which affects their load-bearing functions to the extent that the Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

Damage to the following non-load bearing portions of the Unit are not covered by this two or six-year coverage: roofing and sheating; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware and insulation.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

In all coverages under this Paragraph 4, workmanship, materials, design and installation will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the applicable building code of the municipality in which

the Unit is located, in effect on the date that the building permit for the Unit is located, in effect on the date that the building permit for the Unit was issued, as supplemented by the annexed locally accepted building standards and practices.

ALL TIME PERIODS FOR THESE COVERAGES ARE OF THE ESSENCE AND WILL NOT BE EXTENDED.

5. Exclusions From All Coverage. The following are not covered by this Warranty:

(a) patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the unit prior to the Effective Date of this Warranty ought to have revealed;

(b) defects in detached garages and carports; swimming pools and other recreational facilities, if any; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences, landscaping (including sodding, seeding, shrubs, trees and plantings); and any other improvements not a part of the Unit itself;

(c) raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves), and on fascias from staining; doors and windows sticking because of weather, adjustment of bi-fold doors; chips, scratches, marks, breaks, or other blemishes in windows; sliding doors, screens, electric fixtures and globes, woodwork and doors; nail pops; dented appliances; broken screens; minor chips (nicks) to cultured marble floors and counter-tops; and nicks to enameled surfaces (i.e. tubs, tiles, etc.);

(d) defects in any work or materials ordered directly by Purchaser or other person from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials;

(e) damage caused by the failure by the Purchaser or anyone other than the Seller, its employees, agents or subcontractors to comply with the warranty

requirements of manufacturers or suppliers of appliances, fixtures or items of equipment;

(f) loss or damage caused or worsened by the misuse, abuse, improper maintenance, negligence, improper operation or interference by Purchaser or anyone other than Seller or its employees, agents and subcontractors with the Seller's original construction or installations;

(g) additional damage caused by the failure of the Purchaser to give notice to the Seller or any defects or damage in a timely manner as provided in this warranty;

(h) damaged caused by changes in grade made by anyone other than the Seller, its employees, agents or subcontractors and damage caused by changes in grade made by Seller's agents and subcontractors if such work was ordered directly by Purchaser;

(i) damage caused by changes, alterations or additions made to the Home by anyone other than Seller or its employees, agents or subcontractors after the Effective Date of this Warranty;

(j) damage caused by changes, alterations or additions made to the Unit by Seller's agents and subcontractors if such work was ordered directly by Purchaser after the Effective Date of this Warranty;

(k) damage caused by dampness or condensation due to the failure of the Purchaser to maintain adequate ventilation;

(l) loss or damage by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, soil movement and changes in the underground water table;

(m) loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect;

(n) any damage which Purchaser has not taken timely action to minimize;

(o) normal wear and tear and normal deterioration;

(p) insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests;

(q) bodily injury, death or damage to personal property;

(r) costs of shelter, transportation, food, moving, storage or other expenses related to relocation during repair or replacement;

(s) consequential, incidental, special and indirect damages;

(t) any claim not filed in a manner set forth in Paragraph 7 of this Warranty;

(u) damage which arises while, and/or, due to the Unit being used in any manner for nonresidential purposes; and

(v) damage due to abnormal loading on floors which exceeds design loads as mandated by the applicable building code or building standards;

(w) damage due to sewer back-ups or refusal of sewage to drain;

(x) after the first year Basic Coverage, concrete floors of basements and concrete floors of attached garages that are built separately from foundation walls or other structural elements of the Unit;

(y) any damage to the extent that it is caused or made worse by: changes in the grading of the ground by any one other than the builder, its employees, agents or subcontractors;

(z) any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance including typical Unit Owners and rental policies;

(aa) failure of the builder to complete construction of the Unit.

6. What Seller Will do in the Event of a Defect Covered by This Warranty. If a defect occurs in an item covered by this warranty, the Seller will repair, replace, or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s) within sixty (60) days after the Seller's inspection or testing discloses the problem, subject to weather conditions, acts of God, availability of materials, and other events beyond Seller's control. The choice among repair, replacement or payment is solely that of the Seller. In making any repairs or replacements, Seller shall have the right to select the method and materials to be used in performing such repairs or replacements.

Seller's liability under this warranty is limited to the actual cost of any repair or replacement and in the aggregate to the amount listed on page 1 of the Warranty.

Repair of damage to the load-bearing portions of the Unit will be limited to that which is necessary to restore their load-bearing function. Repair of other Major Structural Defects will be limited to repair of those defects which made the Unit unsafe, unsanitary or otherwise unlivable.

7. Step by Step Claim Procedures. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Seller no later than the first (1st) business day after the expiration of the applicable warranty period. Purchaser must send such notice to Seller by certified or express mail, return receipt requested. If this form shall not properly be completed and received by the Seller by that deadline, the Seller will have no duty to respond to any complaint or demand contained in such form, and any or all claims may be rejected. COMPLETION AND DELIVERY OF SUCH NOTICE OF WARRANTY CLAIM IN A TIMELY MANNER IS NECESSARY TO PROTECT THE RIGHTS OF THE PURCHASER UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Seller, Purchaser or any other person to inspect, test or correct defects will

extend any time period under this Warranty. No steps taken by the Seller in response to an improperly completed or untimely notice of a warranty claim give rise to any liability of Seller to Purchaser in connection with such claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Seller and the Seller's agents will have the right to inspect and test the portion of the Unit to which the claim, complaint or request relates. The Purchaser and occupants of the Unit must provide reasonable access to the Seller and the Seller's agents during normal business hours, Monday through Friday, to complete inspection, testing and repair or replacement. Failure by Purchaser to provide such access shall invalidate this warranty with respect to the defect(s) set forth on the Notice of Warranty Claim.

(d) The Seller will complete inspection and testing within a reasonable time under the circumstances after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Seller will determine whether to accept or reject the claim. If the Seller rejects the claim the Seller will give written notice of that decision to the Purchaser at the address shown on the Notice of Claim Form, 1 and Seller shall further charge and be entitled to receive a service call fee of $100. If the Seller accepts the claim the Seller will take corrective action within a reasonable time under the circumstances. The Seller will use good faith efforts to process and handle claims in a timely manner, but all time period for repair or replacement of defects necessary are subject to weather conditions, availability of materials, and other events beyond the Seller's control. When the Seller finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must be signed and delivered to the Seller.

8. Legal Actions. (a) No claim under this warranty may be commenced or asserted against Seller in any lawsuit unless a properly completed Notice of Warranty Claim Form has been received by the Seller in the time

period set forth in Paragraph 7 of this Warranty, and no lawsuits against Seller may be commenced unless first arbitrated in non-binding arbitration by the Arbitration Association of America.

(b) No lawsuit against the Seller under this Warranty may be commenced more than thirty (30) days after the expiration date of the applicable warranty coverage, or thirty (30) days after Seller has given written notice of its rejection of Purchaser's claim with respect to such claim, or thirty (30) days after Seller has substantially completed corrective action for a defect with respect to such defect.

(c) This Warranty may not be amended in any way without Seller's prior written consent in each instance.

(d) If any provision of this Warranty will not be enforced by any appropriate court, the determination will not affect the enforceability of the remaining provisions.

(e) Use of one gender in this Warranty includes the other gender, and use of the plural includes the singular, as may be appropriate.

(f) This Warranty shall be governed in accordance with the laws of the State of New York.

_____

Purchaser

_____

Purchaser

Sworn to before me this
____ day of_____, 20__.

_____

Notary Public

NOTICE OF LIMITED WARRANTY CLAIM FORM

Dear Purchaser:

To ask the Seller to correct a defect in your Unit that you think is covered by the Seller's Limited Warranty, you must complete this form and deliver it to the Seller. This is necessary to protect your rights to warranty performance under the Limited Warranty.

The information you will need to fill out the form will be on page 1 of the Limited Warranty. However, if you do not know the answers to any questions, write "Don't know". Please do not leave any item blank.

Your name: _____

Mailing address: _____

_____

Phone: _____

Designation of Unit Warranted: _____

Effective Date of the Warranty: _____

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets as necessary, to fully describe the problem:

_____

_____

(Signature) (Date)

_____

_____

(Signature) (Date)

This completed and signed Form must be sent to Seller at its address listed on the first page of the warranty by certified or express mail, return receipt requested to be received not later than the first business day following expiration of the applicable warranty period.

ACCEPTED STANDARDS

TOPIC INDEX

The Performance Standards list specific items (defects) within each separate area of coverage. The first section covers Workmanship and Materials; the second section covers Systems. The standards are expressed in terms of performance criteria. For each comprehension, the formal is designed as follows:

1. Possible Deficiency - a brief statement, in simple terms, of problems that may be encountered.
2. Performance Standard - a performance standard relating to a specific deficiency.
3. Responsibility - a statement of the corrective action required of the builder to repair the deficiency or a statement of the Home-Owner's maintenance responsibilities.

Workmanship and Materials, First Year Only

1. Site Work ..... p. 1
2. Concrete ..... p. 2
3. Masonry ..... p. 4
4. Wood and Plastic ..... P. 4
5. Thermal and Moisture Protection . p. 5
6. Doors and Windows ..... p. 7
7. Finishes ..... p. 9
8. Specialties ..... p. 12
9. Equipment ..... p. 13
10. Plumbing ..... p. 14
11. Heating and Cooling ..... p. 15
12. Ventilation ..... p. 16
13. Electrical ..... p. 16

Systems, First and Second Year

14. Plumbing System ..... p. 17
15. Ventilation System ..... p. 18
16. Electrical System ..... p. 18

Material Defects, First Year Through Sixth Year

17. Major Structure ..... p. 20

PERFORMANCE STANDARDS

1. SITEWORK; COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Site Grading

(1) Possible Deficiency: Settling of ground around foundation, utility trenches or other areas.

Performance Standard: Settling of ground around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from the Home.

Responsibility: If the Builder has provided final grading: upon request by the Home-Owner, Builder shall fill settled areas affecting proper drainage, one time only, during the first year of the Limited Warranty period. Home-Owner shall be responsible for removal and replacement of shrubs or other landscaping affected by placement of such fill.

B. Site Drainage

(1) Possible Deficiency: Improper drainage of the site.

