THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

CONDOMINIUM OFFERING PLAN

FOR

THE CROWN CONDOMINIUM

Located At

2132-2136 Second Avenue
New York, New York 10029

31 RESIDENTIAL UNITS *	$15,731,830.00
3 COMMERCIAL UNITS	NOT BEING OFFERED
1 PARKING UNIT	NOT BEING OFFERED

*One unit will be purchased by the Condominium for occupancy by the superintendent.

Name and Address of Sponsor:

KIRIN GROCERY, INC.
2132 Second Avenue
New York, New York 10029

Name and Address of Selling Agent:

WARBURG REALTY HARLEM LLC
2235 Frederick Douglas Boulevard
New York, New York 10027

Date of Acceptance for Filing: August 8, 2005.
This Offering Plan may not be used after August 7, 2006 unless extended by amendment.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

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

ALTHOUGH IT IS SPONSOR'S INTENTION TO SELL THE UNITS BEING OFFERED, BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR (SEE SPECIAL RISKS SECTION OF THE PLAN).

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

SECOND AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE CROWN CONDOMINIUM
2132-2136 SECOND AVENUE, NEW YORK, NEW YORK

This Amendment modifies and supplements the terms of the original Offering Plan filed on August 8, 2005, as previously amended, and should be read in conjunction therewith.

Plan Declared Effective

This Plan is hereby declared effective as Contracts of Sale for more than 5 Residential Units have been executed both by Purchasers and the Sponsor. The percentage of Residential Units used to declare this Plan effective is 23% (7/31) and a list of the 7 Residential Units being counted in such percentage is attached to the Sponsor's affidavit attached as Exhibit A.

No Other Material Changes

Except as set forth in this Amendment, there are no other material changes of fact or circumstances affecting the Property or the offering.

DATED: February 23, 2006
New York, New York

KIRIN GROCERY, INC.

SPONSOR

EXHIBIT A

AFFIDAVIT OF SPONSOR IN SUPPORT OF EFFECTIVENESS AMENDMENT

County of New York)
SS:
State of New York)

The undersigned, being duly sworn, deposes and says:

1. I am the President of Kirin Grocery, Inc., the Sponsor of the Condominium Offering Plan for The Crown Condominium, 2132-2136 Second Avenue, New York, New York 10029 (the "Plan).

2. The Plan was accepted for filing by the Office of the Attorney General on August 8, 2005.

3. All Purchasers who are counted for purposes of declaring the Plan effective:

(a) are bona fide Purchasers;

(b) are not purchasing as an accommodation to, or for the account or benefit of, the Sponsor or principals of the Sponsor; and

(c) have duly executed Contracts of Sale and have paid the down payment as required in the Plan or an amendment thereto.

4. There are no material changes to the budget for the first year's operation which have not been disclosed in a duly filed amendment to the Plan.

5. The Units being counted to meet the minimum percentage that is needed under the terms of the Plan to declare the Plan effective are set forth in Schedule A attached hereto.

6. No Purchaser counted for proposes of declaring the Plan effective is the Sponsor, Warburg Realty Harlem LLC (the "Selling Agent") or Mathew Adam Properties, Inc. (the "Managing Agent"), or is a principal of the Sponsor, the Selling Agent or the Managing Agent or is related to the Sponsor, the Selling Agent or the Managing Agent or any principal of the Sponsor, the Selling Agent or the Managing Agent by blood, marriage or adoption or as a business associate, or employee, a shareholder or a limited partner.

New York, New York
January 2, 2006

Yiang Jun Lin
President

Sworn to before me this 2ND
day of January, 2006.

Notary Public

JOSEPH LO
Notary Public, State of New York
No. 01LO6046715
Qualified in New York County
Commission Expires August 21, 2006

Schedule A

Units Being Counted Towards Effectiveness

Unit	Date of Contract of Sale
2C	11/03/05
3B	12/05/05
3C	10/25/05
3E	12/20/05
4C	10/14/05
4E	10/27/05
5C	10/17/05

FIRST AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
FOR
THE CROWN CONDOMINIUM
2132-2136 SECOND AVENUE, NEW YORK, NEW YORK

This Amendment modifies and supplements the terms of the original Offering Plan filed on August 8, 2005 and should be read in conjunction therewith.

Purchase Price Changes

The Purchase Price for each Residential Unit for which no Contract of Sale is in enforce and effect is changed to the Unit Price in Schedule A attached hereto.

Extension of Offering Plan

This Plan may be used for 12 months from the date this Amendment is accepted for filing. Thereafter, said period may be extended by a further amendment to this Plan.

No Other Material Changes

Except as set forth in this Amendment, there are no other material changes of fact or circumstances affecting the Property or the offering.

DATED: October 6, 2005
New York, New York

KIRIN GROCERY, INC.

SPONSOR

SCHEDULE A

OFFERING PRICES
AND
PROJECTED ANNUAL CHARGES FOR ONE YEAR PERIOD COMMENCING JANUARY 1, 2006

A	B	C		E	F		G		H		I		J	
Unit	No. of Bedrms Baths	Approx. Total Area (1)	1st Amendment Offering Price	% of Common Interest (4)	Projected Monthly Common Charge for First Year of Operation (5)	Projected Annual Common Charge for First Year of Operation (5)	Projected Monthly Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Annual Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Monthly Real Estate Taxes for First Year of Operation without 421(a) Benefits (6)	Projected Annual Real Estate Taxes Charge for First Year of Operation without 421(a) Benefits (6)	Projected Total Monthly Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Annual Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Monthly Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)	Projected Total Annual Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)
Residential Units														
2A	2/2	770	$487,025.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
3A	2/2	770	$508,200.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
4A	2/2	770	$529,375.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
5A	2/2	770	$550,550.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
6A	2/2	769	$570,982.50	2.76	$567.50	$6,809.96	$35.65	$427.80	$584.18	$7,010.12	$603.15	$7,237.75	$1,151.67	$13,820.08
7A	2/2	770	$592,900.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
2B	2/2	1,027	$677,820.00	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
3B	2/2	1,027	$706,062.50	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
4B	2/2	1,027	$734,305.00	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
5B	2/2	1,027	$762,547.50	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
6B	2/2	1,010	$777,700.00	3.63	$745.24	$8,942.92	$46.82	$561.79	$767.15	$9,205.78	$792.06	$9,504.71	$1,512.39	$18,148.70
7B	2/2	1,010	$805,475.00	3.63	$745.24	$8,942.92	$46.82	$561.79	$767.15	$9,205.78	$792.06	$9,504.71	$1,512.39	$18,148.70
2C	1/1	498	$273,900.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
3C	1/1	498	$287,595.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
4C	1/1	498	$301,290.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
5C	1/1	498	$314,985.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
6C	1/1	498	$328,680.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
7C	1/1	498	$342,375.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32

SCHEDULE A

OFFERING PRICES
AND
PROJECTED ANNUAL CHARGES FOR ONE YEAR PERIOD COMMENCING JANUARY 1, 2006

A	B	C		E	F		G		H		I		J	
Unit	No. of Bedrms Baths	Approx. Total Area (1)	1st Amendment Offering Price	% of Common Interest (4)	Projected Monthly Common Charge for First Year of Operation (5)	Projected Annual Common Charge for First Year of Operation (5)	Projected Monthly Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Annual Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Monthly Real Estate Taxes for First Year of Operation without 421(a) Benefits (6)	Projected Annual Real Estate Taxes Charge for First Year of Operation without 421(a) Benefits (6)	Projected Total Monthly Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Annual Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Monthly Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)	Projected Total Annual Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)
2D	2/2	737	$433,724.50	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
3D	2/2	737	$453,439.25	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
4D	2/2	737	$473,154.00	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
5D	2/2	737	$492,868.75	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
6D	2/2	737	$512,583.50	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
7D	2/2	737	$532,298.25	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
2E	1/1	584	$353,320.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
3E	1/1	584	$369,380.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
4E	1/1	584	$385,440.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
5E	1/1	584	$401,500.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
6E	1/1	584	$417,560.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
7E	1/1	584	$433,620.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
Duplex	3/4/T	2,849	$2,193,730.00	12.18	$2,501.42	$30,017.00	$157.14	$1,885.64	$2,574.94	$30,899.27	$2,658.55	$31,902.64	$5,076.36	$60,916.27
Residental Totals		**24,510**	**$17,004,386**	**90.03**	**$18,490.06**	**$221,880**	**$1,161.53**	**$13,938.36**	**$19,033.53**	**$228,402.33**	**$19,651.59**	**$235,819.10**	**$37,523.59**	**$450,283.07**
Commercial/ Parking Units -(7)														
1-Corner (Ground floor)		1,076		3.67	311.73	3,741	47.34	568.10	775.77	9,309.28	359.07	4,308.87	1,087.50	13,050.05
2-1st floor		355		1.68	142.46	1,710	21.64	259.62	354.53	4,254.32	164.10	1,969.15	496.99	5,963.85
2-cellar		549												
3-1st floor		936		3.92	333.36	4,000	50.63	607.52	829.60	9,955.17	383.99	4,607.83	1,162.96	13,955.47
3-cellar		861												
Parking		613		0.70	59.12	709	8.98	107.73	147.12	1,765.40	68.09	817.13	206.23	2,474.80
COMM/ PARKING TOTALS		**4,390**		**9.97**	**846.67**	**10,160**	**128.58**	**1,542.98**	**2,107.01**	**25,284.17**	**870.26**	**10,442.97**	**2,848.69**	**34,184.17**
TOTAL RESID/ COMM		**28,900**		**100.00**	**19,336.73**	**232,040**	**1,290.11**	**15,481.34**	**21,140.54**	**253,686.50**	**20,626.84**	**247,522.08**	**40,477.27**	**485,727.24**

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SPECIAL RISKS

1. Because the Sponsor is retaining the unconditional right to rent rather than sell Units, this Plan may not result in the creation of a condominium in which a majority of the Units are owned by owner-occupants or investors unrelated to the Sponsor.

2. Although the Sponsor intends to sell all of the Units being offered, the Sponsor is reserving the right to rent rather than sell Units. There are no limits on Sponsor's right to rent rather than sell under the terms of the construction loan for the Property. The Sponsor's right to rent rather than sell is in the Sponsor's sole discretion. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the fifteen (15) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.

3. The By-laws of the Condominium do not include a provision that after a certain period, a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Owner-occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

4. The Property is eligible for real estate tax benefits under Real Property Law Section 421-a. However the preliminary certificate of eligibility for such program has been applied for but has not yet been obtained from the New York City Department of Housing Preservation and Development. Accordingly, Purchasers will be purchasing with no guarantee of Sponsor obtaining such benefits. See section entitled "Real Estate Taxes".

5. In addition to paying the purchase prices of their Units, Purchasers will be responsible for paying certain closing adjustments and closing costs including the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax. See section entitled "Unit Closing Costs and Adjustments".

6. All Downpayments made by Purchasers will be deposited in a segregated special escrow account of Sponsor's attorney which account is covered by federal bank deposit insurance. A Downpayment in excess of $100,000 will not be federally insured in excess of $100,000.

7. No bond or other security has been posted to assure the Sponsor's obligations under this Plan. See section entitled "Rights and Obligations of the Sponsor".

8. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE CONTRACT OF SALE WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within twenty (20) days from the mailing date or fifteen (15) days after personal delivery of such written notice, the

Sponsor may (but shall not be obligated to) elect to cancel the Contract of Sale by notice of cancellation sent after the cure period has expired. Upon such cancellation, the Downpayment will be paid to the Sponsor as the agreed upon amount of damages for Purchaser's failure to close on the purchase.

9. There are no warranties which extend beyond the face of this Offering Plan. There is only a limited warranty granted in this Plan to the first Purchaser of a Residential Unit and to the Condominium Board. See section entitled "Rights and Obligations of the Sponsor."

10. The Commercial Units and Parking Unit may be used for any use permitted by the Zoning Resolution, subject to certain limitations contained in the Declaration against noxious, immoral or illegal uses. The Commercial Units may be used as restaurants and stores which sell food. A Commercial Unit Owner shall have the right to subdivide a Commercial Unit into two or more Commercial Units. A Parking Unit Owner shall have the right to subdivide the Parking Unit into two Parking Units

11. Until the first annual meeting of the Condominium, principals of the Sponsor will be the sole members of the Board of Managers. Accordingly, until such first annual meeting, the Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. The Sponsor and the Sponsor's principals and family members of principals intend to retain ownership of the Commercial Units and the Parking Unit, which together total 9.97% of the Common Interest, and the Duplex and two other Units which together total 18.58% of the Common Interest. A first annual meeting of the Condominium Unit Owners will be held within 30 days after the closing on Units which account for 35.78% of the Common Interests to bona fide Purchasers (which does not include Sponsor's principals or family members of principals) but in no event later than the second anniversary of the First Unit Closing. At such meeting, a six person Board will be elected which will consist of five representatives of the Residential Units and one representative of the Commercial and Parking Units. The Sponsor, principals of the Sponsor and relatives of principals will have the right to vote the Common Interest appurtenant to the Units owned by them.

12. No pets other than two dogs, two cats or one dog and one cat per Unit, caged birds and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall be permitted to be kept or harbored in any Unit unless the same in each instance be expressly permitted in writing by the Board. Any such consent, if given, shall be revocable at any time by the Board. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and the other Unit Owners and hold them harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having any animal in the Building.

The New York City Administrative Code, §27-2009.1, commonly known as the Pet Law, provides that: "Where a tenant in a multiple dwelling openly and notoriously for a period of three months or more following taking possession of a unit, harbors or has harbored a

household pet or pets, the harboring of which is not prohibited by the multiple dwelling law, the housing maintenance or the health codes of the city of New York or any other applicable law, and the owner or his or her agent has knowledge of this fact, and such owner fails within this three month period to commence a summary proceeding or action to enforce a lease provision shall be deemed waived." The Sponsor has been advised that the issue of whether the Pet Law applies to Condominium unit owners has not been litigated although several cases do apply the Pet Law to condominiums without specifically addressing this issue. There is an issue of applicability since the Pet Law expressly applies to tenants with leases. Condominium unit owners are not tenants and do not have leases. If the Pet Law is held to apply to Condominium unit owners, then the Condominium Board of Managers may not be able to prohibit the keeping of a pet by the Unit Owner if the pet is harbored for a period of three months or more with the knowledge of the Board of Managers or the managing agent.

13. The New York City Transit Authority ("TA") has an easement over a volume of space on the first and second floor of the Building on the Second Avenue side measuring 12'6" along Second Avenue (25'5" from the corner of the Building on Second Avenue) and 20' deep into the Building. The easement is to provide a means of ingress and egress should the Second Avenue subway line be constructed. The Sponsor's present understanding is that this space will be used by the TA as an emergency exit although the use of the easement is determined by the TA and not by the Sponsor. Construction in the easement area by the TA and the ultimate use of the space may result in noise and disruption.

14. The Property is located on the southeast corner of Second Avenue and 110th Street. Because of its proximity to the East River, it is in a designated flood zone area.

15. The area of each Unit is measured horizontally from the full width of the exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the center line of the interior (Unit) wall separating a Unit from corridors, stairs and other mechanical equipment spaces or any Common Elements or another Unit; or to the full width of the exterior walls. Since the total square feet shown in Schedule A for each Unit is not calculated from measurements from the interior surfaces of interior walls, the actual floor areas of the Units will be significantly less than the total square feet listed in Schedule A for each Unit.

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INTRODUCTION

The purpose of this Plan is to set forth all the material terms of the offer by the Sponsor. The Plan may be amended from time to time when an amendment is filed with the New York State Office of the Attorney General. Amendments will be served on all (1) Purchasers who have executed and delivered a Contract of Sale to the Sponsor or the Selling Agent and whose Contract of Sale is in effect; (2) Unit Owners; and (3) any other persons entitled to service pursuant to local law or regulation.

The Condominium is subject to and complies with Article 9B of the New York State Real Property Law which is commonly known as the New York State Condominium Act.

The Sponsor is Kirin Grocery, Inc., a New York business corporation. The Sponsor acquired the Property by Deed dated May 22, 1978.

This Plan offers 31 newly constructed Residential Units for sale at the prices set forth in Schedule A. The Sponsor is not offering the three Commercial Units and the Parking Unit unless this Plan is amended to include an offering price for such Units. The Building includes a courtyard, terrace and exercise room for use by all residents of the Building. There is a limited amount of storage space in enclosed areas in the cellar which space will be Limited Common Elements of the Residential Units and available for license to residents of the Building by the Condominium Board.

The Sponsor intends to sell the Units offered for sale in this Plan. The Sponsor represents that it will endeavor in good faith to sell Units rather than rent. If the Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor will be bound by Sponsor's representations regarding its commitment to sell Units unless this Plan is amended to provide otherwise. The construction loan does not require the Sponsor to market the Units for sale and does not include any minimum number or percentage of Units which must be under contract before this Plan can be declared effective. The construction loan does contain a minimum release price set by the lender or a required minimum release payment per sale which must be made to the lender in order for the lender to release its lien from the Unit being sold. The construction loan does not set any limits or requirements imposed by the lender for the Sponsor to rent rather than sell under specified market conditions. The Sponsor retains unconditional discretion to rent rather than sell Units.

Because the Sponsor is retaining the unconditional right to rent rather than sell Units, this Plan may not result in the creation of a condominium in which a majority of the Units are owned by owner-occupants or investors unrelated to the Sponsor.

In this Condominium, like most condominiums, each Purchaser owns fee title to his or her Unit outright and has an exclusive right to use such Unit. Common Elements are owned in common by all Unit Owners in accordance with their Percentage of Common

Interests and may be used by all Unit Owners. Limited Common Elements are owned in common by all Unit Owners in accordance with their Percentage of Common Interests but the use of Limited Common Elements is restricted to one or more Unit Owners if so stated in the Condominium Declaration.

Each Unit Owner must pay Common Charges in accordance with the Condominium Act, Real Property Law Section 339-i and 339-m, or other applicable State and local law.

Each Unit Owner is obligated to comply with the Condominium Declaration, the Condominium By-laws, rules and regulations of the Condominium and any other requirements of the Board of Managers.

In this Condominium, the Residential Units may only be used for residential purposes, including home occupation as permitted by the Zoning Resolution, the Commercial Units may be used for a variety of commercial uses including but not limited to retail stores, personal service establishments and offices, and the Parking Unit may be used for parking two cars. The Declaration also prohibits any noxious, immoral or illegal uses. There are no restrictions on resale, leasing or mortgaging except the Board of Mangers has the right of first refusal to purchase a Residential Condominium Unit.

The Board of Mangers manages the Condominium and the Unit Owners have the right to vote for members of the Board of Managers.

Each Condominium Unit will be separately taxed and may be separately mortgaged.

Each Unit Owner will be responsible for the maintenance and repair of his or her Condominium Unit and for casualty and liability insurance for his or her Unit and the contents thereof. The Board of Managers will be responsible for the maintenance and repair of the Common Elements and will obtain property insurance to cover the Building.

This Plan when delivered to all prospective purchasers will contain all the material terms of the offering. Copies of this Plan, all documents referred to in this Plan and all Exhibits submitted to the Office of the Attorney General in connection with the filing of this Plan will be available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the site (if there is a site sales office and whenever the office is open) and at the office of the Selling Agent or the Sponsor. No Contract of Sale will be accepted from any Purchaser who has not obtained a copy of this Plan. See the "Procedure to Purchase" section for further details.

A copy of this Plan may be borrowed upon payment of $100, which will be fully refunded upon return of the Plan in good condition or upon acceptance by the Sponsor of a Contract of Sale executed by the Purchaser.

The offering prices are not subject to approval by the Office of the Attorney General or any other governmental agency.

Units may be purchased by individuals over the age of eighteen, corporations,

partnerships, limited liability companies or limited liability partnerships, trusts or other entities authorized to own property in New York, except the Sponsor reserves the right not to sell to governmental entities or persons holding diplomatic immunity.

No contracts or agreements have been entered into and no deposits or advances of funds accepted as of the date this Plan is accepted for filing.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A CONTRACT OF SALE.

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DEFINITIONS

"Appurtenant Interests"	With respect to any Unit, the undivided interest of the Owner thereof in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.
"Assessments"	The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-laws).
"Board of Managers" or "Condominium Board"	The board of managers of the Condominium.
"Building"	The building located at 2132-2136 Second Avenue, New York, New York.
"Closing"	The time, place and procedure by which fee title to a Unit is conveyed to a Purchaser pursuant to a Contract of Sale.
"Closing Date"	The date on which a Closing occurs.
"Commercial Unit"	Any Unit designated as a Commercial Unit in the Declaration and all such Commercial Units are collectively referred to as the "Commercial Units."
"Commercial Unit Owners"	The owners of the Commercial Units.
"Common Charges"	Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.
"Common Elements"	All portions of the Property other than Units. Common Elements are comprised of General Common Elements and Limited Common Elements.

"Common Expenses"	All expenses of operation of the Property and all sums designated Common Expenses by or pursuant to provisions of the Declaration or By-laws.
"Common Interest"	The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as set forth in the Declaration.
"Condominium"	Means the The Crown Condominium.
"Condominium Act"	Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.
"Condominium Documents"	The Declaration and all Schedules thereto, the By-laws, the Rules and Regulations, the Floor Plans, form of Unit Deed and the form of Unit Owners Power of Attorney.
"Contract of Sale"	A contract between the Sponsor and a Purchaser to purchase the Condominium Unit.
"Declaration"	The instrument, as may be amended from time to time, by which the Property is submitted to the provisions of the New York State Condominium Act, consistent with the provisions of the New York Condominium Act and the By-laws.
"Downpayment"	The amount of ten percent (10%) of the purchase price for a Unit.
"Duplex Unit"	Means the Residential Unit on the eighth and ninth floors of the Building.
"First Unit Closing"	The first closing of title with a bona fide Purchaser of a Unit.
"Floor Plans"	The floor plans of the Units certified by a registered architect or licensed professional engineer, and filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.
"General Common Elements"	The Land and all parts of the Building, including its foundations, roofs and support, other than the Units and Limited Common Elements.

"Land"	All that certain tract, plot, piece and parcel of land situate, lying and being in the City of New York, New York, County, State of New York, as more particularly described in Schedule A to the Declaration.
"Law"	The laws and ordinances of any or all of the Federal, New York State, New York City, and New York County governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.
"Limited Common Elements"	Those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners, including but not limited to: ▪ the Duplex terraces are a Limited Common Element of the Duplex Unit; ▪ the lobby on the first floor, the common terrace on the eighth floor, the courtyard and the residential storage spaces, the community room, laundry and garbage rooms are Limited Common Elements of the Residential Units; ▪ the windows and exterior doors are a Limited Common Element of each Unit in which the Unit is located.
"Majority"	Majority of Unit Owners means more than 50 Percentage of Common Interest in the aggregate, as may be specified herein or in the Declaration or the By-laws with respect to any matter or matters. Any specified percentage of Unit Owners means such Percentage of Common Interest in the aggregate, as may be specified herein or in the Declaration or the By-laws with respect to any matter or matters.
"Managing Agent"	A person employed by the Condominium Board pursuant to Article II, Section 3 of the By-laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in such Section of the By-laws.

"Offering Plan"	The document filed with the New York State Department of Law which describes the condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time. Sometimes herein referred to as the "Plan."
"Operation of the Property"	The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.
"Parking Unit"	The Unit designated as a Parking Unit in the Declaration."
"Parking Unit Owners"	The owner of the Parking Unit.
"Power of Attorney"	The document, signed by Unit Owners, which appoints:(i)the Board of Managers as attorney-in-fact to acquire, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon together with the Appurtenant Interest and to deal with any such Units so acquired as they may determine, (ii) the Sponsor, as attorney-in-fact, to amend the Declaration, the By-laws, and the Rules and Regulations of the Condominium or any of said documents under certain conditions set forth in the Power of Attorney.
"Person"	A natural person, corporation, partnership, association, trustee or other legal entity.
"Property"	Means and includes the Land, the Building and all other improvements thereon, (i) owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.
"Purchaser"	Any Person who has entered into a Contract of Sale with the Sponsor to purchase any Unit and is not in default thereunder.
"Recording officer" and "Recording" or "Recorded"	Shall have the meanings stated in section two hundred ninety of the New York State Real Property Law.

"Residential Unit"	Any Unit designated as a Residential Unit in the Declaration, and all such Residential Units, are collectively referred to as the "Residential Units."
"Residential Unit Owner"	Any owner of a Residential Unit, and all such owners are, collectively, referred to as "Residential Unit Owner."
"Rules and Regulations"	The rules and regulations of the Condominium, which are annexed as an addendum to the By-laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-laws.
"Selling Agent"	Warburg Realty Harlem LLC
"Sponsor"	Kirin Grocery, Inc.
"Storage Licenses"	A license of a storage bin in the cellar residential storage space.
"Unit"	Any space in the Building designated as a Unit.
"Unit Owner"	The person or persons, or entity owning a Unit in fee simple absolute.
"Unsold Units"	Any Unit owned by the Sponsor or its designee at the time in question.

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DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The land consists of a parcel at the southeast corner formed by the intersection of East 110th Street and Second Avenue. The parcel is a rectangle, running south 75'-8" along Second Avenue, thence east 75'-0", thence north 50'-0", thence west 4', thence north 25'-8", thence west 74'-8". The Building will be nine stories above grade.

The Sponsor is constructing a new building consisting of three commercial spaces, a parking area for two cars and the residential lobby on the first floor, two commercial storage spaces (which are a part of two commercial spaces on the first floor) in part of the cellar floor, and 31 apartments, in accordance with all applicable zoning and Buildings laws. There are five apartments per floor on floors 2-7 and a duplex on floors 8 and 9. There are 12 one-bedroom apartments, 18 two-bedroom apartments and one-three bedroom apartment. The cellar also contains residential storage space, a community room, a laundry room, the superintendent's office and the mechanical and meter rooms.

Eight storage bins in the residential storage space will be licensed by the Condominium Board for a monthly fee. There are not enough storage bins for all Residential Unit Owners. The Sponsor is irrevocably authorized to license storage bins with the sale of Residential Units for an initial term of three years and a fee of $50 per month payable to the Condominium. Such fee will escalate by the same percentage as increases in Common Charges to Residential Unit Owners. Upon expiration of a storage license, the Residential Unit Owner who is the licensee will be entitled to renew such license for additional terms of three years each. Should the Residential Unit Owner no longer own and occupy a Residential Unit, or surrender the storage bin to the Board, the storage license will automatically terminate. Upon any termination of a storage license, the Board of Managers will enter into a new storage license with the Residential Unit Owner who is next on the waiting list for a storage bin. Storage bins may only be used by Residential Unit Owners. They are not available for use by tenants of Residential Units.

There is a courtyard and a terrace for use by all Residential Unit Owners. The Duplex Unit has terraces for the exclusive use of the Duplex Unit Owner.

The New York City Transit Authority ("TA") has an easement over a volume of space on the first and second floor of the Building on the Second Avenue side measuring 12'6" along Second Avenue (25'5" from the corner of the Building on Second Avenue) and 20' deep into the Building. The easement is to provide a means of ingress and egress should the Second Avenue subway line be constructed. The Sponsor's present understanding is that this space will be used by the TA as an emergency exit although the use of the easement is determined by the TA and not by the Sponsor. Construction in the easement area by the TA and the ultimate use of the space may result in noise and disruption. See section titled "Terms of Sale".

The building is serviced by one passenger elevator and an automatic sprinkler system.

Each Residential Units will be equipped with its own gas-fired hot water/heating/air

conditioning unit, a refrigerator, gas range, microwave, dishwasher and kitchen cabinets.

Each Unit will have a separate meters to measure gas and electricity consumption.

Construction is expected to be completed with a temporary certificate of occupancy expected to be issued in October, 2005.

LOCATION AND AREA INFORMATION

The Property is located on the southeast corner of Second Avenue and East 110th Street. Second Avenue is a 100' wide one-way (downtown) avenue. East 110th Street is a 60' wide one way street.

The Property is serviced by the Lexington Avenue No. 6 subway line which has a stop on 110th Street and Lexington Avenue, just two blocks west. The Second Avenue subway may be constructed in the future and is expected to have a stop at 106th Street and 116th Street and Second Avenue.

Immediately to the north and south of the Property, along Second Avenue, are low rise buildings with stores on the ground level and apartments above. Immediately to the west are low rise residential buildings. Immediately to the east are low rise residential buildings, a church and school and property used by Con Edison, to Sponsor's knowledge for parking and as offices. To Sponsor's knowledge, there are no uses presently in existence or proposed in adjacent or nearby buildings or land which a reasonable Purchaser should find obnoxious. Jefferson Park is located at 111th Street and First Avenue. The closest hospital is Mt. Sinai Hospital which is located between Madison and Fifth Avenues and 98th to 101st Streets. The Property is served by the New York City police, fire and sanitation departments and water is provided by the City of New York.

The Property is zoned R7-2 with a C1-5 overlay which permits residential use and the various commercial uses.

To the Sponsor's knowledge, there are no uses presently in existence or proposed in adjacent or nearby buildings or land which a reasonable Purchaser would find obnoxious.

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SCHEDULE A

OFFERING PRICES
AND
PROJECTED ANNUAL CHARGES FOR ONE YEAR PERIOD COMMENCING JANUARY 1, 2006

A	B	C	D	E	F		G		H		I		J	
Unit	No. of Bedrms Baths	Approx. Total Area (1)	Offering Price (3)	% of Common Interest (4)	Projected Monthly Common Charge for First Year of Operation (5)	Projected Annual Common Charge for First Year of Operation (5)	Projected Monthly Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Annual Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Monthly Real Estate Taxes for First Year of Operation without 421(a) Benefits (6)	Projected Annual Real Estate Taxes Charge for First Year of Operation without 421(a) Benefits (6)	Projected Total Monthly Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Annual Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Monthly Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)	Projected Total Annual Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)
Residential Units														
2A	2/2	770	$442,750.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
3A	2/2	770	$462,000.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
4A	2/2	770	$481,250.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
5A	2/2	770	$500,500.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
6A	2/2	769	$519,075.00	2.76	$567.50	$6,809.96	$35.65	$427.80	$584.18	$7,010.12	$603.15	$7,237.75	$1,151.67	$13,820.08
7A	2/2	770	$539,000.00	2.77	$568.89	$6,826.72	$35.74	$428.85	$585.61	$7,027.37	$604.63	$7,255.57	$1,154.51	$13,854.09
2B	2/2	1,027	$616,200.00	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
3B	2/2	1,027	$641,875.00	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
4B	2/2	1,027	$667,550.00	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
5B	2/2	1,027	$693,225.00	3.69	$758.51	$9,102.12	$47.65	$571.79	$780.80	$9,369.66	$806.16	$9,673.91	$1,539.32	$18,471.78
6B	2/2	1,010	$707,000.00	3.63	$745.24	$8,942.92	$46.82	$561.79	$767.15	$9,205.78	$792.06	$9,504.71	$1,512.39	$18,148.70
7B	2/2	1,010	$732,250.00	3.63	$745.24	$8,942.92	$46.82	$561.79	$767.15	$9,205.78	$792.06	$9,504.71	$1,512.39	$18,148.70
2C	1/1	498	$249,000.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
3C	1/1	498	$261,450.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
4C	1/1	498	$273,900.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
5C	1/1	498	$286,350.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
6C	1/1	498	$298,800.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32
7C	1/1	498	$311,250.00	1.79	$367.41	$4,408.86	$23.08	$276.96	$378.20	$4,538.45	$390.49	$4,685.83	$745.61	$8,947.32

OFFERING PRICES
AND
PROJECTED ANNUAL CHARGES FOR ONE YEAR PERIOD COMMENCING JANUARY 1, 2006

A	B	C	D	E	F		G		H		I		J	
Unit	No. of Bedrms Baths	Approx. Total Area (1)	Offering Price (3)	% of Common Interest (4)	Projected Monthly Common Charge for First Year of Operation (5)	Projected Annual Common Charge for First Year of Operation (5)	Projected Monthly Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Annual Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Monthly Real Estate Taxes for First Year of Operation without 421(a) Benefits (6)	Projected Annual Real Estate Taxes Charge for First Year of Operation without 421(a) Benefits (6)	Projected Total Monthly Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Annual Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Monthly Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)	Projected Total Annual Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)
Residential Units														
2D	2/2	737	$405,350.00	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
3D	2/2	737	$423,775.00	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
4D	2/2	737	$442,200.00	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
5D	2/2	737	$460,625.00	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
6D	2/2	737	$479,050.00	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
7D	2/2	737	$497,475.00	2.65	$543.78	$6,525.32	$34.16	$409.91	$559.76	$6,717.11	$577.94	$6,935.23	$1,103.54	$13,242.43
2E	1/1	584	$321,200.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
3E	1/1	584	$335,800.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
4E	1/1	584	$350,400.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
5E	1/1	584	$365,000.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
6E	1/1	584	$379,600.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
7E	1/1	584	$394,200.00	2.10	$430.84	$5,170.13	$27.07	$324.78	$443.51	$5,322.09	$457.91	$5,494.91	$874.35	$10,492.22
Duplex	3/4/T	2,849	$2,193,730.00	12.18	$2,501.42	$30,017.00	$157.14	$1,885.64	$2,574.94	$30,899.27	$2,658.55	$31,902.64	$5,076.36	$60,916.27
Residental Totals		**24,510**	**$15,731,830**	**90.03**	**$18,490.06**	**$221,880**	**$1,161.53**	**$13,938.36**	**$19,033.53**	**$228,402.33**	**$19,651.59**	**$235,819.10**	**$37,523.59**	**$450,283.07**

OFFERING PRICES
AND
PROJECTED ANNUAL CHARGES FOR ONE YEAR PERIOD COMMENCING JANUARY 1, 2006

A	B	C	D	E	F		G		H		I		J	
Unit	No. of Bedrms Baths	Approx. Total Area (1)	Offering Price (3)	% of Common Interest (4)	Projected Monthly Common Charge for First Year of Operation (5)	Projected Annual Common Charge for First Year of Operation (5)	Projected Monthly Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Annual Real Estate Taxes for First Year of Operation with 421(a) Benefits (6)	Projected Monthly Real Estate Taxes for First Year of Operation without 421(a) Benefits (6)	Projected Annual Real Estate Taxes Charge for First Year of Operation without 421(a) Benefits (6)	Projected Total Monthly Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Annual Carrying Charge for First Year of Operation with 421(a) Benefits (6) (F+G)	Projected Total Monthly Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)	Projected Total Annual Carrying Charge for First Year of Operation without 421(a) Benefits (6) (F+H)
Comm./ Parking Units -														
1-Corner (Ground floor)		1,076	N/A	3.67	311.73	3,741	47.34	568.10	775.77	9,309.28	359.07	4,308.87	1,087.50	13,050.05
2-1st floor		355	N/A	1.68	142.46	1,710	21.64	259.62	354.53	4,254.32	164.10	1,969.15	496.99	5,963.85
2-cellar		549												
3-1st floor		936	N/A	3.92	333.36	4,000	50.63	607.52	829.60	9,955.17	383.99	4,607.83	1,162.96	13,955.47
3-cellar		861												
Parking		613	N/A	0.70	59.12	709	8.98	107.73	147.12	1,765.40	68.09	817.13	206.23	2,474.80
COMM/ PARKING TOTALS		**4,390**		**9.97**	**846.67**	**10,160**	**128.58**	**1,542.98**	**2,107.01**	**25,284.17**	**870.26**	**10,442.97**	**2,848.69**	**34,184.17**
TOTAL RESID/ COMM		**28,900**	**N/A**	**100.00**	**19,336.73**	**232,040**	**1,290.11**	**15,481.34**	**21,140.54**	**253,686.50**	**20,626.84**	**247,522.08**	**40,477.27**	**485,727.24**

NOTES TO SCHEDULE A

(1) Floor plans are included in PART II of this Plan. Any floor plan or sketch of a Unit which contains linear or square feet in this Plan or shown to a prospective purchaser is only an approximation of the projected area and layout of the Unit. However, any material change will be set forth in an amendment to the Plan, and no material adverse change will be made in the size, configuration, or layout of a Unit for which a Contract of Sale which has been countersigned by the Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property, in the Sponsor's sole discretion, and in such event, the Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the affected Purchaser(s) the right, for at least fifteen days, to rescind their Contract of Sale and receive a refund of their Downpayments, together with all interest earned thereon.

The area of each Unit is measured horizontally from the full width of the exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the center line of the interior (Unit) wall separating a Unit from corridors, stairs and other mechanical equipment spaces or any Common Elements or another Unit; or to the full width of the exterior walls. The total square feet shown for each Unit is less than the actual usable square feet in a Unit.

(2) The Duplex Unit Owner will have the exclusive use of the Duplex terraces, approximately 1,714 square feet on the eighth floor and 451 square feet on the ninth floor, which will be Limited Common Elements appurtenant to the Duplex Unit. Terrace space has been counted at one-quarter of the square footage for purposes of computing percentage of Common Interests.

(3) The Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Contracts of Sale; therefore, Purchasers may pay different prices for similar Units. Prices and other terms are negotiable. See "Changes in Prices and Units" for further discussion. In addition to paying the purchase prices of their Units, Purchasers will be responsible for paying certain closing adjustments and closing costs including the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax (see "Unit Closing Costs and Adjustments" for further discussion).

(4) The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act, based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common

Elements for exclusive or shared use and the overall dimensions of the particular Unit. In applying this methodology, the Common Interest of the Parking Unit has been determined at one-third of the square footage and the Common Interest of storage space in the cellar for the Commercial Units has been determined at one-quarter of the square footage.

(5) These projections are described in detail in "Projected Budget for First Year of Condominium Operation - Schedule B." The projections are based on the assumption that the first year of Condominium operation will be from July 1, 2005 to June 30, 2006. The actual first year of operation may be earlier or later. In the event the actual or anticipated commencement date of the first year of Condominium operation is to be delayed by six months or more, the Sponsor will amend the Plan to include a revised budget with current projections.

Common Charges for Residential Units include cost of heating and hot water for the Residential Limited Common Element. In addition to the payment of Common Charges, each Unit Owner will incur additional expenses for:

(a) payments under any loan or loans obtained to finance the purchase or which are secured by a mortgage on the Unit;

(b) the cost of gas supplied to the Unit, which includes the gas necessary for the heating and hot water for the Unit, which will be separately metered by and paid directly to the utility company (see Schedule B-1);

(c) the cost of electricity supplied to the Unit, which includes the electricity necessary for the air conditioning, which will be separately metered by and paid directly to the utility company (see Schedule B-1);

(d) the cost of maintaining, repairing and replacing the heating/hot water/air conditioning units servicing the Unit;

(e) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit, including, without limitation, the equipment and appliances contained in the same, and any appurtenant Limited Common Elements;

(f) the cost of any insurance that the Unit Owner may desire to carry covering the furniture, belongings, equipment and other personal property in the Unit, as well as his or her liability to others for personal injury or property damage as a result of occurrences in the Unit;

(g) telephone, cable television and telecommunication charges; and

(h) real estate taxes (see footnote 6 below).