Performance Standard: The necessary grades and swales shall have been established by the Builder to insure proper drainage away from the Home. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales which drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.

Responsibility: The Builder is responsible only for initially establishing the proper grades and swales. The Home-Owner is responsible for maintaining such grades and swales once they have been properly established.

2. CONCRETE: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Expansion and Contraction Joints

(1) Possible Deficiency: Separation or movement of concrete slabs within the structure at expansion and contraction joints.

Performance Standard: Concrete slabs within the structure are designed to move at expansion and contraction joints.

Responsibility: None.

B. Cast-in-Place Concrete

(1) Possible Deficiency: Basement or foundation wall cracks.

Performance Standard: Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Builder will repair cracks in excess of 1/8 inch wide.

(2) Possible Deficiency: Cracking of basement floor.

Performance Standard: Minor cracks in basement floor are normal. Cracks exceeding 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired.

Responsibility: Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

(3) Possible Deficiency: Cracking of slab in attached garage.

Performance Standard: Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement shall be repaired.

Responsibility: Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

(4) Possible Deficiency: Uneven concrete floors/slabs.

Performance Standard: Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes,

concrete floors in rooms designed for habitability shall not have pits, depressions, or areas of unevenness exceeding 1/4 inch in 32 inches.

Responsibility: Builder will correct or repair to meet the Performance Standard.

(5) Possible Deficiency: Cracks in concrete slab-on-grade floors with finish flooring.

Performance Standard: Cracks which rupture the finish flooring material shall be repaired.

Responsibility: Builder will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place. (See also Performance Standard 7, "Finishes").

(6) Possible Deficiency: Pitting, scaling or spalling of concrete work covered by this Limited Warranty.

Performance Standard: Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.

Responsibility: Builder will take whatever corrective action necessary to repair or replace defective concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and other factors beyond its control.

(7) Possible Deficiency: Settling, heavy or separating of stoops or steps.

Performance Standard: Stoops, steps or garage floors shall not settle, heave or separate in excess of 1 inch from the house structures.

Responsibility: Builder will take whatever corrective action is required to meet the Performance Standard.

(8) Possible Deficiency: Standing water on stoops.

Performance Standard: Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain can be anticipated.

Responsibility: Builder shall take corrective action to assure drainage of steps and stoops.

3. MASONRY: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Unit Masonry

(1) Possible Deficiency: Basement or foundation wall cracks.

Performance Standard: Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Builder will repair cracks in excess of 1/8 inch by pointing or patching. These deficiencies shall be reported and repairs made during the first year of the Limited Warranty Period.

(2) Possible Deficiency: Cracks in masonry walls or veneer.

Performance Standard: Small hairline cracks due to shrinkage are common in mortar joints in masonry construction.

Responsibility: Builder will repair cracks in excess of Performance Standard by pointing or patching. These repairs shall be made during the first year of the Limited Warranty Period. Builder will not be responsible for color variation between old and new mortar.

4. WOOD AND PLASTIC: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Rough Carpentry

(1) Possible Deficiency: Floors squeak or subfloor appears loose.

Performance Standard: Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.

Responsibility: Builder will correct the problem only if caused by an underlying construction defect.

(2) Possible Deficiency: Uneven wood floors.

Performance Standard: Floors shall not have more than 1/4 inch ridge or depression within any 32 inch measurement when measured parallel to the joists. Allowable floor and ceiling joist

deflections are governed by the applicable building code.

Responsibility: Builder will correct or repair to meet Performance Standard.

(3) Possible Deficiency: Bowed walls.

Performance Standard: All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than 1/4 inch out of line within any 32-inch horizontal or vertical measurement.

Responsibility: Builder will repair to meet Performance Standard.

(4) Possible Deficiency: Out-of-plumb walls.

Performance Standard: Walls should not be more than 1/4 inch out of plumb for any 32 inch vertical measurement.

Responsibility: Builder will repair to meet Performance Standard.

B. Finished Carpentry (Interior)

(1) Possible Deficiency: Poor quality on interior trim workmanship.

Performance Standard: Joints in moldings or joint between moldings and adjacent surface shall not result in open joints exceeding 3/8 inch in width.

Responsibility: Builder will repair defective joints, as defined. Caulking is acceptable.

C. Finished Carpentry (Exterior)

(1) Possible Deficiency: Poor quality on exterior trim workmanship.

Performance Standard: Joints between exterior trim elements, including siding and masonry, shall not result in open joints exceeding 3/8 inch in width. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.

Responsibility: Builder will repair open joints, as defined. Caulking is acceptable.

5. THERMAL AND MOISTURE: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Waterproofing

(1) Possible Deficiency: Leaks in basement.

Performance Standard: Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.

Responsibility: Builder will take such action as necessary to correct basement leaks except where the cause is determined to result from Home Owner action or negligence.

B. Insulation

(1) Possible Deficiency: Insufficient insulation.

Performance Standard: Insulation shall be installed in accordance with applicable energy and building code requirements.

Responsibility: Builder will install insulation in sufficient amounts to meet Performance Standard.

C. Louvers and Vents

(1) Possible Deficiency: Leaks due to snow and rain driven into the attic through louvers or vents.

Performance Standard: Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.

Responsibility: None.

D. Roofing and Siding

(1) Possible Deficiency: Ice build-up on roof.

Performance Standard: During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.

Responsibility: Prevention of ice build-up on the roof is a Home-Owner maintenance item.

(2) Possible Deficiency: Roof or flashing leaks.

Performance Standard: Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or Home-Owner action or negligence.

Responsibility: Builder will repair any verified roof or flashing leak not caused by ice build-up or Home-Owner action or negligence.

(3) Possible Deficiency: Standing water on flat roof.

Performance Standard: Water shall drain from flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention.

(4) Possible Deficiency: Delamination of veneer sliding or joint separation.

Performance Standard: All siding shall be installed according to the manufacturer's and industry's accepted standards. Separations and delaminations shall be repaired or replaced.

Responsibility: Builder will repair or replace siding as needed unless caused by Home-Owner's neglect to maintain siding properly. Repaired area may not match in color and/or textures. For surfaces requiring paint, Builder will paint only the new materials. The Home-Owner can expect that the newly painted surface may not match original surface in color.

E. Sheet Metal

(1) Possible Deficiency: Gutters and/or downspouts leak.

Performance Standard: Gutters and/or downspouts shall not leak but gutters may overflow during heavy rain.

Responsibility: Builder will repair leaks. It is a Home-Owner responsibility to keep gutters and downspouts free of leaves and debris which could cause overflow.

(2) Possible Deficiency: Water standing in gutters.

Performance Standard: When gutter is unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.

Responsibility: Builder will correct to meet Performance Standard.

F. Sealants

(1) Possible Deficiency: Leaks in exterior wall due to inadequate caulking.

Performance Standard: Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.

Responsibility: Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once, during the first year of the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during the life of the Home.

6. DOORS AND WINDOWS: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Wood and Plastic Doors

(1) Possible Deficiency: Warpage of exterior doors.

Performance Standard: Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).

Responsibility: Builder will correct or replace and refinish defective doors, during the first year of the Limited Warranty Period.

(2) Possible Deficiency: Warpage of interior passage and closet doors.

Performance Standard: Interior doors (full openings) shall not warp in excess of National Woodwork

Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).

Responsibility: Builder will correct or replace the refinish defective doors to match existing doors as nearly as possible, during the first year of the Limited Warranty Period.

(3) Possible Deficiency: Shrinkage of insert panels show raw wood edges.

Performance Standard: Panels will shrink and expand and may expose unpainted surfaces.

Responsibility: None.

(4) Possible Deficiency: Split in door panel.

Performance Standard: Split panels shall not allow light to be visible through the door.

Responsibility: Builder will, if light is visible, fill split and match paint or stain as closely as possible, one time in first year of the Limited Warranty Period.

B. Glass

(1) Possible Deficiency: Broken glass.

Performance Standard: None.

Responsibility: Broken glass not reported to Builder prior to closing is the Home-Owner's responsibility.

C. Wood, Plastic and Metal Windows

(1) Possible Deficiency: Malfunction of windows.

Performance Standard: Windows shall operate with reasonable ease, as designed.

Responsibility: Builder will correct or repair as required.

(2) Possible Deficiency: Condensation and/or frost on window.

Performance Standard: Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created by the Home-Owner.

Responsibility: Unless directly attributed to faulty installation, window condensation is a result

of conditions beyond the Builder's control. No corrective action required.

D. Weather-stripping and Seals

(1) Possible Deficiency: Air infiltration around doors and windows.

Performance Standard: Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weather-stripping shall be adjusted or replaced. It may be necessary for the Home Owner to have storm doors and windows installed to provide satisfactory solutions in high wind areas.

Responsibility: Builder will adjust or correct poorly fitted doors, windows and poorly fitted weather-stripping.

7. FINISHES: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Lath and Plaster

(1) Possible Deficiency: Cracks in interior wall and ceiling surfaces.

Performance Standard: Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Builder will repair cracks exceeding 1/8 inch in width as required one time only, during the first year of the Limited Warranty Period. (See also Performance Standard 7.f "Painting").

B. Gypsum Wallboard

(1) Possible Deficiency: Defects which appear during first year of the Limited Warranty such as nail pops, blisters in tape, or other blemishes.

Performance Standard: Slight "imperfections" such as nail pops, seam lines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable.

Responsibility: Builder will repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period. (See also Performance Standard 7.f, "Painting").

C. Ceramic Tile

(1) Possible Deficiency: Ceramic tile cracks or becomes loose.

Performance Standard: Ceramic tile shall not crack or become loose.

Responsibility: Builder will replace cracked tiles and re-secure loose tiles unless the defects were caused by the Homeowner action or negligence. Builder will not be responsible for discontinued patters or color variations in ceramic tile.

(2) Possible Deficiency: Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.

Performance Standard: Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions.

Responsibility: Builder will repair grouting if necessary one time only, during the first year of the Limited Warranty period. Builder will not be responsible for color variations or discontinued colored grout. Regrouting of these cracks is a maintenance responsibility of the Homeowner within the life of the Home.

D. Finished Wood Flooring

(1) Possible Deficiency: Cracks developing between floorboards.

Performance Standard: Cracks in excess of 1/8 inch in width shall be corrected.

Responsibility: Builder will repair cracks in excess of 1/8 inch within the first year of the Limited Warranty period, by filling or replacing, at Builder's option.

E. Resilient Flooring

(1) Possible Deficiency: Nail pops appear on the surface of resilient flooring.

Performance Standard: Builder will correct nail pops that have broken the surface. Builder will repair or replace, at Builder's sole option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering.

(2) Possible Deficiency: Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

Performance Standard: Readily apparent depressions or ridges exceeding 1/8 inch shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch straightedge on one side of the defect, held tightly to the floor.

Responsibility: Builder will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder will not be responsible for discontinued patterns or variations in floor covering.

(3) Possible Deficiency: Resilient flooring loses adhesion.

Performance Standard: Resilient flooring shall not lift, bubble or become unglued.

Responsibility: Builder will repair or replace, at Builder's sole option, the affected resilient flooring as required. Builder will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Home Owner neglect or abuse.

(4) Possible Deficiency: Seams or shrinkage gaps show at resilient flooring joints.

Performance Standard: Gaps shall not exceed 1/16 inch in width in resilient floor covering joints. Where dissimilar materials abut, a gap not exceed 1/8 inch is permissible.

Responsibility: Builder will repair or replace, at Builder's sole option, the affected resilient flooring as required. Builder will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Home Owner neglect or abuse.

F. Painting

(1) Possible Deficiency: Exterior paint or stain peels, deteriorates or fades.

Performance Standard: Exterior paints or stains should not fail during the first year of the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions.

Responsibility: If paint or stain is defective, Builder will properly prepare and refinish affected areas, matching color as close as possible. Where finish deterioration affects the majority of the wall area, the whole area will be refinished.

(2) Possible Deficiency: Painting required as corollary repair because of other work.

Performance Standard: Repairs required under this Limited Warranty shall be finished to match surrounding areas as closely as practicable.

Responsibility: Builder will finish repair areas as indicated.

(3) Possible Deficiency: Deterioration of varnish or lacquer.

Performance Standard: Natural finishes on interior woodwork shall not deteriorate during the first year of the Limited Warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty.

Responsibility: Builder will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.

(4) Possible Deficiency: Mildew or fungus on painted surfaces.

Performance Standard: Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures (i.e., rainfall, ocean, lake or river front.)

Responsibility: Mildew or fungus formation is a condition the Builder cannot control and is a Home Owner maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

G. Wall Covering

(1) Possible Deficiency: Peeling of wall covering.

Performance Standard: Peeling of wall covering shall not occur.

Responsibility: Builder will repair or replace defective wall covering applications.

(2) Possible Deficiency: Open carpet seams.

Performance Standard: Carpet seams will show. However, no visible gap is acceptable.

Responsibility: Builder will correct.

(3) Possible Deficiency: Carpeting becomes loose, seams separate or stretching occurs.

Performance Standard: Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate from its point of attachment.

Responsibility: Builder will re-stretch or re-secure carpeting as needed, if Builder performed original installation.

(4) Possible Deficiency: Spots on carpet, minor fading.

Performance Standard: Exposure to light may cause spots on carpet and/or minor fading.

Responsibility: None.

I. Special Coatings

(1) Possible Deficiency: Cracks in exterior stucco wall surfaces.

Performance Standard: Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility: Builder will repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

8. SPECIALTIES: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Louvers and Vents

(1) Possible Deficiency: Inadequate ventilation of attics and crawl spaces.

Performance Standard: Attic and crawl spaces shall be ventilated as required by the approved building code.

Responsibility: The Builder shall provide for adequate ventilation. Builder will not be responsible for alterations to the original system.

9. EQUIPMENT: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Residential Equipment

(1) Possible Deficiency: Surface cracks, point delaminations and chips in high-pressure laminates on vanity and kitchen cabinet counter tops.

Performance Standard: Counter tops fabricated with high-pressure laminate coverings shall not delaminate.

Responsibility: Builder will replace delaminated coverings to meet specified criteria. Builder will not be responsible for chips and cracks noted following first occupancy.

(2) Possible Deficiency: Kitchen cabinet malfunctions.

Performance Standard: Warpage not to exceed 1/4 inch as measured from face frame to point of further most warpage with door or drawer front closed position.

Responsibility: Builder will correct or replace doors or drawer fronts.

(3) Possible Deficiency: Gaps between cabinets, ceiling or walls.

Performance Standard: Acceptable tolerance 1/4 inch in width.

Responsibility: Builder will correct to meet Performance Standard.

10. PLUMBING: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Water Supply System:

(1) Possible Deficiency: Plumbing pipes freeze and burst.

Performance Standard: Drain, waste and vent, and water pipes shall be adequately protected, as required by applicable code, during normally anticipated cold weather, and as defined in accordance with ASHREA design temperatures, to prevent freezing.

Responsibility: Builder will correct situations not meeting the code. It is the Homeowner's responsibility to drain or otherwise

protect lines and exterior faucets exposed to freezing temperatures.

B. Plumbing System

(1) Possible Deficiency: Faucet or valve leak.
Performance Standard: No valve or faucet shall leak due to defects in workmanship and materials.
Responsibility: Builder will repair or replace the leaking faucet or valve.

(2) Possible Deficiency: Defective plumbing, fixtures, appliances or trim fittings.
Performance Standard: Fixtures, appliances or fittings shall comply with their manufacturer's standards.
Responsibility: Builder will replace any defective fixture or fitting which does not meet acceptable standards, as defined by manufacturer.
(3) Possible Deficiency: Noisy water pipes.
Performance Standard: There will be some noise emitting from the water pipe system, due to the flow of water. However, water hammer shall be eliminated.
Responsibility: Builder cannot remove all noises due to water flow and pipe expansion. Builder will correct to eliminate "water hammer."

(4) Possible Deficiency: Cracking or chipping of porcelain or fiberglass surfaces.
Performance Standard: Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.
Responsibility: Builder will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy.

11. HEATING AND COOLING: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

(1) Possible Deficiency: Inadequate heating.
Performance Standard: Heating system shall be capable of producing an inside temperature of 70 F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHREA handbook. Federal, state or local energy codes shall supersede

this standard where such codes have been legally adopted.

Responsibility: Builder will correct heating system to provide the required temperatures. However, the Homeowner shall be responsible for balancing dampers, registers and other minor adjustments.

B. Refrigeration

(1) Possible Deficiency: Inadequate cooling.

Performance Standard: Where air-conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor summer design conditions as specified in the ASHREA handbook. In the case of outside temperature exceeding 95 F, a differential of 15 F from the outside temperature will be maintained. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility: Builder will correct cooling system to meet temperature conditions, in accordance with specifications.

C. Condensation Lines

(1) Possible Deficiency: Condensation lines clog up.

Performance Standard: None.

Responsibility: Condensation lines will clog eventually under normal use. This is a Homeowner maintenance item. Builder shall provide unobstructed condensation lines at time of first occupancy.

D. Evaporative Cooling

(1) Possible Deficiency: Improper mechanical operation.

Performance Standard: Equipment shall function properly at temperature standard set.

Responsibility: Builder will correct and adjust so that blower and water system operate as designed.

12. VENTILATION: COVERAGE 1ST YEAR, WORKMANSHIP AND MATERIALS

A. Air Distribution

(1) Possible Deficiency: Noisy ductwork.

Performance Standard: When metal is heated it expands and when cooled it contracts. The result is "ticking" or "cracking" which is generally to be expected.

Responsibility: None.

(2) Possible Deficiency: Oilcanning.

Performance Standard: The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not "oilcan." The booming noise caused by "oilcanning" is not acceptable.

Responsibility: Builder will correct to eliminate this sound.

13. ELECTRICAL: COVERAGE 1ST YEAR, WORKMANSHIP AND MATERIALS

A. Electrical Conductors, Fuses, and Circuit Breakers

(1) Possible Deficiency: Fuses blow or circuit breakers (excluding ground fault interrupters) "kick out."

Performance Standard: Fuses and circuit breakers shall not activate under normal usage.

Responsibility: Builder will check wiring circuits for conformity with local, state, or approved national electrical code requirements. Builder will correct circuitry not conforming to code specifications.

B. Outlets, Switches and Fixtures

(1) Possible Deficiency: Drafts from electrical outlets.

Performance Standard: Electrical junction boxes on exterior wall may produce airflow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new home construction.

Responsibility: None.

(2) Possible Deficiency: Malfunction of electrical outlets, switches or fixtures.

Performance Standard: All switches, fixtures and outlets shall operate as intended.

Responsibility: Builder will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution

(1) Possible Deficiency: Ground fault interrupter trips frequently.

Performance Standard: Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

Responsibility: Builder shall install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to a construction defect.

SYSTEMS: FIRST AND SECOND YEARS

14. PLUMBING SYSTEM: COVERAGE 1ST AND 2ND YEARS, SYSTEMS

A. Water Supply

(1) Possible Deficiency: Water supply system fails to deliver water.

Performance Standard: All on-site service connections to municipal water main and private water supply shall be the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

Responsibility: Builder will repair if failure is the result of defective workmanship or materials. If conditions beyond Builder's control disrupt or eliminate the source of the supply, the Builder has no responsibility.

B. Septic Tank System

(1) Possible Deficiency: Septic system fails to operate properly.

Performance Standard: Septic system shall function adequately during all seasons, under climatic conditions normal or reasonable anticipated (based on local records) for the location of the home. Septic system shall be

designed and installed to comply with applicable, approved Code requirements.

Responsibility: Builder will repair, or otherwise correct, a malfunctioning or non operating system, if failure is caused by inadequate design, faulty installation, or other cause relating to actions of the builder or contractors or subcontractors under the builder's control. Builder will not be responsible for system malfunction or damage which is caused by owner negligence, lack of system maintenance, or other causes attributable to actions of the owner or owner's contractors, not under the control of the builder, including, but not necessarily limited to: the addition of fixtures, items of equipment, appliances or other sources of waste or water to the plumbing system served by the septic system; and damage, or changes, to the septic system installation or surrounding soil conditions critical of the system's functioning.

C. Piping

(1) Possible Deficiency: Leakage from any pipe.

Performance Standard: No leaks of any kind shall exist in any soil, waste, vent, or water pipe. Condensation on piping does not constitute leakage, and is not covered.