(6) After the Property is divided into separate tax lots and separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. The Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the nonpayment of taxes of other Units.

The projection of real estate taxes that will be payable for each of the Residential Units during the first year of Condominium ownership as a result of 421-a benefits being applied is based upon an estimate that the aggregate real estate taxes for the Condominium for such first year will be approximately $15,480.98. This is an estimate made by Sheldon Lobel, P.C., the Sponsor's special real estate tax attorney. Such estimate is based on assumptions that the first twelve months of Condominium operation, July 1, 2005 – June 30, 2006, is the first year after completion of construction, the residential (Class 2) tax rate in effect during such period being at the rate of $12.52 per $100 assessed value, the assessed value being $123,650, which is the pre-construction assessed value and that the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the Percentage of Common Interest. No projection of real estate taxes has been included for the Commercial Units and the Parking Unit since these Units are not being offered for sale. The Commercial Units and the Parking Unit will not be offered for sale until the Offering Plan is amended to include an offering price and the projected real estate taxes for such Units, by which time the Commercial Units and the Parking Unit should have an actual assessed value.

No warranty, guaranty or assurance is given that any of these assumptions are correct.

In the event 421-a benefits are not secured, Sheldon Lobel, P.C. has estimated that the Property will be assessed at $2,026,250 based on the assessed value of the Property prior to construction being $123,650 and assuming an approximate assessed value increase due to construction of $1,902,600. Assuming a tax rate of 12.52%, the real property taxes would be $253,686.50 if the 421-a tax benefits were not applied.

Until the Units are separately assessed, each Unit Owner, including the owner of the Commercial Unit and the Parking Unit, will pay to the Board their Unit's pro rata share of the Property's real estate taxes for the period in question based upon Common Interest or directly to the Sponsor if the Sponsor has paid such real estate taxes or escrowed funds with the Board of Managers to pay such taxes. The Board will pay such real estate taxes to the Department of Finance of The City of New York If any Unit Owner fails to pay his pro rata share, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such unpaid share were Common Charges. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

See section of the Plan entitled "Real Estate Taxes" and the opinion of Sheldon Lobel, P.C. for further discussion regarding real estate taxes.

In the opinion of Manatt, Phelps & Phillips, LLP, counsel to the Sponsor, the tax laws existing on the date of this Plan in general permit a Residential Unit Owner who itemizes his deductions to deduct from income for the purposes of Federal, New York State and New York City income taxes, any real estates taxes actually paid by such Unit Owner with respect to his Unit and interest on the Unit Owner's mortgage. However, the amount of such deductions may vary from year to year due to changes in the interest rate on the Unit Owner's mortgage, if any, or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in the amount of the real estate taxes payable by the Unit Owner (which might result from changes in the assessed valuation of the Unit, in the tax rate and/or in the manner of assessing real property). See "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" and "Counsel's Income Tax Opinion" for further discussion.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATIONS BEGINNING JANUARY 1, 2006 (1)

Projected Income

Common Charges	
Commercial/Parking Units	$10,160
Residential	221,880
Laundry	- 0 -
Storage license fee	- 0 -
Total Projected Income (2)	$232,040

Projected Expenses	Residential	Commercial /Parking	TOTAL
Labor (3)	$83,156	$1,524	$84,680
Common Area Hot Water (Gas) (4)	719	40	759
Common Area Heating and Cooling and Other Electric Charges (5)	22,118	87	22,205
Water Charges & Sewer Rent (6)	10,341	673	11,014
Repairs, Maintenance and Supplies (7)	9,000	1,000	10,000
Service Contracts for elevator, plumbing, exterminator (8)	15,630	770	16,400
Insurance (9)	21,015	2,335	23,350
Management Fee (10)	16,200	1,800	18,000
Legal & Audit Fees (11)	6,750	750	7,500
Superintendent's Unit (12)	31,540	580	32,120
Miscellaneous (13)	1,800	200	2,000
Contingency (14)	3,611	401	4,012
Total Projected Expenses	$221,880	$10,160	$232,040

The Sponsor represents that the Common Charges payable by the Commercial and Parking Unit Owners will be sufficient to cover the expenses fairly attributable to those Units. The By-laws authorize the Board of Managers to specially allocate or apportion specific expense items based on such expenses exclusively or to a greater extent benefiting particular Units. In the event the representative on the Board of Managers of the Commercial Unit Owners and Parking Unit Owners do not agree on the allocation of these costs with the majority of the managers representing the Residential Unit Owners, then same will be submitted to arbitration at the cost of the Condominium.

NOTES TO SCHEDULE B

(1) Amounts are projected on the assumption that the first twelve months of Condominium operation will be from January 1, 2006 to December 31, 2006. The actual first year of Condominium operation may be earlier or later than that year. In the event the actual or anticipated commencement date of the first year of Condominium operation is to be delayed by six months or more, the Sponsor will amend the Plan to include a revised budget with amended projections. If such amended projections exceed these projections by 25% or more, the Sponsor will offer all purchasers the right to rescind within 15-days after the date of presentation of the amendment setting forth the revised budget. The Sponsor shall return any deposit or down payment to purchasers who rescind within such 15-day period. The Sponsor shall not declare this Plan effective when there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to this Plan.

(2) **Total Projected Income – $232,040**

This is the amount of the total Common Charges to be assessed against and collected from the Residential Units ($221,880), Commercial and Parking Units ($10,160) and from laundry income ($1,200) during the first year of Condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Generally, Common Expenses have been allocated among the Units on the basis of Percentage of Common Interest. Where the allocation of Common Expenses is not based on Percentage of Common Interest or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes.

The Sponsor has received proposals from two (2) laundry concessionaires which proposals are currently under consideration. The Sponsor projects income of $1,200 per year from the Laundry Room based upon 3 washing machines and 2 dryers. However no income has been estimated for budget purposes from the laundry. Any income from the laundry will supplement the Common Charges from the Residential Units.

No income has been estimated for budget purposes for storage income. The storage area will be a Residential Limited Common Element and the income will be determined by the Board of Managers of the Condominium. Any income from the storage area will supplement the Common Charges from the Residential Units.

(3) **Labor – $84,600**

Residential Units	$83,156
Commercial/ParkingUnits	1,524
Total	**$84,680**

The Building staff will consist of a full-time superintendent (40 hours) and one part-time porter (16 hours per week).The amounts for labor are predicated on a non-union building. The base wages for each position to be employed by the Condominium are projected as follows:

Wages

Superintendent @$20 per hour	$ 41,600
Porter @$15 per hour	$ 12,480

Taxes

FICA, employer share	4,100	
Health Insurance	20,400	
Unemployment Insurance	2,500	
NYS Disability/Work Comp	3,600	
Total taxes		$30,600
Total		$84,680

Health Insurance: HMO Family Coverage will be provided for the superintendent at $1,700 per month. (Although there is an initial three month waiting period, a full 12 months of premiums have been included under Health Insurance.

The superintendent will clean and maintain the sidewalks in front of the Building and cellar spaces which are General Common Elements and deal with contractors for repairs to General Common Elements, such as the roof, exterior walls, foundations, incoming water and sewer lines, etc. Of the total of 56 hours per week to be covered by the superintendent and part time porter, it is estimated that the work involving General Common Elements will not be more than 10 hours each week (18% of total time) and the remaining time will be devoted to cleaning, maintaining and repairing Residential Limited Common Elements such as hallways, stairs, lobby, elevator, laundry room, community room and storage area. The porter will cover for the superintendent on weekends. Of the total cost of $84,680 projected for Labor, $83,156 ($84,680 x .82 plus $84,680 x .18 x .90) is

allocated to the Residential Units, and $1,524 to the Commercial/Parking Units ($84,680 x .18 x 10%).

The above allocation is based upon ordinary operations. In the event major capital improvements are needed, the Board of Managers will determine any change needed in the allocation.

At the end of each year of Condominium Operation, the Board of Managers may use a different formula for determining these costs based upon the previous years' experience, but in no event more than once every three years. In the event the representative on the Board of Mangers of the Commercial Unit Owners and Parking Unit Owners do not agree on the allocation of these costs with the majority of the managers representing the Residential Unit Owners, then same will be submitted to arbitration at the cost of the Condominium.

All wages meet State and Federal minimum wage laws. Such level of staffing complies with all applicable housing labor laws.

No warranty is given that the actual wages and related payroll taxes and benefits during the first year of Condominium Operation will not exceed the budgeted amounts. However, the projected expenses for wages are based on current wage rates and payroll tax rates, adjusted for reasonably anticipated increases.

4. **Common Area Hot Water - $759**

Residential Units	$ 719
Commercial/Parking Units	40
Total	**$ 759**

Each Residential Unit and Commercial/Parking Unit will have a separate heating and hot water system and will be billed directly by the utility company, therefore, the cost of heating the Residential Units and the Commercial/Parking Units are not included in this Budget cost. See Schedule B-1 for costs of heating and hot water for each Unit. The budgeted amount is the cost of gas for a gas-fired heater which will generate hot water in the laundry room and the sink in the half-bath in the exercise room.

The projected cost of one (1) Therm of gas, including taxes and adjustments, is $1.20 per Therm. The projected use is .6 Therm for 1 hour each day for 365 days for hot water for the sink in the exercise room half-bath for a total of $264/year. Of this amount, Matthew Adams has estimated a 5% or $40 direct cost allocation to the Commercial/Parking Units for annual hot water expense for use by the employees of the Building who perform duties regarding the General Common

Elements. This estimate is based upon Matthew Adams' experience in the management of mixed-use condominium buildings.

The cost of hot water for the washing machines (3 machines) is based upon 6,600 gallons/year (2 gallons of hot water per cycle with 90 degree F. rise) or 62 Therms at $1.20/Therm or $75/year. The estimated cost for the dryers is based upon a 3,300 annual cycle at 30 minutes for each cycle is .125 Therms/cycle at $1.20/Therm is $495/year.

Any increase of washing machines or dryers in the Laundry Room will result in increased expenses.

The estimated consumption of gas was projected by Kam Chiu Associates, Inc., Consulting Engineers, 2073 East 22nd Street, Brooklyn, New York 11229, per letter dated June 8, 2005. It is impossible to predict whether the budgeted figure will reflect the actual cost of operation for the first year of Condominium operation. This cost will vary with both the level of consumption and the rate charged by the utility company. It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of gas during the first year of Condominium operation. However, no budget item is warranted.

5. **Common Area Heating, Cooling and Other Electric Charges – $22,205**

Residential Units	$22,118
Commercial/Parking Units	87
Total	**$22,205**

This amount is the estimate for electricity consumed by the common areas, which includes power for lighting, exhaust fans, air conditioning for common areas, electric heater for the residential lobby and the second floor slab, elevators, washer/dryers, pumps and other building equipment. The consumption will be measured by a house meter.

Only the projected consumption of the sewer ejector pump (1,130 KWH) and the domestic circulating pump (3,920 KWH) for a total of 5,050 KWH or a total cost of $870 has been allocated to all Units in accordance with their Common Interests, resulting in $783 to the Residential Unit Owners and $87 to the Commercial/Parking Unit Owners.

The estimated annual consumptions were calculated based on projections made by Kam Chiu Associates, Inc., Consulting Engineers, 2073 East 22nd Street, Brooklyn, New York 11229, per letter dated June 8, 2005.

If in the future there is disagreement between the Residential Unit Owners and the Commercial/Parking Unit Owners as to the consumption allocation, then the Condominium Board shall cause an engineer to be engaged to determine the

appropriate allocations and consumption. If there is further disagreement, the matter will be subject to arbitration.

The electric consumption for the Residential Units and Commercial Units will be separately metered. See Schedule B-1.

It is not possible to predict with certainty whether the estimated figures will reflect the actual cost. The actual cost for electricity will vary depending upon various factors, including the amount of consumption, severity of the weather, conservation measures, if any, adopted by the Board, the rates of utility company (which fluctuate periodically), and the possibility of changes in the method of calculating charges by the utility company.

(6) **Water Charges and Sewer Rents – $11,014**

	Water	Sewer	Common Water and Sewer	Total
Residential Units	$3,958	$6,293	$90	$10,341
Commercial/Parking Units	258	405	10	673
Total	**$4,252**	**$6,760**	**$100**	**$11,014**

The budgeted amount is a projection of the water charges and sewer rents that will be payable with respect to the Building. The Building will be charged on a common meter for water. The budgeted amount is based on the estimate and projections of consumption by Kam Chiu Associates, Inc., Consulting Engineers, 2073 East 22nd Street, Brooklyn, New York 11229, per letter dated June 8, 2005.

The Commercial Unit will be submetered for water usage if the water usage is for other than ordinary bathroom use. The Parking Unit will be submetered for water usage if the Parking Unit is converted to a Commercial Unit and the usage is for other than ordinary bathroom use. If submetered, the Commercial/Parking Unit Owners will pay for water and sewer consumption based on the actual consumption and the Residential Unit Owners will pay the unmetered charges based on their pro rata share of Common Interests of all Residential Units.

Building Water Consumption and Sewer Rent for Residential Units:

1. Estimated water consumption is estimated at 216 gallons/day for each apartment.

2. Estimated annual water consumption is 31 apartments at 216 gallons/day/apartment for 365 days/year or 2,444,040 gallons/year.

3. Estimated cost is computed: 2,444,040 gallons/year x 1/7.41 cu. ft/gallon x $1.20/100 cu. ft = $3,958/year

4. Sewer charges are metered at 159% of water charges or $6,293.

These amounts will be charged to all Residential Units.

Building Water Consumption and Sewer Rent for Three Commercial Units:

1. Estimated water consumption is estimated at 432 gallons/day for retail use (ordinary bathroom use).

2. Estimated annual water consumption at 432 gallons/day/retail for 365 days/year or 157,680 gallons/year.

3. Estimated cost is 157,680 gallons/year x 1/7.41 cu. ft x 1.20/100 cu. ft = $255.

4. Sewer charges are metered at 159% of water charges or $405.

These amounts will be charged to all Commercial/Parking Units.

If any portion of the Commercial Unit is used to serve food and requires water for dishwashing and a bathroom for customer use, then such portion of the Commercial Unit will be required to be submetered or a consultant will be obtained at such Commercial Unit Owner's cost to determine the amount of the water charge fairly attributable for such uses.

Building Water Consumption and Sewer Rent for the General Common Elements:

1. Estimated water consumption is at 65 gallons/day for the sink and water closet located in the exercise room which will also service the employees.

2. Estimated annual water consumption at 65/gallons/day for 365 days/year or 23,725 gallons/year.

3. Estimated cost 23,725 gallons/year x 1/7.41 cu. ft/gallon x 1.20/100 cu, ft = $39/year.

4. Sewer charges are metered at 159% of water charges. Estimated cost is $39 x 1.59 = $62/year.

This budget amount has been charged to the Residential Units at $90 ($100 x 90.0%); and at $10(rounded) to the Commercial/Parking Units ($100 x 10.0%) and will be charged to all Units prorated based upon their Percentage Interest in the Common Elements for these amounts estimated.

It is believed that the budgeted amount should be sufficient to cover any reasonable increase in the cost of water and sewer during the first year of Condominium operation. However, no budget item is warranted.

(7) **Repairs & Maintenance Supplies – $10,000**

Residential Units	$9,000
Commercial/Parking Units	1,000
Total	**$10,000**

This amount is the estimated cost for ordinary maintenance and minor repairs of the Residential Limited Common Elements and General Common Elements: including roofing, exterior repairs, heating plumbing and electrical work on equipment serving common areas, landscaping, touch-up painting, snow removal supplies and other supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish bags, etc. used in connection with the operation of the common areas. The estimate does not include the cost of maintenance provided under service contracts.

The figure is based on the cost of maintenance in comparable Buildings. Each Residential Unit Owner will be responsible for the cost of interior maintenance, repairs, painting, etc. of their respective Unit and for the cost of maintaining and repairing the Limited Common Elements appurtenant to their Unit. During the first year of condominium operation, the purchase of small equipment will be necessary, including, but not limited to, a vacuum cleaner, snow blower, wet-vac machine and various power tools for use by the Building's staff. The cost of this equipment will be paid for from this budget category, from Miscellaneous and from the Working Capital Fund, to the extent necessary.

(8) **Service Contracts - $16,400**

Residential Units	$15,630
Commercial/Parking Units	770
Total	**$16,400**

It should be noted that no service contracts have been entered into as of the date of the Plan. However, it is anticipated that the following service contracts will be entered into for services over the first year of Condominium operation:

(a) Maintenance contract to clean the main sewer every six months, clean the house trap, house drain and street drain line; perform annual boiler inspection as required by the Department of Buildings; perform annual back-flow prevention test as required by the Department of Environmental Protection; hold certificate of fitness to maintain sprinkler system on monthly basis and maintain inspection report at a $6,000 annual fee, including sales tax.

(b) Service contract for maintenance services and required annual test for the elevator at a $7,000 annual fee, including sales tax.

(c) Exterminator contract for bimonthly treatments at a $3,400 annual fee, including sales tax.

A fee for the projected management agreement is included separately in this budget.

50% of the estimated cost of the exterminating contract or $1,700; and, the total amount for the maintenance contract for standpipe, sprinkler, sewer, and boiler inspection, etc., of $6,000, is fairly attributable to the General Common Expenses and is charged and apportioned to the all Residential Units and Commercial/Parking Units in accordance with their Common Interests. The elevator contract is charged solely to the Residential Unit Owners.

Therefore, the amount charged to the Commercial/Parking Units is $770 ($7,700 x 10.0%) and the balance of $15,630 is charged to the Residential Unit Owners.

However, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

(9) **Insurance – $23,350**

Residential Units	$21,015
Commercial/Parking Units	2,335
Total	**$23,350**

The insurance premiums are based on an estimate by Owens Group, 619 Palisade Avenue, Englewood Cliffs, NJ 07632 based on the following coverages:

Coverage and Perils	***Estimated Amount***
PROPERTY INSURANCE	
Building: At replacement cost Deductible $1,000	$4,885,114
Earthquake: $1,000,000 Deductible: $ 25,000	
Flood: $1,000,000 Deductible: $ 25,000	
Business Income/Extra Expense: $297,520	
LIABILITY INSURANCE	
Commercial General Liability:	$1,000,000/Occurrence $2,000,000/General Aggregate

Coverage and Perils	***Estimated Amount***
Non-Owned Automobile	$1,000,000
Personal & Advertising Injury	$1,000.000
Water Damage Legal Liability	$Included
Premium (incl. Garage Keepers)	$17,600
UMBRELLA LIABILITY	$100,000,000/Occ/Agg
Premium	$2,500
DIRECTORS & OFFICERS LIABILITY	$1,000,000
Deductible (Retention .1%)	$2,500
Premium:	$2,500
Boiler & Machinery (Deduct. $1,000)	Bldg Limit/
Premium	$1,250

Note: The amount of building insurance is on an agreed amount replacement cost basis.

The premiums for these various coverages is estimated based on rates in effect in June 2005. This premium also assumes the construction of the Building is complete and there is a clean inspection report. Because conditions in the insurance marketplace are highly volatile, it is not possible to predict what the premiums will be for the first year of Condominium operation. The amount of replacement cost insurance is based on the projected actual hard costs to replace and rebuild the building in the event of total loss and avoids the Unit Owners being a co-insurer in the event of partial loss of the building (but not necessarily for Unit Improvements).

No warranty is made that such amount is sufficient to obtain any or all of such coverages.

The Sponsor will procure, on behalf of the Board, on or before the date of the First Closing, the general liability insurance required to be carried by the Condominium.

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

Insurance expenses have been allocated to the Residential Units and the Commercial/Parking Units in accordance with the Common Interests.

This coverage does not include claims for personal injury or property damage resulting from occurrences in Units, nor does it include coverage of the furniture or personal property of Unit Owners. It is recommended that Unit Owners obtain additional liability and casualty insurance at their own cost to cover such risks.

(10) **Management Fee - $18,000**

Residential Units	$ 16,200
Commercial/Parking Units	1,800
Total	**$ 18,000**

There is no management agreement in place as of the date of the plan. The Budget amount is based upon a proposal and management agreement submitted by Matthew Adam Properties. The Management Agreement, when executed, will be for a two year term at no increase. This amount is within market standards for Condominium Buildings of similar size and type located within Manhattan. $16,200 ($18,000 x 90.0%) has been allocated to all Residential Units and $1,800 ($4,800 x 10.0%) has been allocated to the Commercial/Parking Units.

See "Management Agreement" in Part I for further discussion of the terms of the Management Agreement.

(11) **Legal & Audit Fees - $7,500**

Residential Units	$ 6,750
Commercial/Parking Units	750
Total	**$ 7,500**

This expense involves the auditing fees associated with preparation of the Condominium's first year certified financial statements, as well as an allowance for possible miscellaneous legal services, including the cost of administrative expenses for filing real estate tax certiorari proceedings (as legal expenses for such proceedings are usually on a contingency basis. This amount does not cover extraordinary legal costs such as for litigation.

The accounting fee has been estimated at a total first year annual cost of $6,000 based upon a proposal received from Hong & Ruchelsman, Certified Public Accountants, 350 Fifth Avenue, Suite 3106, New York, New York, 10118 estimating an annual fee for the audit and related Federal, state, and city tax returns.

Legal and accounting expenses have been allocated to all Residential Units at $6,750 ($7,500, x 90%) and to the Commercial/Parking Units at $750 ($7,500 x 10%), which is their respective Percentage Interest in the Common Elements for these estimated amounts.

(12) **Superintendent's Unit 2E - $32,120**

On or after the First Unit Closing, the Board of Managers will purchase the Superintendent's Unit on behalf of all of the Residential Unit Owners for a purchase price of $321,200, together with closing costs as described in the Section of the Plan titled "Unit Closing Costs and Adjustments." (The closing costs are estimated at $16,000, approximately 5% of the Purchase Price.) The purchase price and the closing costs are referred to collectively in this Section as the "Purchase Price." The Purchase Price shall be payable by the Board of Managers on behalf of all of the Unit Owners as a Common Expense. The Sponsor will itself finance, or arrange for one or more institutional lenders to finance (either independently or together with the Sponsor), 100% of the Purchase Price. (Sponsor and/or such institutional lender(s) are sometimes hereinafter called the "Lender.") The Board of Managers will give the Lender one or more purchase money notes for the Purchase Price of the Unit and one or more mortgages on the Unit to secure repayment of the note(s). The note(s) and mortgage(s) are hereinafter sometimes collectively called the "Mortgage."

Based on the projected interest rate of 6% and a 30-year amortization, the Mortgage will provide for consecutive equal monthly payments totaling approximately $2,026.48 on the first day of each month commencing with the first month after the closing date of the Purchase, except that if the closing occurs other than on the first day of the month, the first payment will consist of interest only based on the number of days remaining in the month. The regular monthly payments will be applied first to interest and the balance to reduce principal.

The budgeted amount consists of estimated monthly mortgage payments of $2,026.48 ($24,320 per year), estimated annual common charges of $ 520/month or $6,240 per year, estimated annual real estate taxes of $325, and $1,236 for the estimated cost of electricity for a total of $32,120.

The budgeted amount has been allocated to the Residential Unit Owners and the Commercial/Parking Unit Owners in the same proportions as the Labor Costs: Residential Unit Owners ($32,120 x .52 plus $32,120 x .18 x .90 = $31,540.) Commercial Unit Owners: ($32,120 x .18 x .10 = 580.

Subject to adjustment due to changes in the mortgage recording tax, realty transfer taxes and other closing costs payable by the purchaser, the Mortgage will contain terms and conditions substantially as follows:

Amount Financed:	Approximately $340,000.
Annual Interest:	6% per annum.
Installment Payments:	Consecutive equal monthly payments of interest and principal of approximately $2,026.48 each, which is

	n amount calculated to fully amortize the loan over a period of 30 years with interest at 6% per year.
Maturity Date:	10 years after the First Unit Closing.
Balloon Payment:	$283,000 (plus any accrued and unpaid interest due 10 years after the closing date.
Prepayment:	The loan may be prepaid in full or in part on the first day of a month, upon giving not less than 15 days' prior written notice of intention to prepay, without premium or penalty, but with interest accrued to the date of the prepayment on the amount prepaid.
Security:	First mortgage lien on the Superintendent's Unit.
Due on Sale:	The unpaid principal and accrued interest will be immediately due, at the option of Sponsor, in the event that the Unit is sold, transferred or further mortgaged.
Late Charge:	If any installment remains unpaid for more than ten days from its due date, an administrative fee of $100, interest at the rate of 10% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts computed from the due date thereof, together with any attorneys' fees and expenses incurred for the cost of collection.
Escrow:	The Board of Managers will be required to escrow amounts deemed sufficient to pay the real estate taxed and similar impositions on the Superintendent's Unit at least one month prior to their respective due dates. No interest will be paid on the escrow deposits except as may be required by law.
Grace Period:	5 days after the due date to pay any installments of interest, principal, or other sum under the Mortgage and 30 days after notice for any non-monetary default under the Mortgage.

Any Mortgage given by an institutional lender may provide for an interest rate, monthly payment schedule and/or maturity date other than as described above, but

such terms will not be materially less favorable to the Board of Managers than those described above. However, other terms of the Mortgage (such as prepayment rights and penalties, escrow requirements, late charges and restrictions on financing) may differ in respects materially less favorable to the Board of Managers than those described above, but will reflect the prevailing terms then being offered by the institutional lender on fixed-rate condominium loans.

It is anticipated that at the maturity date of the Mortgage for the Superintendent's Unit, the Board of Managers will need to refinance the unpaid principal balance of $283,000 that will then be due with a Lender other than Sponsor. The Sponsor makes no representation that the Board of Managers will be able to refinance the Mortgage. If Board of Managers is unwilling or unable to refinance, then each Residential Unit Owner will be required to pay his or her pro rata share of the unpaid balance then due, which pro rata share will be based upon his Contributing Share of the Residential Common Expenses. The Sponsor has not agreed to refinance the Mortgage on its maturity date.

IF THE BOARD OF MANAGERS DEFAULTS UNDER THE MORTGAGE, THE HOLDER OF SAME MAY FORECLOSE ON THE SUPERINTENDENT'S UNIT. IN SUCH EVENT, THE BUILDING WILL BE WITHOUT A SUPERINTENDENT'S APARTMENT. ACCORDINGLY, ALTERNATIVE ARRANGEMENTS WILL BE NECESSARY TO SHELTER THE SUPERINTENDENT IN THE BUILDING OR WITHIN THE VICINITY OF THE BUILDING AS IS THEN REQUIRED BY LAW.

(13) **Miscellaneous - $2,000**

Residential Units	$1,800
Commercial/Parking Units	200
Total	**$ 2,000**

This expense is to cover miscellaneous fees associated with operation of the Condominium inclusive of payroll costs, bank fees, permit fees, and/or license fees, corporate and Franchise Taxes, Lobby telephone, duplicating costs, etc.

Ninety (90%) percent of this expense has been allocated to the Residential Units ($2,000 x 90.0%) and Ten (10%) percent to the Commercial/Parking Units at $200 ($2,000 x 10.0%), which is their respective Percentage Interest in the Common Elements for these estimated amounts.

(14) **Contingency - $4,012**

Residential Units	$ 3,611

Commercial/Parking Units	401
Total	**$ 4,012**

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. This amount does not include any amount for income taxes should the Condominium's income exceed expenses or should the Common Charges from the Commercial/Parking Units not be permitted as a deduction against expenses of the Condominium. See opinion of Manatt, Phelps & Phillips, LLP. This reserve is not a reserve for future capital expenditures. There is a reserve being created for future capital expenditures of two months of Common Charges from each Purchaser to be paid at the closing of each Unit. Capital expenditures in excess of this Capital Reserve Fund may result in assessments in the future to cover major capital repairs or replacements.

The budget may be modified from time to time prior to commencement of, or during, the first year of Condominium operation to increase items of expenses and decrease the contingency reserve. The contingency amount has been allocated to the Residential Units and the Commercial/Parking Units in accordance with Common Interests.

Note 1: The Sponsor has reserved the right to enter into service, maintenance, employment and other agreements that will be binding on the Board of Managers upon commencement of Condominium operation. However, the Sponsor may not enter into any binding service, maintenance, employment, and other agreement that will materially increase the first year's projected Common Charges or that will be binding on the Board for a period of more than two (2) years from the commencement of Condominium operation, unless disclosed in an amendment.

In the opinion of Matthew Adam Properties, the projected income for the Condominium is adequate to meet the estimated expenses for the first year of Condominium operation, assuming that such first year is the fiscal year commencing January 1, 2006. The budget, however, is not intended, and should not be taken, as a guaranty by the Sponsor that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Property will be as set forth in the budget.

Note 2: No amount has been projected for income taxes as it is assumed that the estimated income of the Condominium will not exceed the estimated expenditures.

SCHEDULE B-1

BUDGET FOR UTILITIES FOR EACH UNIT

GAS

Each Residential Unit will have a separate gas fired hot water/heating boiler system to generate heating and hot water. The projected cost of one (1) Therm of gas, including taxes and adjustments, is $1.20 per Therm.

For heating:

- each one bedroom unit is estimated to consume 157 Therm/year (157 Therm/year x $1.20/Therm = $188.00/year;

- each two bedroom unit based on 650 sq. ft. is estimated to consume 511 Therm/year (511 Therm/yr x $1.20/Therm = $ $613.00/year;

- each two bedroom unit based on 1150 sq. ft. is estimated to consume 677 Therm/year (677 Therm/yr x $1.20/Therm = $813.00/year;

- Duplex Unit is estimated to consume 1,274 Therm/year (1,272 Therm/year x $1.20/Therm = $1,529.00/year.

For cooking and hot water for the Residential Units, estimated gas consumption is 40,000 BTU/hr for cooking, hot water is 60,000 BTU/hr, average use 2 hours per day. The estimated cost is computed as follows:

1 Therm*2 hrs/day*30 days/month*$1.2o/Therm = $72.00/month per apartment

ELECTRICITY

Each Unit will have a separate meter to measure consumption of electricity for lights, power for appliances and air conditioning in the Unit. The projected electric consumption is as follows:

	KWHrs/Month	Cost/Month
One bedroom Unit	603	$103
Two bedroom Unit (650 sq/ft)	698	$119
Two bedroom Unit (1,150 sq/ft)	810	$138
Duplex	1,660	$282

Cost of electricity has been estimated at $0.17 per KWHr average, including taxes and adjustments but no inflation factors or demand charges.

The estimated consumption of gas and electricity was projected by Kam Chiu Associates, Inc., Consulting Engineers, 2073 East 22nd Street, Brooklyn, New York 11229. It is impossible to predict whether the budgeted figure will reflect the actual cost for each Residential Unit This cost will vary with both the level of consumption and the rate charged by the utility company. The level of consumption will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating, and temperature settings) adopted by the Unit Owner. The level of consumption will also vary by person with different standards of comfort and with families of different sizes, and with different life styles, for example, whether all members of the household are away from home during a good part of the day.

No budget item is warranted.

July 27 2005

Kirin Grocery, Inc.
C/o Diana Lee, Esq.
Manatt, Phelps & Phillips, LLP
Seven Times Square - 23rd floor
New York, New York 10036

Re: The Crown Condominium
2232 Second Avenue
New York, New York

Dear Sir/Madam:

We have prepared for inclusion in the Condominium Offering Plan (the "Plan") for Crown Condominium at 2232 Second Avenue, New York (the "Property") this "Opinion Re Apportionment of Common Interest".

In our opinion the Common Interest allocation among the Residential Units and Commercial/Storage Units set forth in the Plan comply with Real Property Law Section 339-i(l)(iv) in that it was determined upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit.

Our firm is a licensed real estate brokerage firm whose principal, the undersigned, has been in the real estate business for over twenty (20) years. We have been involved with the conversion to condominium or cooperative ownership of numerous buildings, including: 535 West 110th Street, New York, NY; 51 St. Nicholas Avenue, New York, NY; 400 East 56th Street, New York, NY and 301 East 79th Street, New York, NY.

We have no beneficial interest in the Sponsor or in the profitability of the conversion of the Property to condominium ownership.

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

Very truly yours,
WARBURG REALTY PARTNERSHIP LTD

Steven O. Goldschmidt, Managing Director

Sworn to before me this
27th day of July 2005

KELLI DUNN
Notary Public, State of New York
No. 01DU6118175
Qualified in Bronx County
Commission Expires November 1, 2008

Notary Public

THE COMMERCIAL UNITS

Three Commercial Units have been constructed on the first floor. Two of these Units also have space on part of the cellar level. Each Commercial Unit will include all equipment, apparatus and facilities located in such Unit or elsewhere in the Building which service, enclose or benefit only such Commercial Unit. All or any part of a Commercial Unit may be leased or subleased by the Commercial Unit Owner.

No representation is made with respect to: (a) the uses to which a Commercial Unit or any part thereof may be put at any time, (b) who will operate, or occupy as tenant, a Commercial Unit or any part thereof at any time. The Commercial Units may be used for a variety of commercial uses including, but not limited to, as retail stores, personal services establishments and offices. The Declaration further limits all Units against use for noxious, immoral or illegal purposes.

The Commercial Units have been allocated 9.27% of the Common Interest. The Commercial Units will pay 9.27% of Common Expenses except for those Common Expenses identified in the Budget as benefiting only the Residential Units or benefiting the Commercial Units to a lesser extent. See Schedule B for a discussion of the allocation of each Common Expense between the Residential Units and the Commercial/Parking Units.

The Common Charges payable by the Commercial Unit Owners will be sufficient to cover the expenses fairly attributable to the Commercial Units. The Boar

The By-laws authorize the Board of Managers to specially allocate or apportion specific expense items based on such expenses exclusively or to a greater extent benefiting particular Units. In the event the representative on the Board of Managers of the Commercial Unit Owners and Parking Unit Owners do not agree on the allocation of these costs with the majority of the managers representing the Residential Unit Owners, then same will be submitted to arbitration at the cost of the Condominium.

The Commercial Unit Owners' rights are different from the rights of Residential Unit Owners in that:

- a Commercial Unit may be used for any legally permissible use, subject only to limitations in the Declaration against noxious or immoral uses, while the Residential Units may only be used as dwelling units;
- Commercial Unit Owners do not pay for certain Common Expenses which benefit only the Residential Units, such as the labor costs of the doormen;
- Commercial Units will not be subject to a right of first refusal by the Condominium Board in the event any Commercial Unit is to be sold or leased; and
- Commercial Units may be subdivided by the Commercial Unit Owner into two or more Commercial Units.

Such rights and obligations will not have a material adverse impact on the Condominium.

The Sponsor's present intention is to lease the Commercial Units as retail stores.

Commercial Units will not be offered for sale unless this Offering Plan is amended to include an offering price for the Commercial Units.

THE PARKING UNIT

One Parking Unit will be constructed on the first floor on the 110th Street side of the Building, which Unit can accommodate two cars. The Parking Unit will include all equipment, apparatus and facilities located in such Unit or elsewhere in the Building which service, enclose or benefit only such Parking Unit. All or any part of the Parking Unit may be leased or subleased by the Parking Unit Owner.

No representation is made with respect to: (a) the uses to which the Parking Unit or any part thereof may be put at any time, except such uses as may be permitted by the Zoning Resolution or (b) who will use, operate, or occupy the Parking Unit or any part thereof at any time. However, the Declaration limits all Units, including the Parking Unit against use for noxious, immoral or illegal purposes. The Parking Unit Owner will be responsible for amending the Building's certificate of occupancy to reflect the actual use thereof.

The Parking Unit has been allocated 0.70% of the Common Interest. The Parking Unit will pay 0.70% of the Common Expenses except for those Common Expenses identified in the Budget as benefiting only the Residential Units or benefiting the Parking Unit to a lesser extent. See Schedule B for a discussion of the allocation of each Common Expense between the Residential Units and the Commercial/Parking Units..

The Common Charges payable by the Parking Unit Owner will be sufficient to cover the expenses fairly attributable to the Parking Unit.

The By-laws authorize the Board of Managers to specially allocate or apportion specific expense items based on such expenses exclusively or to a greater extent benefiting particular Units. In the event the representative on the Board of Managers of the Commercial Unit Owners and Parking Unit Owners do not agree on the allocation of these costs with the majority of the managers representing the Residential Unit Owners, then same will be submitted to arbitration at the cost of the Condominium.

The Parking Unit Owners' rights are different from the rights of Residential Unit Owners in that

- the Parking Unit may be used for any legally permissible use under the Zoning Resolution, subject only to limitations in the Declaration against noxious or immoral uses, while the Residential Units may only be used as dwelling units; and

- the Parking Unit Owner will not pay for certain Common Expenses which benefit only the Residential Units, such as the maintenance and repair costs of heaters or of residential lobbies, the common terrace and outdoor residential area, the laundry room or the exercise room which only service the Residential Units, and

- The Parking Unit will not be subject to a right of first refusal by the Condominium Board in the event the Parking Unit is to be sold or leased.

- The Parking Unit may be subdivided by the Parking Unit Owner into two Parking Units.

- The Parking Unit may be converted to a Commercial Unit or for any other use permitted by law. In the event the Parking Unit is converted to some other use which results in the Parking Unit not paying Common Charges sufficient to cover the expenses fairly attributable to the Parking Unit, the amount of Common Charges to be paid by the Parking Unit Owner will be increased to a level such that its payments will be sufficient.

Such rights and obligations will not have a material adverse impact on the Condominium. Essentially, the Parking Unit will have the same rights and obligations as Commercial Unit Owners.

The Parking Unit will not be offered for sale unless this Offering Plan is amended to include an offering price for the Parking Unit. It is the Sponsor's intention to retain ownership of the Parking Unit.

CHANGES IN PRICES AND UNITS

The Sponsor reserves the right to change purchase prices from the amounts shown in Schedule A. Purchase prices must be changed by a duly filed amendment to the Plan when the change in price is an across the board increase or decrease affecting all Unsold Units, or is to be advertised, or is a price increase for an individual Purchaser. The prices and specified terms of sale are negotiable. The Sponsor may enter into a Contract of Sale with a Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment.

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

In order to meet the particular needs of prospective Purchasers, or for any other reason, the Sponsor reserves the right to change: (a) the layout of, or number of rooms in, Unsold Units and (b) the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, by combining two or more separate Unsold Units into one or more Unsold Units, by altering the boundary walls of any Unsold Unit, or including the use of any portion of the Common Elements adjacent to such Unsold Units to the extent that such portion is not required to be maintained as Common Elements pursuant to the terms of the Declaration and By-laws or by re-designating such portion as part of the Unsold Unit instead of as Common Elements if the Declaration has not yet been recorded. Such right may be exercised by the Sponsor from time to time, both before and after the First Unit Closing, without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party. However, the Sponsor will first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by law.

No change will be made by the Sponsor in the size or number of Units, or their respective Percentages 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 the affected Purchaser consents in writing, no material change will be made by the Sponsor in Unit size, layout or Percentage of Common Interest if a Contract of Sale has been executed and delivered to the Sponsor for that Unit and such Purchaser is not in default.

No material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless all Purchasers not in default consent in writing.

The Sponsor also reserves the right to substitute for any of the materials specified in the Description of Property and Building Specifications, or elsewhere in the Plan materials of substantially similar or better quality. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural

plans on file, but, due to unavailability of materials and supplies or for any other reason, the Sponsor may substitute materials, fixtures, appliances and equipment of substantially similar or better quality for any of those set forth in the specifications or otherwise in this Plan.

If the Sponsor changes the size and/or number of Unsold Units, the Sponsor will increase or decrease the Common Interests appurtenant thereto accordingly. However, the aggregate amount of the Common Interests of all the Units will always remain at 100%. As a result of such reapportionment, the amount of the Common Charges and the real estate taxes and assessments attributable to the Unsold Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges and the real estate taxes and assessments attributable to Units unaffected thereby will not vary.

This Plan will be amended to reflect any change in the size of a Unit, number of Units, Percentage of Common Interests of Unsold Units or a change in the size or quality of any Common Element. However, the layout and number of rooms in Unsold Units may be changed without prior notice.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls, or otherwise, nor may the Common Interest of any Unit be changed, unless the Declaration is amended and such amendment is duly recorded. The Plan will be amended in the event of any such changes. As more particularly provided in the Declaration, the Sponsor or its designee, as the owner of an Unsold Unit, will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, the other Unit Owners or any mortgagee consenting to, or executing, such amendment. However, no change of a Unit's Common Interest will be made without obtaining the prior written consent of the owner of such Unit.

To the extent permitted by law, if the size or configuration of a Unit is changed in compliance with the Plan, Declaration and/or By-laws and, in connection therewith, a wall, space or other area forming a part of the Common Elements servicing and benefiting only such Unit is razed or incorporated in the Unit, then such Common Element shall be deemed for the exclusive use and benefit of the owner of such Unit and the Unit's Common Interest will remain unchanged.

INTERIM LEASES

The Sponsor may lease, license or permit any person to use and occupy (hereinafter all such persons are referred to as a "renter") any Unsold Unit that is vacant on such terms and conditions as may be agreed to by the Sponsor and the renter. However, once a Contract of Sale is signed for a vacant Unit, and so long as such Contract of Sale is not in default, such Unit may only be rented to the Purchaser thereof. No rent protection laws will be applicable to such interim renters.

An uncured default under the Contract of Sale will be a default under the interim lease and an uncured default under the interim lease will be a default under the Contract of Sale. Before the Sponsor can default a Purchaser under the Contract of Sale based on a default under the interim lease, the Sponsor must either obtain an order of eviction or other judgment or order from a court of competent jurisdiction against the renter, unless the renter has vacated the Unit. A Purchaser who is an interim renter must vacate the Unit within five days after a default under the Contract of Sale or within five days after the Purchaser rescinds the Contract of Sale pursuant to a right to rescind contained in the Plan or the Contract of Sale.

The Sponsor's right to rent any Unsold Unit will not be subject to the right of first refusal in favor of the Condominium Board to lease Residential Units on the same terms offered to the prospective renter.

PROCEDURE TO PURCHASE

A. Contract of Sale. A Person desiring to purchase a Unit in the Condominium, or the authorized parties thereof if the Person is other than an individual, shall be required to execute in duplicate a Contract of Sale in the form in Part II and return it to the Sponsor, together with a Downpayment check in the amount of ten percent (10%) of the purchase price, drawn to the order of "Manatt, Phelps & Phillips, LLP, as Escrow Agent." Manatt, Phelps & Phillips, LLP shall be the "Escrow Agent" pursuant to the Contract of Sale and Offering Plan. Purchasers pursuant to this Offering Plan who have not received a copy of the Offering Plan and any filed amendments for at least three (3) business days prior to their executing a Contract of Sale shall be afforded seven (7) days after delivering an executed Contract of Sale together with the required deposit to rescind the Contract of Sale and have the full Downpayment refunded promptly. Such rescission must be in writing, addressed to the Sponsor, and be postmarked or hand delivered by midnight of the 7th day subsequent to Purchaser's executing and delivering such Contract of Sale. Those Purchasers who execute a Contract of Sale after having received a copy of the Offering Plan and any filed amendments not less than three (3) business days prior to their executing a Contract of Sale shall not be permitted the aforementioned time period to rescind for any reason.

The Contract of Sale shall not be binding upon the Sponsor until a duplicate thereof, executed by the Sponsor, is delivered to Purchaser. In any such case, unless the Contract of Sale, executed as aforesaid, is delivered to Purchaser within twenty (20) days after same is received by the Sponsor, it shall be deemed rejected and canceled and all monies paid by Purchaser shall be promptly refunded, without interest, and upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. The Sponsor shall have the right to reject the Contract of Sale without cause or explanation to Purchaser, provided such rejection is not based upon gender, race, creed, color, national origin or ancestry, sexual orientation or other ground proscribed by law.

After this Plan is declared effective, the Sponsor shall fix dates for closing title to all Units for which a Contract of Sale has been fully executed. The Sponsor will give each Purchaser not less than thirty (30) days' prior written notice of the date, time and place (in the City of New York) for the transfer of title to his Unit. Purchasers may, but are not required, to waive this thirty (30) day notice. At Closing, such Purchaser shall pay the balance of the purchase price stated in the Contract of Sale with his unendorsed, personal certified check or by official cashier's check. However, such Purchaser may apply the proceeds of any financing obtained by such Purchaser, to make such payment.

B. Escrow. All checks constituting the "Downpayment" are to be made payable to the order of "Manatt, Phelps & Phillips, LLP, as Escrow Agent" and all checks in payment of the balance of the purchase price (due at the Closing) are to be made payable to the order of Kirin Grocery, Inc. or as otherwise directed by the Sponsor, with

all checks, in either case, drawn on a member bank of the New York Clearing House Association.

In accordance with Section 71-a(3) of the Lien Law the Sponsor has appointed the law firm of Manatt, Phelps & Phillips, LLP as Escrow Agent to hold all monies, including all Downpayments, deposits or advances, received by the Sponsor, directly or through its agents, employees or agents (if any) prior to the closing of title to a Unit ("Consummation of Plan"), in trust in a segregated special escrow account titled, "Manatt, Phelps & Phillips, LLP, Master Attorney Trust Account 2 (the "Escrow Account")." The name of Purchaser shall be added to the title of a sub-account of the Escrow Account, which shall be at Sterling National Bank, at its office located at 512 Seventh Avenue, New York, New York. Such funds shall be deposited within five (5) business days after the Contract of Sale is executed by all necessary parties and except as otherwise stated in the Plan, shall be held there until the closing of the sale under the Contract of Sale. Manatt, Phelps & Phillips, LLP is located at 7 Times Square, New York, New York 10036 (212-790-4500). The signatories on this special escrow account authorized to withdraw funds are the principal attorneys of the firm who are Diana J. Lee and Paul Gangsei, all of whom are located at 7 Times Square, New York, New York 10036. Such Downpayment, with any accumulated interest, shall remain the property of the Purchaser, except as otherwise provided by law.

As required by Section 71-a(3) of the Lien Law, the Contract of Sale shall contain the following:

> "YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE."

Notwithstanding the above, the Sponsor may only post a bond or indemnity contract in lieu of depositing the Downpayment in escrow provided it first obtains an exemption from the Department of Law under special circumstances. In the event the Sponsor seeks and obtains such exemption, it will subsequently amend the Offering Plan prior to posting any bonds or indemnity contracts.

The Downpayment will be held in an interest-bearing account provided Purchaser furnishes a completed W-8 or W-9 form, and, unless the Purchaser defaults, interest will be credited to the Purchaser. The account is a variable-rate account. The interest rate to be earned in the Escrow Account will be the prevailing rate for such attorneys' escrow accounts and will fluctuate daily. The interest rate is currently approximately .1% per annum. Interest will begin to accrue upon deposit of the Downpayment, which is to be made in accordance with the preceding paragraphs.

Sterling National Bank is covered by federal bank deposit insurance to a maximum of

$100,000.00 per individual deposit. No fees of any kind from the account principal may be deducted. The Sponsor shall bear any administrative cost for maintenance of the account.

Within ten (10) business days after tender of the Downpayment submitted with the Contract of Sale, the Escrow Agent will notify the Purchaser that such funds have been deposited in Sterling National Bank, and shall provide the account number and the initial interest rate. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Downpayment, 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 Downpayment. 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.

The only other time monies received for the purchase of a Unit shall be disbursed from the Escrow Account are (a) at the closing of title to a Unit by such Purchaser; or (b) upon a default by a Purchaser which is not cured within any time periods permitted, provided that no Downpayment to be released pursuant to an uncured default shall be released prior to the consummation of the Plan; i.e., the Plan being declared effective and the First Unit Closing occurring. The amounts paid by the Purchasers prior to Closing will be handled in accordance with the escrow and trust fund provisions of the Section 352-h and Section 352e(2-b) of the New York General Business Law and the Attorney General's regulations promulgated thereto. If this Offering is not consummated for any reason, Purchaser shall not lose any of his Downpayment. Any provision of any Contract of Sale, contract or Contract of Sale, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Offering Plan or in a Contract of Sale. Please refer to Part II of the Offering Plan for a copy of the Escrow Agreement between the Sponsor and the Escrow Agent.

In the event of a dispute as to the Sponsor's entitlement to the Downpayment of a defaulting Purchaser, the Escrow Agent will hold funds in escrow until otherwise directed in

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

(ii) a determination of the Attorney General 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's 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; or

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

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

Any conflict between the Plan and the Contract of Sale shall be resolved in favor of the Plan. If Purchaser shall fail to pay any portion of the purchase price when due, fail to close title on the date, hour and place specified by the Sponsor or fail to perform any of Purchaser's other obligations, including, without limitation, the obligation to furnish any lender promptly with such information as such lender may require, and the obligation to accept a commitment on the terms set forth in the Contract of Sale, such failure shall constitute a default by Purchaser, and the Sponsor may send notice to Purchaser of the Sponsor's intention to cancel the Contract of Sale if such default is not timely cured. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE CONTRACT OF SALE WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within twenty (20) days from the mailing date or fifteen (15) days after personal delivery of such written notice, the Sponsor may (but shall not be obligated to) elect to cancel the Contract of Sale by notice of cancellation sent after the cure period has expired. The Sponsor shall have no obligation to grant an extension of time. Upon such cancellation by the Sponsor, the Downpayment monies held with respect to the particular Unit, but not more than ten percent (10%) of the purchase price, shall be paid over to the Sponsor as and for liquidated damages and thereafter the Contract of Sale shall become null and void. The Sponsor shall not seek the remedy of specific performance in connection with a Contract of Sale as to which there has been a default by Purchaser.

C. Power of Attorney. At the Closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the Power of Attorney to the Board of Managers in the form contained in Part II of the Plan. Purchaser shall deliver such executed Power of Attorney to the Sponsor or as directed by the Sponsor at the Closing of title for recording and Purchaser shall pay the recording fee. Failure to do so shall constitute a default by Purchaser

pursuant to the Contract of Sale.

D. Mortgage Financing Contingency. If a Purchaser elects to include in his or her Contract of Sale a mortgage financing contingency clause, Purchaser must submit the financing application for such mortgage financing together with all required fees to The Manhattan Mortgage Company (the "Approved Mortgage Broker"), having an office at 555 Madison Avenue, New York, New York 10022, telephone number (212) 593-4343, Attention: Melissa L. Cohen, promptly after the Sponsor accepts and delivers to Purchaser the fully executed Contract of Sale. Purchaser may choose to apply to any other mortgage broker or lending institution, in addition to the Approved Mortgage Broker, however, the mortgage contingency will be deemed satisfied if the Approved Mortgage Broker obtains a loan commitment for Purchaser. The contingency clause will provide that Purchaser shall have not less than forty-five (45) days from the date the Sponsor accepts and delivers the fully executed Contract of Sale to obtain a written loan commitment for financing from a lending institution. In the event Purchaser fails to obtain a written loan commitment for financing within such time period, Purchaser must notify the Sponsor within five (5) business days subsequent to such time period or the financing contingency is deemed waived by Purchaser.

If the Purchaser obtains a mortgage loan commitment within the time period set forth above, Purchaser shall take all possible steps to maintain his commitment, including good faith application for an extension of such commitment to the same lending institution if the closing does not occur within 30 days after the date scheduled in the Contract for any reason. In the event Purchaser notifies the Sponsor within thirty (30) days after the expiration date of his loan commitment of his inability to obtain an extension of such previous loan commitment or a new loan commitment, the Contract of Sale shall be null and void and Purchaser's downpayment shall be returned by the Sponsor, if the closing is delayed beyond the expiration for any reason other than a reason caused by Purchaser or the lending institution. Failure to provide such notification shall be deemed a waiver of the financing contingency by Purchaser and that the Contract of Sale is deemed binding.

Neither the Sponsor, the Selling Agent nor the Approved Mortgage Broker make any representations as to the terms of or availability of any financing.

E. Credit Check. Whether or not a Purchaser elects to include in his or her Contract of Sale a mortgage financing contingency clause, he or she must provide the Sponsor with necessary authorization for the Sponsor to conduct a credit check of Purchaser.

The Contract of Sale and Plan do not contain, and will not be modified to contain, any provision waiving the Purchaser's rights or abrogating the Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law, other than the ability of Purchaser to waive his right to thirty (30) days prior written notice to the closing of title to Purchaser's Unit.

ASSIGNMENT OF CONTRACTS OF SALE

No assignment of a Contract of Sale shall be permitted without the Sponsor's prior written consent, which may be withheld or delayed for any reason or no reason.

Any purported assignment by a Purchaser in violation of the Contract of Sale will be voidable at the option of the Sponsor. The Sponsor's refusal to consent to an assignment will not entitle a Purchaser to cancel the Contract of Sale or give rise to any claim for damages against the Sponsor. Under no circumstances will the Sponsor consent to an assignment of the Contract of Sale in which the Purchaser will receive consideration. If the Sponsor, in its sole discretion consents to a Purchaser's request for an assignment of the Contract of Sale, the assignee of the Contract of Sale shall be required to close title to the Unit on the originally scheduled Closing Date set forth in the Contract of Sale. If the Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Contract of Sale, then the Purchaser shall be required to pay the Sponsor's attorneys a fee of $500.00, in advance, for preparation of an assignment agreement and any necessary revisions to the other Closing documents.

EFFECTIVE DATE OF PLAN

The offer to sell Units under this Plan is contingent upon the Sponsor declaring the Plan effective pursuant to the requirements and terms of the Plan stated below. These requirements must be satisfied within one year of the date the Plan is accepted for filing unless the Plan is amended so as to extend this period. However, any amendment to the Plan is hereby deemed to extend this time period to the same extent that the Plan is extended by such amendment. The closing of title to any Unit may not occur until after the Plan has been declared effective and the Condominium Declaration and By-laws have been duly recorded.

The Plan may be declared effective when a Contract of Sale has been both executed by a bona fide Purchaser and the Sponsor for the sale of 15% (five) of the Residential Units.

The Plan must be declared effective when Contracts of Sale have been executed by a bona fide purchaser and the Sponsor for the sale of 80% (twenty-five) of the Residential Units.

The Plan may be abandoned, at Sponsor's sole option, at any time before the Plan is declared effective and before Contracts of Sale have been executed by the Sponsor for the sale of two Residential Units. The Plan, if abandoned, shall be abandoned by amendment filed with the Office of the Attorney General. Such amendment shall explain the basis for abandonment and must state how any funds received pursuant to the Plan will be distributed. All monies paid by Purchasers pursuant to Contracts of Sale shall be refunded to them in full, with interest, if any, within twenty (20) days of such abandonment. The Sponsor may not abandon the Plan after the Plan is declared effective for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total amount of the offering (excluding any attorneys' fees or any title defects or determinations of any authority or regulatory agency which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record), or (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of one percent of the total amount of the offering (excluding any attorneys' fees), or (iii) the taking of any material portion of the Property by condemnation or eminent domain. There will be no obligation on the part of the Sponsor to incur expense or engage in litigation to cure title defects.

The Plan will be declared effective by either (i) an amendment to the Plan or (ii) the mailing or personal delivery of written notice to all Purchasers. The notice shall state that the Plan was declared effective on a particular date, the percentage used to declare the Plan effective, and a list of the Residential Units being counted to meet the minimum percentage under the Plan to declare it effective. A closing shall not occur until the amendment declaring the Plan effective is accepted for filing by the Office of the Attorney General. Within five (5) business days after such notice is given an amendment

to the Plan will be submitted by the Sponsor stating that the Plan has been declared effective. If requested, the Sponsor will submit to the Department of Law copies of all Contracts of Sale, together with any amendments or modifications to such Contracts of Sale, within five (5) business days after the request is received.

The Plan will not be declared effective based on Contracts of Sale:

(i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or

(ii) with any Purchaser who is the Sponsor, Selling Agent or Managing Agent or is a principal of the Sponsor, Selling Agent or Managing Agent or is related to the Sponsor, Selling Agent or Managing Agent or to any principal of the Sponsor or Selling Agent or Managing Agent by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

TERMS OF SALE

The Units will be sold in fee simple absolute to Purchasers, who may be individuals, a duly formed partnership, corporation, limited liability company, limited liability partnership, trust or any other entity which is permitted to own property in the State of New York. However, the Sponsor reserves the right not to sell to any governmental entity or persons holding diplomatic immunity. The Units will be offered for sale at the offering prices set forth in Schedule A, as such prices may be changed by the Sponsor as set forth on page in the section of the Plan entitled "Changes in Prices and Units" in Part I, and will include the Appurtenant Interests. At the closing of title to a Unit the Purchaser will pay to the Sponsor the balance of the purchase price for the Unit. Title to the Unit and its Appurtenant Interests will be conveyed by Bargain and Sale Deed with Covenants against Grantor's Acts and containing the provisions set forth in subdivision 5, Section 13 of the Lien Law, free and clear of all liens and encumbrances other than those set forth below. The form of Unit deed is set forth in Part II of the Plan. The Units will be conveyed subject to:

1. Restrictive covenants and party wall agreement made by and between john Baird and Adam Harrmann, dated June 9, 1874, recorded June 12, 1874 in Liber 4292 cp 261.

2. Easement volume agreement made by and between Kirin Grocery, Inc. and The New York City Transit Authority, acting for itself and on behalf of the City of New York,, dated as of April 22, 2003, recorded June 23, 2003 under CRFN 2003000184325.

3. Zoning lot description and ownership statement made by Kirin Grocery, Inc., dated July 2003, recorded September 2, 2003 in CRFN 2003000322182.

4. Survey made by John P. Ferrantello. P.C. dated July 12, 2001 redated September 19, 2003 and to a date within ninety days prior to the First Unit Closing and any additional state of facts an updated survey might show, provided same does not prevent legal use of the Units and also does not render title unmarketable;

5. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the existing structure (as renovated by Sponsor) the contemplated use under the Plan;

6. The Declaration, By-laws, Maps and Floor Plans of the Condominium to be recorded in the Office of the City Register, as the same may be amended from time to time;

7. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction and rehabilitation of the Building, or construction of the individual Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

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

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

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

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

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

13. All covenants, declarations, restrictions, reservations, agreements and easements of record, if any, which are still in force and effect on the date

of the First Unit Closing, including but not limited to such documents as are entered into to retain unto or convey the Sponsor or its designees, the right to any unused development rights which benefit the Property, provided that they are not violated by and do not prevent legal use of the Condominium Units at the Property nor prevent the existence of the present structure.

14. Beams and beam rights, party walls and party wall agreements.

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

16. Any Sidewalk Notices of record provided that Sponsor shall indemnify and hold harmless the Condominium Board from damages associated with any liens which arise from such Sidewalk Notices.

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

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

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

(1) The issuance of a temporary or permanent Certificate of Occupancy for the Building, or, alternatively, the issuance of a temporary Certificate of Occupancy covering the Unit closed. The Sponsor shall complete construction and obtain a permanent Certificate of Occupancy for the entire Building within two (2) years subsequent to the First Unit Closing, or later, upon satisfaction of all criteria necessary to obtain a permanent Certificate of Occupancy. If, at the time of Closing of title to a Unit, the Sponsor has only obtained a temporary Certificate of Occupancy covering such Unit, then the Sponsor shall place in escrow with the Sponsor's attorney an amount, as determined by an architect chosen by the Sponsor, which is sufficient in such architect's opinion to cover the cost for such Unit of obtaining a permanent Certificate of Occupancy covering that Unit. Such escrow amount shall be released to the Sponsor or its designee upon the obtaining of a permanent Certificate of Occupancy covering such Unit. Alternatively, the Sponsor shall have the option of either depositing with an escrow agent an unconditional, irrevocable letter of credit in the amount determined by the Sponsor's architect or posting a surety bond in the amount so determined. The Sponsor shall renew or extend the temporary Certificate of Occupancy, as necessary until a permanent Certificate of Occupancy has been issued.

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

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

(4) The serving by personal delivery or ordinary mail to the Purchaser written notice of the Closing date not less than thirty (30) days prior to Closing of title, unless Purchaser elects to waive the thirty (30) day requirement; and the affording to Purchaser of an opportunity to inspect the Unit and the Common Elements; and

At the Closing of title to a Unit, Sponsor will deliver to each Unit Owner any manufacturer warranties with respect to equipment and appliances, if any, installed within such Unit. At the First Unit Closing, Sponsor will execute and deliver to the Board of Managers an instrument assigning to the Board of Managers any manufacturer's warranties with respect to equipment and appliances installed in Common Elements. A copy of any manufacturer's warranties, to the extent available, will be delivered to the Board of Managers and/or Unit Owner, as the case may be, at the First Unit Closing or promptly thereafter.

The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the Closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Contract of Sale. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the Closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit except as stated in the section of the Plan entitled "Rights and Obligations of Sponsor." Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit and the Sponsor shall not be obligated to repair any damages to the Unit or its appliances, fixtures and equipment. Accordingly, Purchaser, or one claiming by or through Purchaser, who takes possession of the Unit prior to the Closing of title should obtain casualty insurance coverage for the Unit prior to taking possession, since, despite any loss, Purchaser will remain obligated to purchase the Unit under the terms of the Contract of Sale, without any abatement in the purchase price. Purchaser should consult with an attorney and/or insurance agent as to his

insurance needs.

All personal property located within the Unit that is owned by the Sponsor and located in the Unit on the date the Contract of Sale is signed is included in the conveyance to the Unit Purchaser, unless specifically indicated otherwise in this Plan. All personal property affixed to or located within the Common Elements that is owned by the Sponsor is included in the property transferred to the Condominium by the Declaration, unless specifically indicated otherwise in this Plan.

UNIT CLOSING COSTS AND ADJUSTMENTS

1. General:

The estimated Closing costs, expenses and adjustments to be borne by each Purchaser of a Unit will be as set forth below. Such costs are only estimates and are subject to change.

a. Payment to Title Associates, Inc. or another title company arranged by the Purchaser of the cost of fee title insurance, if Purchaser elects to obtain title insurance. Fee title insurance rates, as quoted by Title Associates, Inc., as of the date of this Plan will cost **seventy percent** of the following base rates: a base rate of $402.00 for the first $35,000.00 coverage; $6.67 per additional thousand dollars of purchase price up to $50,000.00, plus $5.43 per thousand dollars of purchase price in excess of $50,000.00 up to $100,000.00, plus $4.36 per thousand dollars of purchase price in excess of $100,000.00 up to $500,000.00; plus $3.98 per thousand dollars of purchase price in excess of $500,00.00 up to $1,000,000.00; plus $3.66 per thousand dollars of purchase price in excess of $1,000,000.00 up to $5,000,000.

b. Recording fee for recording the deed and power of attorney of approximately $135.00.

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

1. Legal fees of the lending institution's attorney;

2. Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured. Mortgage title insurance rates as quoted by Title Associates, Inc., as of the date of this Plan will cost **seventy percent** of the following base rates: $344.00 for the first $35,000.00 in coverage; $5.55 per additional thousand dollars of coverage up to $50,000.00, plus $4.94 per thousand dollars of coverage in excess of $50,000.00 up to $100,000.00, plus $3.64 per thousand dollars of coverage in excess of $100,000.00 up to $500,000.00, plus $3.31 per thousand dollars of coverage in excess of $500,000.00 up to $1,000,000.00, plus $3.05 per thousand dollars of coverage in excess of $1,000,000.00 to $5,000,000.00. Please note that if a mortgage title policy is purchased simultaneously with a fee insurance policy and through the same company, fee insurance coverage rates shall be discounted;

3. A mortgage recording tax of 1.80% of the first ten thousand dollars of the amount of the mortgage executed by the Purchaser and a mortgage recording tax of 2.05% of the amount of the balance of the mortgage actually executed by Purchaser for mortgages in the amount of less than $500,000.00. The mortgage recording tax for mortgages in the amount of $500,000.00 or more is 2.130% after the $30.00 deduction on the first ten thousand dollars of mortgage amount. Lenders are required to pay one quarter of one percent of the 2.05% tax, or 2.130% tax, as the case may be, thereby reducing Purchaser's cost to 1.80% less $30.00 or 1.925% less $30.00, as the case may be. If a mortgage tax credit is available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of the Sponsor, Purchasers will therefore be required to reimburse Sponsor, at Closing, to the extent of any mortgage tax credit allowed.

4. Recording fee for recording of the mortgage, approximately $120.00;

5. Commitment fee or origination fee, appraisal fee, application fee, credit fee, if any, charged by the lending institution.

d. New York City Real Property Transfer Tax, currently equal to one percent (1%) of the purchase price with respect to single Residential Units which are sold for $500,000.00 or less, and 1.425% of the purchase price where the consideration is greater than $500,000.00. Although it is often customary in real estate transactions involving sales of multi-family buildings or single family homes for the seller to pay these transfer taxes and the transfer taxes in (e) immediately below, it is now customary in condominium development projects in the New York Metropolitan area, for the Purchaser to pay such transfer taxes. Under this Offering Plan and the Contract of Sale, Purchasers are required to pay these taxes as a Closing cost. For purposes of paying this tax with respect to this project, consideration also includes the amount of New York City Real Property Transfer Tax and New York State Transfer Taxes (deed stamps) to be paid for the Unit, so that the effective tax rate is 1.014% of the purchase price where the purchase price is $500,000.00 or less and 1.451% where the purchase price is $500,000.00 or more.

The New York City Department of Finance has taken the position that when a Purchaser purchases two or more Units, the New York City Transfer Tax will be 1.425% where the total consideration $500,000.00 or less and 2.625% where the total consideration is greater than $500,000.00.

e. New York State Transfer Taxes (deed stamps), which are currently at the rate of $2.00 per each $500.00 of consideration or part hereof. For

purposes of paying this tax with respect to this project, consideration also includes the amount of New York City Real Property Transfer Tax and deed stamps to be paid for the Unit. Pursuant to the terms of this Plan, this tax is an obligation of the Purchaser. The effective rate of State Transfer Tax is $2.03 per $500.00 of consideration, where the purchase price is less than $500,000.00 and 2.038 per $500.00 where the purchase price is $500,000.00 or more.

f. The legal fees of the Sponsor's attorneys in the amount of $1,500 will be payable by Purchaser to Manatt, Phelps & Phillips LLP. An additional fee of $300 per Closing shall be due and payable for any Unit Closing which occurs outside the office of Manatt, Phelps & Phillips LLP. Further, a fee of $500 shall be payable by Purchaser to the Sponsor's attorneys for the work involved for each assignment and/or cancellation of a Contract of Sale or contract. Assignments are permitted only pursuant to the terms of the Offering Plan.

g. Under the State Tax Law, Section 1402-a, commonly called the Mansion Tax, a tax of one percent (1%) of consideration (or part thereof attributable to the real property being conveyed) is payable by the grantee (Purchaser) on each conveyance of residential real property, including Condominium Units, where the consideration for the entire conveyance is $1,000,000.00 or more. Residential real property includes a 1-3 family house, an individual condominium unit and a cooperative unit that is or may be used, in whole or in part, as a personal residence.

h. At the time of the first closing of title to each Unit, the Purchaser of such Unit shall pay into the Working Capital Fund of the Condominium the sum equal to two (2) months of Common Charges for the Unit being purchased at the time of the Closing. This fund will be used for payment by the Board of Managers of any net closing adjustment expenses owed to the Sponsor at the time of the First Unit Closing. At the time of the First Unit Closing, the Property will be deemed subdivided into separate Condominium Units and the Condominium will be deemed to have commenced its first year of operation. Adjustments will be made for any expenses of the Condominium which have been prepaid by the Sponsor, such as insurance premiums and service contracts. The amount of the net closing adjustment owed to the Sponsor, if any, will be evidenced by a note from the Board of Managers of the Condominium, The note shall bear interest at the rate of nine (9) percent per annum. After each Unit closing, the two (2) months of Common Charges paid by each Purchaser at the closing will be applied to the note, first to any accrued interest and the balance to outstanding principal. The note shall mature and be due and payable in full on the second anniversary of the First Unit Closing at which time, if there shall remain any outstanding amounts owing under the note. it may be necessary for the Board of Managers to separately assess

Unit Owners for their pro-rata share of such outstanding balance. The Sponsor is hereby authorized to endorse the checks payable to the Board of Managers for the Working Capital Fund over to the Sponsor and to apply such payments to the Note without any further action of the Board of Managers until the note is paid in full. After the note has been fully paid, the Working Capital contributions shall be paid into the Condominium's Working Capital Fund and may be held or used, at any time, for working capital, to make repairs or for such other appropriate purposes permitted under the Declaration and the By- Laws as determined by the Board of Managers in its sole discretion.

i. At the closing of title to a Unit which occurs prior to the Units being separately assessed, the Purchaser shall pay into an escrow account to be held by the Board of Managers or reimburse the Sponsor to the extent previously paid by the Sponsor, an amount equal to real estate taxes from the date of the closing (or from the date the Unit should have closed but for an unauthorized delay in closing of title by Purchaser) through the end of six months from the date of the first Unit closing, but in any event to June 30, 2006. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and the Purchaser will be entitled to reimbursement to the extent such payment by the Purchaser exceeds the Purchaser's pro rata share of real estate taxes.

In addition to the above costs, each Purchaser of a Unit will be responsible for the fees and expenses of his own attorney, if any. As a result of the variable factors with respect to each Unit, such as purchase price, terms of a possible mortgage commitment and mortgage application and appraisal costs, fees of Purchaser's attorney and fees of the attorney representing Purchaser's lending institution, the Sponsor suggests that Purchasers review their closing costs with an attorney.

The Purchaser will be required to pay to the Board of Managers Common Charges allocable to his Unit monthly in advance. Common Charges assessed during the month in which title closes shall be adjusted with the Sponsor as of the midnight preceding the Closing date, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor was obligated to pay to the Board of Managers as a result of any unauthorized delay in Closing of title by Purchaser. The amount of such Common Charges to be assessed against each Unit will be fixed by the Board of Managers. Common Charges to be initially assessed are expected to conform to those shown in Schedule A contained herein.

Water and Sewer charges will be adjusted between the Sponsor and the Condominium as of the midnight preceding the First Unit Closing.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, and such First Unit Closing occurs during a tax payment period, the Sponsor will have previously paid the real estate taxes through the end of such tax payment period. For example, if the First Unit Closing occurs on July 1, 2005, the

Sponsor will have paid the real estate taxes for the Property through July 1, 2005. The Sponsor shall place in escrow with the Condominium Board of Managers at the First Unit Closing money sufficient to pay the real estate taxes for the six month tax period subsequent to the tax period in which the First Unit Closing occurs. The Sponsor shall collect from each Purchaser, at such Purchaser's Unit Closing, the amount necessary, on the basis of allocations set forth in Schedule A contained herein, to cover the next six (6) month tax period subsequent to the tax period in which the Purchaser's Unit Closing occurs. The Sponsor shall pay the real estate taxes from the escrow account when they are next due and payable.

In the event the taxes are greater than the amounts collected, the Purchaser shall pay his pro rata share of the additional taxes promptly upon demand. In the event the taxes are less than collected, the Sponsor will refund to the Purchaser his pro rata share of such excess collections. This provision shall survive the Closing.

Subsequent to this six (6) month period, until a separate assessment for each Unit has occurred, each Unit Owner shall, on January 1st and July 1st of each year, pay to the Board of Managers, for the purpose of paying such Unit Owner's share of the real estate taxes for the ensuing six months. The Board of Managers shall keep all such funds in a separate account for the purpose of paying the real estate taxes for the Property when due. The Sponsor shall also pay into this special account with respect to any Units owned by it.

At Unit Closings, Purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit Closing through the end of the tax payment period within which the Closing Date occurs. However, the Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which the Sponsor would not otherwise have had to pay but for an unauthorized delay in Closing of title by Purchaser. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned, to correct any discrepancy between the adjustment on the basis of allocations set forth in Schedule A and adjustment on the basis of actual apportionment, it shall be made at that time.

Unless otherwise provided herein, all closing adjustments shall be made in accordance with the customs of the Real Estate Board of New York.

2. Mortgage Tax Credit

Section 339-ee(2) of the New York Real Property Law provides as follows:

> "In the event the proceeds of a construction mortgage were applied to construction of a unit of a condominium submitted to the provisions of this article, or in the event that a unit submitted to the provisions of this act was subject to a blanket mortgage whose proceeds were applied exclusively to payment of the construction mortgage or to capital

expenditures or expenses for the development or operation of the condominium, or to purchase of land or buildings for the condominium provided that such purchase was no more than two years prior to the recording of the declaration of condominium, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each unit is first conveyed, there shall be allowed a credit against the mortgage taxes (except the special additional mortgage recording tax imposed by subdivision one-a of section two hundred fifty-three of the tax law) that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the purchaser's pro-rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage. No credit shall be allowed under this subdivision (a) on account of the special additional mortgage recording tax imposed by subdivision one-a of section two hundred fifty-three of the tax law or (b) where the first condominium unit is sold more than two years after the construction or blanket mortgage was recorded."

The Sponsor has obtained a construction mortgage and paid a mortgage recording tax of $137,500 thereon. It is specifically understood that the mortgage tax credit pursuant to the above Section of the New York Real Property Law shall inure to the benefit of the Sponsor. Accordingly, at Closing, each Purchaser electing mortgage financing shall pay an amount equal to the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. The Sponsor, at Closing will be paid by such Purchaser to the extent of any mortgage tax credit allowed.

The entire contents of this Paragraph "2" as well as those in Paragraph "1" above, as same may be revised or amended, shall be deemed to be incorporated into the Contract of Sale for each Unit.

3. Example of Closing Costs

A numerical example for the costs set forth in this section of the Offering Plan for a typical apartment with a purchase price of $405,350, a mortgage of $324,280 and monthly common charge of $630 are set forth below. Tax, insurance and recording rates are subject to change.

1. Title insurance for fee insurance $2,108 and mortgage insurance $442, assuming simultaneous fee discount; ALTA endorsements $150; municipal searches $225;

2. recording costs for deed and power of attorney – to be determined at closing based on number of pages;

3. mortgage recording tax (including any payment to the Sponsor pertaining to mortgage tax credit) $6,593;

4. recording cost of mortgage – to be determined at closing based on number of pages;

5. New York City Real Property Transfer Tax $4,110.25 (based on the grossed-up consideration of $411,025.50);

6. New York State Transfer Taxes (deed stamps) $1,646 (based on the grossed-up consideration of $411,025.50);

7. New York State Mansion Tax $0

8. legal fee of the Sponsor's attorney (at the office of the Sponsor's attorney), $1,500;

9. Capital Reserve Fund contribution $1,260; and

10. real estate tax escrow - (and/or reimbursement of real estate taxes paid by the Sponsor).

The above known fees total approximately $18,034, an additional 4-5 percent of the purchase price.

Other fees which cannot be estimated because they pertain to events outside of the Sponsor's possible commitment fee or loan origination fee, appraisal fee, application fee, credit check fee control and/or statutory requirement include Purchaser's attorney's fee, lender's attorney's fee, and monthly Common Charges prospectively from the Closing Date.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

No bond or other security has been furnished to secure the performance of the Sponsor's obligations. When the Offering Plan is accepted for filing the Sponsor will be financially capable of performing the Sponsor's obligations. The subsequent ability of the Sponsor to perform its obligations will depend upon the Sponsor's financial condition at that time.

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

A. Construction

1. Construction financing is firmly committed, has closed and is being advanced by the lender. **The terms of the construction loan contain the customary conditions on the availability of advances against the construction loan, such as documentation of the contractors to be paid, retainage and lien waivers. The construction loan does not require the Sponsor to market the Units for sale and does not include any minimum number or percentage of Units which must be under contract before this Plan can be declared effective. The construction loan does contain a minimum release price set by the lender or a required minimum release payment per sale which must be made to the lender in order for the lender to release its lien from the Unit being sold. The construction loan does not set any limits or requirements imposed by the lender for the Sponsor to rent rather than sell under specified market conditions. The Sponsor retains unconditional discretion to rent rather than sell Units.**

2. The Sponsor will diligently, expeditiously and at the Sponsor's own cost, complete the construction of the Units and construction of the Common Elements substantially in accordance with the plans and specifications described herein. The Sponsor, at the Sponsor's own cost and expense, will perform or cause all such work to be performed and will supply or cause all material therefor to be supplied and will pay for such work and materials. The Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction of the Units and construction of Common Elements for the authorized and proper work performed and fixtures, material and equipment supplied or installed in said construction. The Sponsor will discharge or bond all mechanics' liens which may be filed as a result of the construction of the Units and/or construction of the Units renovation of certain Common Elements.

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

this Plan.

4. The Sponsor also reserves the right, without altering the total amount of space contained in the Building, to change the size, interior layout and location of any Unit or the number of Units, provided such changes are made in accordance with the Section of the Plan entitled " Changes in Prices and Units".

Changes will be made in the size or number of Units, their respective percentage of Common Interest, or in the amount or quality of Common Elements or, except as otherwise provided herein, only with the consent of all Unit Owners directly affected and Purchasers under Contracts of Sale which are not in default but will be directly affected, and by amendment to the Plan and also by amendment to the Declaration if the Declaration was filed prior to such change. To be directly affected, the change in the size of a Unit must be to such Unit Owner's Unit or the change must be to his or her percentage of Common Interest or in the amount or quality of Common Elements which it is entitled to use. However, the Sponsor shall not be obligated to obtain consent of any Unit Owner for changes made prior to the execution of a Contract of Sale for the affected Unit or Units, provided such changes are made by amendment to the Offering Plan and to the Declaration.

Changes to the size, layout or percentage of Common Interest of a Unit for which a Contract of Sale has been executed by a Purchaser and the Sponsor or changes in the amount or quality of Common Elements directly affecting or servicing a Unit for which a Contract of Sale has been executed by a Purchaser and the Sponsor shall be made only with the written consent of the Purchaser of such Unit, provided, however, that such Purchaser's consent shall only be required if the Purchaser is not then in default. Notwithstanding the foregoing, such changes may be made, provided all directly affected Unit Owners consent in writing to such change and all directly affected Purchasers who are still contract vendees and who are not then in default either consent in writing to such changes or are given the right to rescind and receive from the Sponsor a return of any deposit or downpayment for fifteen (15) days from the date of mailing or personal delivery of written notice from the Sponsor.