Responsibility: Builder will make repairs to eliminate leakage.

(2) Possible Deficiency: Stopped up sewers, fixtures and drains.

Performance Standard: Sewers, fixtures and drains shall operate properly.

Responsibility: Builder will not be responsible for sewers, fixtures and drains that are clogged through the Homeowner's negligence. If a problem occurs, the Homeowner should consult Builder for a proper course of action. Where defective construction is shown to be the cause, Builder will assume the cost of the repair; where Homeowner negligence is shown to be the cause, the Homeowner shall assume all repair costs.

(3) Possible Deficiency: Refrigerant lines leak.

Performance Standard: Refrigerant lines shall not develop leaks during normal operation.

Responsibility: Builder will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Homeowner.

15. VENTILATION SYSTEM: COVERAGE 1ST AND 2ND YEARS, SYSTEMS

A. Air Distribution

(1) Possible Deficiency: Ductwork separates or becomes unattached.

Performance Standard: Ductwork shall remain intact and securely fastened.

Responsibility: Builder will re-attach and re-secure all separated or unattached ductwork.

16. ELECTRICAL SYSTEM: COVERAGE 1ST AND 2ND YEAR, SYSTEMS

A. Wiring

(1) Possible Deficiency: Failure of wiring to carry its designed load.

Performance Standard: Wiring should be capable of carrying the designed load for normal residential use.

Responsibility: Builder will check wiring for conformity with local, state, or approved national electrical code requirements. Builder will repair wiring not conforming to code specifications.

17. MAJOR STRUCTURE: COVERAGE THROUGH 6TH YEAR, MATERIAL DEFECTS

A. Load-bearing Portions of the Home

(1) Possible Deficiency: The failure of any of the following load-bearing portions of the Home: foundations systems and footings, beams, girders, lintels, columns, structural walls and partitions, floor systems, and roof framing systems. (Note: load-bearing portions do not include, for example: roofing and sheating, drywall and plaster, exterior siding, brick or stone or stucco veneer, floor covering material, wall tile or other wall coverings, non-load

bearing walls and partitions, concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Home, electrical systems, plumbing systems, heating or cooling systems, ventilation systems, appliances, fixtures and items of equipment, paint, doors and windows, trim, cabinets, hardware, or insulation.)

Performance Standard: The failure of these load-bearing portions of the Home shall not affect their load-bearing functions, making the Home unsafe, unsanitary or unlivable.

Responsibility: The Builder will repair or replace the defective item(s), or will pay the Homeowner the reasonable cost of such repair or replacement. The Builder's total liability is limited to the amount specified in the Limited Warranty. The choice as to repair, replacement or payment is solely that of the Builder.

Repair of the defective item(s) is limited to (1) the repair of damage to the load-bearing portions of the Home that are necessary to restore their load-bearing function; and (2) the repair of those items of the Home damaged by the Material Defect which make the Home unsafe, unsanitary or otherwise unlivable.

HOUSING MERCHANT IMPLIED WARRANTY
Article 36-B
WARRANTIES ON SALES OF NEW HOMES

Section 777 Definitions.
Section 777-a Housing Merchant Implied Warranty.
Section 777-b Exclusion or Modification of Warranties.

Section 777 - Definitions

As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building Code" means the Uniform Fire Prevention and Building Code promulgated under Section three hundred seventy-seven of the Executive Law, local building code standards approved by the Uniform Fire Prevention and Building Code Council under Section three hundred seventy-nine of the Executive Law, and the Building Code of the City of New York, as defined in Title twenty-seven of the Administrative Code of the City of New York.

3. "Constructed in a Skillful Manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material Defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footing, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New Home" or "Home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is

transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in Section seven hundred twenty-one of this Chapter, or any house or unit in which the builder has resided in or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, Electrical, Heating, Cooling and Ventilation Systems" shall mean:

a. in the case of plumbing systems; gas supply lines and fittings; water supply,waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. in the case of heating, cooling and ventilation systems; all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty Date" means the date of the passing of title to the first owner for occupancy by such owner or such or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

Section 777-a - Housing Merchant Implied Warranty

1. Notwithstanding the provisions of Section two hundred fifty-one of the Real Property Law, a Housing Merchant Implied Warranty is implied in the Contract or Agreement for the sale of a new home and shall survive the passing of title. A Housing Merchant Implied Warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from materials defects.

2. Unless the Contract or Agreement by its terms clearly evidences a different intention of the Seller, a Housing Merchant Implied Warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the Buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a Housing Merchant Implied Warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by Part three of Article two of the Uniform Commercial Ccode and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a Housing Merchant Implied Warranty must be received by the builder prior to the commencement of any action under Paragraph b of this subdivision and no later than thirty

days after the expiration of the applicable warranty period as described in Subdivision one of this Section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a Housing Merchant Implied Warranty may be commenced prior to the expiration of one year after the applicable warranty period as described in Subdivision one of this section or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under Paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under Paragraph "b" of this subdivision.

5. Except as otherwise provided in Section 777-b of this article, any provision of a Contract or Agreement for the sale of a new home which excludes or modifies a Housing Merchant Implied Warranty shall be void as contrary to public policy.

6. Except as otherwise provided in Section 777-b of this Article, other implied warranties may arise from the terms of the Contract or Agreement or from course of dealing or usage of trade.

777-b - Exclusion or Modification of Warranties

1. Except in the case of a Housing Merchant Implied Warranty, the builder or Seller of a new home may exclude or modify all warranties by any clear and conspicuous terms

contained in the written Contract or Agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a Housing Merchant Implied Warranty, the builder or Seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written Contract or Agreement of sale which identify such defects, call the Buyer's attention to the exclusion or modification plain.

3. A Housing Merchant Implied Warranty may be excluded or modified by the builder or Seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the Limited Warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the Contract or Agreement to purchase the home.

b. A copy of the express terms of the Limited Warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the Contract or Agreement for sale of the home must conspicuously mention the Housing Merchant Implied Warranty and provide that the Limited Warranty excludes or modifies the Implied Warranty. Language to exclude all Implied Warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof".

d. The Limited Warranty shall meet or exceed the standards provided in Subdivisions four and five of this section.

4. A Limited Warranty sufficient to exclude or modify a Housing Merchant Implied Warranty must be written in plain English and must clearly disclose:

a. that the Warranty is a Limited Warranty which limits Implied Warranties on the sale of the home; the words "Limited Warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. the identification of the names and addresses of all warrantors;

c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the Limited Warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. a statement of the products or parts covered by the Limited Warranty;

e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. what the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a Housing Merchant Implied Warranty, as defined in Subdivision one of Section 777-a of this Article;

h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for

notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in non-binding arbitration or any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the Warranty.

Notwithstanding the foregoing, a Limited Warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the Limited Warranty, where the court finds that such limitation or exclusion would cause the Limited Warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this Paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 of the General Obligations Law.

b. This Article shall preempt any local law inconsistent with the provisions of this Article. This Article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supercede or restrict any right, liability or remedy provided by any other statute of the State, except where such construction would, as a matter of law be unreasonable.

UNIT DEED

THIS INDENTURE made the day of , 200 , between OLMA BRIGHTON, LLC, 2225 65TH Street, Brooklyn, New York, (hereinafter "Grantor"), and

, (hereinafter "Grantee");

W I T N E S S E T H

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit described in the attached Schedule A.

TOGETHER with any strips or gores adjoining the above described premises on any of the sides thereof;

TOGETHER with an undivided percent interest in the Common Elements of the Property described in said Declaration (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Buildings, or which may come into existence hereafter as a result of settling of the Buildings, or as a result of repair or restoration of the Buildings, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an 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 Buildings shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Units;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in, and to, the Unit;

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

SUBJECT to 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, now existing as a result of construction of the Buildings, or as a result of repair or restoration of the Buildings, or any adjoining Unit, or of the Common Elements, after damage, condemnation, or eminent domain proceedings, or by reason of an 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 Buildings shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units.

TOGETHER with and subject to easements, rights of way, restrictions and encumbrances created by the Declaration for THE OLMA BRIGHTON CONDOMINIUM recorded in the Kings County Office of the Register of the City of New York on the day of , in Reel , Page

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Kings County Office of the Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having time, any interest, or estate in the Unit, as though such provisions were recited and stipulated at length herein;

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid;

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

The use for which the Unit is intended is that of a residence and/or professional office as permitted by the By-Laws and the Declaration.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Condominium Act shall control.

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

IN WITNESS WHEREOF, the Grantor has duly executed this Deed the day and year first above written.

OLMA BRIGHTON, LLC

_____

BY:

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 200 , before me, the undersigned 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 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

POWER OF ATTORNEY

THE UNDERSIGNED, the Owner of Unit No. in the Condominium known as THE OLMA BRIGHTON CONDOMINIUM, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration recorded the day of , 200 , in the Kings County Office of the Register at Reel , Page in the floor plan of file as Map No. , do hereby nominate, constitute, and appoint persons who may from time to time constitute the Board of Managers of THE OLMA BRIGHTON CONDOMINIUM jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate, or otherwise, on behalf of all Owners of Units whose Owner in said Property, in accordance with their Common Interests, any Unit whose Owner desired to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners in all other assets of the Condominium as defined in the aforementioned Declaration, or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do, if the undersigned were personally present. In more particular delineation of, but not in derogation or limitation of, the power set forth above, the Board of Managers, notwithstanding bankruptcy of any Unit Owner, specifically has the power to do any act or thing, and execute any document necessary to effectuate the purposes set forth in the Declaration referenced above including, but not limited to, Amendment of said Declaration, execution of the Deed conveying Condominium property, filing for a severance of tax lots, and any other document or thing reasonable or necessary to effectuate the aforementioned purposes.

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

The Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this day of , 200 .

_____ _____

STATE OF NEW YORK)
COUNTY OF) SS.:

On the day of , 200 , before me, the undersigned 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 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

ESCROW AGREEMENT FOR CONTRACT DEPOSIT

AGREEMENT made this day of , 200 , between OLMA BRIGHTON, LLC, ("Sponsor") as Sponsor of the Offering Plan, and MICHAEL & SWERDLOFF, LLC, ("Escrow Agent") as Escrow Agent.

WHEREAS, OLMA BRIGHTON, LLC, is the Sponsor of an Offering Plan to convert to Condominium ownership the premises located at 2925 Brighton 8th Street, Brooklyn, New York, which premises are known as THE OLMA BRIGHTON CONDOMINIUM; and,

WHEREAS, MICHAEL & SWERDLOFF, LLC is authorized to act as an Escrow Agent hereunder in accordance with General Business Law ("GBL") Section 352-3(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 JPMorgan Chase Bank, at its branch located at 1502 Avenue M, Brooklyn, New York. The account number is

1.2 The name of the account is IOLA - MICHAEL & SWERDLOFF, LLC/OLMA BRIGHTON CONDOMINIUM CONDO ESCROW.

1.3 MICHALE MICHAEL and LEONARD SWERDLOFF are the sole signatories 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 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 payor, shall be deposited in the Escrow Account. All instruments to be deposited into the Escrow Account shall be made payable to, or endorsed by the Purchaser or subscriber to the order of MICHAEL & SWERDLOFF, LLC as Escrow Agent for THE OLMA BRIGHTON 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. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser may cancel the purchase 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 subscriber or purchaser.

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 release pursuant to the regulations of the Attorney General pertaining to release of escrow 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.

4. RECORDKEEPING.

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 agents, including any Selling Agents, 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 its in escrow, and any and 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 circumstance.

11. SEVERABILITY.

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

12. ENTIRE AGREEMENT.

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

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

ESCROW AGENT	SPONSOR
MICHAEL & SWERDLOFF, LLC	OLMA BRIGHTON, LLC
By:_____ Michael Michael, Esq.	By:_____

ETF-1

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: _____

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: _____

_____

339-KK. RENTS.

(A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.

(B) IF A NON-OCCUPYING OWNER RENTED ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES *FOR* SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION *OF* ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) *OF* THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.

(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERRIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR CO *4ON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONCE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL GIVEN WIHTIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL SUPPORTING SUCH OWNER'S POSITION AT THE NEXT SCHEDULED MEETING OF THE BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT SUCH BOARD RECEIVES NOTICE THAT SUCH SEEKS TO DISPUTE SUCH CLIAM.

(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.

(E) PAYMENT BY A RENTAL TENANT TO THE CONDOMINIUM ASSOCIATION MADE IN CONNECTION WITH THIS SECTION SHALL RELIEVE THAT

RENTAL TENANT FROM THE OBLIGATION TO PAY SUCH RENT TO THE NON-OCCUPYING OWNER AND SHALL BE AN ABSOLUTE DEFENSE IN ANY NON-PAYMENT PROCEEDING COMMENCED BY SUCH NON-OCCUPYING OWNER AGAINST SUCH TENANT FOR SUCH RENT.

4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

6. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO SHELDON SILVER
TEMPORARY PRESIDENT OF THE SENATE SPEAKER OF THE ASSEMBLY

DECLARATION

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF
PREMISES LOCATED AT
2925 BRIGHTON 8TH STREET, BROOKLYN,
KINGS COUNTY, CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW
OF
THE STATE OF NEW YORK

NAME: THE OLMA BRIGHTON CONDOMINIUM

SPONSOR: OLMA BRIGHTON, LLC
2225 65TH Street
Brooklyn, New York

DATE OF DECLARATION:

Michael & Swerdloff, LLC
Attorneys for the Sponsor
2226 Ocean Avenue
Brooklyn, New York 11229

TABLE OF CONTENTS

		Page
ARTICLE FIRST:	Submission of Property	1
ARTICLE SECOND:	Description of Property	1
ARTICLE THIRD:	Definitions	1
ARTICLE FOURTH:	Community	2
ARTICLE FIFTH:	Common Elements	3
ARTICLE SIXTH:	Easements	4
ARTICLE SEVENTH:	Service of Process	4
ARTICLE EIGHTH:	Common Interest	4
ARTICLE NINTH:	Administration	5
ARTICLE TENTH:	Amendment and Withdrawal	5
ARTICLE ELEVENTH:	Subject to Declaration, By-Laws, etc.	6
ARTICLE TWELFTH:	Common Charges	6
ARTICLE THIRTEENTH:	Units Acquired by the Board	7
ARTICLE FOURTEENTH:	Encroachments	7
ARTICLE FIFTEENTH:	Unit Ownership	8
ARTICLE SIXTEENTH:	Conveyance of a Unit	8
ARTICLE SEVENTEENTH:	Covenants and Restrictions	8
ARTICLE EIGHTEENTH:	Use of Building and Units	9
ARTICLE NINETEENTH:	Invalidity	9
SCHEDULE		
EXHIBIT		
PLOT PLAN FILED SIMULTANEOUSLY HEREWITH		

PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF OLMA BRIGHTON, LLC
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK

In the County of Kings, City and State of New York, on this day of , 20 , OLMA BRIGHTON, LLC, whose principal office is situated at 2225 65TH Street, Brooklyn, New York, hereinafter referred to as the "Owner" represented in this Declaration by, Igor Shikris and Svetlana Shikhris, who is fully empowered and qualified to execute this Declaration on behalf of the said corporation does hereby state:

FIRST: Submission of Property. By this Declaration the Owner 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 Owner owns all that certain plot, piece or parcel of land situate, lying and being in Brooklyn, in the Borough of Brooklyn, in the County of Kings, City and State of New York, and more particularly described in Schedule A annexed hereto.

THIRD: Definitions.

(a) "Units" shall refer to the 8 residential units contained in the Condominium.

(b) The Owner of a Unit is hereinafter referred to as a "Unit Owner". The Unit Owner(s) are hereinafter collectively referred to as the "Unit Owners" and individually as a "Unit Owner". The description of the Units set forth herein pertains to the location of the walls, floors and ceiling of the Units as they are finally set

forth in the building plans to be filed simultaneously with the recording of the Declaration.

Each Unit Owner shall be treated for all purposes as a single Owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety or whether the Unit is owned by an individual, corporation, partnership, fiduciary or any other entirety. Where such ownership is joint, in common or by tenancy by the entirety, majority vote of such owners shall be necessary to cast the Unit Owner's vote referred to in Article Eighth of this Declaration.

(c) A "Unit" as hereinafter referred to shall be defined as follows: Each Unit consists of the area enclosed horizontally by the unexposed faces of the dry walls, including the thickness of such dry walls, located at an exterior wall of the buildings and the unexposed faces of the dry walls, including the thickness of such dry walls, dividing the Residential Unit from corridors, stairs or other Unit and vertically by the upper face of the sub-floor of the Residential Unit up to the unexposed side of the sheetrock forming the upper ceiling or the plaster ceiling of the Residential Unit. Doors and windows that open from a Residential Unit and interior walls of a Residential Unit shall be deemed to be part of the Residential Unit.

(d) A "Building" as hereinafter referred to shall be defined as a number of Units all of which are constructed under a continuous roof.

(e) "Party Wall" as hereinafter referred to shall be defined as a wall that is common to and separates two Units.

(f) "Condominium" as hereinafter referred to shall mean THE OLMA BRIGHTON CONDOMINIUM that is composed of the Unit Owners.

(g) The term "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 Owner is constructing on the parcel of land described above a Condominium Community known as THE OLMA BRIGHTON CONDOMINIUM according to the plans filed simultaneously with the recording of this Declaration in the Office of the Register of Kings County, which Plans, set forth a description of the buildings stating the number of stories and number of Units.

The Community will consist of 8 Residential Units located in a Four (4) story building plus basement. The Building is constructed of concrete foundations, exterior walls of concrete block and brick construction, with double-pitched roof, concrete slab on metal decking with waterproofing membrane as set forth on the Plot Plan filed simultaneously herewith. Each of the Units has access to each other Unit or to any other portion of the Community or to a street upon which the Community abuts by means of a walk or hallway. For the purposes of describing the location of the buildings, approximate area, type and number of rooms of each Unit and the common elements to which each Unit has immediate access, each Unit is described on Schedule B annexed hereto.

Each Unit will be sold to one or more Owners, each Owner obtaining fee ownership, 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 9-B 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.

The aforesaid Community has a total plot area of approximately 3,690 feet.

FIFTH: (a) Common Elements. The Common Elements consist of all portions of the Property other than the Units, including, without limitation, the following:

1. The land on which the Building is erected and all other land within the boundaries of the Property;

2. All foundations, columns, girders, beams and supports;

3. All exterior walls of the Buildings;

4. Roofs, halls, corridors, lobbies, stairs, stairways and entrances to and exits from the Buildings;

5. All utility or other pipes, ducts, wires, chutes, cables, conduits and materials located outside of the Units and all other mechanical equipment spaces;

6. All other parts of the Property and all apparatus and installations existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

(b) Limited Common Elements: Certain portions of the Common Elements are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element. Any portion of the Common Elements, which is not restricted in use, may be used by any Unit Owner. Following are detailed descriptions of the Limited Common Elements:

1. Any balcony appurtenant to a Unit shall be limited in use to the Unit Owner who has direct access to the balcony from the interior of his Unit. However, each Unit Owner shall have a right of access over any such balcony for emergency ingress or egress from the building.

2. The Common Elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law.

The percentage of the undivided interest in the Common Elements established herein shall not be changed for a Unit except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to this Declaration.

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: Easements. (a) All pipes, wires, conduits, vents and public utility lines located within each Unit shall be owned by such Unit Owner. Any portion of such pipes, wires, conduits, vents and public utility lines located in the Common Elements will be owned in common by all the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and servicing the Common Elements. The cost of such repairs shall be a common expense. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not;

(b) The Owner, 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 and Limited Common Elements of all Units of the Condominium for the purpose of the sale of Units 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 and Limited 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. The Owner, 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 or Limited

Common Elements. Finally, the Owners, its successors, assigns and purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model units, signs located on the Common Elements or Limited Common Elements, in its efforts to market Units in the Condominium. This paragraph shall not be amended without the consent of the Owner.

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 Board of Managers of THE OLMA BRIGHTON CONDOMINIUM, 2925 Brighton 8th Street, Brooklyn, New York.