5. The Sponsor, at the Sponsor's sole cost and expense, will obtain, prior to the Closing of a particular Unit, a temporary or permanent Certificate of Occupancy for the Unit closed. If, at the time of Closing of title to a Unit, the Sponsor has only obtained a temporary residential Certificate of Occupancy covering such Unit, then the Sponsor shall place in escrow with its attorney an amount, as determined by an architect chosen by the Sponsor, which is sufficient in such architect's opinion to cover the cost for such Unit of obtaining a permanent residential Certificate of Occupancy covering that Unit. Such escrow amount shall be released to the Sponsor or its designee upon the obtaining of a permanent residential Certificate of Occupancy covering such Unit. Alternatively, the Sponsor shall have the option of either depositing with an escrow agent an unconditional, irrevocable letter of credit in the amount determined by the Sponsor's architect or posting a surety bond in the amount so determined. The Sponsor shall obtain a permanent certificate of occupancy before the temporary certificate of occupancy, as

extended, expires. The Sponsor anticipates obtaining the permanent certificate of occupancy within two years after the issuance of the first temporary certificate of occupancy.

Prior to the issuance of a permanent Certificate of Occupancy for the Building, an inspector from the New York City Department of Buildings will inspect the Property to verify that the work performed is what is reflected in the plans submitted to the Department of Buildings. Any Unit Owners who cause the delay of the issuance of a permanent Certificate of Occupancy will be liable to other Unit Owners, the Sponsor and the Condominium Board for damages. Without prejudice to any other rights, the Condominium Board will have the right to charge any Unit Owners who violate this requirement a fee of $300.00 per day for each and every day of delay.

6. The Building will be constructed by the Sponsor so as to be in compliance with Local Law 58 (Handicapped Access Law) relating to access by persons with physical disabilities. Primary access is provided to each Unit by a grade entrance and by accessible elevators. The bathrooms and kitchens in all Residential Units are adaptable for use by persons with certain physical disabilities. The Commercial Units are handicap-accessible.

B. Warranties.

1. The New Home Housing Warranty Law, General Business Law, Article 36-B does not apply to this offering since the Units do not fall within the definition of a "new home" which is a single family house or unit in a multi-unit residential structure of five stories or less in a condominium or cooperative regime.

THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE OF THIS OFFERING PLAN. THE LIMITED WARRANTY GRANTED HEREIN AND IN THE CONTRACT OF SALE IS AS FOLLOWS:

Limited Warranty

- The warrantor is Kirin Grocery, Inc., the Sponsor, with an address at 2132-2136 Second Avenue, New York, New York 10029.

- The warranty is extended only to the first Purchaser of a Unit with respect to the Unit and to the Board with respect to the Common Elements. It is not extended to any subsequent purchaser from the first Purchaser.

- The limited warranty means that the Sponsor will promptly correct any material patent defects in the construction and/or renovation of the Building and the Units therein, or in the installation or operation of any mechanical equipment therein, due to substantially improper workmanship or material substantially at variance with the architectural plans and

specifications, provided the Sponsor is notified of such defects in writing by the Unit Owner as to the Unit affected within sixty days from the date of closing of title to such Unit or, with respect to Common Elements, that the Sponsor is notified by the Board of Managers within one year after the Sponsor no longer controls the Board of Managers. If any defect in the Common Elements can only be detected after said period by occupancy of a particular Unit, the Sponsor will cause said defect in the construction of the Common Elements or in the installation or operation of any mechanical equipment therein due to improper workmanship or materials substantially at variance with the architectural plans and specifications to be corrected, if notified by the Board of Managers within one year after the Sponsor no longer controls the Board of Managers. The Sponsor will also cause to be corrected any latent defects in the construction of the Building and the Units therein or in the installation or operation of any mechanical equipment therein due to substantially improper workmanship or material substantially at variance with the architectural plans and specifications, provided it is notified of such defects in writing by the Unit Owner as to such Unit within one year from the closing of title to such Unit or is notified by the Board of Managers with respect to Common Elements within one year after the Sponsor no longer controls the Board of Managers. The Sponsor, in its sole discretion, shall select the method of correcting any defect. On three (3) days' notice from the Sponsor, the Board of Mangers and/or the Unit Owner in question shall allow the Sponsor, the Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question on any weekday which is not celebrated as a federal or state holiday to inspect and/or correct such defect. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications.

The Sponsor shall be deemed to have discharged any obligation it may have with respect to patent or latent defects, as the case may be, if (i) the Sponsor is not notified within the time periods specified herein, or (ii) the Board of Managers and/or the Unit Owner in question prevents the Sponsor, the Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question as provided herein, or (iii) the Sponsor shall have corrected the defect in accordance with the practice of the industry as determined by the Sponsor's general contractor or architect or engineer, in their sole discretion.

2. The Sponsor makes no warranties as to kitchen appliances, except that it will assign to the Purchaser any manufacturer's warranties thereon and any manufacturer's warranties existing for other items in Purchaser's Unit to the extent same are assignable.

3. The Sponsor will not be responsible for correcting or repairing any latent defects of construction or defects in the installation or operation of any appliances,

equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others, are assigned to the Board of Managers or Unit Owners or with respect to which there are no warranties. In addition, in no event shall the Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal setting or shifting of the Building; (ii) for defects of an insubstantial nature, such as, without limitation, partial or total death of any trees, shrubs, bushes or other landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in stone or porcelain surfaces, bath and kitchen tile grouting, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, (iv) variations in any floor levels, (v) ceiling imperfections, (vi) minor painting defects, (vii) alignment of bathroom finishes, (viii) air infiltration from windows, (ix) normal plumbing system, heating system and air conditioning system noises, (x) normal floor noises and creaking, (xi) carpet or floor discoloring or stretching, (xii) variations in width, length or tone of wood floor strips, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, (xiii) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Unit Closing, paint touch-ups, repairs of dented appliances, or replacement of fluorescent light ballasts, (xv) cracks or variations in tone, finish or color of any stone used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other stone surfaces, (xvi) salting or color variation in exterior colored mortar and deep colored brick, (xvii) pending and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure treated wood or redwood used or intended for use outside the Building.

Except as expressly set forth herein, the Sponsor has no obligation to correct or repair any defect or conditions in the Units, Common Elements or the Building and all other installations, apparatus, fixtures and appurtenances and none shall be implied. The Sponsor shall have no obligation to repair or replace any defect resulting from the failure by the appropriate Unit Owner or the Board of Managers to properly service or maintain a particular item or items. Additionally, the Sponsor shall have no obligation to repair or replace any defect resulting directly or indirectly from work done by any individual or entity retained by the Board of Managers or any Unit Owner(s).

4. The Sponsor shall not be obligated to correct, and shall not be liable to any Purchaser as a result of, (i) any insubstantial variations from the plans and specifications or the description of the Building or a Unit set forth in the Offering Plan or (ii) variations from the plans and specifications or description of the Building or a Unit set forth in the Offering Plan which are neither in violation of applicable building codes, nor require approval of any governmental authority having jurisdiction, provided such variations are

of substantially similar or better quality.

5. Nothing contained in this section on "Warranties" shall be interpreted to absolve the Sponsor of its responsibility to comply with the Martin Act, General Business law §352 et seq., with respect to full disclosure of the material terms of this offering, including disclosure of physical defects, both latent and patent in the Property. Compliance with the Martin Act means that all material defects are wither disclosed or corrected after closings have taken place so that the disclosure in this Plan regarding the physical condition of the Property is accurate.

C. Casualty.

1. As set forth in the section of the Plan titled "Effective Date," in the event of a casualty which cannot be repaired for an aggregate cost, together with possible expenses for other items stated in such section of the Plan, of less than an amount equaling one half of one percent of the Total Purchase Price set forth on the front cover of the Plan (as estimated by an insurance adjuster retained by the Sponsor), occurs prior to the First Unit Closing and the Sponsor elects not to make repairs, then the Sponsor may, at its option, abandon or withdraw this Offering Plan. In such case all Contracts of Sale will be deemed automatically canceled and Purchasers in good standing will be refunded their deposits with any interest earned thereon. Upon such refund being made, the Condominium and the Sponsor will be relieved and discharged of all liability under the Plan and Contracts of Sale.

2. In the event the Sponsor elects to repair and restore the damage to the Building from a casualty occurring before the First Unit Closing, or if the casualty occurs after the First Unit Closing, but before the closing of the damaged Unit, and the Sponsor elects to repair and restore the Unit, then the following shall be applicable:

The term "Affected Unit" means a Unit that has been directly damaged in the casualty (other than minor damage not rendering the Unit uninhabitable) or is without such essential services as gas, electricity and heat, or no longer has a reasonably adequate means of ingress and egress to the street.

The Contract of Sale for all Units, other than "Affected Units" (as previously defined), shall remain in full force and effect and the Purchasers thereunder shall pay the full purchase price at the closing. Such Purchasers shall not be entitled to adjourn the closing nor be allowed any abatement in the purchase price, nor credit against same, nor retain (in escrow or otherwise) any portion of such purchase price pending restoration and repair of the damage to the Building and the Affected Units.

Except as provided in the next paragraph, a Purchaser of an Affected Unit shall not be required to pay the balance due under the Contract of Sale unless and until (i) the damage to its Affected Unit has been substantially repaired as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity or heat) and a reasonable means of ingress and egress to the street have

been restored.

Notwithstanding the foregoing, if the Purchaser is given possession of the Affected Unit under an Interim Lease Agreement or otherwise prior to the casualty, such Purchaser shall assume the risk of loss to the Unit and the obligation to repair the damage, unless the cause of such loss originated outside its Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then his failure to repair the damage shall not excuse him from paying the balance due under his Contract of Sale and accepting title to the Unit.

3. The Sponsor and/or the Condominium will in no event be liable to Purchasers under this Plan, and the Sponsor will not be liable to the Condominium, in the event of any delay in repairing the damage.

D. <u>Sponsor's Rights of Access</u>

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

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

(a) The right to maintain any vacant and Unsold Unit(s) as general and sales and leasing office(s) and/or Model Unit(s) and to maintain personnel at the Property, to post signs, and to conduct other activities connected with promotion, sales or leasing, such as inspection by and display of vacant or leased Units, as well as all Common Elements and Limited Common Elements, to prospective purchasers or lessees;

(b) Right of access in and to Units, Common Elements and Limited Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing (including but not limited to garbage collection) and similar work;

(c) Right to show vacant or leased Units;

(d) Utility and other easements for the benefit of Unit Owners, Common Elements and Limited Common Elements.

2. The Sponsor, the Sponsor-designees and any partner of any entity affiliated directly or indirectly with the Sponsor shall exercise all rights of access so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners. The Sponsor, the Sponsor-designees and any partner of any entity affiliated directly or indirectly with the Sponsor agrees to repair damage directly attributable to and

caused by the Sponsor, the Sponsor-designees and any partner of any entity affiliated directly or indirectly with the Sponsor or its agents as a result of exercising such rights of access.

E. Creation of Condominium.

1. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with its operation and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred, or in connection with the sale of all of the Units held or owned by the Sponsor, except as noted in the section of the Plan titled "Closing Costs and Adjustments," and will pay or have paid, except as otherwise provided in the Plan, all selling expenses of the Sponsor, including, but not limited to, advertising and printing costs, architect's fees, attorneys' fees of the Sponsor and the Condominium, except as otherwise provided under "Unit Closing Costs and Adjustments," organization costs, brokerage commissions, engineers' fees, appraisal and any surveying fees and costs.

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

3. Immediately following the First Unit Closing, the Sponsor will assign to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume, all assignable service and maintenance contracts and agreements relating to the Property. The Condominium will indemnify the Sponsor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the First Unit Closing occurs.

4. The Sponsor shall procure fire and casualty insurance coverage on behalf of the Condominium, at the Condominium's expense, to be effective at the First Unit Closing, in the amount set forth in Note numbered 9 to Schedule B, which Schedule sets forth the Projected Budget for First Year of Condominium Operation.

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

F. Sponsor-Owned Units.

1. The Sponsor will pay all Common Charges from the date of the First Unit Closing, real estate taxes, special Assessments and other expenses allocable to any Units owned by the Sponsor, so long as the Sponsor shall continue to own the same. However, the Sponsor, where Purchaser has caused an unauthorized delay in closing of title, shall be entitled to reimbursement of real estate taxes and Common Charges at the closing of

such Unit, as a closing adjustment, for real estate taxes and Common Charges paid by the Sponsor for the period of the unauthorized delay in closing.. The Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. The Sponsor's financial obligations to the Condominium will be funded from sales proceeds and/or its own funds.

2. The Sponsor (and its successors, assigns and designees) shall have the right to alter any Unit, Common Element or Limited Common Element consistent with the terms of this Plan.

G. Sponsor's Intention to Sell

The Sponsor intends to sell the Units offered for sale in this Plan. The Sponsor represents that it will endeavor in good faith to sell Units rather than rent. If the Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor will be bound by Sponsor's representations regarding its commitment to sell Units unless this Plan is amended to provide otherwise. The construction loan does not require the Sponsor to market the Units for sale and does not include any minimum number or percentage of Units which must be under contract before this Plan can be declared effective. The construction loan does contain a minimum release price set by the lender or a required minimum release payment per sale which must be made to the lender in order for the lender to release its lien from the Unit being sold. The construction loan does not set any limits or requirements imposed by the lender for the Sponsor to rent rather than sell under specified market conditions. The Sponsor retains unconditional discretion to rent rather than sell Units. Because the Sponsor is retaining the unconditional right to rent rather than sell Units, this Plan may not resulting the creation of a condominium in which a majority of the Units are owned by owner-occupants or investors unrelated to the Sponsor.

H. Miscellaneous.

1. In the event of the dissolution or liquidation of the Sponsor or the transfer of one or more Unsold Units to a Sponsor-designee, the Sponsor will provide financially responsible entities or individuals who will assume the status and the obligations of the Sponsor for Unsold Units under the Offering Plan, applicable laws or regulations.

2. The Sponsor shall deliver to The Board of Managers a set of architectural plans promptly after the issuance of the permanent certificate of occupancy.

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

The Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims (i) as to any Unit arising out of any occurrence taking place on or after the earlier of the closing of title to such Unit or the leasing thereof to, or at the direction of, any Purchaser, or (ii) as to the Common Elements, arising out of any occurrence taking

place on or after the date of the recording of the Declaration, except suits, proceedings or claims arising out of acts or omissions of the Sponsor or representations made by the Sponsor in the Offering Plan. The Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims arising out of any occurrence which was prior to the date of the First Unit Closing except suits, proceedings or claims arising out of acts or omissions of the Sponsor.

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

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

6. The Sponsor (its successors, assigns or designees) may offer all or any Unsold Units for lease. Purchasers of any leased Units will be purchasing Units that have been previously occupied. The Sponsor will notify purchasers of Units that have been previously occupied prior to the execution of a Contract of Sale of such occupancy and will set forth the condition in which such Unit will be delivered (including outstanding warranties, if any.) There shall be no obligation of the Sponsor or any other offeror of such Unit to decorate, refurbish or in any way repair such Unit.

7. Each of the obligations of the Sponsor contained in this section shall be enforceable by any Unit Owner as to its Unit or the Board of Managers on behalf of the Unit Owners as to Common Elements.

8. The representations contained in this Plan, all obligations pursuant to Article 23-A of the General Business Law and such additional obligations under the Plan which are to be performed subsequent to the first Unit closing shall survive delivery of the deed. The Sponsor makes no other representation or warranties except as provided above.

CONTROL BY THE SPONSOR

Title to all Units which have not closed at the time of the First Unit Closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide Purchasers. It is the Sponsor's current intention to retain title, or to transfer title to entities affiliated with the Sponsor or to principals of the Sponsor or family members of the principals, to the Commercial Units, the Parking Unit, the Duplex Unit and two other Residential Units which together account for 28.547% of the Common Interest. Should the Sponsor offer the Commercial Units or the Parking Unit for sale, this Plan will be amended to include an offering price for such Units. Such sales are not subject to a right of first refusal to the Board of Managers.

Until the first annual meeting of the Condominium, Yiang Jun Lin and Sao Yao Chou, principals of Sponsor, will be the members of the Board of Managers. Accordingly, until such first annual meeting, the Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. A first annual meeting of the Condominium Unit Owners will be held within 30 days after the closing on Units which account for 35.7272% of the Common Interests to bona fide Purchasers (which does not include Sponsor's principals or family members of principals) but in no event later than the second anniversary of the First Unit Closing. At such meeting, a six person Board will be elected which will consist of five representatives of the Residential Units and one representative of the Commercial and Parking Units. The Sponsor, principals of the Sponsor and relatives of principals will have the right to vote the Common Interest appurtenant to the Units owned by them. It is therefore possible that the Sponsor will continue to control the Board of Managers after the first annual meeting of Unit Owners. Control may never pass to Unit Owners unrelated to the Sponsor or its principals.

As long as the Sponsor or any Sponsor-designee shall continue to own at least Unsold Units which constitute not less than 25% of the Common Interests, but in no event for a period in excess of five (5) years from the First Unit Closing, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that the Sponsor will consent to replacements to the contingency fund and/or capital replacement reserve, provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed 5.00% of the budgeted expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient). As long as the Sponsor or any Sponsor-designee shall continue to own not less than 25% of the Common Interests, the Board of Managers may not, without the Sponsor's or Sponsor designee's prior written consent, (i) amend the Declaration or these By-laws so as to in

any way adversely affect the Sponsor or its designees or (ii) interfere with the offer and sale or leasing of Units owned by the Sponsor or the Sponsor-designee at the Property, the operations of general or sales or leasing offices at the Property, actions necessary for construction, renovation, repair or correction at the Property, as required by the Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding these restrictions, the Sponsor or Sponsor-designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law, to remedy any notice of violation or to remedy any work order by an insurer.

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

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

BOARD OF MANAGERS

Under the By-laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of six persons. The Board of Managers will initially consist of two persons designated by the Sponsor. It is anticipated that Yiang Jun Lin and Sao Yao Chou, principals of the Sponsor will be the managers of the Condominium and the President and Secretary, respectively. See Section entitled "Identity of Parties." The Sponsor and the Sponsor's principals and family members of principals intend to retain ownership of the Commercial Units and the Parking Unit, which together total 9.97% of the Common Interest, and the Duplex and two other Units which together total 18.58% of the Common Interest. A first annual meeting of the Condominium Unit Owners will be held within 30 days after the closing on Units which account for 35.78% of the Common Interests to bona fide Purchasers (which does not include Sponsor's principals or family members of principals) but in no event later than the second anniversary of the First Unit Closing. At such meeting, a six person Board will be elected which will consist of five representatives of the Residential Units and one representative of the Commercial and Parking Units. The Sponsor, affiliates of Sponsor, principals of the Sponsor and family members of principals will have the right to vote the Common Interest appurtenant to the Units owned by them. It is therefore possible that the Sponsor will continue to control the Board of Managers after the first annual meeting of Unit Owners for an indefinite period.

The Unit Owners shall hold annual meetings. At each annual meeting, each Unit Owner, including the Sponsor, principals of the Sponsor and family members of principals of the Sponsor or its designees, shall be entitled to cast one vote for each .01% of interest in the Common Elements attributable to their Unit(s) on all matters put to a vote at all meetings of the Unit Owners except that, when voting for the election of members of the Condominium Board, Residential Unit Owners may only vote for the representatives of the Residential Units and Commercial Units Owners may only vote for the representative of the Commercial/Parking Unit Owners. If any Unit is owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning said Unit shall agree among themselves and cast the votes for their Unit.

The annual meetings shall be held on or about the anniversary of the date of the first annual meeting. A special meeting of the Unit Owners shall be called by the President of the Condominium as directed by the Board of Managers or upon a petition signed by a majority in Common Interests of the Unit Owners having been presented to the Secretary.

Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than thirty (30) days before such meeting. Minutes of all meetings of Unit Owners and of all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The Board shall retain an independent certified public

accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

Each of the members of Board will serve until the next regular annual meeting of Unit Owners and until a successor is elected and qualified. Members of the Board of Managers, except for those members elected by the Sponsor, to be eligible for election, must be either a Unit Owner, or an officer, director, shareholder, partner, principal, member, trustee, employee or beneficiary of a Unit Owner, or a family member of any of the foregoing. Except for a member of the Board of Managers designated by the Sponsor or a the Sponsor-designee, a Manager may be removed from office, with or without cause, only by the affirmative vote of Unit Owners owning, in the aggregate, a majority of the Common Interest on the floor which such Manager represents. In the event of such removal, the owners of Units on the floor which such Manager represented shall have the exclusive right to designate a replacement for such removed Manager.

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

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, including but not limited to: determination of the Common Charges, adoption of rules and regulations, opening of bank accounts, purchasing, leasing or otherwise acquiring Units, selling, leasing or mortgaging of Units owned by the Board of Managers and generally operating, maintaining, repairing or replacing the General Common Elements and other Condominium property as provided in the Declaration and By-laws. All determinations, however, which (a) affect only the Residential Units and do not adversely affect the Commercial/Parking Units or the use of the Commercial/Parking Units for their permitted purposes, shall be made by the Board members who represent Residential Unit Owners, or (b) affect only the Commercial/Parking Units and do not adversely affect the Residential Units or the use of Residential Units for their permitted purposes, shall be made by the Board member who represents the Commercial/Parking Units. All other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Units and adversely affect the Commercial/Parking Units, or (ii) relate to the Commercial Units/Parking and adversely affect the Residential Units, or (iii) relate to or affect the General Common Elements, shall be made by the Board in its entirety. Any dispute between the Board members with respect to which Board members shall be entitled to make any determination shall be settled by Arbitration (as hereinafter defined); provided, however, that no such dispute with respect to whether the determination of one adversely affects the other shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party within 10 business days of receipt by it of notice of such determination. The Arbitration shall be determined on the basis of what is in the best interests of the Condominium. As used herein the term "Arbitration" means arbitration conducted in accordance with the provisions of Article 11 and the term "adversely affect"

shall mean the uses prohibited by Section 6.16 of the By-laws.

The Common Expenses shall include such amounts as the Board of Managers deems proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, and to make up any deficit in the Common Expenses for any prior year. The Board, in its discretion, may delegate such managerial powers as it sees fit to the officers of the Condominium. The Board of Managers is authorized to employ for the Condominium, a Managing Agent on such terms as the Board of Managers may deem proper. See the section of the Plan entitled "Management Agreement, Contracts and Leases".

In order to limit the liability of the Unit Owners, the members of the Board of Managers, the Managing Agent, if any, and any officers of the Condominium, any contract or other commitment shall be made by the Board of Managers or the Managing Agent or an officer of the Condominium, as the case may be, only as agent for the Unit Owners. The members of the Board of Managers, the Managing Agent or the officer, as the case may be, shall have no personal liability on any such contract or commitment (except as Unit Owners), and the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. The Board of Managers and the officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, or otherwise, except for willful misconduct, negligence or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers and the officers of the Condominium against any liability or claims except those arising out of the bad faith, negligence or willful misconduct of the members of the Board of Managers or the officers of the Condominium, but the liability of any Unit Owner on account of such indemnification shall be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

The By-laws do not include a provision that a majority of the Board of managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principal, after the end of the Sponsor control period.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Board. The Condominium Board may each appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Board after the first annual meeting of Unit Owners. Thereafter, the President of the Board must be a Unit Owner or have an interest in a Unit. All officers shall serve without compensation from the Condominium. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Board of Managers and of Unit Owners. The Vice President shall take the place of

the President in his or her absence. The Secretary shall be empowered to take and keep minutes of all meetings and to keep the books and records of the Condominium. The Treasurer shall be responsible for the funds of the Condominium and for accurately keeping the financial records and books of the Condominium. The Board of Managers, in its discretion, shall delegate such powers to the officers as it sees fit to execute agreements, contracts, deeds, leases and checks etc. on behalf of the Condominium.

Severance of Ownership Prohibited

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed, its undivided interest in the Common Elements, together with its interest in any Unit or Units acquired by the Board of Managers from Unit Owners electing to sell or lease such Unit or at a foreclosure or other judicial sale involving such Unit or Units, in accordance with the provisions of the By-laws, all of which are Appurtenant Interests to its Unit.

Right of First Refusal; Units Acquired or Leased by Board of Managers

In administering the right of first refusal granted to the Board of Managers with respect to any sale or lease of a Residential Unit, the Board shall be required to exercise such rights, if at all, within twenty (20) days of its receipt of written notice from a Residential Unit Owner of the Unit Owner's intention to sell or lease the Unit to a bona fide grantee or lessee. Notice of the decision to exercise or waive such right must be given to the Unit Owner within five (5) days after the exercise of such decision and in any event within said twenty (20) day period by certified or registered mail. Failure of the Board to either exercise such right or to give notice of the exercise of such right within the time periods provided above shall constitute a waiver of the right of first refusal.

In the event the Board does exercise its right of first refusal, the acquisition or lease of the Residential Unit may be made from the working capital and Common Charges of the Condominium or, if such funds are insufficient, the Board may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's Percentage of Common Interest or may borrow money to finance such acquisition. The sole security which may be given for any funds so borrowed is the Residential Unit to be acquired. The Board may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Residential Unit. In the event any Residential Units are acquired or leased by the Board, the title or lease shall be held by the Board on behalf of all Unit Owners in proportion to their Percentage of Common Interest and any sale or lease of such Residential Unit shall be made by the Board on behalf of all Unit Owners in proportion to their Percentage of Common Interests. Such Unit, while owned or leased by the Board, may be used for any purpose for which it could be used by an individual Residential Unit Owner. In no event, however, may the Board of Managers at any meeting of Unit Owners vote the votes appurtenant thereto.

Each Residential Unit Owner, at the Closing of title to his or her Unit, shall be required to execute an instrument in the form of that contained in Part II in the section of the Plan

titled "Power of Attorney", designating the Board of Managers and their successors, as its attorneys in fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners.

ANYTHING CONTAINED IN THIS PLAN TO THE CONTRARY NOTWITHSTANDING, NEITHER THE SALE OR LEASE OR SUBLEASE BY THE SPONSOR OR ANY DESIGNEES OF THE SPONSOR OF ANY UNIT, NOR THE SALE OR LEASE OR SUBLEASE OF ANY COMMERCIAL UNIT, OR TO THE SALE OF A UNIT ACQUIRED BY A PERMITTED MORTGAGEE IN FORECLOSURE OR BY DEED IN LIEU OF FORECLOSURE, SHALL NOT BE SUBJECT TO THE BOARD'S RIGHT OF FIRST REFUSAL.

Review of Real Estate Tax Assessments

It shall be the responsibility of each Unit Owner, at their sole cost and expense, to review the real estate tax assessments of their Unit and, if they so desire, to take any steps necessary to review and/or challenge such assessments. Notwithstanding the foregoing, if proceedings are pending for the reduction of real estate taxes on the land and building for the tax year in which the First Unit Closing occurs, the Condominium will continue such proceedings with the attorney previously employed by the Sponsor. The Sponsor shall have the sole right to negotiate and settle all claims in connection with said proceedings. The cost of such proceedings, including legal fees, and (in the event taxes are reduced) any refund shall be apportioned between the Sponsor and the respective Unit Owners according to the ownership of the Property during respective portions of the tax year. Any refund covering a period prior to the First Unit Closing and all expenses incurred in connection with obtaining such refund, shall belong to and be incurred by the Sponsor alone.

Amendments to Condominium Declaration and By-Laws

The Declaration and By-laws of the Condominium may be modified or amended by the affirmative vote of Unit Owners owning not less than 80% of the Units and whose Percentage of Common Interest, in the aggregate equals or exceeds 80%, except (i) any provision of the Declaration and By-laws benefiting, protecting or otherwise affecting only the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least 80% in number and in Common Interests of the Common Interests of all Residential Unit Owners taken in accordance with the provisions of the By-laws, (ii) any provision of the Declaration and By-laws benefiting, protecting or otherwise affecting only the Commercial Units or the Commercial Unit Owners may be added to, amended, modified or deleted by the vote of at least 60% in number and in Common Interests of all Commercial Unit Owners taken in accordance with the provisions of the By-laws, and (iii) any provision of the Declaration and By-laws benefiting, protecting or otherwise affecting only the Parking Units or the Parking Unit Owners may be added to, amended, modified or deleted by the vote of at least 60% in number and in Common Interests of all Parking Unit Owners taken in accordance with the provisions of the By-laws. .

However, for as long as the Sponsor or its designee owns title to one or more Units, the Declaration, Rules and Regulations of the Condominium, or the By-laws may not be amended in a manner which would adversely affect the Sponsor or its designee in any way, in the Sponsor's sole discretion, unless the Sponsor or its designee gives its written consent to such an amendment. Additionally, (i) no such amendment shall adversely affect the lien of any mortgage without the written consent of the mortgagee, (ii) no such amendment may change the Percentage of Common Interests allocated to any Unit or Units without the written consent of such Owner, and (iii) no such amendment shall increase the Percentage of Common Interests allocated to any Unit or Units without the written consent of the mortgagee(s) of such Unit, or Units, if any.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sale and Lease of Units

Each Unit Owner may sell or lease his or her Unit. Other than the Sponsor or its designee with respect to any Unsold Units, and owners of Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and Commercial Unit Owners, the Unit Owner must first give the Board written notice of his or her intention to do so, accompanied by the terms of the offer as set forth in Article VIII of the By-laws. The Board, on behalf of all Unit Owners, will have the exclusive right to elect, within twenty (20) days after receipt of the notice of sale, to purchase the Unit, or to elect, within twenty (20) days after receipt of the notice of lease, to lease the Unit, on the same terms set forth in the offer, as more specifically set forth in Article VIII of the By-laws. Notice of the decision to exercise or waive such right must be given to the Unit Owner within five (5) days after the exercise of such decision and in any event within said twenty (20) day period by certified or registered mail. If the Board does not notify the Unit Owner of its election to purchase or lease the Unit within the aforementioned time periods, the Unit Owner will have sixty (60) days after the expiration of the twenty (20) day period to contract to sell the Unit or lease the Unit in accordance with the terms stated in the offer to the Condominium Board. After the expiration of the sixty (60) day period, the Unit Owner will again be required to first offer the Unit to the Board as provided above.

In the event the Board does exercise its right of first refusal, the acquisition or lease of the Unit may be made from the working capital and Common Charges of the Condominium or, if such funds are insufficient, the Board may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's Percentage of Common Interest for any funds so borrowed for the Unit to be acquired. The Board may also assess each Unit Owner for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired or leased by the Board the title or lease shall be held by the Board on behalf of all Unit Owners in proportion to their Percentage of Common Interest and any sale or lease of such Unit shall be made by the Board on behalf of all Unit Owners in proportion to their Percentage of Common Interests. Such Unit, while owned or leased by the Board, may be used for any purpose for which it could be used by a Unit Owner. In no event, however, may the Board at any meeting of Unit Owners vote the votes appurtenant thereto.

Each Unit Owner, at the closing of title to his or her Unit, shall be required to execute an instrument in the form of that contained in Part II in the section of the Plan titled "Power of Attorney", designating the Board of Managers and their successors, as his or her attorneys in fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners.

THE FOREGOING RESTRICTIONS UPON THE SALE AND LEASE OF UNITS WILL NOT APPLY TO SPONSOR OR ITS DESIGNEE WITH RESPECT TO ANY UNSOLD UNITS, OR TO UNITS ACQUIRED BY A PERMITTED MORTGAGEE IN FORECLOSURE OR BY DEED IN LIEU OF FORECLOSURE, OR TO COMMERCIAL OR PARKING UNITS, EACH OF WHICH WILL BE FREE TO SELL OR LEASE WITHOUT FIRST OFFERING TO SELL OR LEASE TO THE CONDOMINIUM BOARD.

Each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's: (i) Common Interest; (ii) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit, other than mortgages placed on such Unit in compliance with the By-laws, are paid and satisfied at or prior to closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner will be required to execute, acknowledge and deliver a Unit Owner's Power of Attorney in favor of the Condominium Board, in the form set forth in Part II of this Plan.

The lease for any Unit (other than Unsold Units) will be in substantially the form of lease printed by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Condominium Board.

A Unit Owner may, without restriction, make a gift of his or her Unit to anyone during his or her lifetime, to devise such Unit by will or to pass same by intestacy.

The Condominium Board may not discriminate against any individual on the basis of race, creed, color, national origin, sex, age, disability, marital status or on any grounds prohibited by law. The Condominium Board expressly reserves the right not to sell or lease to any government, or a department or agency thereof.

Mortgage of Units

Each Unit Owner, after notice to the Board is free to mortgage his or her Unit to a "Permitted Mortgagee", provided that prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy all arrearages for any unpaid Common Charges and assessments owed by such Unit Owner and discharge any liens affecting the Unit, other than Permitted Mortgages.

Determination of and Liens for Nonpayment of Common Charges

Each Unit Owner shall have an obligation to pay Common Charges and assessments on other expenses when due. Except as otherwise provided in Schedule B, Common Charges for each Unit shall be determined by multiplying that Unit's Percentage of Common Interest by the total annual net expenses incurred or anticipated to be incurred for those items listed in Schedule B herein, together with the expense of any special repairs, major capital improvements or other expenses deemed by the Board of Managers to be a part of

the Common Expenses and to be paid as Common Charges, all in accordance with Article VI, Section 1 of the By-laws of the Condominium. Common Charges will be established on an annual basis and be paid in equal monthly installments, due and payable on the first day of each month. The Board of Managers may, in accordance with Article VI, Section 1 of the By-laws, impose special assessments as it deems necessary, to meet unanticipated or extraordinary expenses, including, but not limited to, expenses incurred for major capital improvements. The special assessment to be paid by each Unit Owner shall also be determined in accordance with the Unit Owner's Percentage of Common Interest. Notwithstanding the foregoing, certain Common Charges, such as the cost of heat and hot water for the Residential Units will be borne solely by the Residential Unit Owners.

Under the provisions of Section 339-z of the Real Property Law of the State of New York, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers, together with interest thereon. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on a first mortgage of record thereon. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of notice thereof in the office of the Register of the City of New York, County of New York, New York 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.

Upon the failure of a Unit Owner to pay Common Charges for the Unit within fifteen days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against the Unit Owner's Unit for the unpaid Common Charges as set forth above. Failure of the Board of Managers to place such a lien shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale, transfer, or other conveyance made by him or her of his or her Unit, with appurtenant Common Elements, in accordance with the Declaration and By-laws.

All Unit Owners shall be required to comply with the Declaration, By-laws, Rules and Regulations of the Condominium and with any other requirements duly imposed by the Board of Managers pursuant to the authority granted to them. The Board of Managers shall have the power to impose appropriate sanctions where a Unit Owner is in default. Such sanctions include placing a lien against the Unit Owner's Unit, instituting foreclosure proceedings and filing suit against a Unit Owner.

Repairs

All maintenance of and repairs to any Unit shall be at the Unit Owner's expense, excepting as otherwise specifically provided in the By-laws.

All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, excepting 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. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed by the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, excepting to the extent that the same are necessitated by the negligence or misuse of a third party, including another Unit Owner or the Condominium Board.

The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-law, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in the By-laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions of the By-laws provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and (c) in any event charge the Unit Owner with the cost of reasonable legal and other fees and costs incurred in enjoining, abating or remedying such violation.

Additions, Alterations and Improvements

The Sponsor or its designee may make structural and non-structural alterations in any Unit owned by it or with respect to any Limited Common Element for which it has exclusive use without prior consent of the Board of Managers. With respect to other Unit Owners, a non-structural alteration to a Unit that does not affect the exterior of the Building or the value of other Units may be made by any Unit Owner without consent of the Board of Managers. No Unit Owner, other than the Sponsor, or its designee, may make a structural alteration in its Unit or with respect to any Limited Common Element for which it has exclusive use or which affects the exterior of the Building or the value of other Units without the prior written approval of the Board of Managers. Any approval, if granted, shall provide that such alteration shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurance (certificates for which shall be delivered to the Board of

Managers prior to the commencement of construction), that any additions, alterations or improvements shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration- Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration. Such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with the request by a Unit Owner for approval of a structural alteration.

Finally, any approval, if granted shall be subject to regulation by the Condominium as to any one or more of the following aspects of construction:

1. time periods during which work is permitted;

2. the manner in which construction debris will be handled;

3. measures which must be taken to prevent compromising security of the Building during construction;

4. the interruption of services during construction; and

5. liability insurance for contractors during construction.

The Board of Managers and/or the manager or managing agent shall have a right of access to any Unit for the purpose of inspection, making any repairs or replacements to any of the Common Elements or Limited Common Elements contained in such Unit or elsewhere in the Building, remedying any condition which would result in damage to any other Unit or to the Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by the By-laws.

Subject to the By-laws and Rules and Regulations of the Condominium and compliance with the requirement of applicable laws which, among other requirements, assigns responsibility for negligence, misuse or neglect, the Duplex Unit Owner who has the exclusive right to use the roof terrace area may install plantings and furniture on it.

Insurance

The Board of Managers shall be required to obtain and maintain the following insurance: fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units, including all of the Units and all fixtures installed therein by the Sponsor and any property customary to the servicing and general

occupancy (but not including furniture, furnishings, equipment or other personal property supplied or installed by Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an aggregate amount to be determined by the Board of Managers but in no event to be less than eighty percent (80%) of the full replacement cost of the Building, including the above noted items, but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker. At the First Unit Closing, the fire insurance coverage of the Building shall be not less than $4,600,000. Said coverage shall be maintained while the Sponsor is in control of the Board of Managers.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units.

The cost of all such insurance shall be paid by the Board of Managers and shall constitute a Common Expense.

The Board of Managers shall also obtain and maintain to the extent obtainable: (1) worker's compensation insurance for Condominium employees, if any; (2) general liability insurance covering the Board of Managers, each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit. The Board of Managers shall review such limits once each year. The general liability insurance will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the general liability insurance will be in a limit of at least $1,000,000/$2,000,000 per occurrence/aggregate and $25,000,000 umbrella covering all claims for bodily injury.

If, by reason of the occupancy or use of any particular Unit, the rate of fire or liability insurance for the Property shall be increased, such Unit Owner shall (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

In the event of a fire or other casualty in which more than eighty percent (80%) of the Building is destroyed or substantially damaged, repairs and/or restoration will be made if Unit Owners whose Percentage of Common Interest, in the aggregate, is at least eighty per cent (80%) of the Total Common Interest, affirmatively vote for such a course of action. If no such affirmative vote is given then the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor.

Use of Units

Residential Units may be used only for private residences. However, a Residential Unit Owner may use his or her Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction.