EIGHTH: Common Interest. Each Unit Owner shall have such percentage interest in the Common Elements as is set forth in Schedule B attached hereto and shall bear such percentage of the Common Expenses of the Condominium. All expenses of the Condominium shall be common expenses and shall be apportioned among all the Unit Owners according to the method set forth in the By-Laws. Each Unit Owner shall have one vote for all voting purposes at any meeting of the Unit Owners. The percentage of interest of each Unit in the Common Elements has been based upon the approximate proportion that the floor area of the Unit bears in relation to the floor area of all the Units, reflecting the substantially exclusive advantage enjoyed by some, but not all of Units in the Common Elements as of the recording of the Declaration.

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 as Exhibit "A".

TENTH: Amendments 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 Plan by duly recorded instruments.

(b) The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of 80% of the Unit Owners in number 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 of the record Unit Owner(s) in number and common interest thereof and the first mortgagees, if any, of each of these 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.

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.

(c) The Owner, its successors and assigns shall have the right without vote or consent of the 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 County of Kings and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the units as built or (ii) utility easements or (iii) the carrying out of other provisions of the Offering Plan of THE OLMA BRIGHTON CONDOMINIUM.

(d) Any amendment to this Declaration shall not take effect until it is recorded in the Register's Office of Kings County, City and State of New York.

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.

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 the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

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 subdivisions of any governmental authority, including but not limited to State, County, City, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. 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 attorney's 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 mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder 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 acquirer. In such event, the unpaid balance of the Common Charges will 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, mortgage company, pension fund, trust company or other institutional lender or a mortgage granted by the Owner to a purchaser of a Unit or in which the Owner 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 applicable to his Unit assessed against him by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit. 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 the provisions of this Declaration and the By-Laws.

THIRTEENTH: Units Acquired by the Board. In the event any Unit Owner shall convey his Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit

shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

In order to carry out the provisions of this paragraph each Unit shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Unit under whatever terms the Board may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper.

FOURTEENTH: Encroachments. The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Buildings, 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 is rebuilt, the Unit Owner and Condominium agree that encroachments of any portion of the Unit or the Common Elements as afore-described due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Buildings or reconstructed Buildings shall stand.

FIFTEENTH: 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.

SIXTEENTH: 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 applicable to the Unit, 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 Charges and against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien 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.

SEVENTEENTH: Covenants and Restrictions. 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 overall appearance.

(b) No alteration to any part of the Common Elements may be made without the written consent of the Board of Managers.

(c) No alterations, enclosures or additions to the exterior of the Unit may be made without the written consent of the Board of Managers. No alterations to the inside of a Unit that would impair the structural soundness of the Buildings may be made without the written 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 a member of the Board of Managers, if no Management Agent is employed. The Board of Managers shall have the obligation to answer within sixty (60) 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 Owner.

(d) Any Unit Owner who mortgages his Unit shall notify the Board of Managers providing the name and address of his mortgagee.

(e) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

(f) No nuisances 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.

(g) 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.

(h) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owners provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.

(i) The Common Charges shall be paid when due.

EIGHTEENTH: Use of Buildings and Units. (l) Each of the Units in the Building shall be used as a residence only, except that while the Sponsor or his designee owns any Unit, he shall have the right to use such Unit 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 the Building.

NINETEENTH: 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.

OLMA BRIGHTON, LLC

_____

By: _____
President

ATTEST:

Secretary

[Seal]

In presence of:

UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT
(WITHIN NEW YORK STATE)

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

On the _____ day of _____ in the year 200 , before me, the undersigned, 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 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.

_____
Signature and Office of individual
taking acknowledgment

SCHEDULE A

TO BE COMPLETED PRIOR TO
RECORDING OF DECLARATION

SCHEDULE B

Unit Number	Percentage of Common Interest	Tax Lot Number	Approximate Area in Square Feet	Number of Rooms and Bath

TO BE COMPLETED PRIOR TO RECORDING OF DECLARATION

BY-LAWS

OF

The OLMA BRIGHTON CONDOMINIUM

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BY-LAWS

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TABLE OF CONTENTS

		Page
ARTICLE I	PLAN OF CONDOMINIUM UNIT OWNERSHIP	1
Section 1	Condominium Unit Ownership	1
Section 2	By-Laws Applicability	1
Section 3	Personal Application	1
ARTICLE II	CONDOMINIUM, VOTING, QUORUM AND WAIVERS	1
Section 1	Condominium	1
Section 2	Voting	1
Section 3	Quorum	2
Section 4	Vote Required to Transact Business	2
Section 5	Right to Vote	2
Section 6	Proxies	2
Section 7	Waiver and Consent	2
Section 8	Place of Meetings	2
Section 9	Annual Meetings	2
Section 10	Special Meetings	3
Section 11	Notice of Meetings	3
Section 12	Order of Business	3
ARTICLE III	BOARD OF MANAGERS	3
Section 1	Number and Term	3
Section 2	Vacancy and Replacement	4
Section 3	Removal	4
Section 4	First Board of Managers	4
Section 5	Powers	4
Section 6	Repairs and Maintenance	7
Section 7	Compensation	8
Section 8	Meetings	8
Section 9	Annual Statement	9
Section 10	Fidelity Bonds	9
Section 11	Management Agent	9
Section 12	Liability of the Board of Managers and Unit Owners	9
ARTICLE IV	OFFICERS	10
Section 1	Elective Officers	10
Section 2	Election	10
Section 3	Appointive Officers	10
Section 4	Term	10

Section 5	The President	10
Section 6	The Vice President	11
Section 7	The Secretary	11
Section 8	The Treasurer	11
Section 9	Agreements, etc.	11
ARTICLE V	NOTICES	11
Section 1	Definition	11
Section 2	Service of Notice - Waiver	12
ARTICLE VI	FINANCES	12
Section 1	Checks	12
Section 2	Assessments	12
Section 3	Foreclosure of Liens for Unpaid Common Charges	13
Section 4	Statement of Common Charges	13
Section 7	Other Accounts	13
ARTICLE VII	INSURANCE AND INSURANCE TRUSTEE	13
Section 1	Insurance to be Carried by the Board 13	
Section 2	The Insurance Trustee	15
	Fire or Other Casualty	15
ARTICLE VIII	HOUSE RULES	16
ARTICLE IX	DEFAULT	17
ARTICLE X	AMENDMENTS	18
ARTICLE XI	SELLING, MORTGAGING AND LEASING UNITS	18
Section 1	Selling and Leasing Units	18
Section 2	Waiver of Partition Rights	18
Section 3	Mortgaging of Units	18
Section 4	Gifts, etc.	19
ARTICLE XII	CONDEMNATION	19
ARTICLE XIII	MISCELLANEOUS	19
Section 1	Insurance	19
Section 2	Severability	19
Section 3	Notice to Condominium	19
Section 4	Notice of Unpaid Assessments	20
Section 5	Examination of Books and Records	20
Section 6	Construction	20
Section 7	Compliance with Article 9-B	20

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ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership. The property located at 2925 Brighton 8th Street, Brooklyn, New York, as specifically set forth in the Declaration and more commonly known as THE OLMA BRIGHTON 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 the building and improvements thereon including the Condominium Units (hereinafter referred to as "Units") 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.

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 Community 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 Residential 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 Unit or Units owned by such Unit Owner, but in the event the Board of Managers acquires a Unit on behalf of the Condominium it shall not cast any of its votes for the election of any member to the Board.

Section 3. Quorum. So many Unit Owners as shall represent at least 51% of the total authorized votes of all Unit Owners present in person or represented by written proxy 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 Units Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting. At least 5 days written notice of such adjourned meeting shall be given to all Unit Owners. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. At such adjourned meeting, so many Unit Owners as shall represent at least 33-1/3% of the total authorized votes of all Unit Owners shall constitute a quorum.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority 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 the vote of Unit Owners at a meeting is required or permitted by any provision 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 - Control of Board of Managers by Sponsor. Within one year after the transfer of title to the first Unit, 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 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. The Sponsor will have voting control of the Board of Managers until the third anniversary of the recording of the Declaration or until 90% of the Units in the Condominium are closed, whichever occurs first. At the fifth annual meeting, and at all successive meetings, Sponsor may not designate a majority of the Board of Managers but may cast its votes to elect no more than two members of the Board of Managers.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit

Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners 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 five but not more than ten days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meeting 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 committees
(f) Election of inspectors of election (in the event there is an election)
(g) Election of managers (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Managers designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Within 60 days of the closing of title to the first Unit, a meeting of the Unit Owners shall be held at which time a Unit Owner who is independent of the Sponsor shall be elected to the first Board of Managers by majority vote of the Unit Owners. Until succeeded by the Managers elected at the first annual meeting of Unit Owners, Managers need not be Unit Owners; thereafter, all Managers other than designees or nominees of the Sponsor shall be Unit Owners. The Managers shall be elected at the annual meeting of the Unit Owners.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II, three (3) Managers shall be elected by the Unit Owners. The term of office of one (1) of the Managers shall be fixed for three (3) years, the term of office of one (1) of the Managers shall be fixed at two (2) years, and the term of office of one (1) of the Managers shall be fixed at one (1) year. Separate ballots shall be conducted for each of the three terms of office. Each Homeowner shall be entitled to cast one vote on each ballot for each Home he owns. The three nominees on each of the ballots receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Manager, his successor shall be elected to serve a term of three (3) years. The Managers shall hold office until their successors have been elected and hold their first meeting. But in any event, at least one-third of the terms of the members of the Board of Managers shall expire annually. Notwithstanding the foregoing, the Sponsor shall have the right to designate a majority of the Board of Managers so long as it continues to own 10% or more Homes or until five years from the recording of the Declaration, whichever is sooner. This Section 1 may not be amended without the consent of Sponsor.

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 who has been designated by the Sponsor or its designee, as the case may be, only they shall have the right to choose such Manager's successor to fill the unexpired portion of that term.

Section 3. Removal. Managers may be removed for cause by an affirmative vote of a majority of the Unit Owners. No manager other than a member of the First

Board of Managers or designees or nominees of the Sponsor shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit Owner.

Section 4. First Board of Managers. The first Board of Managers shall consist of principals and affiliates of the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. A Unit Owner, who is independent of the Sponsor, shall be elected by a majority of the Unit Owners other than Sponsor to the first Board at a meeting held within 60 days of the closing of title to the first Unit. If no such election has been made, then Sponsor may designate such member. 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 be Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners 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 Interest;

2. To collect, use, and expend the assessments collected to maintain, care for and preserve the 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;

4. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as 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 Unit in accordance with Article VII of these By-Laws;

7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to.