The Commercial Units may be used for any use permitted by law, including, but not limited to, as retail stores, personal service establishments and offices, except any use which is a nuisance or immoral or illegal. Under the Zoning Resolution, Group _ uses include, but are not limited to, medical offices, non-business clubs and non-profit institutions. Except as set forth below, no "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right, however, is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent" or "For Lease" or similar signs on any Unsold or unoccupied Units. Additionally, the right is reserved by the Sponsor and its designee to maintain and staff vacant and Unsold Unit in the Building as a sales office and/or model Unit. The Sponsor and its designee shall have the right to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building or on the facade of the Building.

No furniture, equipment, or other personal articles shall be placed in entrances, hallways, stairways, or other Common Elements without the prior written consent of the Board.

No Unit Owner shall make or permit any noise that will disturb or annoy the occupants of any of the Units in the Building or do or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Unit Owners.

Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness. Each Unit Owner shall keep the roof areas and balcony free of debris.

No sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of a Residential Unit or adjoining Common Element except such as shall have been approved in writing by the Board, nor shall anything be projected out of any window of the Building without similar approval. A Professional Unit may have a sign approved by the Condominium Board, such approval not to be unreasonably withheld, on the front façade street level.

All garbage and refuse from the Building shall be deposited with care in plastic bags or

other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct. Unit Owners shall be responsible for complying with all applicable recycling laws pertaining thereto. The Professional Unit Owners shall be responsible for complying with all applicable laws concerning hazardous or medical waste.

No pets other than two dogs, two cats or one dog and one cat per Unit, caged birds and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall be permitted to be kept or harbored in any Unit unless the same in each instance be expressly permitted in writing by the Board. Any such consent, if given, shall be revocable at any time by the Board. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and the other Unit Owners and hold them harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having any animal in the Building. The Board of Managers shall have the right to impose a maintenance fee not to exceed $500 per annum on each Unit Owner with a dog or dogs in the Unit.

No radio or television aerial or dish shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers.

The agents of the Board of Managers, and any contractor or workman authorized by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-laws, or Rules and Regulations of the Condominium.

The Board of Managers or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board of Managers or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers or Managing Agent or their agents may, when specifically authorized by an officer of the Condominium or an officer of the Managing Agent (except in an emergency, no such authorization shall be required) forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

No Unit Owner shall interfere in any manner with any portion of the heating or lighting apparatus which are part of the Common Elements and not part of the Unit Owner's Unit.

Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written

consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his family members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit or Limited Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or Limited Common Elements.

The Unit Owners shall not be allowed to put their names on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

Any damage to the Building or equipment caused by Unit Owners, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

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

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

Unless expressly authorized by the Board of Managers in each case, the floors of each Unit must be covered with rugs or carpeting or equally effective noise reducing material, to the extent of at least 80% of the floor area of each room excepting only kitchens, pantries, bathrooms, maid's rooms, closets and foyer.

Smoke detectors and carbon monoxide detectors must be installed in every Unit as required by New York City Building Code. It is the obligation of the Unit Owner to maintain, repair and replace the alarms and to make certain the units are in working order at all times.

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit in which children under the age of eleven years live. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent.

The cost of maintenance and repair of the sidewalks, and adjacent curbs, including keeping them free from snow, ice, dirt and rubbish, shall be the responsibility of the Condominium.

No group tour or exhibition of any part of a Unit or its contents shall be conducted nor shall any auction sale be held in any part of a Unit, without the consent of the Board of Managers or the Managing Agent in each instance.

Plantings on any terrace or balcony shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches from the terrace or balcony surface, and, if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest upon the surface of such terrace or balcony, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

Any consent or approval given under the Rules and Regulations of the Condominium may be amended, modified, added to, or repealed at any time by resolution of the Board of Managers. Further, any such consent or approval may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature.

The Rules and Regulations of the Condominium are set forth in Part II of this Offering Plan as an addendum to the By-laws. The Rules and Regulations govern the use of the Units and Common Elements and may be amended from time to time by the Board. However, no amendment of the Rules and Regulations shall be applicable to any Unsold Unit, unless agreed to by the Sponsor or the Sponsor-designee.

REAL ESTATE TAXES

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed as separate tax lots until the tax year following the tax year in which the Declaration of Condominium is recorded.

Until Units are separately assessed and billed, each Unit Owner shall pay, as Common Charges, such Unit Owner's pro rata share (in proportion to the Common Interest of such Unit Owner's Unit to the aggregate Common Interest of all Units) of all real estate taxes with respect to the property to the Condominium Board of Managers.

Real estate taxes are assessed by the New York City Department of Finance. No tax certiorari proceedings are pending with respect to the Property. Pursuant to real Property Tax Law Section 581, real property owned on a condominium basis are assessed at a sum not exceeding the assessment which would be placed upon such parcel were the parcel not owned on a condominium basis.

As stated in the opinion of Sheldon Lobel, P.C. dated January 17, 2005, a copy of which is included in this Offering Plan under Opinions of Counsel,

- The assessed value of the Property (Tax Lots 49 and 50), which will be merged into a single tax lot as a result of the construction, in the tax year 2003-2004 (prior to commencement of construction) was $123,650.

- A "rough approximation" of the assessed value of the Property after construction can be determined by taking 45% of the hard construction cost (approximately $4,228,000, and adding it to the assessed value prior to construction. The calculation is as follows:

  $4,228,000 x .45 = $1,902,600 + $123,650 = $2,026,250.

- Assuming a tax rate of 12.52%, the real estate taxes for the Property after completion of construction assuming no 421-A benefits will be $253,686.50.

In arriving at the assessed valuation for each Unit in the Condominium, the overall taxes of the entire Property are apportioned among the respective Units, each of which will be assigned a tax lot designation once the Condominium Declaration has been recorded and the floor plans are filed with the office of the City Register. The apportionment will be based in part upon the proportion that the projected offering price presented in the Offering Plan for each Unit bears to the gross offering prices for all Units available for purchase and/or actual prices at which Units are sold, the common interest breakdown presented in the Offering Plan, and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular units.

Notwithstanding the foregoing, the basis for calculating the real estate taxes payable by Unit Owners in the first year of Condominium operation was the pro rate estimated real estate taxes for the Property in accordance with the Percentage of Common Interest. The tax assessment for each Unit may be allocated on a basis that differs from the Percentage of Common Interests.

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

PURCHASERS ARE ADVISED THAT THERE IS NO REPRESENTATION, GUARANTEE OR WARRANTY as to (i) the assessed value of the Units, (ii) the first year of Condominium operation, (iii) the tax rate during the first year of Condominium operation (iv) the assessments for each Unit will be in the same proportion as each Unit's Percentage in Common Interest.

Real estate taxes paid by the Sponsor are one of the items to be adjusted between the Sponsor and each Purchaser at the Closing of each Unit. In addition, at Closing, each Purchaser will be required to deposit with the Sponsor a sum equal to the estimated real estate taxes attributable to his Unit for the period of six months following the next tax period. The Sponsor shall utilize such fund to pay the real estate taxes against the Property, until such time as each Unit is separately assessed. (See "Closing Adjustments and Closing Costs" for full details.)

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

421-A Benefits

The Sponsor has applied for benefits under Section 421-a of the Real Property Tax law. The 421-a program allows for the exemption from taxation of all increases in assessed value over the assessed value prior to the commencement of new construction of Class A multiple dwellings of not less than three residential units located within certain areas in the City of New York. The Property is located in an area which qualifies under the 421-a program. Such exemption is available for the period of construction or for a period of three years, whichever is less, and for a period of ten years, commencing after the first taxable status date(January 5) immediately following the completion of construction. The percent of increased assessed valuation which is exempt reduces by 20% every two years.

If more than 12% of the floor area of the Building is used for non-residential purposes, there is a diminution of the tax exemption in an amount equal to the ratio of Floor Area of non-residential use in excess of 12%. The proportionate reduction shall be allocated entirely to the non-residential tax lot parcels up to the point that no exemption exists for any such parcel before applying the reduction in exemption to the residential space.

PURCHASERS ARE ADVISED THAT THERE IS NO REPRESENTATION, GUARANTEE OR WARRANTY (i) that the 421-a partial real property tax exemption will be obtained or (ii) about the exemption's commencement, duration or possible diminution. See the letter of Sheldon Lobel, P.C. in the section titled "Opinions of Counsel" for a detailed description of the 421-a partial exemption for the Property and for additional disclaimers.

The Sponsor will keep all records required under the 421-A program by the New York City Department of Housing Preservation and Development ("HPD"), the administering agent of the 421-A program and will make them available to HPD whenever requested by HPD. HPD routinely conducts audits, the result of which can be either the reduction or revocation of benefits if proper documentation is not provided. Schedule A sets forth estimated real estate taxes with and without 421-A benefits. After the First Unit Closing, the Sponsor will make all 421-A documents available to the Condominium Board of Managers 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 421-A benefits so long as the Sponsor owns the Property or is in control of the Board of Managers.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

A Unit Owner will own his or her Unit in fee simple absolute. Each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Each Unit Owner may mortgage his or her Unit and shall be individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

As fully set forth in the tax opinion of Manatt, Phelps & Phillips, LLP, counsel to the Sponsor, in Part I of this Plan (the "Tax Opinion "), under present law, a Unit Owner will, 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 Internal Revenue Code of 1986, as amended (the "Code"), and corresponding provisions of New York State and New York City tax law. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the Tax Opinion. These deductions may also affect an individual Unit Owner's liability for the alternative minimum Federal income tax. Each individual Residential Unit Owner will, 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 if the Unit is such Unit Owner's primary or secondary residence. Such deductions may also affect his or her New York City minimum tax liability.

Once the Building is converted to condominium ownership, the affairs of the Condominium will be governed by a Condominium Board. Common Charges will be borne by all Unit Owners and assessed and collected by the Condominium Board. Condominium management associations that meet the requirements of Code Section 528 may be eligible to be exempt from Federal income tax on common charges collected from their unit owners. However, Treasury Regulations promulgated under Code Section 528 provide that one of the requirements of Code Section 528 is that 85% or more of the square footage of the units in the condominium must be used as residences. Because more than 85% of the square footage of the Units of the Condominium are expected to be used as residences, the Condominium Board will be eligible for the benefits of Code Section 528.

The Federal tax status of a condominium management association apart from Code Section 528 depends principally on the legal form of organization of the association. The Sponsor intends that the Condominium Board organize as a New York business corporation. Accordingly, the Condominium Board will be subject to the Federal income taxes applicable to corporations, and the equivalent New York State and New York City taxes applicable to corporations, on the portion of the Common Charges that constitutes gross income of the Condominium Board, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board that are deductible for Federal income tax purposes.

Published rulings of the Internal Revenue Service (the "Service") indicate that Common Charges that are assessed by the Condominium Board and designated for use solely to make specified capital improvements and that are maintained in a separate bank account should not constitute gross income to the Condominium Board, either because it is deemed to receive and hold such Common Charges as agent for the Residential Unit Owners from whom the assessments were collected, or because the assessed common charges are deemed to be nontaxable contributions to the capital of the Condominium Board. However, if treated as contributions to the capital of the Condominium Board, it should be noted that when such amounts (together with any other funds accumulated by the Condominium Board) are expended for capital improvements, the Service may contend that the capital expenditures benefit the Residential Unit Owners, and that each Residential Unit Owner should therefore be treated as receiving a distribution equal to the fair market value of that benefit. Under the usual rules applicable to distributions of corporations, a distribution is first treated as taxable ordinary income to the extent of the distributee's proportionate share of the association's "earnings and profits," then as a tax-free recovery of basis to the extent thereof, and the balance, if any, as capital gain.

Code Section 277 provides that in the case of a social club or other membership organization that is operated primarily to furnish goods or services to its members and which is not exempt from taxation, deductions for the taxable year attributable to furnishing services, insurance, goods, or other items of value to members shall be allowed only to the extent of income derived during such year from members or transactions with members. While Code Section 277 was designed primarily to deal with organizations other than organizations such as the Condominium Board, the Service has on a number of instances pursued the application of Code Section 277 to organizations formed to manage residential housing, including condominium management associations that were not eligible for the provisions of Code Section 528. It is possible that the Service might seek to apply the limitations of Code Section 277 to the Condominium Board, and the Service might be successful. If that were the case, the Condominium Board's income from sources other than Residential Unit Owners could not be offset by the Condominium Board's expenses incurred in the provision of services to Residential Unit Owners. It is unclear how interest or other income earned on the investment of a required reserve fund would be treated for this purpose; if such income were treated as not derived from the Residential Unit Owners in consideration of services rendered them by the Condominium Board, then such income may not be reduced by the Condominium Board's operating expenses with respect to the property and may result in a liability for taxes. The Service has announced that it generally will not seek to apply Code Section 277 to co-operative housing corporations, but has made no similar announcement regarding condominium management associations that are not exempt under Code Section 528. The Sponsor has not yet determined the position that it will take regarding the application of Code Section 277 to the Condominium Board, and therefore counsel is not rendering an opinion regarding the application of Code Section 277.

If the Condominium Board were to make an additional assessment in order to meet any Federal, New York State or New York City corporate tax liability, the additional amount collected through such assessment may itself be subject to tax.

The Condominium Board may elect to be taxed under the provisions of Subchapter S of the Code, and the corresponding provisions of the New York State Tax Law (the "Subchapter S elections") if it satisfies the conditions for such an election. These conditions are that the Condominium Board does not (i) have more than 75 shareholders, (ii) have as a shareholder a person (other than an estate, certain trusts, and certain tax-exempt organizations) other than an individual, (iii) have a nonresident alien (as determined for Federal income tax purposes) as a shareholder and (iv) have more than one class of stock. Because of the fundamentally factual basis of those conditions, it is not possible to determine in advance of the acquisition of Residential Units by Residential Unit Owners whether the Condominium Board will satisfy the foregoing conditions. If the Condominium Board is eligible for and makes the Subchapter S elections, the Condominium Board would not be subject to tax as a separate entity for purposes of the Code and the New York State Tax Law so long as those elections are in effect. Instead, each shareholder shall take into account his or her pro rata share of the Condominium Board's (a) items of income (including tax-exempt income), loss, deduction, or credit the separate treatment of which could affect the liability for tax of any shareholder and (b) the Condominium Board's nonseparately computed income or loss (i.e., the Condominium Board's gross income minus the deductions allowed to the Condominium Board for Federal income tax purposes, determined by excluding all items described in (a)). In general, this would result in the shareholders being taxed directly on their proportionate share of the Condominium Board's taxable income. The New York City tax law does not have provisions corresponding to the "Subchapter S" elections available under the Code and the New York State Tax Law. Thus, as a New York business corporation, the Condominium Board will be subject to the New York City General Corporation tax whether or not the Condominium Board makes the "Subchapter S" elections.

The foregoing summary is for informational purposes only and Sponsor's counsel expresses no opinion with respect to the likelihood of which method of taxation will be applied to the Condominium.

EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF THE PURCHASE OF A UNIT.

manatt
manatt | phelps | phillips

July 26, 2005

Kirin Grocery, Inc.
2132-2136 Second Avenue
New York, New York 10029

Re: *Condominium Offering Plan for the Conversion to Condominium Ownership of 2162-2166 Second Avenue, New York, New York (the "Plan")*

Ladies and Gentlemen:

We have acted as counsel to Kirin Grocery, Inc. (the "Company") in connection with its sponsorship of an offering plan for condominium ownership of real property owned by the Company at 2162-2166 Second Avenue, New York, New York. Under regulations applicable to the format and disclosure of plans for the conversion to condominium ownership of real property, 13 N.Y.C.R.R. §20.3(y)(2)and (5), our opinion, as your counsel, is required concerning (i) the availability for Federal income tax, New York State personal income tax and New York City personal income tax of deductions for real estate taxes and mortgage interest to individuals who purchase Units for private residential use ("Residential Unit Owners") under the Plan, including the availability of any specific exemptions from real estate taxes for veterans or other purchasers, (ii) the tax status of the Condominium Board with respect to the Common Charges paid or borne by all Residential Unit Owners for Federal income tax, New York State tax and New York City tax purposes, and (iii) compliance with Real Property Law Section 339-I in assigning the Percentage of Common Interests to each Unit in the Condominium. Except where otherwise indicated herein, defined terms used in this opinion have the same meanings as in the Plan.

In connection with the rendering of this opinion, we have examined the Plan, the Condominium's By-Laws, the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law (the "NYSTL"), the New York City Administrative Code (the "NYCAC"), the regulations promulgated under the Code, the NYSTL and the NYCAC, the New York State Real Property Law and such other materials as we deemed relevant. We have assumed the accuracy of all statements made in the Plan.

In rendering this opinion, we have assumed the genuineness of all signatures, the authenticity of all documents, certificates and instruments submitted to us as originals, the conformity with the original of the documents, certificates and instruments submitted to us as copies and the legal capacity to sign of all individuals executing documents.

We express no opinion with respect to laws other than the laws of the State of New York, the City of New York and the Federal law of the United States.

We express no opinion as to any Federal, New York State or New York City tax consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed herein, or as to any tax status or consequences of the Plan under the laws of any other United States, or any foreign, jurisdiction.

I. Availability of Deductions for Residential Unit Owners

A Residential Unit Owner will own his or her Residential Units and the Unit's Appurtenant Interest in the Common Elements in fee simple absolute. Accordingly, each Residential Unit will be taxed as a separate lot for New York City real property tax purposes, and each Residential Unit Owner will be individually liable for payment of such real property taxes. Residential Unit Owners may also mortgage their Residential Units and become individually liable for the payment of any finance charges or interest in respect of such mortgage indebtedness.

It is our opinion that:

1. Subject to the discussion of alternative minimum tax below, a Residential Unit Owner who itemizes deductions for Federal income tax purposes will be entitled to a deduction in computing taxable income for Federal income tax purposes for the amount of bona fide mortgage interest incurred with respect to such Residential Unit Owner's Residential Unit in the year paid or accrued (depending on such Residential Unit Owner's method of accounting) pursuant to Section 163(h)(3) of the Code; provided that, the aggregate maximum amount of mortgage indebtedness that a Residential Unit Owner may treat as indebtedness for which mortgage interest deductions are allowed is $1,000,000 ($500,000 in the case of a married couple filing separate returns). A Residential Unit will be a "qualified residence" if it is either (i) the Residential Unit Owner's "principal residence" as that term is defined in Code Section 121 or (ii) one other "residence" as defined by Code Section 280A(d)(1) and the Residential Unit Owner selects it as a qualified residence. Thus, a single taxpayer or a married couple filing joint returns may have as many as two, and not more than two, qualified residences. In the case of a married couple filing separate returns, each taxpayer may take into account a single "qualified residence" unless by written agreement they consent to one of them taking into account a principal residence and one other residence. Under Code Section 461(g), no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points, in certain cases). Other rules are applicable to a Residential Unit Owner if the Residential Unit is to be used in a trade or business or is to be held for rental. No opinion is rendered regarding the tax consequences to such a Residential Unit Owner.

2. Subject to the discussion of alternative minimum tax below, a Residential Unit Owner whose Residential Unit is used by him or her for residential purposes will, for Federal income tax purposes, be entitled to a deduction for New York City real property taxes incurred with respect to his or her Residential Unit in the year paid or accrued (depending on such Residential Unit Owner's method of accounting) pursuant to Section 164 of the Code. Other rules are applicable to a Residential Unit Owner if the

Residential Unit is to be used in a trade or business or is to be held for rental. No opinion is rendered regarding the tax consequences to such a Residential Unit Owner.

3. Each Residential Unit Owner will, for New York State personal income tax purposes and New York City personal income tax purposes, be entitled to the same deduction that is allowed for regular Federal income tax purposes for the mortgage interest and New York City real property taxes paid or accrued during the taxable year.

The benefit of a Residential Unit Owner's deductions for mortgage interest and New York City real property taxes may be reduced if such Residential Unit Owner is subject to the Federal alternative minimum tax under Code Section 55, the New York State minimum tax under NYSTL Sections 615 and 622, or the New York City minimum tax under NYCAC Sections 11-1715 and 11-1722. In addition, it should be noted that state and local taxes, including real property taxes, are not deductible for purposes of calculating an individual's Federal alternative minimum taxable income, and that interest with respect to a "qualified residence" is generally deductible only to the extent incurred in acquiring, constructing or rehabilitating a "qualified residence," or in refinancing, without an increase in the principal amount thereof, such indebtedness; the difference in the treatment of these and other items, for Federal alternative minimum tax purposes, may result in a taxpayer becoming subject to such tax even though he has no items of tax preference.

Certain Residential Unit Owners may be available for exemption from New York City real property taxes. A partial real property tax exemption is available to Residential Unit Owners aged 65 years or older with an annual income below $32,400 who reside in their Residential Unit. If the Residential Unit is owned by an individual and his or her spouse, only one owner must be 65 or older during the year of exemption. If the Residential Unit is owned by a brother and sister, only one owner must be 65 or older during the year of exemption. If the Residential Unit is owned by joint tenants or tenants-in-common, all owners must be 65 or older during the year of exemption. A partial real property tax exemption is available to Residential Unit Owners with medically certified disabilities who reside in their Unit. Residential Unit Owners whose unit is their primary residence and who served in the U.S. Armed Forces during the Persian Gulf Conflict, the Vietnam War, the Korean War, World War II, or certain other wars, or who served in the U.S. merchant marine during World War II, or who received the Armed Forces, Navy or Marine Corps expeditionary medal and certain spouses or parents of persons who have served in the U.S. Armed Forces, may be eligible for an exemption from the general municipal portion of their real property taxes. The foregoing exemptions can be obtained only by a Residential Unit Owner who files a completed application for the applicable exemption. Residential Unit Owners must consult their own tax advisors as to the availability of the foregoing exemptions based on their personal circumstances.

II. Tax Treatment of the Condominium Board

Common Charges will be borne by Residential Unit Owners and assessed

and collected by the board of managers (the "Condominium Board"). Condominium management associations that meet the requirements of Code Section 528 may be eligible to be exempt from Federal income tax on common charges collected from their unit owners. In order to be eligible for Code Section 528 treatment, a condominium management association must meet six conditions: (i) the association must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the association's property, (ii) sixty percent (60%) or more of the association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of residential units, (iii) ninety percent (90%) of the association's expenditures for the taxable year must be expenditures for the acquisition, construction, management, maintenance and care of the association's property, (iv) no part of the net earnings of the association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance and care of the association's property and other than by a rebate of excess membership dues, fees or assessments, (v) the association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (i) above with respect to a condominium project substantially all of the units of which are used by individuals for residences, and (vi) the association must properly elect to have Code Section 528 apply. Treasury Regulations promulgated under Code Section 528 provide that "substantially all" of the units are used by individuals for residences if 85% or more of the square footage of the units in the condominium are used as residences. Auxiliary purposes such as laundry, storage and areas used by maintenance personnel are considered residential. You have advised us that more than 85% of the square footage of the Units of the Condominium are expected to be used as residences. Our review of the other documents and instruments relating to the Condominium Board indicates that the Condominium Board meets all of the other organizational tests for Code Section 528 treatment. Accordingly, the Condominium Board initially will be eligible for the benefits of Code Section 528. If the Condominium Board elects to be taxed under Code Section 528, it will be exempt from Federal income tax on all amounts that it receives that qualify as "exempt function income." This consists of amounts received as membership dues, fees or assessments from owners of residential units. However the Condominium Board will be subject to tax on income that is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Continually meeting the qualifications for Code Section 528 will require careful periodic planning and monitoring.

If the Condominium Board does not meet the requirements of Code Section 528, or if it does but does not make the necessary election, it may be taxable as a corporation for Federal, New York State and New York City income tax purposes (depending principally on its form of organization). If the Condominium Board is taxable as a corporation, it is possible that it may elect to be taxed under the provisions of Subchapter S of the Code, and the corresponding provisions of the NYSTL (the "Subchapter S elections") if it satisfies the conditions for such an election. These conditions are that the Condominium Board does not (i) have more than 75 shareholders, (ii) have as a shareholder a person (other than an estate, certain trusts, and certain tax-exempt organizations) other than an individual, (iii) have a nonresident alien (as determined for

Federal income tax purposes) as a shareholder and (iv) have more than one class of stock. Because of the fundamentally factual basis of those conditions, it is not possible to determine in advance of the acquisition of Residential Units by Residential Unit Owners whether the Condominium Board will satisfy the foregoing conditions. If the Condominium Board is eligible for and makes the Subchapter S elections, the Condominium Board would not be subject to tax as a separate entity for purposes of the Code and the NYSTL so long as those elections are in effect. Instead, each shareholder would take into account his or her pro rata share of the Condominium Board's (a) items of income (including tax-exempt income), loss, deduction, or credit the separate treatment of which could affect the liability for tax of any shareholder and (b) the Condominium Board's nonseparately computed income or loss (i.e., the Condominium Board's gross income minus the deductions allowed to the Condominium Board for Federal income tax purposes, determined by excluding all items described in (a)). In general, this would result in the owners of Residential Units being taxed directly on their proportionate share of the Condominium Board's taxable income. The NYCAC does not have provisions corresponding to the "Subchapter S" elections available under the Code and the NYSTL. Thus, in the absence of an election under Code Section 528, the Condominium Board likely would be subject to the New York City General Corporation tax whether or not the Condominium Board makes the "Subchapter S" elections under the Code and the NYSTL.

The qualification of an organization under Code Section 528 is determined annually at the close of each taxable year, and it is possible that if the Condominium Board does not qualify in one year, it may nevertheless qualify in one or more future years.

III. Compliance with New York State Real Property Law Section 339-I

New York State Real Property Law Section 339-i(1) provides that each Unit shall have appurtenant thereto a common interest as expressed in the declaration. Four methods are provided for the allocation of a common interest to a unit. The method set forth in Section 339-I(1)(iv) is based "upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit." This method of allocation was selected by Warburg Realty Harlem as stated in their letter dated July 27, 2005 which is included in the Plan. Assuming factual determinations made by Warburg Realty Harlem as to each Unit support the Percentage of Common Interests allocated thereto, the allocation of Common Interests to each Unit is in compliance with Real Property Law Section 339-i.

This opinion letter speaks only as of its date. We undertake no obligation to advise you (or any third party) of changes of law or fact that occur after the date hereof, even though such changes may affect the legal analysis, a legal conclusion or an informational confirmation herein set forth. In rendering the foregoing opinion to you, we authorize reliance thereon solely by you, your counsel and purchasers of Residential

Units and only in connection with the matter stated herein. This opinion may not be relied upon by, or disseminated to, any other party without our express prior written consent.

Very truly yours,

Manatt, Phelps & Phillips, LLP

Manatt, Phelps & Phillips, LLP

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January 17, 2004

By Facsimile (212) 875-7340 and Regular Mail

Mr. Richard Lin
Kirin Grocers
2132 2nd Avenue
New York, New York 10029

Re: Projected Caps for 421-a Partial Real Estate Tax Exemption
2132-2136 2nd Avenue
Block 1681 Tentative Lot 50 (Lot 49 and 50 merged)
New York, New York (the "Premises")

Dear Mr. Lin:

The Real Property Tax Law Section 421-a allows for the exemption from real estate taxation of all physical increases in assessed value on new construction of Class A Multiple Dwellings of not less than three residential units. The duration of the exemption is dependent on the geographical location of the property within the City of New York. According to 421-a rules, buildings that meet the requirements of the statute, located in Manhattan on tax lots south of or adjacent to either side of 110th Street shall be exempt from real property taxes, other than assessments for local improvements, upon any increase in assessed valuation over the Prior Assessed Valuation during the period of construction, or for a period of three years, whichever is less. Thereafter, the exemption continues for a period of ten years, commencing after the first taxable status date immediately following the completion of construction; the construction of which commenced on or after July 1, 1985.

A breakdown of the exemption over the 10-year period commencing after completion of construction is:

TEN-YEAR EXEMPTION

Year	Percent of Increased Assessed Valuation Which is Exempt
First	100%
Second	100%
Third	80%
Fourth	80%
Fifth	60%
Sixth	60%
Seventh	40%
Eighth	40%
Ninth	20%
Tenth	20%
Eleventh	0%

Based on information supplied to our office by you, your agents and representatives, your proposed development meets the requirements set forth in the 421-a partial real property exemption rules and is eligible to obtain a 10 year, 421-a partial real property tax exemption. The following information is provided at your request regarding the projected real property tax implications of the Premises as a result of 421-a partial tax exemption benefits being applied. It contains an estimate of possible real estate taxes for the premises.

To approximate the real estate taxes that will be due on the proposed building as a result of the 421-a benefits being applied following the first full tax year after completion of construction of the building, the following formula applies: Determine the assessed value of the property in the year prior to construction and multiply this assessed value by the applicable tax rate for the tax year of the first full year after completion of construction of the building. Based on information supplied by the project architect, it will be assumed that construction began during tax year 2004-2005. According to a New York City Department of Finance assessment history, the sum of the assessed values of the lots to be merged into a single lot as a result of construction (Lots: 49 and 50) in the tax year 2003-2004 was $123,650.00. In using this figure as a base, it will be assumed that no increase in assessed value to the property will occur for any reason other than construction (for example increases or decreases due to equalization) between the tax year that construction began and the end of the first full year after completion of construction. The tax rate will be assumed at 12.52 %. This rate represents an increase of 2.5% over the 2004-2005 Tax Class 2 tax rate, and it will be assumed that this artificially designated tax rate will remain static through the first full year after completion of construction of the building. Thus, taking into account the assumptions made, an approximation of the taxes due on the property following the first year after completion of construction of the building is $15,480.98.

In the event that the 421-a benefits are not secured, an estimate of the post-construction real estate tax due on the property following the first full year of operation after completion of construction of the building can be determined by taking the then existing tax rate for the building and multiplying that rate by the then existing assessed value of the property. A rough approximation of the assessed value of the property after construction can be determined by taking 45% of the hard construction cost and adding it to the assessed value prior to construction. The hard construction cost is approximated at $4,228,000.00, 45% of which is $1,902,600.00. Thus, the assessed value of the property will be estimated by adding $123,650.00, the assessed value of the property prior to construction, and the approximated assessed value increase due to construction, $1,902,600.00. This leaves an assumed assessed value of $2,026,250.00. Further, using a tax rate of 12.52 % (description of assumptions made in order to designate this rate previously described), and assuming this rate will remain static through completion of construction of the building, the real property taxes would be $253,686.50 if the 421-a tax benefits were not applied.

(This Space Left Intentionally Blank)

Note that if more than 12% of the floor area of the building is used for non-residential purposes, there shall be a diminution of the tax exemption in an amount equal to the ratio of Floor Area of non-residential use in excess of 12%. Where a project contains separately assessed parcels, such as residential condominiums located above a separately owned commercial space, as is the case with this development, the proportionate reduction of tax exemption resulting from the non-residential use shall be allocated entirely to the non-residential parcels up to the point that no exemption exists for any such parcel before applying the reduction in exemption to the residential space. According to information supplied by the project architect, 13.63% of the building's floor area will be used for non-residential purposes. Thus, there will be a diminution of the tax exemption according to the amount in excess of 12%. Accordingly, this reduction will be allocated to the non-residential parcels first up to the point that no exemption exists for such non-residential parcel prior to being applied to the residential parcels.

We make no representation about the eligibility of the premises to obtain a 421-a partial real property tax exemption or about the exemption's commencement, duration or possible diminution if information supplied to us by the applicant, or the applicant's agents and representatives is incorrect or incomplete or the 421-a law, either statutory or decisional, or 421-a rules and regulations, or present interpretations have been interpreted incorrectly, or if 421-a law, either statutory or decisional, or 421-a rules and regulations, or present interpretations are modified or changed. We further make no representation that the 421-a exemption benefits will be carried out as stated in this letter or that each and every one of the assumptions above listed in determining exemption benefits are correct or totally applied, or that all pertinent facts or necessary assumptions have been included. We further make no representation that the 421-a law, either statutory or decisional, or 421-a rules and regulations, or present interpretations have been interpreted correctly, or that 421-a exemption estimates will remain pertinent if the 421-a law, either statutory or decisional, or 421-a rules and regulations, or present interpretations are modified or changed. Further, we make no representation as to the amount of taxes that will be owed if no 421-a partial real estate tax benefits are applied to the property or that each and every one of the assumptions above listed in determining taxes owed if no benefits are applied to the property are correct or totally applied, or that all pertinent facts or necessary assumptions have been included.

The opinions expressed in this letter are given solely for the benefit of the property owner, its successors and assigns. The opinions expressed in this letter may not be relied upon, in whole or in part, by Lenders or their successors or assigns or counsel for any purpose or relied upon by any other person, firm or corporation for any purpose, without our prior written consent. The opinions expressed herein may be included in the Offering Plan. The opinions expressed in this letter are rendered as of the date hereof and we express no opinion as to circumstances or events that may occur subsequent to such date. Finally, much of the information contained in this letter is provisional, as the assessment information has not been finalized by The City of New York.

Sincerely,

Sheldon Lobel

c: Diana Lee, Esq

RESERVE FUND AND WORKING CAPITAL FUND

Reserve Fund

No provision has been made for any Reserve Fund. The Sponsor can make no guaranty or warranty that there will be no need for repair or replacement of capital equipment within five (5) years subsequent to the First Unit Closing. However, as a result of the Building being newly renovated, it is not anticipated that major capital improvements will be needed within the next five (5) years.

The Board of Manager, in its discretion, and subject to the provisions of the By-laws, may in the future decide to create a reserve fund by special assessment or increase in Common Charges. However, so long as the Sponsor or any Sponsor-designee shall continue to own at least twenty-five (25%) percent of the Common Interest, but in no event for a period in excess of five (5) years from the First Unit Closing, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that the Sponsor will consent to replacements to the contingency fund and/or capital replacement reserve, provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed 5.00% of the budgeted expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient).

Working Capital Fund

At the time of the first closing of title to each Unit to a bona fide Purchaser, such Purchaser shall pay the sum equal to two (2) months of Common Charges for the Unit being purchased at the time of the closing to the Board of Managers for its working capital (the "Working Capital Fund"). This fund will be used for the payment of any net closing adjustments in favor of the Sponsor. However, the Sponsor shall waive any such net closing adjustments with the Condominium Board in its favor which would reduce the Working Capital Fund below zero. If the net closing adjustments are in favor of the Condominium Board, the amount thereof will be paid or credited to the Working Capital Fund at the First Unit Closing by the Sponsor. The amounts in the working Capital Fund remaining after closing adjustments are paid may be held or used at any time for working capital to make repairs or for such other appropriate purposes permitted under the Declaration and the By-laws as will be determined by the Board of Managers in its sole discretion.

General

No provision has been made for any Reserve Fund or for any Working Capital Fund other than the above. If additional funds are required, it may be necessary to increase

Common Charges or make Assessments on Unit Owners.

For such period as the Sponsor retains control of the Board of Managers, neither the Working Capital Fund nor the Reserve Fund shall be used to reduce Common Charges.

NEITHER THE OFFICE OF THE ATTORNEY GENERAL NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF EITHER THE WORKING CAPITAL FUND OR THE RESERVE FUND.

Closing Adjustments With Condominium Board

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

(a) Any Common Charges which are the Sponsor's obligation for the period from the First Unit Closing to the end of the month in which same occurs;

(b) employees' wages and any vacation pay, pension and welfare benefits and all other payments or obligations relative to the employees of the Building, if any;

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

(d) cost of gas plus sales tax, if any;

(e) charges for electricity and natural gas, (if any) pertaining to the Common Elements;

(f) payments under service and maintenance contracts;

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

(h) cost of supplies on hand at the Sponsor's cost plus sales tax);

(i) premiums for any transferable insurance policies; and

(j) if the Units have not been separately assessed, the real estate taxes on the Property.

The Condominium Board of Managers shall reimburse the Sponsor in full for any electric, utility or other service deposits paid by the Sponsor. These items are not items of closing adjustment. The deposits shall be repaid to the Sponsor from contributions to the Working Capital Fund.

MANAGEMENT AGREEMENTS, CONTRACTS AND LEASES

Management Agreement

The Sponsor has entered into a management agreement with Mathew Adam Properties, Inc., 127 East 59th Street, New York, New York 10022 to manage the Condominium (the "Managing Agent or "Agent"). There is no other relationship between the Sponsor and Matthew Adam Properties, Inc. The management agreement will be for an initial term of two (2) years, commencing on the date of the First Unit Closing. The Managing Agent will receive a stated annual fee of approximately $18,000, payable in equal monthly installments. It shall be subject to the right of either party to cancel at any time upon at least thirty (30) days prior written notice.

The duties and services to be rendered by the Managing Agent include, among others:

(a) Cause to be hired (subject to the prior approval by the Board), paid and supervised, all persons necessary to be employed, if any, in order to properly maintain and operate the Condominium's property, and cause to be discharged all persons unnecessary or undesirable.

(b) Cause the General Common Elements to be maintained in such a condition as may be deemed advisable by the Board, including interior and exterior cleaning; and cause repairs and alterations thereof to be made, including, but not limited to, electrical, plumbing, carpentry, masonry, elevator, decorating and such other incidental alterations or changes therein as may be proper, subject only to the limitations contained in the Management Agreement, except Managing Agent shall not be responsible for making repairs to the interior of any Unit. Ordinary repairs or alterations involving expenditure of over $1,000.00 for any one item shall be made only with prior written approval of the Board or an authorized officer, but emergency repairs, immediately necessary for the preservation or safety of the Condominium for the safety of the Unit Owners, tenants or other persons, or required to avoid the suspension of any necessary service in or to the Condominium, may be made by the Agent irrespective of the cost thereof, without the prior approval of the Board, after consultation with an authorized officer.

Agent's responsibility under the Management Agreement shall not extend to supervising or managing major renovations or major capital improvements, unless specifically agreed upon in writing by the Board and Agent.

(c) Cause all such acts and things to be done in or about the Condominium as shall be necessary to comply with any and all orders and violations affecting the premises, placed thereon by any federal, state or municipal authority having jurisdiction thereover, and orders of the New York Board of Underwriters, the New York Fire Insurance Exchange or other similar body.

(d) Enter into contracts for electricity, gas, telephone, window cleaning,

elevator service, vermin extermination and other services or such of them as shall be approved by the Board; purchase all Building Section supplies. In no event shall any service contract be for a term longer than three years or require annual payments in excess of $1,000.00 unless otherwise authorized by the Board.

(e) Cause to be effected and maintained to the extent obtainable, in such amounts as the Board shall designate in writing and through such brokers as the Board shall designate, fire, rent, water damage, liability, worker's compensation, disability and such other insurance as the Board may deem necessary or advisable.

(f) Review of all bills received for services, work and supplies ordered in connection with maintaining and operating the Condominium, pay all such bills and also pay water charges and sewer rent and assessments assessed with respect to the Condominium, if any, as and when the same shall become due and payable.

(g) At the direction of the Board, carry out required procedures and give required notifications as set forth in the Condominium Declaration and By-Laws, in connection with the exercise of the right of first refusal on proposed sales or leases of Units.

(h) Supervise the moving in of Unit Owners and tenants, and, as far as possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and of inconvenience to other unit owners and tenants.

(i) Bill Unit Owners for Common Charges and use its best efforts to collect such Common Charges and other charges which may at any time be or become due to the Condominium from any Unit Owner.

(j) Consider and, where reasonable, attend to the complaints of Unit Owners, tenants and subtenants, provided that if Agent shall deem any complaints unreasonable, Agent shall so advise the Residential Board and give reason for its opinion.

(k) Maintain any required payroll records and cause to be prepared and filed, the necessary forms for unemployment insurance, social security taxes and withholding taxes and all other forms required by any federal, state or municipal authority.

(l) Render monthly statements supported by disbursement vouchers and bills to the Board not later than ten days after the end of each month, remitting the amount collected during the previous month less disbursements made on behalf of and for the account of the Board, including the Agent's compensation hereinafter specified, and, less all such amounts as in the Agent's judgment it may be necessary or advisable to reserve or withhold to meet obligations or which will or may become due thereafter and for which current income will not or may not be adequate. A copy of such monthly statement shall be sent by the Agent to the President and Treasurer of the Condominium.

(m) Maintain in a satisfactory manner, the records of cash receipts and cash disbursements, checkbooks, operating bank account(s), minute books and other records

of the Principal.

(n) If required by the Board, in conjunction with the certified public accountant of the Condominium, arrange for an annual audit or review of each of the books of account of the Condominium, including an annual report each year of the operations of the Condominium for the then year ended. A copy of such annual report shall be sent by the Agent to each Unit Owner.

(o) Prepare and submit to the Board an operating budget setting forth the anticipated income and expenses of the Condominium for the ensuing year; send to each unit owner a copy of the operating budget as adopted by the Board, and notify unit owners of annual and all other assessments of common charges as determined by the Board.

(p) Make all necessary arrangements for the holding of meetings of the Unit Owners and Board and cause a representative of its organization to attend meetings of the Unit Owners and of the Board.

(q) Agent shall generally do all things reasonably deemed necessary or desirable by the Board of Managers for the proper management of the Common Elements of the Building.

For services in connection with processing each application for the sale or lease of a Unit by a Unit owner other than the Sponsor or holder of unsold units, including obtaining a waiver of right of first refusal and other agreements necessary to properly effect the transfer of interest, there shall be a fee approved by the Board per transfer or lease to the Managing Agent. The fees referred to above shall be paid in full upon the submission of the application. No such fees shall be payable for Sponsor owned Units or Units owned by a Sponsor-designee.

The annual financial statements of the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Condominium Board whose fees are to be paid by the Condominium Board and charged to the Unit Owners as a Common Expense.

All expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Board and charged to the Unit Owners as a Common Expense. In addition, the Board will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Board or for personal injury or property damage not resulting from the Managing Agent's gross negligence or willful misconduct. The management agreement is not assignable by the Agent.

IDENTITY OF PARTIES

Sponsor

The Sponsor of the Offering Plan is Kirin Grocery, Inc., a New York business corporation formed in 1978. The Sponsor's address is at 2132 Second Avenue, New York, New York 10029.

The sole shareholder and President of the Sponsor is Grace Lin, aka Yiang Jun Lin. The Secretary of Sponsor is Sao Yao Chou. Their business address is 2132 Second Avenue, New York, New York 10029.

The principals of the Sponsor have not been involved in any condominium or cooperative offering plans for the last five years and do not own ten (10%) percent or more of the unsold units or unsold shares in any building.

Managing Agent

Matthew Adam Properties, Inc., 127 East 59th Street, New York, New York 10022 has been engaged by the Sponsor to manage the Condominium pursuant to a management agreement set forth in the section of the Offering Plan titled "Management Agreement, Contracts and Leases."

Architect

The architect who prepared the Description of Property appearing in Part II of the Plan is Peter Poon, Architect, with offices at 16 Mercer Street, New York, New York 10013. The Sponsor's Architect has no financial relationship, past or present, to the Property or to the Sponsor, except in its capacity as architect.

Counsel to the Sponsor

The Sponsor has retained the law firm of Manatt, Phelps & Phillips, LLP, 1675 Broadway, New York, New York 10019 (212-541-9090) to represent it in the preparation and consummation of the Offering Plan. The principal attorney who is responsible for this matter is Diana J. Lee, Esq. This firm drafted the Declaration, the By-laws, this Plan, the form of Contract of Sale, the form of deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto. No separate counsel has been retained to represent the Condominium. It is suggested and expected that each Purchaser will consult and be represented by his own counsel in connection with this Plan.

The Sponsor has retained Sheldon Lobel, P.C. to project the real estate taxes liability of the residential Units for the first year of condominium operation. The projections are included in this Offering Plan.

Neither firm has a financial relationship, past or present, in the Property or to the Sponsor, except that it is paid a fee for services.

Selling Agent

Warburg Realty Harlem LLC, with an office at 2235 Frederick Douglas Boulevard, New York, New York 100__ is the Selling Agent. Warburg Harlem is a licensed real estate broker and a division of Warburg Realty Partnership Ltd. Warburg and its predecessors have been engaged in the sale of condominium and cooperative apartments in New York City for more than 100 years. In addition to its brokerage activities, Warburg Realty Partnership Ltd. have been engaged as selling agents for a number of cooperative and condominium properties in the Harlem area.

REPORTS TO UNIT OWNERS

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

(a) The financial statement of the Condominium prepared by a certified public accountant or public accountant by March 15th of each calendar year for the prior fiscal year; such statement shall be certified while the Sponsor is in control of the Board of Managers;

(b) A prior notice of the annual Unit Owner's meeting;

(c) A copy of the proposed annual budget, if any, of the Condominium within ten (10) days prior to the date set for adoption thereof by the Board of Managers. While the Sponsor is in control of the Board of Managers, the budget shall be certified by an expert on the adequacy of the budget in compliance with 13 N.Y.C.R.R. Section 20.4(d).

DOCUMENTS ON FILE

Copies of this Plan and all exhibits or documents referred to herein or submitted to the Department of Law shall be available for inspection without charge, and copying at a reasonable charge upon reasonable notice, at the Building during weekday hours and shall remain available for such inspection for a period of six years from the date of the First Unit Closing. The Sponsor shall, at the time of the First Unit Closing, deliver to the Board of Managers, a copy of all documents filed with the appropriate recording office.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of the various documents referred to herein. Prospective purchasers are advised to read or have their attorneys read the full documents.

There are no lawsuits or other legal proceedings now pending or any judgments outstanding, that could materially affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof or the Sponsor's capacity to perform all its obligations under the Plan.

To the best of the Sponsor's knowledge the Property has not been the subject of any prior public offering. As of the acceptance date of this offering the Sponsor has not entered into any contracts or agreements, written or oral, for the sale or transfer of any Units offered in this Plan and no deposits or advances of funds have been accepted from prospective purchasers for the sale of Units in the Building.

In accordance with the provisions of the laws of the State and City of New York, neither the Sponsor nor any selling agent engaged by the Sponsor will discriminate against any person because of gender, sexual orientation, race, creed, color, national origin, ancestry, disability, marital status, age, religion or other ground proscribed by law in the sale of Units offered by the Sponsor pursuant to this Plan, or in the leasing of any such Units or any other portion of the Building.

The Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise amend this Plan, including amendments affecting the rights, obligations and liabilities of the Sponsor, Purchasers or prospective Purchasers, without obtaining the consent of Purchasers or others. However, the Sponsor may neither unilaterally cancel an outstanding Contract of Sale, except as therein provided, such as in case of an uncured default, nor unilaterally change the purchase price or the payment terms contained in such a Contract of Sale. All substantive or material revisions will be contained in a duly filed amendment to this Plan. In the case of a material revision adversely affecting the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of the Sponsor, such Purchasers will be given, for fifteen (15) days after the presentation of the amendment, a right to rescind their Contracts of Sale by written notice to the Sponsor and be refunded all monies paid thereunder, with any interest earned thereon. However such rescission, as to a Purchaser who first became a tenant of the Building after the acceptance date of this Plan and pursuant to a Contract of Sale, will be conditioned on the cancellation of any interim lease and surrender of possession of his Unit within thirty (30) days thereafter.

All statements and representations made in this Plan with respect to items prepared by others such as the section of the Plan titled "Sponsor's Statement of Specifications" and

the Floor Plans of the Building, have been made in reliance upon the respective firms and their authority as experts.

Unless the context otherwise requires, words used in the singular in Part I of this Plan include the plural and vice versa, and a reference to any one gender, masculine, feminine, or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor adopts the Description of Property and Specifications set forth in Part II of the Plan. The Sponsor represents that, to the best of its knowledge, the Description of Property and Specifications set forth in Part II, prepared by Peter Poon, Architect, registered architect in the State of New York, accurately states the description of property and specifications as of the date it was prepared. The Sponsor does not know of any material defect or need for material repairs except as indicated in such Description of Property and Specification annexed hereto in Part II of the Plan. However, a program of ongoing maintenance is typically required to insure the integrity of a building. The Sponsor makes no representations as to the scope or nature of work which may be required to maintain the Building's facade in the future.

The Sponsor shall obtain a temporary or permanent Certificate of Occupancy which shall cover each Unit prior to the Closing of title to such Unit. In the event that a permanent Certificate of Occupancy has not been obtained by such Closing, the Sponsor is obligated to subsequently obtain same within two years after the issuance of the temporary certificate of occupancy.

The number of units as described in the Declaration will be the same as the number of Units provided for in the certificate of occupancy and the proposed use of the Units will be the same as the uses indicated in the certificate of occupancy.

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PART II

CONTRACT OF SALE
UNIT NUMBER _____
THE CROWN CONDOMINIUM
2132-2136 SECOND AVENUE
NEW YORK, NEW YORK

CONTRACT DATE: _____

UNIT NO.: _____ Percentage of Common Interest: _____%

PURCHASER(S) NAME(S): (1) _____

(2) _____

PURCHASER(S) MAILING ADDRESS:_____

PURCHASER(S) EMAIL:_____

PURCHASER'S SOCIAL SEC. NO(S): (1) _____ (2) _____

BROKER (if any):_____

PURCHASER'S ATTORNEY:_____

ADDRESS OF PURCHASER'S ATTORNEY:_____

TELEPHONE: (__) ____-_____ FAX: (__) ____-_____

EMAIL:_____

PURCHASE PRICE: $_____

10% DOWN PAYMENT: $_____

COST OF SPECIAL WORK: $_____

BALANCE DUE AT CLOSING: $_____

Financing Contingency (check one) [ ] Yes: Amount to Be Financed: $ _____
[ ] No (See Paragraph 8)

Kirin Grocery, Inc., with an office at 2132-2136 Second Avenue, New York, New York 10029 ("Seller"), has promulgated a Condominium Offering Plan for The Crown Condominium, located at 2132-2136 Second Avenue, New York, New York ("the Plan") pursuant to which the Land with appurtenances, and the Units, ("the Units") located in New York County, City of New York, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

Purchaser acknowledges as follows:

A. After delivering an executed Contract, together with the required deposit, Purchaser will be afforded seven (7) days to rescind this Contract and have the full deposit refunded to Purchaser promptly, provided that Purchaser has not had an opportunity to review the Offering Plan and any filed amendments for at least three business (3) days prior to such delivery. Such rescission must be by written notice, addressed to Sponsor, and be postmarked or hand delivered no later than midnight of the 7th day subsequent to Purchaser delivering the executed Contract. If Purchaser has had an opportunity to review the Offering Plan and any filed amendments for not less than three (3) business days prior to making the aforesaid delivery, Purchaser shall not be permitted the aforementioned seven (7) day time period to rescind this Contract.

B. The Plan, which includes the Declaration to be made by the Seller and to be recorded in the Office of the Register of the City of New York, County of New York, the schedules, By-Laws and Rules and Regulations attached thereto, are incorporated herein by reference and made part of this Contract with the same force and effect as if fully set forth herein.

C. Purchaser is desirous of purchasing the above-numbered Unit, as designated in the Declaration and on the floor plans filed or to be filed in the aforesaid Register's Office, together with an undivided interest in the Common Elements appurtenant thereto as set forth in the Plan (the above-numbered Unit and the undivided interest being hereinafter collectively called the "Unit");

Agreement Between Seller and Purchaser

For good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

1. **Payment for Unit**. Seller agrees to sell and convey and Purchaser agrees to purchase the Unit together with the Percentage of Common Interest in the Common Elements of the Condominium for the Purchase Price. The Down Payment has been paid on the signing of this Contract, receipt of which by check subject to collection is hereby acknowledged by Seller. The Balance Due at Closing shall be payable at the Closing, as hereinafter provided in Paragraph 2, by unendorsed certified or official bank check of Purchaser drawn on a bank or trust company which is a member of the New York Clearing House Association (or any successor organization) to the order of Seller or as otherwise directed by Seller.

2. Closing of Title.

2.1 The closing of title (the "Closing") shall take place on no less than thirty (30) days' prior written notice to Purchaser at such place as Seller may designate, at an hour and on a date (hereinafter called the Closing Date) to be specified by Seller. If Seller consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay an extra fee to Seller's attorney as set forth in Paragraph 6. Seller shall have the right, from time to time, to adjourn the Closing Date on written notice to Purchaser. If adjourned, Seller shall fix a new date and time for the closing of title to the Unit and shall give Purchaser not less than five. (5) days written notice of the newly scheduled Closing Date. Purchaser shall be entitled to one (1) reasonable adjournment of up to fifteen (15) days, on five (5) days written notice by Purchaser to Seller. In addition to any other rights Seller may have by reason of Purchaser's failure to timely close title when requested, Seller shall be reimbursed by Purchaser for the cost of any real estate taxes and Common Charges which Seller would not otherwise have had to pay if there had been no unauthorized delay in closing of title by Purchaser.

2.2 The Closing shall occur only after or concurrently with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

2.3 At the Closing, Seller shall deliver to Purchaser or direct the delivery to Purchaser of a bargain and sale deed, with covenant against grantor's acts, conveying the Unit to Purchaser, such deed to be substantially in the form contained in Part II of the Plan, executed and acknowledged by Seller or as directed by Seller in form for recording.

2.4 Power of Attorney to Board of Managers. At the Closing and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the power of attorney to the Board of Managers substantially in the form contained in Part II of the Plan. Purchaser agrees to deliver such power of attorney to Seller or as directed by Seller at the closing of title for recording and to pay the recording fee.

3. Monies to be Held in Trust: Payment of Purchase Price: Notice of Closing.

The required Down Payment pursuant to this Contract will be ten percent (10%) of the purchase price for the Unit, which Down Payment shall be increased by Special Work or materials, if any, offered by Seller and ordered by Purchaser as itemized in this Contract. All monies, including all deposits, Downpayments or advances, received by Seller through its agents or employees pursuant to this Contract either prior to or subsequent to the consummation of the Plan will be deposited with Sterling National Bank, in a segregated, special escrow account or accounts titled "Manatt, Phelps & Phillips, LLP, Attorney Trust Account" or similar name, with the name of Purchaser and Unit number added to the title of a sub-account at its branch located at 512 Seventh Avenue, New York, New York 10018. Such account or accounts shall be interest bearing with interest payable to Purchaser. Such funds shall be deposited within five (5) business days after this

Contract is executed by all necessary parties. Such funds will be held in trust in accordance with the escrow and trust provisions of Sections 352(h) and 352-e(2 b) of the New York General Business Law, the terms and conditions of the Plan and the Regulations promulgated pursuant to said Section 352-e(2-b) by the Attorney General's Office. Such funds will be disbursed only upon written instructions of a partner of Manatt, Phelps & Phillips, LLP, Seller's attorneys, as follows: (i) to Seller or as directed by Seller if the Plan is declared effective and title closes hereunder or if Purchaser defaults hereunder; or (ii) to Purchaser if the Plan is abandoned or withdrawn or title does not close because of Seller's default, or this Contract is canceled (without default by either party) in accordance with its terms. The Downpayment, with any accumulated interest, shall remain the property of the Purchaser except as provided by law. Seller is required by law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Downpayment, if any. Purchaser will be taxed accordingly on such interest.

By signing this Contract, Purchaser will not object and will be deemed to have agreed, without the need for a further written Contract, to the release of the Down Payment to Seller in the event Seller and Purchaser close title under this Contract.

In the event of an uncured default by Purchaser in its obligations under the Contract, no more than ten percent (10%) of the purchase price plus any interest earned thereon, may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by Sponsor for any Special Work in the Unit ordered by Purchaser may also be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with this Contract as to which there has been a default by Purchaser. No Downpayment or other monies shall be released pursuant to an uncured default by Purchaser prior to the First Unit Closing.

The balance of the Purchase Price will not be payable until Closing of title to the Unit.

4. Binding Effect of Declaration, By-Laws, Plan, Rules and Regulations. Purchaser hereby agrees to be bound by the Declaration, the By- Laws, the Rules and Regulations and the Plan.

5. Condition of Title. Seller agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances other than those set forth in the Plan, specifically in Part I thereof in the section titled "Terms of Sale."

Notwithstanding the above, the existence of unpaid taxes or liens and encumbrances of any kind at the time of Closing shall not constitute an objection to title, provided that Lex Terrae Ltd., as agent or another reputable title insurer licensed to do business in the State of New York shall be willing to insure against collection of same from the Unit herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Property, not provided for in the Plan or this Contract, out of the monies to be paid by the Purchaser at the time of Closing.

6. Expenses of Closing and Closing Adjustments.

6.1 Purchaser will pay at Closing, the Closing costs and expenses referred to in the section of the Plan (as same may be amended to date) titled "Unit Closing Costs and Adjustments, " including, but not limited to, the amount of any credit for mortgage recording tax as set forth in such section, payment for title insurance, if Purchaser elects or is required by lender to obtain same, recording fees for recording the Deed and Power of Attorney, New York City Real Property Transfer Tax, New York State Transfer Tax, transfer tax on Units which are $1,000,000.00 or more in price (if applicable), Seller's attorney's fees for closing the Unit, and costs associated with obtaining a mortgage loan. The legal fees of Seller's attorneys in the amount of $1,500.00 will be payable by Purchaser to Manatt, Phelps & Phillips, LLP provided that an additional fee of $500.00 per Closing shall be due and payable for any Unit closing which occurs other than in the office of Seller's attorneys. An additional sum of $500.00 shall be payable by Purchaser to Seller's attorneys if the Purchaser orders title insurance from a company other than Lex Terrae Ltd. for additional services rendered in connection with the review of title. A further fee of $500.00 shall be payable by Purchaser to Seller's attorneys for the work involved for each assignment of a Contract. Assignments are permitted only pursuant to the terms of the Offering Plan. Any fees payable to Seller's attorney by Purchaser will be paid by certified check or official bank check drawn on a bank or trust company which is which is a member of the New York Clearing House Association or any successor organization. Purchaser will also pay to the Board of Managers the sum of $1,000 purchased as Purchaser's contribution to the Working Capital Fund of - the Condominium.

6.2 Except as otherwise provided in this Contract or in the Plan, real estate taxes and Common Charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. In addition to such adjustment, if the Closing occurs before 421-a benefits are in place, Purchaser shall also pay to the Board of Managers the projected real estate taxes to the date 421-a benefits are expected to be granted, as determined by Seller's special tax counsel. Currently such date is [July 1, 2006]. Such real estate taxes will be held in escrow by the Board of Managers and used solely to pay real estate taxes for the Unit until 421-a benefits are in place for the Unit. In the event such funds are insufficient, the Unit Owner shall pay any deficiency to the Board of Managers. Any such expenses, adjustments or real estate taxes payable to Seller or the Board of Managers in excess of $500.00 will be paid by unendorsed certified check or official bank check drawn on a bank or trust company which is a member of the New York Clearing House Association (or any successor organization).

6.3 If Seller obtains a refund for real estate taxes paid (or a credit for. such taxes to be paid) on Purchaser's Unit, Purchaser and Seller will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing.

6.4 Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. The provisions of this subsection shall survive the Closing.

7. Transfer Tax Return. At Closing, Purchaser will duly complete and sign before a Notary Public the transfer tax return required to be filed with the City of New York and the appropriate New York State form (TP-584 or its successor) required to be filed with the New York County Register's office. This transfer tax return and TP-584 form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Seller's attorney) for filing with the proper governmental officer. Purchaser shall also execute and deliver to Sponsor a W-8 or W-9 Internal Revenue Service form.

8. Financing Contingency. (DELETE THIS PARAGRAPH 8 IF THE CONTRACT WILL NOT BE CONDITIONED ON OBTAINING A COMMITMENT FOR FINANCING)

8.1 The obligations of Purchaser under this Contract are conditioned upon issuance on or before a date which is forty five (45) days from the date the Contract is accepted by Seller and returned to Purchaser (the "Commitment Date") of a written commitment (the "Commitment") from any Institutional Lender (defined below) pursuant to which such Institutional Lender agrees to make a loan, other than a VA, FHA or other governmentally insured loan to Purchaser, at Purchaser's sole cost and expense of $_____ (____%) of the Purchase Price of the Unit, or such lesser sum as Purchaser shall be willing to accept, at the prevailing fixed rate or adjustable rate of interest for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditioned upon any factors other than an appraisal satisfactory to the Institutional Lender, secured by a first mortgage on the Unit together with its undivided Common Interest (the "Mortgage Loan").

8.2 Purchaser shall:

(a) make a prompt application to an Institutional Lender for the Mortgage Loan through The Manhattan Mortgage Company, having an address at 555 Madison Avenue, New York, New York 10022 (212) 593-4343, Attn. Melissa L. Cohn (the "Mortgage Broker") within five (5) days of the date a copy of this Contract, executed by Seller is returned to Purchaser.

(b) furnish truthful, accurate and complete information, data and documents on Purchaser and members of Purchaser's family, as required, and promptly submit such further information, data and documents requested by the Institutional Lender and the Mortgage Broker;

(c) pay all fees, points and charges required in connection with such application and Mortgage Loan;

(d) pursue such application with diligence;

(e) cooperate in good faith with the Institutional Lender and the Mortgage Broker to the end of securing the Mortgage Loan;

(f) promptly give notice to Seller of the name and address of the Institutional Lender to which Purchaser has made such application; and

(g) comply with all requirements of the Commitment (or of any Commitment accepted by Purchaser) and furnish Seller with a copy thereof promptly after receipt.

The obligations of Purchaser set forth in (a) through (g) above are collectively referred to herein as the "Financing Obligations." Purchaser agrees to diligently comply with all of the Financing Obligations.

8.3 At the sole option of Seller, if the Institutional Lender to which Purchaser has applied pursuant to Paragraph 1.2 above refuses to issue a Commitment to Purchaser for any reason, Purchaser shall (a) make prompt application through the Mortgage Broker to another Institutional Lender determined by the Mortgage Broker for the Mortgage Loan within seven (7) business days from the date Purchaser is notified that the first Institutional Lender refuses to issue a Commitment to Purchaser, in which event the Commitment Date shall be deemed extended for an additional thirty (30) days from such date, and (b) otherwise comply with all of the other Financing Obligations set forth in Paragraph 8.2 above.

8.4 If a Commitment is not issued on or before the Commitment Date pursuant to Paragraphs 8.2 or 8.3 above, then unless Purchaser has accepted a Commitment that does not comply with the requirements set forth in Paragraph 8.1 above, Purchaser may cancel this Contract by giving notice to Seller (the "Cancellation Notice") within five (5) business days after the Commitment Date, "time being of the essence", in which case this Contract shall be deemed canceled and thereafter neither party shall have any further rights against, or obligations or liabilities to, the other by reason of this Contract, except that the Down Payment, together with any interest earned thereon, shall be refunded to Purchaser within ten (10) business days thereafter. The Cancellation Notice shall be accompanied by a copy of any loan refusal letter or non-complying Commitment, as the case may be, issued by the Institutional Lender, if available, or if not available, provided promptly after receipt. If Purchaser fails to give the Cancellation Notice or if Purchaser shall accept a Commitment that does not comply with the requirements of set forth in Paragraph 8.1 above, then Purchaser shall be deemed to have waived Purchaser's right to cancel this Contract and to receive a refund of the Down Payment by reason of the contingency contained in this Paragraph

8.5 The term "Institutional Lender" shall mean a commercial bank, savings bank, trust company, savings and loan association, an insurance company, an mortgage banker, pension or retirement fund, credit union to which Purchaser is a member.

8.6 If Purchaser obtains the Commitment within the time period set forth above, Purchaser shall take all possible steps to maintain the Commitment, including good faith application for an extension of such Commitment to the same Institutional Lender if the Closing does not occur within 30 days after the date scheduled in the Contract for any reason. In the event Purchaser notifies Seller within thirty (30) days after the expiration date of the Commitment of his inability to obtain an extension of such previous Commitment or new Commitment, this Contract of Sale shall be null and void and Purchaser's Down Payment shall be returned by Seller, if the Closing is delayed beyond the expiration for any reason other than a reason caused by Purchaser or the Institutional Lender. Failure to provide such notification shall be deemed a waiver of the financing contingency by Purchaser and that this Contract is deemed unconditional and binding.

9. Default by Purchaser.

9.1 If Purchaser shall fail to pay any portion of the Purchase Price when due, fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 2 hereof or fail to perform any of Purchaser's other obligations hereunder (including without limitation the obligation to furnish any lender promptly with such information as such lender may require, and the obligation to accept a commitment on the terms set forth in this Contract and the obligation to extend a commitment on the terms set forth above), such failure shall constitute a default by Purchaser and Seller may send notice to Purchaser of Seller's intention to cancel this Contract if such default shall not be cured within twenty (20) days from the mailing date of such notice or fifteen (15) days after personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE CONTRACT WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within twenty (20) days from the mailing date or fifteen (15) days after personal delivery of such written notice, Sponsor may (but shall not be obligated to) elect to cancel the Contract by notice of cancellation to Purchaser sent after the cure period has expired. In the event that Seller shall elect so to cancel this Contract, Seller shall certify to its attorneys, Manatt, Phelps & Phillips, LLP, that title has not closed because of Purchaser's default and that Seller has elected to cancel this Contract by reason thereof, and Manatt, Phelps & Phillips, LLP shall thereupon pursuant to Paragraph 3 hereunder, cause to have paid over to Seller as liquidated damages the Down Payment (and the actual cost incurred by Seller for any Special Work in the Unit ordered by Purchaser) and any interest earned thereon (if any), and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Contract shall be canceled by Seller pursuant to the provisions of this Paragraph 10, Seller may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Manatt, Phelps & Phillips, LLP may rely upon the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

9.2 Notwithstanding the above, Manatt, Phelps & Phillips, LLP, 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 Contract 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's 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

(a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan (except for escrowed funds pertaining to Special Work); or

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

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

9.3 If Purchaser becomes an occupant of the Building pursuant to an Interim Use and Occupancy Agreement, his or her failure to pay rent or otherwise comply with his or her use and occupancy obligations shall constitute default under this Contract. Upon the occurrence of such default, Seller shall have the right to cancel this Contract upon sending Purchaser ten (10) days prior written notice of its intention to do so. If Seller elects to cancel, Purchaser shall have ten (10) days from the giving of the cancellation notice within which Purchaser must cure the specified default. If the default is not timely cured the lease or Use and Occupancy Agreement will be deemed canceled by Seller upon the occurrence of either of the following: (i) Seller having obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (ii) the Purchaser having vacated the Unit. Upon such cancellation, Sponsor shall have the right to retain, as and for liquidated damages, all payments made hereunder (but in no event to exceed ten percent (10%) of the Total Purchase Price, plus any interest, plus the actual cost incurred by Seller for any Special Work in the Unit ordered by Purchaser). Any additional deposits in excess of ten percent (10%) of the Total Purchase Price, plus any interest, shall be refunded to Purchaser promptly thereafter. Upon cancellation of this Contract and making such refund to Purchaser (if any), the Purchaser and the Seller will be released and discharged of all further liability and obligation hereunder and under the Plan. The Unit may thereafter be sold to another as though this

Contract had never been made and without accounting to Purchaser for the proceeds of such sale.

Failure to comply with all obligations under this Contract shall also constitute default under any use and occupancy obligations. Upon occurrence of any such default, Seller, in addition to any other rights available to it, shall have the right to terminate the occupancy upon sending Purchaser ten (10) days prior written notice of its intention to do so. If Seller elects to terminate, Purchaser shall have ten (10) days from giving of cancellation notice within which to cure the specified "failure to comply." If there is no timely cure, the occupancy obligation is terminated as of the expiration of said ten (10) day period. This provision does not limit in any way other rights of Seller in the event of a failure to comply with the terms of this Contract.

10. No Assignment. Purchaser shall have no right to assign this Contract without Seller's prior written consent. Any purported assignment of this Contract in violation thereof shall be voidable at the option of Seller.

11. Notices. Any notice to be given hereunder shall be in writing and sent by registered or certified mail or personal delivery to Purchaser at the address given above with a copy to Purchaser's attorney (named on Page 1 of this Contract) and to Seller at 85 Worth Street, 5th Floor, New York, New York 10013 (with copy to Manatt, Phelps & Phillips, LLP, 7 Times Square, New York, New York 10036 Attn: Diana J. Lee, Esq.) or at such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

12. No Representation. Except as herein or in the Plan specifically set forth, Purchaser acknowledges that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements of any nature, whether made by Seller, Seller's attorney or Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the building services, the estimated Common Charges and expenses allocable to the Unit or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Purchaser agrees that Seller shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the floor plans or on the architectural plans and specifications for the Building is not accurate or correct, provided such layout or dimensions conform substantially to the floor plans and the architectural plans and specifications for the Building and the site as modified or supplemented in accordance with the Plan and that Purchaser will not be relieved from its obligations hereunder by reason of any minor inaccuracy or error.

13. Binding Effect. ThisContract shall not be effective or binding on Seller until a counterpart hereof is executed by Seller and delivered to Purchaser. Subject to the

provisions hereof, this Contract shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

14. Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel. This Contract is contingent upon the Plan. being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective, provided Contracts for Units totaling not more than 80% of the Common Interests of the Condominium have been executed and accepted. If the Plan is abandoned or does not become effective this Contract shall be deemed canceled, and the Plan terminated and Purchaser is to receive back, not later than twenty (20) days thereafter, in full, all monies paid by him hereunder, and upon such repayment no party shall have any claim against any other party, person or entity, and all parties shall be released from all obligations hereunder and under the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in the Plan for any reason other than Purchaser's default, then, at Purchaser's option, upon prior written notice sent by Purchaser to Seller within fifteen (15) days subsequent to the end of the scheduled closing date, after permitted adjournments, this Contract shall be deemed canceled. If this Contract is canceled pursuant to the provisions of this paragraph, then not later than twenty (20) days thereafter, Purchaser shall receive a refund in full, of all monies paid by Purchaser hereunder, with the interest earned thereon, if any. Upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations.

15. Equipment and Furnishings. Seller will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the purchase price of the Unit. Furnishings, equipment, appliances and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale unless specifically included by a rider to this Contract. The cost of any such items will be added to the Purchase Price of the Unit.

16. Acceptance of Condition of Unit: Risk of Loss.

16.1 Purchaser shall accept title to the Unit (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) any recreation facilities or (d) the landscaped areas or (e) other portions of the Common Elements have not been completed. Minor details referred to in (a) above shall include but not limited to any items which Purchaser may set forth or which are set forth in a Punchlist Inspection Statement.

16.2 Prior to the Closing, no Purchaser shall be permitted to enter the Unit without the Prior consent of Seller. Purchaser shall have the right to enter and inspect such Unit prior to the Closing of title, but shall be obligated to make an inspection appointment with Seller. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the Closing of title thereto.

16.3 Except as set forth below, the risk of loss from fire or other casualty with respect to the Unit shall remain with the Seller until the Closing of title for the Unit.

The Seller, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore and grant Purchaser the right to rescind the Contract. Subsequent to the filing of an amendment substantiating effectiveness of the Plan Seller may be required to repair or restore as set forth below. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the Closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit. Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit and Seller shall not be obligated to repair any damages to the Unit or his appliances, fixtures and equipment. However, Purchaser does not assume the risk of loss to the Unit if the cause of such loss originated outside his Unit and did not result from the acts of Purchaser or the other occupants of the Unit or Purchaser's guests, invitees or workmen. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then his failure to repair the damage shall not excuse him from paying the balance due under this Contract and accepting title to the Unit.

16.4 With respect to all risk of loss after an amendment substantiating effectiveness of the Plan has been filed but prior to Closing, Seller is not obliged or liable to repair the damage or restore the Unit other than to repair damage or destruction from fire or other casualty to the Property to the extent of an aggregate of an amount equaling one half of one percent of the Total Purchase Price set forth on the front cover of the Plan (minus certain amounts which Seller is required to spend to cure or comply with any work order from an insurer or to cure or comply with a defect in title or hazardous or dangerous condition against the Property which did not exist on the date of acceptance of the Plan). If Seller or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage which Seller is not required to repair or replace, thisContract shall continue in full force and effect, Purchaser will not have the right to reject title to the Unit or to receive a credit against, or abatement of, the purchase price, and Seller will be entitled to a reasonable period of time to complete (or to permit the Condominium Board to complete) such repairs or replacements. Purchaser will not be required to pay the balance of the Purchase Price unless and until (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss will belong entirely to Seller (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser will promptly, upon receipt, turn them over to Seller. The provisions of the preceding sentence will survive the Closing.

16.5 In the event Seller is not obligated to restore or repair as set forth above and notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Contract will be deemed canceled and of no further force or effect and Seller will instruct its attorneys to return to Purchaser all sums deposited hereunder (with interest, if any) whereupon the parties will be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder

(beyond the applicable grace period, if any), Seller will retain the sums as liquidated damages.

17. Possession of Unit Prior to Closing. It is expressly understood and agreed that the Purchaser shall in no event take possession of the Unit prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of thisContract, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Seller, and if the Seller so elects, the Seller may cancel thisContract and the amount deposited hereunder shall belong to the Seller as liquidated damages deemed earned hereunder. It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the Property before, on or after the closing of title herein. Seller may, in its discretion, grant Purchaser possession of the Unit prior to Closing under an Interim Use and Occupancy Agreement.

18. Limitation of Seller's Liability. The Seller's liability under this Contract for failure to complete and/or deliver or have delivered title for any reasons whatsoever shall be limited to the return of the money deposited hereunder (with interest, if any), and upon the return of said money, thisContract shill be null and void and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding to render the title to the Unit marketable or to cure any objection to title.

19. Definitions.

19.1 The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be deemed joint and several.

19.2 The terms used herein shall have the same meanings as ascribed thereto in the Plan.

19.3 The "Contract Date" on Page 1 of this Contract shall be filled in by Seller only upon signing this Contract, and shall be no less than three (3) days from the date that Seller actually signs this Contract.

20. Gender. The use of the masculine gender in this Contract shall be deemed to refer to the feminine gender or to an entity whenever the context so requires.

21. OtherContracts. This Contract supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them and no oral representations or statements shall be considered a part hereof.

22. Amendment of Contract. This Contract may not be amended, altered or discharged except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

23. **Brokerage**. Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than the Selling Agent and the Broker named on Page 1 of this Contract. Purchaser and Seller agree to indemnify and hold harmless each other from any and all liabilities arising from claims made against them for commissions by any other broker other than the above-named on account of each other's act or the acts of each other's representatives. Seller shall pay the commission of the above named broker(s) pursuant to a separate agreement. The provisions of this paragraph shall survive the Closing.

24. **Governing Law**. This Contract shall be governed by and construed in accordance with the law of the State of New York.

25. **Jury Waiver**. Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this Contract or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

26. **Acceptance by Seller**. Within twenty (20) days after delivery to Seller or its Agent by Purchaser of this Contract, executed by Purchaser, Seller will either:

(a) accept this Contract and cause to be returned to Purchaser a fully executed counterpart thereof or;

(b) reject this Contract offer and refund the downpayment tendered by Purchaser.

THE SUBMISSION OF THIS CONTRACT SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER TO SELL, OR AN OPTION TO PURCHASE, AND THIS CONTRACT SHALL NOT BE BINDING UPON THE SELLER UNLESS AND UNTIL IT IS EXECUTED AND DELIVERED BY BOTH PURCHASER AND SELLER AN, IN SUCH EVENT, SUBJECT TO ALL THE TERMS AND CONDITIONS HEREOF:

27. **Survival**. The Closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance by Seller with each and every term of this Contract, except as to any item specifically listed and excepted therefrom.

28. **Conflict with Plan**. Any conflict between the Plan and this Contract will be resolved in favor of the Plan.

29. **Foreign Investment in Real Property Tax Act**. Pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA), upon disposition of a United States real property interest by a foreign person on or after January 1, 1985, the Purchaser of such real property interest must deduct and withhold a tax equal to ten percent (10%) of the purchase price unless the Seller furnishes a certificate that it is not a foreign entity or individual. Seller will furnish to Purchaser a non-foreign certification at closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

30. **Prohibition Against Advertising**. Prior to the Closing, Purchaser shall not list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease without Seller's prior written consent.

31. **Rules of Construction**. There shall be no presumption against the draftsman of this Contract or the Plan.

32. **Costs of Enforcing and DefendingContract**. Purchaser shall be obligated to reimburse Seller for any legal fees and disbursements incurred by Seller in defending Seller's rights under this Contract or, in the event Purchaser defaults under this Contract beyond any applicable grace period, in canceling this Contract or otherwise enforcing Purchaser's obligations hereunder.

33. **Strict Compliance**. Any failure by Seller to insist upon the strict performance by Purchaser of any of the provisions of this Contract shall not be deemed a waiver of any of the provisions hereof, and Seller notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of thisContract to be performed by Purchaser.

34. **Performance by and Liability of Sponsor**. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every Contract and obligation on the part of Seller to be performed pursuant to the provisions of this Contract, the Plan, General Business Law §352-e, and applicable regulations thereunder, except those (if any) herein or. therein expressly stated to survive delivery of such deed.

35. **Captions**. The captions in this Contract are for convenience and reference only and in no way define, limit or describe the scope of this Contract, or the intent of any provision hereof.

Purchaser	Date
Purchaser	Date

Accepted:

KIRIN GROCERY, INC.

By: _____

Dated: _____

Purchaser acknowledges
receipt of Offering
Plan (and amendments) on

_____, 2005
Initials of Purchaser:
_____
_____

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWN PAYMENTS

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POWER OF ATTORNEY

The undersigned, the Owner of Unit ___ in the Condominium known as THE CROWN 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 dated _____, 2005, and recorded in the New York County office of the Register of the City of New York on _____, 2005 CRFN No. ___ and on the Floor Plans on file in said office as Map No. ____, having an address at _____do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of THE CROWN CONDOMINIUM, having an address at 2132 Second Avenue, New York, New York 10029 jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution:

(a) to acquire in the name of the Board of Managers, or in the name of the Board of Manager's designee, corporate or otherwise, on behalf of all Owners of Units in said Property, in accordance with their Common Interests: (i) any Unit whose Owner desires to abandon or sell the same, together with the undivided interest in the Common Elements appurtenant thereto, (ii) 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 or lease thereof, if any, and the rights and privileges appurtenant thereto, (iii) the interest of such Unit Owner 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

(b) to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, pursuant to the offer as required by the right of first refusal, and on such terms as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease or mortgage (but not to vote the votes appurtenant thereto) and to otherwise deal with any such Units so acquired by them, or to sublease any Unit so leased by them 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.