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 such Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Unit Owner.

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 herein-above set forth.

10. To bring and defend actions by or against one or more 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 acquire Units in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a 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 make additions, alterations, or improvements to the Common Elements of the Community, the cost of which addition, alteration, or improvement does not exceed $10,000. The Board of Managers may make additions, alterations or improvements to the Common Elements costing in excess of $10,000 only with the approval of a majority of the Unit Owners as affects the Common Elements. While the Sponsor is in control of the Board of Managers, the Board may make additions, alterations, or improvements to the Common Elements costing in excess of $10,000 or enter into service or maintenance contracts the duration of which will extend more than one year after the Sponsor loses control of the Board of Managers, only with the approval of a majority of the Unit Owners, excluding the Sponsor, voting at a duly held meeting of the Unit Owners. In addition, the Sponsor must give his written approval pursuant to the terms of Section 6(c) herewith.

13. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least 66-2/3% in number of all Unit Owners for Common Elements 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 in excess of $10,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the common elements without the written consent of the Owner of said Unit.

14. To act as an agent for one or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such event, the Board could retain counsel on behalf of such Unit

Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service for.

15. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);

(b) The Board of Mangers 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 two (2) mangers or two (2) Unit Owners one (1) of whom shall be a manager, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business 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 from time to time by resolution adopted 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 Units representing 5% or more in Common Interest of the Units but in no event later than five (5) years from the date of the recording of the Declaration of Condominium, the Board

of Managers may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the Common Elements costing cumulatively more than $10,000, 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, 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. The provisions of this Paragraph may not be amended without the written consent of Sponsor.

Section 6. Repairs and Maintenance. All maintenance, repairs and replacements to the Common Elements of the property including but not limited to exterior walls, roof and roof members, as well as all maintenance, repairs and replacements to any public utility lines as are located in the Common Elements and serve one or more Units, and exterior maintenance shall be a common expense. All maintenance (including electrical and plumbing repairs in the Units and painting and decorating of the inside of the Units), repairs and replacements to the Units including windows (including all glass breakage), doors, windows and doors which open from a Unit (except painting and maintenance of the exterior surface which is performed by the Board of Managers), and repairs to the pipes, wires and conduits located within or without the same Unit other than as set forth above shall be made by the respective Unit Owners at their own expense. All irrevocably restricted Common Elements shall be maintained and repaired by the Board of Managers except for general cleaning and snow removal on any balconies. The Board of Managers shall repair and replace any public utility lines located underground or overhead of any irrevocably restricted Common Element except where such repair or replacement is necessitated because of the negligence or misuse or neglect of the Unit Owner to which the Common Element is restricted in use, in which event such Unit Owner shall make such repairs or replacements at his own expense. 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. The Board of Managers will provide snow plowing for any driveways located on the property. All replacements, 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 the Buildings, 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. In the event that a Unit Owner fails to make any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements or any other Unit, the Board of Managers shall have the right to make such maintenance or repair (after the failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of any emergency situation) and to charge the Unit Owner for the cost of all such repairs and/or maintenance. In the event that 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 Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable attorney's fees and costs of such suit or proceeding together with interest on all sums due.

Section 7. Compensation. Managers, committee members 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 take place.

(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 or telegram. 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 three (3) 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 meetings 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 if required by applicable law, statute or regulations of the Department of Law 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 Owners, 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 require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense.

Section 11. Management Agent. The Board of Managers may employ for the Condominium a Management Agent 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 delegable duties of the Board listed in this Article. While Sponsor is in control of the Board of Mangers it will not enter into contracts that bind the Condominium for a period of more than two (2) years (except Cable Television agreements) after the recording of the Declaration unless the contract provides that it may be canceled by the Condominium upon 90 days notice.

Section 12. Liability of the Board of Managers, Officers 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, Officer of the Condominium or individual Unit Owners shall be liable for such contract, agreement or commitment. 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 and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Community except for willful misconduct or bad faith and the Unit Owners shall severally indemnify all members of the Board of Managers and Officers of the Condominium 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 willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, 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 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. All officers must be Unit Owners or designees of the Sponsor. The same person may not hold two or more offices.

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 Mangers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the Board of Managers shall fill the vacancy.

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, he 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 President of a stock corporation organized under the Business Corporation 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 meeting of the Board of 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.

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, 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. FINANCES

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 Common Elements 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 and prorated against each of said Units according to the respective common interest appurtenant to all 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. Special assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments. The Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against his own Unit. In the event of a default in payment of monthly Common Charge assessments by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five day grace period in which to make his payment. The Board may charge the delinquent Unit Owner a fee as the Board may determine to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may also be collected by the Board on the Common Charge assessment from its due date to the date payment is actually received from the Unit Owner. Special assessments should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments. The Board shall take action to collect any Common Charges due from any Unit Owner which remains unpaid 90 days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise.

No Unit Owner shall be liable for any Common Charges that 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 mortgagee or a Purchaser at a foreclosure sale) shall be liable for the payment of all Common Charges assessed against the Unit and unpaid at the time of the purchase.

Section 3. Foreclosures of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit.

Section 4. 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 5. Liability for Electricity and Utilities. All electricity consumed in the Units shall be an expense of each individual Unit Owner. Any other utility that is separately metered for each Unit shall be an expense of each individual Unit Owner.

Section 6. 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 need 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 7. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purpose.

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 the Building in the Condominium including all of the Units and the bathroom and kitchen fixtures initially installed therein by the Sponsor (but not including wall, ceiling or floor decoration, furniture, furnishings, fixture, equipment or other personal property supplied or installed by Unit Owners), together with all 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 with the approval of the Insurance Trustee, and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee.

The casualty insurance and property damage 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 $2,500,000 for the Building.

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 cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, 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 ten (10) 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 Building, 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 be in a single limit of $1,000,000 for covering all claims for bodily injury and 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. The Insurance Trustee. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated 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 that shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $50,000 or more.

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 either 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 damaged Units and any kitchen or bathroom fixtures initially installed therein by the Sponsor, 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 the 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 lienor, as if owned in common in which event the net proceeds of sale, together with the net proceed 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 the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid

liens on his Unit, in the order of the priority of such liens.

ARTICLE VIII. HOUSE RULES

Section 1. In addition to the other provisions of these By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all residents thereof.

Section 2. The Units shall be used for residential purposes only.

Section 3. Owners of a Unit members of their families, their employees, guests and their pets shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said owners, or in such a way as to be injurious to the reputation of the Condominium.

Section 4. The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

Section 5. Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct he is legally responsible.

Section 6. (a) Every Unit Owner must perform promptly all maintenance and repair work to his own Unit which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the buildings of which his Unit forms a part, he being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations shall be at the Unit Owner's expense.

Section 7. A Unit Owner may not make any alterations or modifications to the exterior of their Unit or any part of the Common Elements without the written consent of the Board of Managers. No alterations to the inside of a Unit that would impair the structural soundness of the buildings may be made without the written 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 a member 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. This Paragraph shall not apply to Sponsor.

Section 8. (a) No Residential Unit Owner shall post any advertisement or posters of any kind in or on the Property except as authorized by the Board of Managers.

(b) No television or radio antenna or storm and screen windows and doors shall be erected on the exterior of the Units or the Common Elements without the prior written consent of the Board of Managers.

(c) No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of his Unit.

(d) Each Unit Owner shall keep his Unit and its appurtenant irrevocably restricted areas in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(e) It is prohibited to hang garments, rugs, etc., from the windows or from the Building or to string clotheslines on or over the Common Elements (including the irrevocably restricted areas) or to use any of the Common Elements for storage purposes.

(f) No repair of motor vehicles shall be made in any of the parking areas, if any, of the Condominium nor shall such areas be used for storage or long-term parking (in excess of 24 hours without

use) of any boat, trailer, camper, bus, truck or commercial vehicle. Any such parking shall be subject, in addition, to any restriction due to zoning or local ordinance requirements.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any sums, charges or assessments required to be paid when due, the Board of Managers, acting in behalf of the Board shall notify the Unit Owner and the mortgagee, if any, of such Unit. If such sum, charge of assessment shall remain unpaid for 90 days after the giving of such notice, the Board may foreclose the lien encumbering the Unit as a result of the non-payment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the Owner of a Unit does not pay the assessment required to be paid by him within thirty (30) days of its due date, said sum shall bear interest at the maximum amount permitted by the State of New York from its due date and said Unit Owner shall be liable for the Condominium's reasonable costs and a reasonable attorney's fee incurred by it incident to the collection or enforcement of such lien.

ARTICLE X. AMENDMENTS

(a) These By-Laws may be altered, amended or added to 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 eighty percent (80%) 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 the Unit Owner's interest and the interests of holders of a mortgage encumbering a Unit or Units.

(b) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor or its designee, any Unsold Unit, the Commercial Unit Owner(s), the

Commercial Unit(s), the holder of any present or future mortgage, pledge, lien, or security agreement covering any Unsold Unit, unless and until Sponsor, such designee, all such existing holders (as the case may be) shall consent to the same in writing.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing Units. Units may be conveyed or leased by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until all unpaid Common Charges assessed against his Unit shall have been paid to the Board of Managers. However, such unpaid Common Charges can be paid out of the proceeds from the sale of a Unit, or by the Grantee. Further, a Unit Owner may convey his Unit and his Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

The provisions of this section shall not apply to the acquisition or sale of a Unit by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagees.

Whenever the term "Unit" is referred to in this section, it shall include the Unit, the Unit Owners undivided interest in the Common Elements and the Unit Owners interest in any Units acquired by the Board of Managers.

Section 2. 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 3. Mortgaging of Units. No Unit Owner shall mortgage his Unit except by a mortgage loan granted by a federal or state savings and loan association, savings or commercial bank, life insurance company, mortgage company, union pension fund, agency of the

United States Government or agency of the State of New York or a purchase money mortgage loan granted by the Seller or in participation with one of the above institutions.

Section 4. Gifts, etc. Any Unit Owner may convey or transfer his Unit by gift during his lifetime or devise his Unit by will or pass the same by intestacy, without restriction.