(c) to prepare, execute, acknowledge and record on behalf of all Unit Owners, an amendment to the Declaration to either combine or subdivide Units and to reallocate the Common Interest of the affected Unit(s) among the newly established Unit(s), provided that all work in connection with the combination or subdivision was approved by the Condominium Board pursuant to the terms of Section 5.2(A) of the By-laws is performed in accordance with applicable law and the Common Interest of any other Unit will not be changed nor will the aggregate Common Interest for the new Unit(s) be greater than the aggregate Common Interest for the original Units; or

(d) to seek administrative and judicial review of the real property tax assessment, including retaining legal counsel on behalf of all Unit Owners and charging all Unit Owners a pro rata share of expenses, disbursements and legal fees for which charges the Board shall have a lien pursuant to Section 339 the New York Real Property Law.

The acts of majority of such persons shall constitute the acts of said attorneys-in-fact.

The undersigned do hereby nominate, constitute and appoint Kirin Grocery, Inc. ("Declarant") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution:

(a) to execute any application or other document required to be filed with any governmental or quasi governmental agency in connection with the alteration, improvement, addition, repair, subdivision, combination or use or operation of the Commercial/Storage Units, or Unsold Units;

(b) to amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, the Floor Plans or any of said documents, when such amendment shall be required (1) to file Floor Plans required by the New York Real Property Law Section 339-p of any portion or portions of the building and appurtenances which are incomplete at the time the Declaration is recorded, and to file along with said amendment to the Declaration and the Floor Plans, the verified statement of registered architect or licensed professional engineer certifying that the plans being filed simultaneously with (2) to reflect any changes in Unsold Units and Limited Common Elements appurtenant thereto and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Declarant or its designee in accordance with Article __ of the Declaration or (3) shall be required by (a) an institutional lender to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) and the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in lull force and effect until such time as the Declarant or Declarant assignee(s) shall cease to own any Units in the Condominium.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this _____ day of _____, 2005.

_____

_____

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

On the _____ day of _____, 2005, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

FORM OF UNIT DEED

THIS INDENTURE made the ____ day of _____, 200__, KIRIN GROCERY, INC., having an office at 2132 Second Avenue, New York, New York, 10029 "Grantor", and _____, "Grantee" having an address at _____.

WITNESSETH:

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 known as Unit No. _____ in the Building known as The Crown Condominium, 2132 Second Avenue, New York, New York, and also designated and described as Unit No. _____ in the Declaration comprising The Crown Condominium (hereinafter called the "Property") made by the Grantor under the Condominium Act of the State of New York, as amended (Article 9-B of the Real Property Law of the State of New York), dated _____, 200__, and recorded in the New York County Office of the Register of the City of New York, on the ____ day of _____, ____, in CRFN _____ (hereinafter called the "Declaration"), which Unit is also designated as Tax Lot No. ____ in Tax Block No. _____on the Floor Plan of the Building, certified by Peter Poon Architect, P.C., on the _____ day of _____, _____ and filed simultaneously with said Declaration in the said Office of the Register of the City of New York, County of New York as Map Nos. _____ (hereinafter called the "Unit"). The Property is described as follows:

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, City, County, State of New York, bounded and described as set forth in Schedule A attached,

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 Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, 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 Building 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 Unit;

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 Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building 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 Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

SUBJECT also to an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

TOGETHER with and SUBJECT TO EASEMENTS, rights of way, restrictions and encumbrances created by the Declaration for The Crown Condominium recorded in the New York County Office of the Register of the City of New York on the _____ day of _____ ____ in CFRN ___.

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 New York 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 at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

EXCEPT as otherwise specifically permitted by the Board of Managers of the Condominium or provided in the Declaration or in the By-Laws, the Unit is intended for Residential use only;

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.

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 clause 17 of the Declaration 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 improvement 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.

The use for which the Unit is intended is as a residential dwelling, subject to applicable governmental regulations and such other restrictions as are set forth in the Declaration and Condominium By-Laws and Condominium Rules and Regulations.

The Grantee accepts and ratifies the provisions of the Declaration, the Condominium By-Laws, and the Condominium Rules and Regulations recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof as the same may be amended from time to time by instruments recorded in the New York County Office of the city Register of New York.

The terms "Grantor" and "Grantee" shall be read as "Grantors" and Grantees" whenever the sense of this deed so requires.

IN WITNESS WHEREOF, the Grantor and Grantee have duly executed this deed as of the day and year first above written.

Kirin Grocery, Inc.

By:_____
Yiang Jun Lin, President

_____
Grantee

_____
Grantee

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

On the _____ day of _____, 200__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

On the _____ day of _____, 200__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

On the _____ day of _____, 200__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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PETER F. POON ARCHITECT P.C.

Architecture
Interior Architecture
Planning

16 Mercer Street
New York, New York
10013

Tel 212 941-6800
Fax 212 941-4803

July 15, 2005

Mr. Steve Sansone
Office of the Attorney General
120 Broadway
New York, New York

Re: Condominium Offering Plan for
Crown Condominiums
(CD no. 050026)

Dear Mr. Sansone:

We are responding to your deficiency letter dated April 1, 2005 on our Description of Property and Specifications on Building Conditions dated December 14, 2004 in the subject Condominium Offering Plan.

A. The courtyard area consists of two enclosing brick walls 6'-0" tall and scored concrete on the floor surfaces and nothing more. The area is set up to accommodate potted plans and movable outdoor furniture which will be initially furnished by the Sponsor but will be maintained and replaced by the Condominium as needed.

B. The 9'-4" masonry walls are reduced to 6'-0" due to requirements of the Building Department and they are new walls.

C. There will not longer be an exercise room in the Building. A room in the below grade level will be a community room instead and will initially be furnished by the Sponsor will tables and chairs but will be maintained and replaced by the Condominium as needed.

D. The building is located within Flood Zone A7. Our structural engineer designed the foundation accordingly. The Sponsor's Attorney as advised that this will be a special risk in the offering plan.

E. Local Law 11 requires a critical examination of the exterior walls of buildings greater than six stories high by a licensed architect or engineer on behalf of the building owner and the filing of a report of such examination with the Department of Buildings. Since this is a newly constructed building, the first report will not be due until the fifth year following the erection of exterior walls, which was 2005. All unsafe conditions noted in the report must be corrected within thirty days of the filing of the report.

F. The current design of the elevator can accommodate a maximum of 12 people at any one time.

G. The window lintels are steel and are designed to support the brick above the window openings. The sills are precast concrete. L.P.D.M. stands for Ethylene Propylene Diene Monomer, and is the trade name for the roofing.

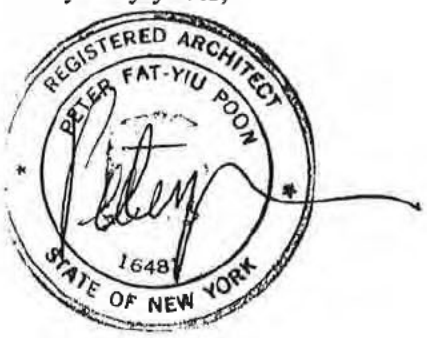
H. There are zero lot line windows facing onto adjacent properties.

I. Approved plans were submitted by hand delivery to the Office of the Attorney General with the offering plan on January 21, 2005.

J. The R value of the exterior wall is 13.85.

K. The subway easement is designed to accommodate a future emergency egress stairs for the Second Avenue Subway line. We anticipate that noise will be encountered during construction of such stairs, and since we are not furnished with detail MTA plans for such construction we are unable to comment further. The Sponsor's attorney has advised that this will be a special risk in the offering plan.

Very truly yours,



Peter F. Poon AIA
Principal

DESCRIPTION OF PROPERTY OR BUILDING

(A) Location and use of property:

1. 2132-2136 2nd Avenue. Starting at a point on the east side of 2nd Avenue, at the corner formed by the intersection of 2nd Avenue and East 110th Street, running thence south 75'-8", running thence east 75'-0", running thence north 50'-0" ft, running hence west 4", running hence north 25'-8", running hence west 74'-8".

2. Block: 1681 Lot: 50

3. Zoning District: R 8A with C1-5 overlay, TA, as per N.Y.C. Zoning Resolution.

4. Current designed uses are UG 2 (residential), UG 6C (commercial), and UG T (Zoning Resolution Section 95-081: retail establishments selected to promote and strengthen retail business in TA special district).

(B) Status of Construction:

1. Scope of work – The completion of new 9-story building plus 1 cellar floor. Work was started and is on going.

2. Construction Class of proposed building is Fireproof Class 1-C.

3. The Sponsor via the General Contractor has an obligation to obtain a Certificate of Occupancy when the construction is complete.

4. The architect's plans are approved by DEPARTMENT OF BUILDINGS of New York City and work is being performed as per New Building Application and Permit #103215637, Structural Application and Permit #103215637, Mechanical Application and Permit #103215637, Plumbing Application and Permit #103215637, Sprinkler Application and Permit #103343534, Standpipe Application and Permit #103343525, and Builders' Pavement Plan Application and Permit #103444925.

(C) Site Conditions:

1. Lot size is 5,666.44 s.f. as certified by John P. Ferrantello, P.C., licensed land surveyor.

2. There is only one 9-story building of Mixed-use (Commercial and Residential) on the site. The site was previously occupied by two stores.

3. There are no streets owned or maintained by the project. Second Avenue is a public road 100'-0" wide with one way traffic, with new concrete sidewalk

approx. 20'-0" wide. East 110th Street is a public road 60'-0" wide with one-way traffic with new concrete sidewalk approximately 13'-0" wide. There is one 24'-0" wide existing curb cut on East 110th Street.

4. Normal street lighting exists.

(D) Utilities:

There will be new 8" diameter combined storm and sanitary sewer system serving the new building. CONSOLIDATED EDISON supplies gas and electric, and VERIZON supplies phone services. There will be a new 3" water main supplying the building and operated by New York City. Separate metering will be provided for each unit for electric and gas in the future.

(E) Sub-soil conditions:

1. Excavations for new foundation have shown that the soil is of gravel and sand from course to fine (NYC 07-65), and the water table is 3'-0" above cellar level. There is periodic flooding based on 100-year storm.

(F) Landscaping and enclosures:

1. There will be one row of three (3) new deciduous street trees on the sidewalk of 2nd Avenue, and two (2) new deciduous street trees on sidewalk of East 110th Street. All trees will conform to requirements as specified by New York City Zoning Resolution Sec. 109-142.

2. There will be two 6'- 0" high masonry walls along the eastern and southern lot lines of the rear yard against the existing neighboring buildings.

3. There will be continuous 3'- 6" high parapet along the 8th floor roof terraces against the existing structures. There is 1'-8" high parapet with continuous metal railing reaching 3'-6" minimum in height along the 9th floor roof terrace.

4. There will be a security roll up gate at the entrance to the Parking Area. There will be a steel fence and a door at the courtyard, and steel fence along the exit walkway.

5. There will be exterior wall mounted light fixtures and security lighting in the courtyard. There are exterior ceiling-mounted downlights on the ceiling of the Parking Area. There are exterior ceiling-mounted downlights on the ceiling of the exit walkway.

(G) Building Size:

1. The proposed height of the new building is 89'-6", measured to the main roof above mean curb elevation.

2. The building has one cellar level.

3. The building consists of 9 floors plus a cellar.

4. All pumps and duplex sewer ejector are located in the mechanical room located in cellar level. Compactor and trash storage room is located on the cellar level. Domestic and fire are provided with DCV and meter assemblies, duplex domestic water booster pump, telephone / cable entry, and electric meter room are also located on the cellar level. Residential elevator machine room is located on the cellar level. A hot water heater closet is located inside each apartment.

5. The parapets located on the 7th floor terrace are to be 3'-6" high minimum. The parapets on the 9th floor roof terrace are to be 1'-8" high with attached metal railings to reach 3'-6" minimum in height.

(H) Structural system:

The superstructure of the building is metal frame construction at the 1st floor, 8th and 9th floor. The 2nd through the 7th floor utilizes structural metal "C" joist bearing on masonry supporting walls. The foundation is 2'-0" thick reinforced mat bearing on soil.

(I) Building exterior:

1. The exterior walls are face brick with concrete block bearing cavity walls on the 1st floor to 7th floor. The exterior walls on the 8th and 9th floors are face brick with metal stud back up cavity wall. The bulkhead on the roof is face brick with concrete block back up cavity wall.

2. All windows for the entire building will be with 1" insulated glass units. Window frames will be painted aluminum, thermally broken. All operable windows will be provided with screen and limit stops.

3. All glass and storefronts at the 1/F commercial units will be single glazed.

4. This building is not designated as a landmark structure.

5. The parapets of the main roof and upper roofs are constructed of concrete blocks with face brick on the outside. Copings are either precast concrete or metal.

6. There is one roof terrace on the 8th floor for the Duplex Apartment Unit. A small portion of such terrace located at the southeasterly corner is dedicated for common mechanical uses. There is an additional north facing roof terrace on the 9th floor for the Duplex Apartment Unit. The 9/F terrace will be guarded by painted metal railings.

7. The roof terraces are to be covered with 24"x24" concrete pavers, sitting on top of tapered insulation.

8. Doors to all balconies and roof terraces over the 8th floor and 9th floor are to be insulated aluminum doors with insulated glass and frame.

9. Exterior entrance door on Second Avenue for Residential Lobby is to be painted aluminum frame with glass. Exterior entrance door on East 110th Street will be painted steel fence door. Exterior entrance doors along courtyard east elevation will be rated hollow metal doors with 100 square inches of wire glass. Exterior entrance door for commercial use is to be painted aluminum single glazed glass and frame doors with painted aluminum storefront frame.

10. Mailboxes are to be located in the vestibule. They are wall mounted, front-loading aluminum units and approved by the United States Postal Services.

11. Entrance lighting is provided by recessed down lights at the vestibule and hallway. The elevator lobby is similarly lit by recessed downlights.

12. There is no separate service entrance.

13. Roof and roof structures.

(J) Roofs:

1. The main roof is covered by an EPDM single ply roofing system.

2. Insulation will be preformed rigid tapered insulation board with min. R-values of 10, and a minimum 2" thickness at roof drain areas.

3. General Contractor will deliver to Sponsor Roofing system guarantee of a minimum of 10 years of warranty from the date of substantial completion.

4. Flashings and counter flashings are to be made of metal.

5. Roof drains and leaders from main roof, top roof and roof terraces will be cast iron with brass covers.

6. No skylights, except for smoke vent/skylight over Stair 'B' as required by Building Codes.

7. Stair bulkhead walls are face brick with reinforced concrete masonry units back up wall.

8. There are no facilities on rooftops for the unit owners except the Duplex Apartment Unit, e.g. no deck, roof top garden, nor storage space etc. The condominium will have limited access to certain areas of the roof for the purpose of making inspections and repairs only. The condominium has the responsibility for repairs to the roof and other elements of the roofs where such areas are common and not ceded exclusively to the usage of the Duplex Apartment Unit.

9. There is one courtyard at the first floor level, which also serves as rear yard stipulated by New York City Zoning Resolution. It is accessible from Building Lobby and the stairs via the exit passageways. The top of the courtyard will be concrete scored in 2'x2' pattern. There will also be two drains in the courtyard.

10. There will be a steel fence separating the courtyard from surface parking area. Steel fences will also separate exit passageway leading from E. 110th Street to courtyard.

11. Interior stairs.

(K) Enclosed fire stairs:

1. The fire stairs are all enclosed with 2 hour rated walls.

2. The fire stairs are constructed of steel stringers and risers, with concrete treads in steel pans. Railings are 1-1/2" diameter steel piping.

(L) Interior doors and frames:

1. Typical apartment unit entrance doors are ¾ hour rated solid core maple veneer doors with painted metal frames. Interior doors are solid core painted wood doors with painted metal frame. Mechanical closet doors are ¾ hr rated hollow metal doors. 8th and 9th floor apartment entry doors and stair doors are 1-1/2 hr rated solid core maple veneer doors. 8th and 9th floor apartment interior doors are non-rated solid core maple veneer doors, laundry closet door with ¾ hr rating.

2. Corridor hall doors other than apartment entrance doors are ¾ hour rated hollow metal doors. All such doors have metal frame with painted finish.

3. Stair hall doors are 1 ½ hour rated hollow metal door with 100 sq. inch wire glass. All such doors have metal frame with painted finish.

4. Roof doors and cellar doors are 1 ½ hour rated hollow metal flush door with metal frame. Toilet doors are non-rated hollow metal flush door with metal frames.

(M) Elevator:

1. There will be one elevator for residential passenger use. The capacity of the elevator designed is 2,500 lbs. It is a roped hydraulic type of elevator, with the Machine Room located in the Cellar.

2. The elevator will have automatic passenger type operation, with solid-state type of control.

3. The residential passenger elevator will serve the cellar floor up to the 8th floor (9 stops) and be in compliance with all code requirements including handicap requirements. The elevator will have automatic sliding doors.

4. The proposed elevator cab will have floor finish of 6"x6" gray infill slate tiles. Walls will be metal-look plastic laminated panel with ½" stainless steel metal trim and stainless steel railing. Ceiling will be painted metal grill with painted metal border.

5. Low voltage down lights will be provided at ceiling of the elevator.

6. Alarm safety system will be provided as per NYC code R18 code and ANSI code.

(N) Auxiliary facilities:

1. There is one Laundry Room in the Cellar with two (2) washers and two (2) dryers. All four machines will be coin-operated.

2. There is a Community Room in the Cellar.

3. There is one Tenant Storage Room with eight (8) separate storage units in the Cellar.

4. There is one Supervisor's Office in the Cellar.

(O) Refuse disposal:

1. The refuge disposal system is model 45K-SR by Wilkinson Hi Rise (or equal).

2. The compacted refuse will be initially be stored in Trash Storage Room in the Cellar and will be removed by superintendent to the sidewalk for public pick-up.

(P) Plumbing:

1. All plumbing and fire protection design and installation will be as per NYC Building Codes and requirements.

2. Domestic water supply is a 3" diameter water service with double check valve assembly. A duplex domestic water booster pump located in the Water Meter Room in the cellar will pressurizes the service.

(Q) Fire Protection System:

1. A 6" fire service enters the cellar to a detector double check valve assembly. A 500 gallon per minutes – 25 HP combined fire standpipe / sprinkler booster fire pump will pressurize the system.

2. The combined FSP/sprinkler riser is located in Stairwell "B".

3. All hose outlets are 2 ½" diameter.

4. Sprinkler heads will be provided in all commercial spaces, residential lobby, residential apartments, every other floor of refuse chute, 1st floor storage, mechanical rooms, amenity spaces, and refuse room in cellar.

5. There is one sidewalk Siamese fire department connection, located on East 110th Street.

6. Site water pressure to the building is estimated 45 psi. Domestic water pressure is maintained to the fixtures by a duplex domestic water booster pump.

(R) Hot Water system:

1. A domestic water gas fired storage water heater will be provided and serve the laundry room and community room hot water requirements. The gas fired storage heater will provide hot water for the laundry room only. One combined domestic hot water/heating boiler will be provided for and serves each apartment unit individually. Each combine domestic hot water/heating boiler will be sized at 126.5 mbh input with 30 gallons storage for one/two bedroom unit, and 50 gallons storage for three-bedroom unit.

(S) Sanitary sewage system:

1. Sewage piping will be no hub cast iron.

2. Waste will be collected by a duplex sewer ejector pump located in the Cellar.

3. Building sewage is disposed into the city sewer system through an 8" diameter connection.

(T) Storm Drainage system:

1. There are no catch basins.

2. Storm water will be collected by roof drains, terrace drains and courtyard drains. All storm drainage will flow by gravity into a combined sanitary and storm sewer in 2nd Avenue. Horizontal and vertical leaders are connected to a common storm drain in the Cellar, which is connected to the main sewage drain at a point after the house-trap.

3. All piping will be no hub cast-iron.

4. The parking area is sewed by one floor drain, which is connected to the sanitary main at a point after the house-trap under the parking slab.

(U) Natural Gas Service:

1. Natural gas will be obtained from the site gas main. Multiple tenant and retail meters will be provided. One meter for house use. Each residential apartment will have a separate gas meter. Piping will be black steel with screwed fittings.

(V) Heating:

All heating equipments are designed as per the NYS energy conservation construction code, the maximum indoor comfort temperature of 68 degrees F. can be achieved when the minimum outdoor temperature of 15 degrees F. is reached.

The combine domestic hot water/heating boiler consists of gas-fired, stainless steel tank with submerged combustion, sealed combustion with woven fiber premix burner, power/direct vent plastic pipe, self diagnostic control system and factory tempering valve. Combine domestic hot water/heating boilers of the following amounts:

1. The heating plant consists of gas-fired, modular, cast-iron hot water boilers of the following amounts:

Apartment Boiler Unit (for 1 br)	Twelfth (12)
Apartment Boiler Unit (for 2 br/3 br)	Eighteen (18)

2. Apartment combine domestic hot water/heating boiler system will be manufactured by Polaris model PBG102-34S100-2NV, and model PBG102-50S100-2NV.

Apartment Boilers	Model PBG102-34S100-2NV 126,500 Btuh input capacity Model PBG102-50T100-2NV 126,500 Btuh input capacity

3. The primary heating source for the apartment units will be provided through hot water coils integral within the packaged terminal air conditioners. The retail spaces are provided with electric unit heaters. Hot water for commercial space is to be provided by tenant.

   Piping – All piping shall be copper L.

   Insulation – All hot water piping shall be insulated with 1" molded glass fiber having a maximum K factor of 0.24 @ 75 degrees F. mean temperature and factory applied jacket.

   Valves – Shall be suitable for low-pressure service, Class 150, with screwed ends, similar to Stockham or equal.

   Pumps – all circulating pumps serving apartments shall be cartridge-circulating pump. All circulating pumps will be manufactured by Taco series "00". All pumps will be located in the closets.

4. A ventilating fan with electric duct heater will be provided in the cellar to ventilate in the cellar.

5. Heating for the residential lobby will be provided with electric duct heater.

6. Two electric cabinet unit heaters will be provided above the ceiling of the covered parking area to protect all the domestic water piping from freezing.

7. A rooftop packaged heating and air conditioning unit will be provided for the duplex apartment. Heating will be provided by duct distribution.

8. All gas service will be delivered from Con Edison.

(W) Air Conditioning:

1. The various air conditioning systems for the apartment units and lobby are designed to maintain indoor conditions of 78 degrees F. with an outdoor condition of 89 degrees F. DB and wet bulb of 73 degrees F. All design temperature is in compliance with the NYS Energy Conservation Construction Code.

2. All apartments will be cooled by packaged air-cooled terminal units. The terminal units will be manufactured McQuay model Suite type N.

3. The Residential Lobby will be cooled by a horizontal ceiling mounted air-cooled packaged unit with ductwork for air distribution. Packaged unit is manufactured by Skymark model AC024.

4. The Community Room will be cooled with a split air conditioning system. The split air conditioning system will be manufactured by Carrier model 40QNB009-1.

5. Air conditioning systems for the retail spaces are to be provided by individual tenants.

6. A rooftop packaged heating and air conditioning unit will be provided for the Duplex Apartment Unit. The unit rooftop will be manufactured by Trane model YCD-074C3.

(X) Ventilations:

1. Kitchens – A centrifugal exhaust fan integral with the kitchen hood will discharge kitchen air into a common shaft. A roof mounted booster exhaust fans will be provided for each kitchen shaft.

2. Toilets and janitor closets – Roof mounted booster exhaust fans will be provided for toilet exhaust.

3. Corridors – Roof mounted ventilation fan will be provided for all the residential corridors.

4. Trash room – Roof mounted exhaust fan will be provided on the roof.

5. Elevator machine room- Ceiling in-line exhaust fan will be provided in the elevator machine room. A discharge ductwork will discharge air to outside of the building.

6. Toilet in community room – Ceiling in-line exhaust fan will be provided in the toilet. A discharge ductwork will discharge air to outside of the building.

(Y) Electrical System:

1. The underground electrical service entering the building from Con Edison will have the following characteristics:

   3 phase, 4 wires, 120/208 volt, A.C., 60 hz.

2. Electrical service to individual unit's service switches are:

Services switch #1	3P/1200Amp(1000A fuse) serves residential apartment meter bank via 4 sets of 4#400MCM feeders.
Services switch #2	3P/400Amp(400A fuse) serves common area requirements via 4#500 MCM feeders.
Services switch #3	3P/600Amp(500A fuse) serves Fire Pump via 3#1,1#6G.
Services switch #4	3P/800Amp(800A fuse) serves commercial units and duplex level (8^{th} floor) via 4 set of 4#500 MCM feeders.

3. All of the electrical service equipment is located in the Cellar level Electrical Meter room.

4. All of the apartment units' service feeders were calculated to handle contemporary appliances and air conditioning units. Each apartment units have been equipped with 2P-60Amp main circuit breakers.

5. All apartment units will be provided with a circuit breaker type panelboard (rated at 1 phase, 3 wires, 120/208 volt).

6. The typical apartment fixtures consist of a recessed-mounted light at the entrance hall with 50-watt type lamps.

7. The apartment units' bathroom contains one wall mounted (over the mirror) incandescent light.

8. All apartment units have been provided with standard 15 Amp, 120 volt grounded-type convenience receptacles, as per NYC Electrical Code Section 27-3172.

9. Outlets of 20 Amp, 120-volt capacity have been provided for all appliances (refrigerator, dishwasher, etc.) including above the counter 'GFI' type appliance outlets, as per NYC Electrical Code Section #27-3176.

(Z) Intercommunication and/or door signal systems, security closed circuit TV:

1. Telephone/Intercom system is designed to be Unitone System 2000 or approved equal.

2. Upon entry to of the building, visitors may select tenant name and code number from built-in LCD directory; and dials the code number to call up to tenant. The telephone entry system then speed dials the residents' phone number, when resident answers the telephone, two-way conversation is permitted. The resident will be able to release the front door lock via a programmed code number.

3. A complete cable TV empty conduit system with dragline is to be provided by general contractor to facilitate a cable TV provider as selected by the landlord and/or condo board.

4. A complete empty conduit system with dragline is to be provided to facilitate the installation of telephone cables by the selected telephone service provider.

(AA) Public Area Lighting:

1. Public corridor will utilize wall-mounted fluorescent tubes with 40 watt each.

2. Stairwells will utilize wall mounted fluorescent fixture equipped with two 32-watt T8 lamps and built-in emergency power pack.

3. Exit light fixture will utilize wall or ceiling mounted with 6" red letter, built-in emergency 6-volt battery and two or three head unit mounted emergency lights.

4. Residential Lobby will utilize recessed fixture with 12V, 50W MR-16 nonIC lamps.

5. Community Room will utilize ceiling mounted fluorescent light with two or four 32W T-8 lamps in the center area. Ceiling mounted fluorescent downlight for wet areas for bathroom.

6. Tenant Storage Room will utilize ceiling mounted fluorescent light with two or four 32W T-8 lamps.

7. Laundry Room will utilize ceiling mounted fluorescent light with two or four 32W T-8 lamps; ceiling mounted fluorescent light with two or four 32W T-8 lamps with emergency ballast.

8. Outdoor light fixture will utilize weatherproof type units with 100 watt or 250-watt metal halide HID lamps.

(BB) Permits and certificates:

Permits that must be obtained and signed off are as follows:

New building construction permit	General contractor
Structural work permit	General contractor
Plumbing work permit	Licensed plumber
Mechanical work permit	General contractor
Electric work permit	Licensed electrician
Fire protection work permit	General contractor
Builders pavement plan	General contractor
Sidewalk shed permit	General contractor
Elevator permit	Elevator installer
Boiler registration	Licensed plumber
Final certificate of occupancy	General contractor

(CC) Unit information:

1. There are a total of 31 units on 2nd floor through 9th floor. There are 5 units per floor for the 2nd through 7th floors, 1 duplex unit on the 8th and 9th floor. There are 12 one-bedroom units, 18 two-bedroom units, and 1 three-bedroom unit. All units open to public corridor, where elevator and fire stairs are located, and are handicapped adaptable as per Local law 58/87 of the NYC building code.

2. One-bedroom units have Foyer (except Type 5), Living Room, Kitchen, Mechanical Closet, Bathroom and Bedroom. The square footages are as follows:

Type 3	498 s.f.
Type 5	584 s.f.

3. Two bedroom units have Foyer, Living Room, Kitchen, Mechanical Closet, Bathroom, Bedroom, and Master Suite (with master bath). The square footages are as follows:

Type 1	770 s.f.
Type 2	1,027 s.f.
Type 4	737 s.f.
Type 6	769 s.f.
Type 7	1,010 s.f.

4. The three bedroom duplex unit has Foyer, Living Room, Dining Area, Bathroom, Formal and Main Kitchens, Breakfast Nook, Laundry and Mechanical Closets, Powder Room, Gallery, Study, Bedroom Suites (each with own bathroom), and Terraces. The Parking Area on the 1st floor belongs to this unit only. The square footages are as follows:

Type 8: 2,831 s.f. + 8th Floor Terrace (1,714 s.f.) + 9th Floor Terrace (451 s.f.) + Parking Area on 1st Floor (613 s.f.)

5. The finishes are typical in each unit (except for Duplex Unit / Type 8) and are as follows:

Floors –

Bathrooms	marble
Kitchens	tile
Bedrooms and living spaces	wood
Closets	vinyl tile
Mechanical Closet	concrete with epoxy paint

Walls –

Bathrooms	marble
Kitchens	tile
Bedroom and living spaces	2 prime coats only
Closets	2 prime coats only
Mechanical Closet	2 prime coats only

Ceilings –

Bathrooms	2 prime coats only
Kitchens	2 prime coats only
Bedrooms and living spaces	2 prime coats only
Closets	2 prime coats only
Mechanical Closet	2 prime coats only

6. The finishes for Duplex Unit / Type 8 are as follows:

Floors –

Vestibule	tile
Bathrooms	tile
Kitchen	tile
Living spaces	wood
Bedrooms	carpet
Breakfast Room	tile
Closets	wood
Mechanical/Laundry Closet	tile

Walls –

Vestibule	2 prime coats only
Bathrooms	tile
Main Kitchen	Marble with 2 prime coats only
Living spaces	2 prime coats only
Bedrooms	2 prime coats only
Breakfast Room	2 prime coats only

Closets	2 prime coats only
Mechanical/Laundry Closet	2 prime coats only

Ceilings –

Vestibule	2 prime coats only
Bathrooms	2 prime coats only
Main Kitchen	2 prime coats only
Living spaces	2 prime coats only
Bedrooms	2 prime coats only
Breakfast Room	2 prime coats only
Closets	2 prime coats only
Mechanical/Laundry Closet	2 prime coats only

1. The bathroom fixtures are typical in each unit (except for Duplex Unit/Type 8) and each bathroom will have floor mounted toilet, cultured marble counter top with cabinet and bathtub.

Bathroom Fixture Schedule:

Description	Manufacturer
Toilet	American Standard
Lavatory	American Standard
Faucet	American Standard
Bath	American Standard
Towel Bar	Basco
Paper Holder	American Standard
Medicine Cabinets	Basco
Shower Head	American Standard

7. The kitchen equipments are typical in each unit (except for Duplex Unit /Type 8) and are as follows:

The kitchen counter top is made of polished granite stone and cabinets are maple wood.

Kitchen Appliance Schedule:

Description	Manufacturer
Dishwasher	GE#GSD3460GSS
Cooking	GE#JGSP28SKSS
Microwave Oven	GE#JVM187OSF
Refrigerator	GE#GTS18SBSS

Kitchen Fixture Schedule:

Description	Manufacturer
Faucet	American Standard
Sink	American Standard

8. Duplex Unit/Type 8 Powder Room / Bathroom Schedule:

Powder Room Fixture Schedule:

Description	Manufacturer
Toilet	Kohler
Lavatory	Kohler
Faucet	Kohler
Toilet Paper Holder	Kohler

Master Bathroom Fixture Schedule:

Description	Manufacturer
Toilet	Kohler
Lavatory	Kohler
Faucet	Kohler
Toilet Paper Holder	Kohler
Bathtub	Kohler
Bathtub faucet	Kohler
Shower Head	Kohler
Towel Rack	Kohler

Bathroom #1 & #2 Fixture Schedule:

Description	Manufacturer
Toilet	Kohler
Lavatory	Kohler
Faucet	Kohler
Toilet Paper Holder	Kohler
Shower Head	Kohler
Bathtub	Kohler
Shower Head at tub	Kohler
Towel Rack	Kohler

9. Duplex Unit/Type 8 Kitchens' Schedule:

Kitchen Appliance Schedule:

Description
Refrigerator
Cook/Top
Hood

Kitchen Fixture Schedule:

Description	Manufacturer
Sink	Kohler
Faucet	Kohler

Main Kitchen Appliance Schedule:

Description
Refrigerator
Range/Stove
Hood
Dishwasher

Main Kitchen Fixture Schedule:

Description	Manufacturer
Sink	Kohler
Faucet	Kohler

Duplex Unit/Type 8 Laundry Closet Schedule:

Description	Manufacturer
Wash Machine	By owner
Tumble Dryer	By owner

(DD) Finish schedule of spaces other than units:

Floor	Room	Floor	Walls	Ceilings
Cellar	Mechanical	paint	paint	paint
	Stair A and C	paint	paint	paint
	Laundry Room	paint	paint	paint
	Tenant Storage		paint	paint
	Commercial Storage			
	MTA Easement			
	Community Room	paint	paint	paint
	Elev Machine Room	paint	paint	paint
	Compactor Room	epoxy paint	epoxy paint	paint
	Super's Office	V.C.T	epoxy paint	paint
	Public Hall		paint	paint
1st floor	Stair A, B, C, D	paint	paint	paint
	Exit Passage Stair B	vct	epoxy paint	paint
	Retail			
	Storage Room			
	MTA Easement			
2nd – 9th floors	Stairs A and B	paint	paint	paint
	Trash Room	vct	paint	paint

Roof	Stair B	paint	paint	paint

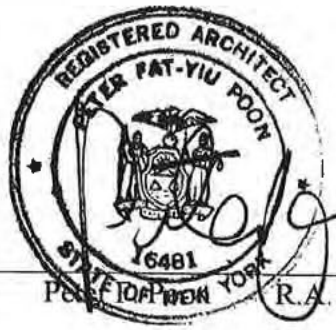
(EE) Safety and warning devices:

Hardwired local smoke detectors as per NYC building codes are provided in each unit and there are flow valve in standpipe and commercial local gong in lobby.

(FF) Additional information required:

1. Site plan – drawing attached.
2. Area map – drawing attached.
3. Floor plan for each type of unit – drawing attached.
4. Floor to Ceiling height of units is typical 8'-0" for 2nd to 6th floors, and 8th to 9th floors; 10'-0" for the 1st floor; and 8'-0" for the 7th floor.
5. Approximate total area of each unit – drawing attached.
6. Floor plan – drawing attached
   (aa) None.
   (bb) None.
   (cc) There is no asbestos in the building.
   (dd) There is no lead-based paint in the building.
7. Elevations – drawings attached.

This report was prepared by



June 21, 2005

Peter F. Poon R.A. AIA

Peter F. Poon Architect P.C.
16 Mercer Street, 5/F
New York, NY 10012
(212) 491-6800

Linda Y. Chew

LINDA Y. CHEW
Notary Public, State of New York
No. 01CH5001267
Qualified in New York County
Commission Expires August 31, 2006

PETER F. POON ARCHITECT, P.C.
16 Mercer Street, New York, NY 10013
Tel: 212-941-6800 Fax: 212-941-4803

TRANSMITTAL

TO: Diana J. Lee, Esq
Manatt, Phelps, & Phillips, LLP
7 Times Square, 23rd Floor
New York, NY 10036

Tel: (212) 830-7246
Fax: (212) 830-7342

DATE: 6/23/05

PPA JOB# 2068

We are sending to you
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- ____ By Mail
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Reason
- X Your approval/comments
- ____ As per your request
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The following items
- ____ Tracings
- ____ Prints
- ____ Shop Drawings
- ____ Samples
- ____ Specifications
- ____ Estimates
- X Others

Action-shop drawings only
- ____ Approved as submitted
- ____ Approved, except as noted on drawings, resubmission not required
- ____ Approved, except as noted on drawings,
- ____ Disapproved, resubmit

Description	Drawing no.	# of Copies	Remarks or Notes
Certification of Architect		1	Signed, stamped, and notarized.
Description of Property or Building		1	Signed, stamped, and notarized.

BY

CC:

Peter Poon

Peter Poon

CERTIFICATION OF ARCHITECT

New York State Office of the Attorney General
120 Broadway, 23rd Floor
New York, New York 10271

Attn: Investment Protection Bureau
Real Estate Financing Section

Re: Condominium Offering Plan
The Crown Condominium
2132-2136 Second Avenue, New York, New York

The undersigned certify as follows:

The Sponsor of the offering plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction of the property (the "Report"). Our office had visually inspected existing portions of the property on June 20, 2005, and we prepared the building plans and specifications dated July 3, 2003, and prepared the Report dated June 20, 2005, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report (and future addendum).

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

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it 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.