ARTICLE XII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $50,000 and to the Board of Managers if the award is $50,000 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 the respective Common Interest 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 XIII. MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in his Unit that 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 by 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 in the event 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 "Mortgagees 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 Unit Owners 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 records of the Condominium on reasonable notice to the Board but not more often than once a month.

Section 6. Construction. Wherever the masculine singular form of the pronoun is used in these 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.

Michael & Swerdloff, LLC
Attorneys at Law

2226 Ocean Avenue
New York, New York 11229
Telephone: (718)339-1400
Facsimile (212) 339-7761

Michael H. Michael, Esq.
Leonard Swerdloff, Esq.

AUGUST 15, 2004

OLMA BRIGHTON, LLC
2225 65TH Street
Brooklyn, New York

RE: THE OLMA BRIGHTON CONDOMINIUM

Gentlemen:

We note that the Offering Plan states that it is believed that the monthly payments of interest on any mortgage which becomes a lien on a Condominium Residential Unit which is the Owner's primary residence or one other residence the Owner selects pursuant to Section 163(h)(5)(A)(i)(II) of the Internal Revenue Code of 1986 (the "Code") and the real estate taxes payable by a Residential Unit Owner which are assessed against his Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal and New York City and State Income Taxes payable by the Owner of such Condominium Unit.

We have given this matter careful study and it is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 (the "Code") (See Revenue Ruling 64-31, C.B. 1964-300) and the corresponding provision of the New York State Law (See Section 615 of the Tax Law), such interest payments and the aforesaid real estate payments are proper deductions by the Owner of a Residential Condominium Unit, in connection with his Federal and New York State income taxes.

Section 528 of the Code, affords certain Condominiums, substantially all of whose Units are used for residences, the opportunity to elect to be treated as

tax exempt organizations. In order to qualify, sixty percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Units Owners and 90 percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium properties, which properties, as defined in Section 528 of the Code, include property held by the Condominium, property commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. Based upon our examination of the Offering Plan and subject to the Condominium actually satisfying the minimum percentage income and expenditure criteria set forth above, it is our opinion that the Condominium will be eligible to be treated as a tax-exempt organization under Section 528 of the Code.

Such an election may entail the filing of tax returns and will exempt from Federal, New York State and New York City Income Taxation all amounts received by the Condominium from the Unit Owners as membership dues, fees or assessments. The Condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Unit Owners. In the event either the Condominium fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Unit Owners not expended in any taxable year, be subject to Federal, New York State and City Income Taxation (see Rev. Ruling 74-99, 1974-1 C.B. 131).

No warranty or representation can be made that the United States Treasury Department or the Department of Taxation and Finance of the State of New York will allow the income tax deductions referred to herein if the tax laws or the regulations issued thereunder or any judicial interpretation thereof change. Under no circumstances will the Sponsor or counsel to the

Sponsor or any person be liable if the United States Treasury Department or Department of Taxation and Finance of the State of New York fail to allow the income tax deductions by future changes of fact or law including statutes, regulations, rulings and judicial determinations.

We have considered the relevant cases and rulings on the tax status of the Condominium, including Revenue Rulings 74-17, 74-99, 75-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case each unit Owner's assessment for such purposes would add to his tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that assessments for capital purposes, including reserves, are properly designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable income, other than with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

As discussed in Section XIX of the Offering Plan, the Sponsor has applied and obtained approval from the New York City Department of Housing Preservation and Development ("HPD") for tax exemption for the Community under Section 421 of the New York State Real Property Tax Law ("Section 421"). Section 421 and the regulations promulgated thereunder pose certain requirements for the granting of tax exemption with respect to, among other things, whether the land for which an exemption is applied for is vacant and the number of bedrooms to be built on such parcel. Therefore, the Community is exempt from the payment of real estate taxes, on specified percentages of the increased assessed valuation of the Condominium resulting from construction of the Condominium for a period of fifteen years. Said exemptions are to be in the amount of 100% of the increased assessed valuation for the first eleven years after the completion of construction, 80% for the 12th year, 60% for the 13th year, 40% for the 14th year and 20% for the 15th year.

At the end of said fifteen year period, Unit Owners will be required to pay real estate taxes on the then full-assessed valuation of their Homes, at the then effective rate, both as determined by the City of New York.

In addition, Section 421-a provides that if the floor area of commercial, community facility and accessory use space within a multiple dwelling exceeds twelve percent of the aggregate floor area of the building, the exemption will be diminished by an amount equal to the percent of the aggregate floor area by which the aggregate floor area of commercial, community facility and accessory use space exceeds twelve percent of the aggregate floor area of the Building. In the event it is determined that the commercial, community facility and accessory use space exceeds twelve percent of the entire building, the amount of the benefits may be reduced. Schedule A to the Offering Plan reflects the estimated taxes with Section 421-a tax benefits and without Section 421-a tax benefits.

Our opinion regarding the partial tax exemption under Section 421-a is based upon information and representations provided by the Sponsor and the facts, assumptions and interpretations referred to above. No warranties or representations are given by this firm that HPD, the Department of Finance of the City of New York or the Tax Commission of the City of New York will allow Section 421-a benefits or that the laws, regulations or interpretations thereof on which this opinion is based will not change. This firm will in no event be liable if the Property is not eligible for partial real estate tax exemption under Section 421-a as a result of changes in the information or oral representations made by the Sponsor or because of any changes in applicable law, regulations, interpretations or decisional law, nor will this firm be liable if the amount of the benefits received are reduced for any reason. In addition, we have not passed upon the accuracy of any figures or estimates contained in the Offering Plan and do not warrant the amount of tax savings if the units receive partial tax exemption pursuant to Section 421-A.

Finally, based on information received from the Sponsor, the percentage of Common Interest among the

respective Units as set forth in Schedule A of the Offering Plan is in compliance with Real Property Law Section 339 (1) (ii).

It is our understanding that this letter will be made a part of the Offering Plan of The Olma Brighton Condominium.

Very truly yours,

Michael & Swerdloff, LLC

By: _____
Michael Michael

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO PART 20 OF TITLE 13 NYCRR SECTION 20.4 (b)

December 2, 2004

Department of Law
120 Broadway
New York, NY 10271

RE: THE OLMA BRIGHTON CONDOMINIUM
2925 BRIGHTON 8TH STREET, BROOKLYN, NEW YORK

Sir/Madame:

We are the Sponsor and the principals of Sponsor of the Condominium Offering Plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 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:

(1) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth, or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

Sponsor

OLMA BRIGHTON, LLC
By: Igor Shikhris

Principal
Title or Position

SPONSOR'S PRINCIPALS:

Igor Shikhris

Svetlana Shikhris

Sworn to before me this
2 day of December, 2004.

Notary Public

SCOT SIMON
Notary Public, State of New York
No. 02SI5044138
Qualified in New York County
Commission Expires May 22, 2007

Janiary, 11, 2005

State Of New York
Department of Law
120 Broadway
New York, New York 10271

RE: THE OLMA BRIGHTON CONDOMINIUM
2925 BRIGHTON 8TH STREET, BROOKLYN, NEW YORK
CERTIFICATION BY ENGINEER OR ARCHITECT
PURSUANT TO PART 20 OF TITLE 13 NYCRR SECTION 20.4 (c)

Sir/Madame:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction of the property (the "Report"). I examined the building plans and specifications that were prepared by David Silberman, P.E., dated June 2001, and prepared the Report dated February 3, 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 Professional Engineer registered in the State in which the property is located.

I understand that I am ~~are~~ responsible for complying with Article 23-A of the General Business Law and the regulation 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 the Report:

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

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the

description and/or physical condition of the property as it will exist upon completion of construction, provided that 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, 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.

1/13/05

David Silberman, P.E.

Sworn to before me this
13 day of January, 2005

Notary Public

SCOT SIMON
Notary Public, State of New York
No. 02SI5044138
Qualified in New York County
Commission Expires May 22, 2007

STATE OF NEW YORK
DAVID SILBERMAN
No. 059599
LICENSED PROFESSIONAL ENGINEER

BARNETT MALLER
CONDOMINIUM, CO-OP, AND CONSTRUCTION CONSULTANT
LICENSED REAL ESTATE BROKER
249-02 JERICHO TURNPIKE, BELLEROSE, N.Y. 11001-4003
TEL. 516-437-1224

September 9, 2004

New York State Department of Law
120 Broadway
New York, New York 10271

Re: THE OLMA BRIGHTON CONDOMINIUM
2925 BRIGHTON 8TH STREET, BROOKLYN, NEW YORK
CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET
PURSUANT TO PART 20 OF TITLE 13 NYCRR SECTION 20.4 (d)

Sir/Madame:

The Sponsor of the condominium offering plan for the captioned property retained me to review or prepare Schedules B and B-1 (the "Budget") containing projections of income and expenses for the first year of condominium operation. My experience in this field includes:

I have been actively involved in the construction and development of residential real estate for over 25 years and have built and developed more than 750 homes in Nassau, Suffolk and Queens Counties. For such projects, I handled all phases of the construction operation. I am past President of the Long Island Builders Institute, New York State Builders Association, Honorary Life Director of the National Association of Home Builders and Life Director of the Long Island Builders Institute.

I have been involved in condominium consulting work for sponsor/developers since June 1985. In addition to preparing certifications of budgets for submission to the New York State Department of Law, I have been actively involved in the day to day management as a consultant with the sponsors until such time as management was turned over to the unit owners.

Some of the condominiums with which I have been involved include Paerdegat Bay Condominium II, Brooklyn, N.Y., Flatlands Gardens Condominium, Brooklyn, N.Y., Canarsie Gardens Condominium, Brooklyn, N.Y., Bay Ridge Plaza Condominium, Brooklyn, N.Y., Dyker View Condominium, Brooklyn, N.Y., Forest Hills Royale Condominium, Queens, N.Y., Cambridge Gardens Condominium, Queens, N.Y. and Woodview Condominium, Staten Island, N.Y.

P-1

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 Schedules B and B-1.

I have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedules 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 Schedules:

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

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii)does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

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

(vii) 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 year of the condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

BARNETT MALLER

Sworn to before me
this 9 day of Sept, 2004

Notary Public

MICHAEL MICHAEL
NOTARY PUBLIC, State of New York
No. 02MI5026916
Qualified in Kings County
Commission Expires April 25, 2006