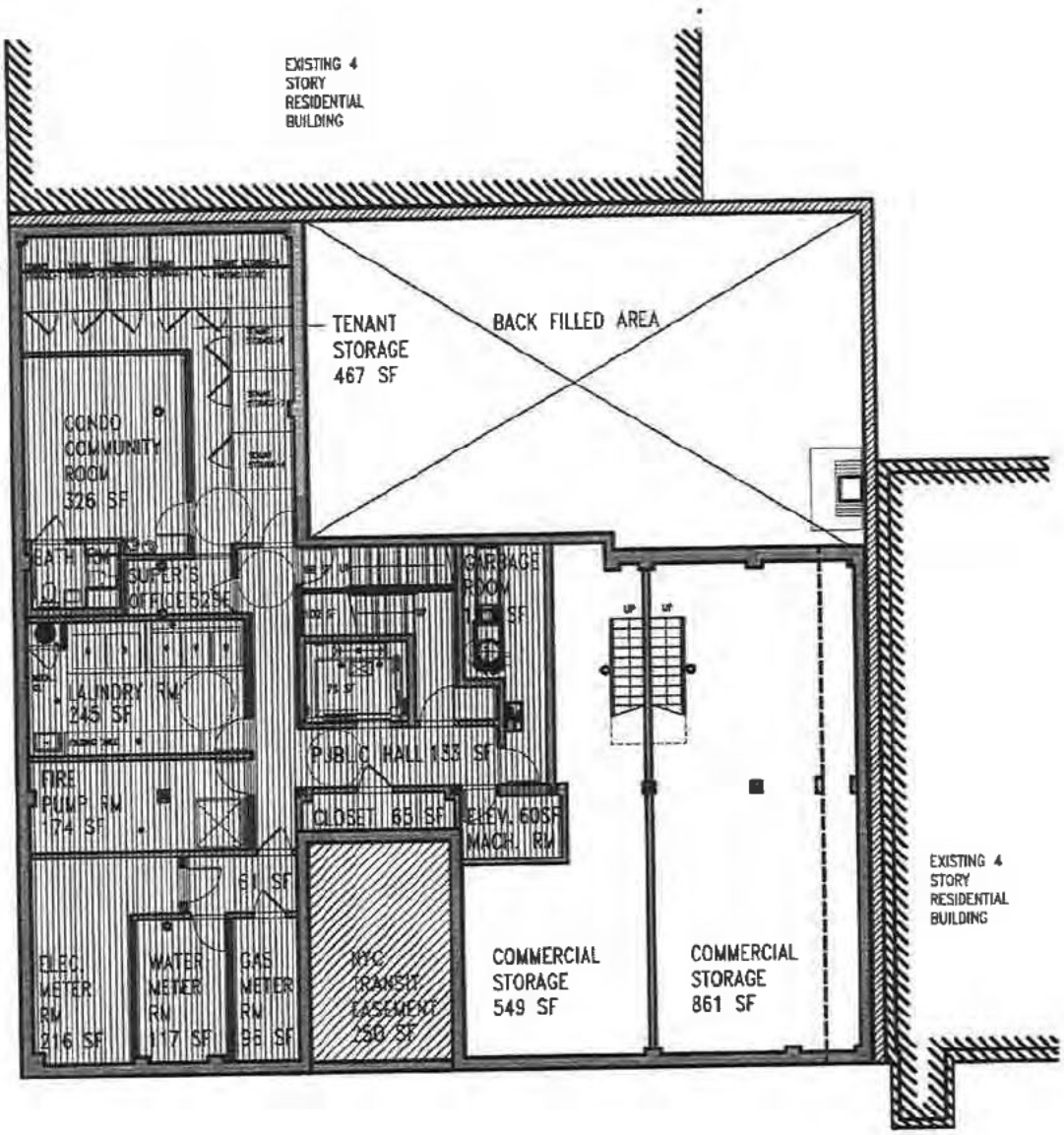
We certify that the Report:

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

(ii) in our 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 we prepared;

(iii) does not omit any material fact;

E-1



GROSS AREA: 4,146 S.F.

	RESIDENTIAL AREA:	2,486 S.F.
	COMMERCIAL AREA:	1,410 S.F.
	NYC TRANSIT EASEMENT AREA:	250 S.F.

CELLAR FLOOR PLAN

0 5' 10' 20'

ALL MEASUREMENTS (INCLUDING HEIGHTS AND WIDTHS) ARE APPROXIMATE
ARCHITECT RESERVES THE RIGHT TO MAKE CHANGES DUE TO VARIOUS CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN

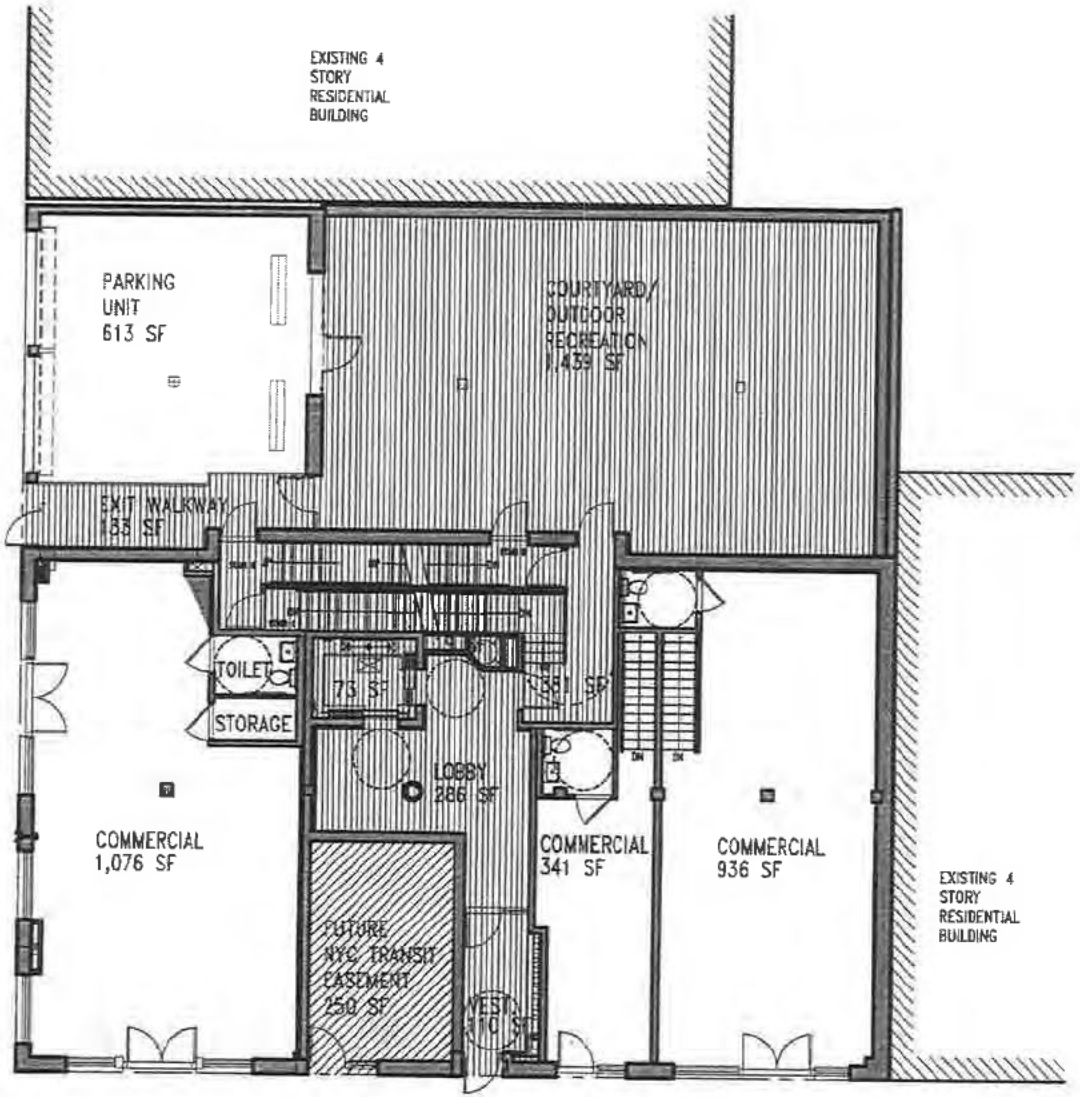
E-2

GROSS AREA: 5,657 S.F.

	RESIDENTIAL AREA:	2,440 S.F.
	COMMERCIAL AREA:	2,353 S.F.
	PARKING UNIT:	613 S.F.
	NYC TRANSIT EASEMENT AREA:	250 S.F.

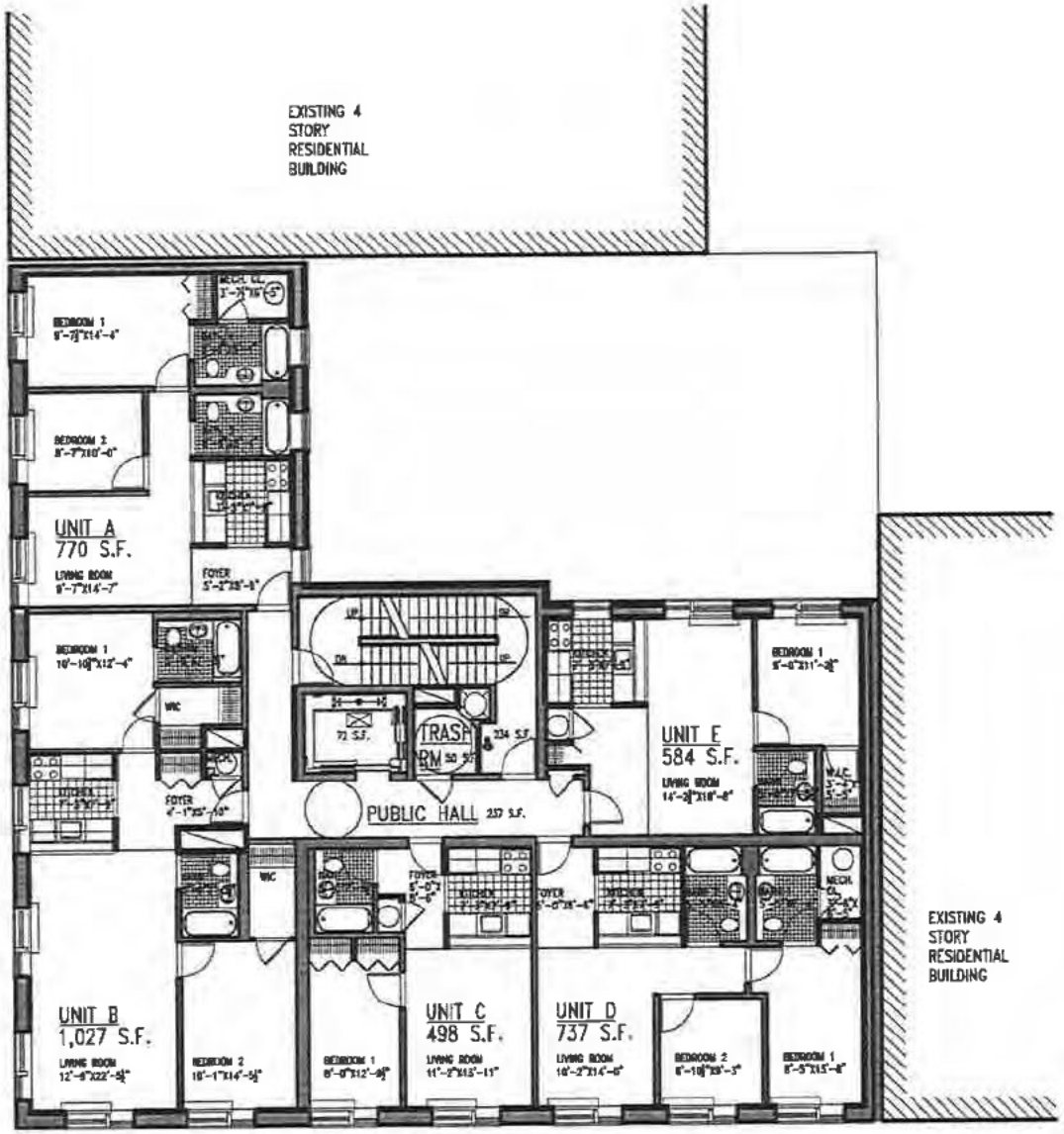
1ST FLOOR PLAN

0 5' 10' 20'



ALL MEASUREMENTS (INCLUDING HEIGHTS AND WIDTHS) ARE APPROXIMATE
ARCHITECT RESERVES THE RIGHT TO MAKE CHANGES DUE TO VARIOUS CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN

PPA PETERSON ARCHITECTS

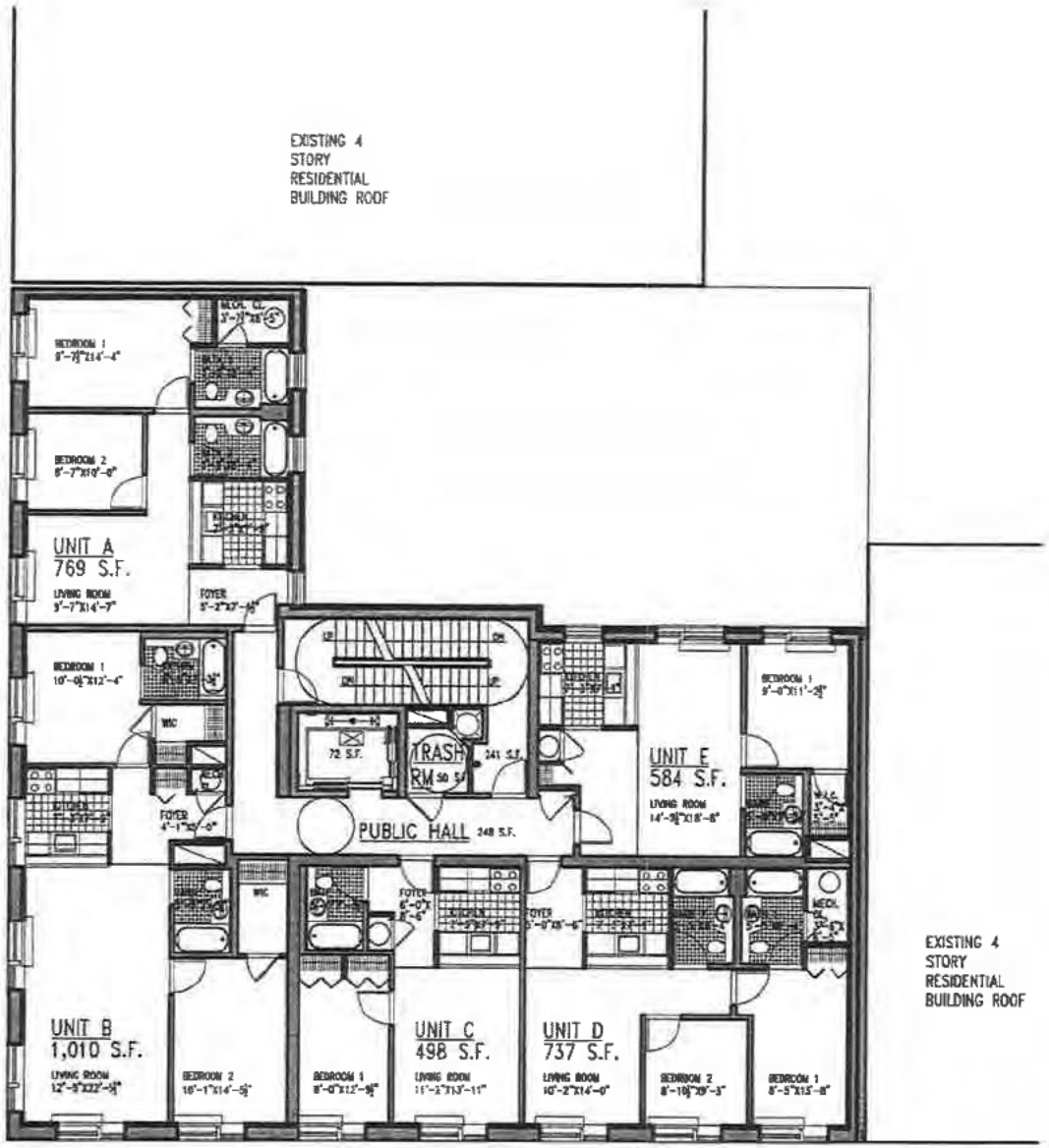


GROSS AREA: 4,209 S.F.

2ND-5TH (TYPICAL) FLOOR PLAN

0 5' 10' 20'

ALL MEASUREMENTS (INCLUDING HEIGHTS AND WIDTHS) ARE APPROXIMATE
ARCHITECT RESERVES THE RIGHT TO MAKE CHANGES DUE TO VARIOUS CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN



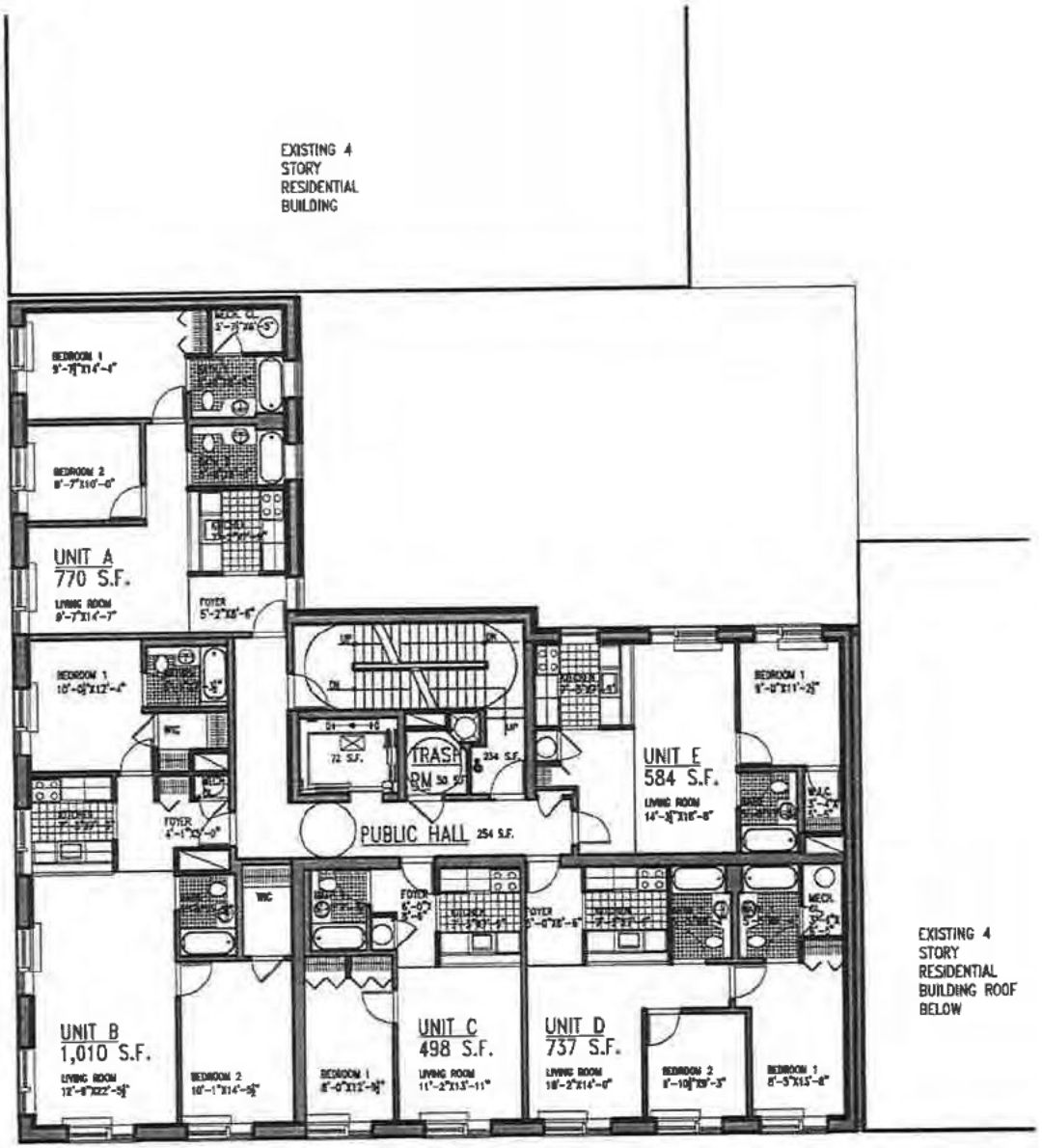
GROSS AREA: 4,209 S.F.

6TH FLOOR PLAN

0 5' 10' 20'

ALL MEASUREMENTS (INCLUDING HEIGHTS AND WIDTHS) ARE APPROXIMATE
ARCHITECT RESERVES THE RIGHT TO MAKE CHANGES DUE TO VARIOUS CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN

PPA PETER POPPAN ARCHITECTS



E-8

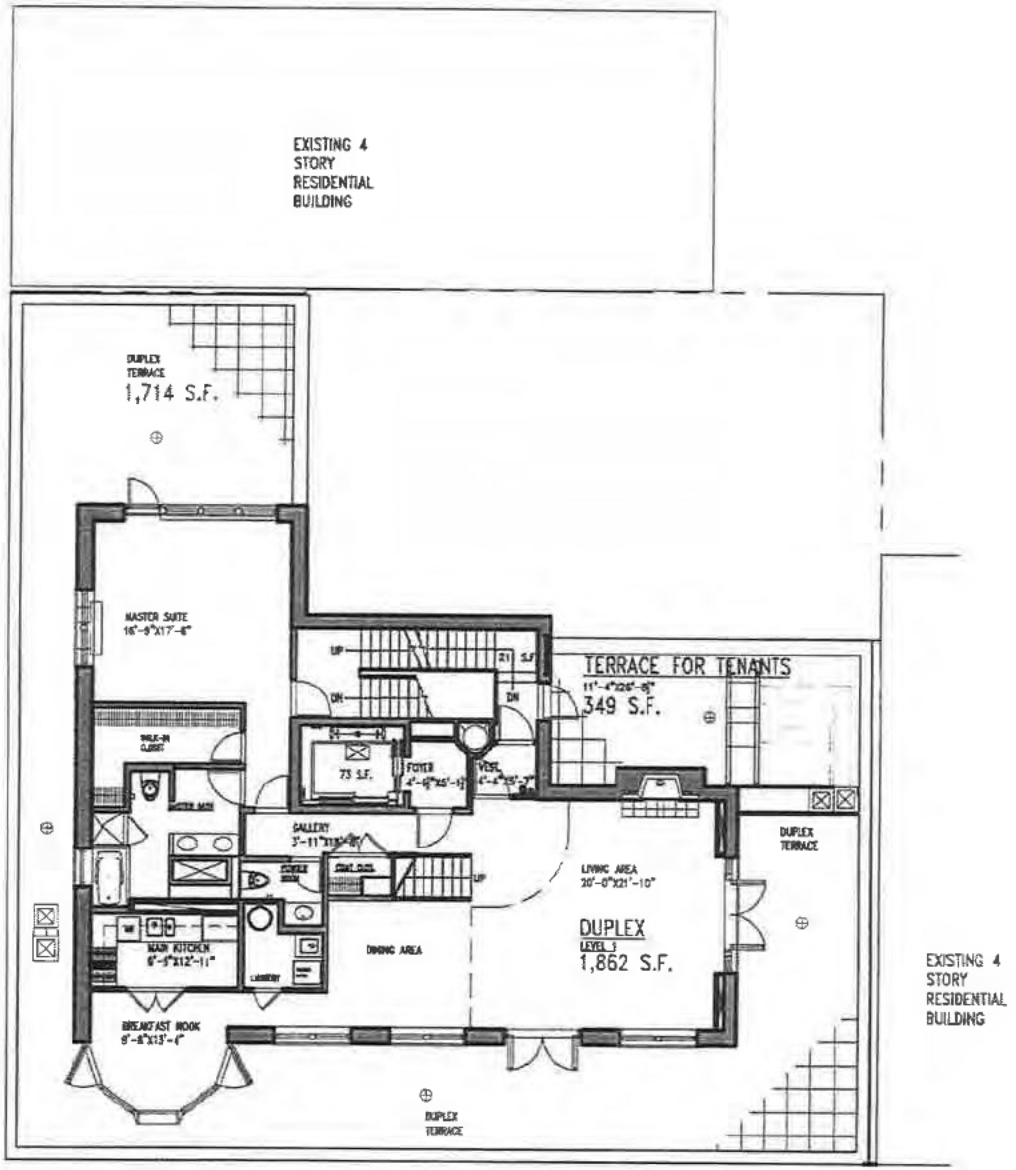
GROSS AREA: 4,209 S.F.

7TH FLOOR PLAN

0 5' 10' 20'

ALL MEASUREMENTS (INCLUDING HEIGHTS AND WIDTHS) ARE APPROXIMATE
ARCHITECT RESERVES THE RIGHT TO MAKE CHANGES DUE TO VARIOUS CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN

PPA PETER POON ARCHITECT



E-9

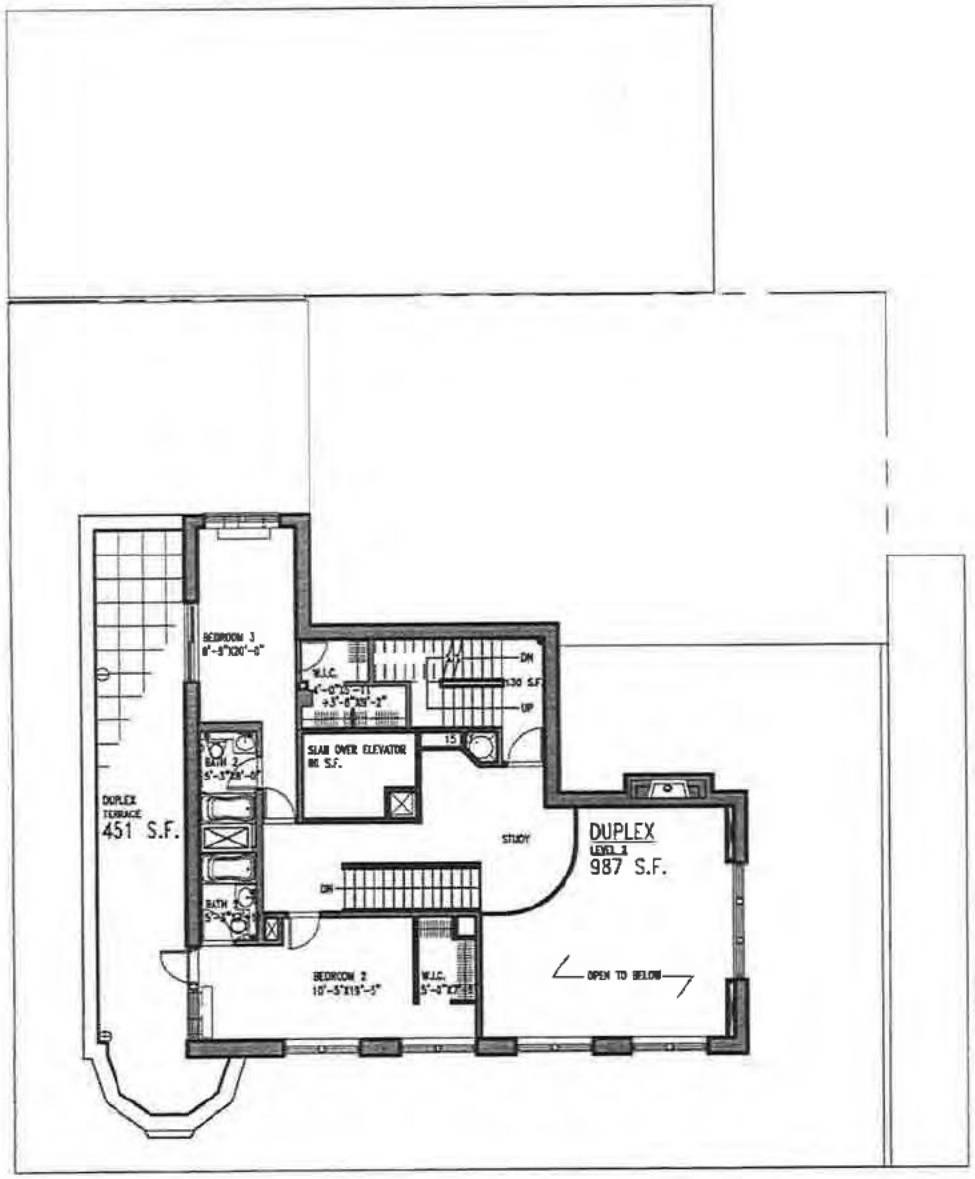
GROSS AREA: 4,209 S.F.

8TH FLOOR PLAN

0 5' 10' 20'

ALL MEASUREMENTS (INCLUDING HEIGHTS AND WIDTHS) ARE APPROXIMATE
ARCHITECT RESERVES THE RIGHT TO MAKE CHANGES DUE TO VARIOUS CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN

PPA PETER POON ARCHITECTS



GROSS AREA: 1,663 S.F.

9TH FLOOR PLAN

0 5' 10' 20'

ALL MEASUREMENTS (INCLUDING HEIGHTS AND WIDTHS) ARE APPROXIMATE
ARCHITECT RESERVES THE RIGHT TO MAKE CHANGES DUE TO VARIOUS CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN

PPA PETER POON ARCHITECTS

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DECLARATION

To Submit the Premises located at 2132-2136 Second Avenue, Borough of Manhattan, County, City and State of New York to Condominium Ownership Pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: **THE CROWN CONDOMINIUM**

DECLARANT: **Kirin Grocery, Inc.**
2132-2136 Second Avenue
New York, New York 10029

DATE OF DECLARATION: _____, 2005

The land affected by the within instrument lies in Tax Block 1681 formerly known as Lot 50, now known as Lots ____ - ____on the Tax Map of the Borough of Manhattan, County, City and State of New York.

Record and Return:

MANATT, PHELPS & PHILLIPS, LLP
Attorneys for Declarant
7 Times Square
New York, New York 10036
(212) 790-4500

Attn: Diana J. Lee, Esq.

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EXHIBITS

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws

DECLARATION

OF

THE CROWN CONDOMINIUM

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

Kirin Grocery, Inc., a New York business corporation, having an office at 2132-2136 Second Avenue, New York, New York 10036 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") not defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as The Crown Condominium (the "Condominium").

2.2 Annexed to this Declaration and made a part hereof are the By-Laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws").

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, commonly known as 2132-2136 Second Avenue, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 5,650 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the "Building") consisting of three (3) Commercial Units and one (1) Parking Unit (collectively referred to as the "Commercial/Parking Units" and individually, a "Commercial Unit" or the "Parking Unit"), and thirty-one (31) Residential Units (collectively, the "Residential Units" and individually, a "Residential Unit"). The Commercial/Parking Units and the Residential Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The owner of a Residential Unit is herein called a "Residential Unit Owner" and all the owners of the Residential Units are herein collectively called the "Residential Unit Owners." The owner of a Commercial/Parking Unit at any time is herein called a "Commercial/Parking Unit Owner" and each of the owners of the Commercial/Parking Units shall collectively be called the "Commercial/Parking Unit Owners." The Residential Unit Owners and the Commercial/Parking Unit Owners are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner." One Residential Unit of the thirty-one (31) Residential Units occupying the entire eighth and ninth floors is a duplex unit (the "Duplex Unit"). The Unit Owner of the Duplex Unit is referred to herein as the Duplex Unit Owner.

ARTICLE 5

THE BUILDING

The Building consists of one building, having nine (9) stories above grade and one cellar. The Building is constructed as follows: The exterior walls are face brick. The first floor is face brick with concrete block bearing cavity wall. The eighth and ninth floors are face brick with metal stud back up cavity wall. The breakfast room exterior wall on the eighth floor is glazed ceramic tile with metal stud backup. The bulkhead on the roof is face brick with concrete block back up cavity wall. The floors in the Building are named (from bottom to top): , Cellar, First Floor, Floors 2 through 7and Duplex on the eighth and ninth floors.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) location in the Building; (iv) approximate square foot area; (v) number of rooms in the Residential Units; (vi) Common Elements to which each Unit has immediate access; and (vii) the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by Peter F. Poon Architect, P.C. and intended to be approved by the Real Property Assessment Bureau of the City of New York and filed in the Office of the Register of the City of New York, County of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for the sheetrock walls and partitions, non-structural flooring, floor coverings and sheetrock ceilings affixed, attached or appurtenant to such Unit, interior doors, smoke detectors, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units), heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. A Unit Owner shall not install any additional or replacement heating/hot water/air conditioning equipment in a Unity without the prior consent of the Board of Managers, not to be unreasonably withheld so long as the system is compatible with the existing systems. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit, and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit by a Unit Owner other than by Declarant pursuant to the Offering Plan for the Condominium, to the extent located within a Unit from the panel and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 Each Commercial/Parking Unit will include all related Facilities exclusively serving that Commercial/Parking Unit including storefronts and outdoor signage panels for the Commercial/Parking Unit.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

Each Unit will consist of the area measured horizontally from the exterior side of the exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the center line of the interior wall separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements (as hereinafter defined); or to the exterior side of the opposite exterior walls. Each Unit will consist of the area measured vertically from the top of the slab floor to the underside of the slab floor.

ARTICLE 8

COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements of the Condominium (the "Limited Common Elements") consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units or the Unit Owners. The Residential Limited Common Elements consist of those common Elements that serve or benefit exclusively the Residential Unit Owners. The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners.

8.2 As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, converter, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric

distribution facility, wiring, wireway, switch, lighting switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

8.3 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.4 The General Common Elements consist of the following:

8.4.1 The Land (as more particularly described in Exhibit A annexed Declaration), together with all easements, rights and privileges appurtenant thereto.

8.4.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections or 8.7), together with those portions of the exterior walls of the Building beyond the Unit side of the concealed block work or concealed structural members of those walls.

8.4.3 The rooms and Facilities located as follows: the fire pump room, electric, gas and water rooms, meters and valves, telephone, cable and related Facilities located in the cellar; the elevator machine room, the superintendent's office and bathroom, the closet in the cellar and other equipment and related Facilities located on the roof.

8.4.4 The elevator and its shaft, pit, machine room and related Facilities.

8.4.5 The roof, but excepting any portion thereof to which the Duplex Unit has exclusive access as set forth in the Floor Plans.

8.4.6 The fencing which separates the rear yard from other property adjoining the Property.

8.4.7 The automatic sprinkler system, the video intercom system, the security system and related Facilities.

8.4.8 The hallways, corridors, vestibule, gates, stairs, stairways and any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all of the General Common Elements or any Limited Common Element.

8.5 The Residential Limited Common Elements consist of the following:

8.5.1 The community room, residential storage space, laundry room and garbage room in the cellar to which the Residential Unit Owners have exclusive access as set forth in Exhibit B annexed hereto.

8.5.2 The residential lobby and courtyard/outdoor recreation area on the first floor to which the Residential Unit Owners have exclusive access as set forth in Exhibit B annexed hereto.

8.5.3 The common terrace on the eighth floor to which the Residential Unit Owners have exclusive access as set forth in Exhibit B annexed hereto.

8.5.4 The electric, gas and water meters and panels exclusively serving a Unit.

8.5.5 The windows and doors to hallways in each Unit.

8.5.6 All other Facilities exclusively serving one or more Residential Units which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Residential Units.

8.6 The Duplex Limited Common Elements consist of the following:

8.6.1 The two terraces adjoining the Duplex Unit on the eighth floor and the one terrace adjoining the Duplex Unit on the ninth floor.

Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Unit Owner or Owners having exclusive access to a Limited Common Element shall have the exclusive right to use such Limited Common Element (subject to compliance with the Owner or Owners having exclusive access to a Limited Common Element shall have Rules and Regulations) and shall be responsible for its normal operation, maintenance, cleaning and repair at such Unit Owner's sole cost and expense, except the cost of cleaning and repairing windows in the Residential Units and the cost of replacing same shall be a Common Charge of the Residential Unit Owners unless the repair or replacement thereof is required due to the gross negligence or willful misconduct of the Unit Owner having exclusive use thereof.

ARTICLE 9

USE OF BUILDING AND UNITS

9.1 As more particularly set forth in the By-Laws, Residential Units may be used only for residential purposes and for any home occupation uses to the extent permitted under applicable zoning law and ordinances and other applicable governmental laws and regulations.

9.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Board, (1) grant permission for the use of any Unsold Unit (as defined in Exhibit C) owned by it for any purpose, provided such use is permitted by law, and is in compliance with any applicable governmental laws and regulations and (2) use any Unsold Units owned by it as models and sales and/or promo offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations.

9.3 The Commercial/Parking Units may be used for any use permitted under the Zoning Resolution, including but not limited to, as retail stores and offices. Declarant reserves the right to convert the Parking Unit into a Commercial Unit. The Condominium Board shall execute such documents as may be required to amend the certificate of occupancy to allow for permitted uses of the Commercial Units and conversion of the Parking Unit into a Commercial Unit.

9.4 Vault space in the Cellar ("Vault Space"), if any, shall be available for use of the Commercial/Parking Unit Owner as set forth on the Floor Plans and if so used the Commercial/Parking Unit Owner shall be responsible for vault taxes, if any, imposed as the result of the use of Vault. If so used, routine maintenance and repair of the Vault Space, and the sidewalk hatch to the Vault, shall be the responsibility of the Commercial/Parking Unit Owner. However, the costs of structural repairs, including repairs to the foundations or retaining walls adjacent to the Vault Space and the closing of the Vault Space, shall be a General Common Expense undertaken by the Condominium Board.

ARTICLE 10

CHANGES IN THE UNSOLD UNITS

Except to the extent prohibited by law, Declarant or its designee shall have the right, without the vote or consent of any Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms of any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from subdivision or otherwise) into one or more Units, converting a Unit or any portion thereof to a Common Element, or a Limited Common Element, altering the boundary walls between any Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; (d) designate a General Common Element or a Limited Common Element as part of a newly created Unit, or designate all or part of a Residential Unit as a newly created Commercial Unit, Common Element or Limited Common Element; or (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common

Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or its designee, as the case may be, shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or its designee. By written permission of the Board, which permission, shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately alter such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Board in the case of any Unsold Unit, and (ii) by the managing agent of the Condominium, or any other person reasonably acceptable to the Board in the case of any other Unit.

ARTICLE 11

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 12

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The percentage interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

ARTICLE 13

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or its designee, in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element alter damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 14

ACCESS TO COMMON ELEMENTS

Each Unit Owner shall have an easement in common with all other Unit Owners to use all Common Elements located in the Building, including those located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit including an easement to connect to existing utilities including, but not limited to utilities for gas, electricity, steam and ventilation. Each Unit shall be subject to an easement in favor of all Unit Owners to use all Common Elements located in such Unit or elsewhere on the Property which serve other Units. In addition, the Condominium Board shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property. All easements and rights of access described in this Article 15 shall be exercised in such a manner, to the extent practicable, as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. Such entries shall be permitted on not less than three days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

ARTICLE 15

EASEMENTS AND NAME OF CONDOMINIUM

15.1 Except as set forth in this Declaration, each Unit Owner shall have, in common with all other Unit Owners, an easement for the use of the General Common Elements and any Facilities located therein, including, but not limited to, such easement as shall be necessary to operate, maintain, repair, rebuild, restore and replace, as necessary, such Unit Owner's Unit.

15.2 The Board shall have and each Unit shall be subject to an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements or Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units, the General Common Elements or the Limited Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere, to the extent practicable, with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than three days' notice, except that no notice will be necessary in the case of an emergency.

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

15.4 Declarant or its designee and the Commercial/Parking Unit Owners and their successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property for the purposes of advertising (i) the sale or lease of any Unsold Unit, the sale or lease of all or any portion of the Commercial/Parking Units and (ii) the operation of any business of a tenant or occupant of all or any portion of any Commercial/Parking Unit or of any Unsold Units, as the case may be. Declarant and the Commercial/Parking Unit Owners have an easement and the right to change the facade of the Building and alter, replace, restore, renovate, remodel and reconstruct the existing facade of the Building through and including the bottom of the second floor of the Building, with the consent of the Condominium Board, not to be unreasonably withheld, provided that such penetration does not materially weaken the structural soundness of the Building, and provided such alterations, etc. are in compliance with all applicable laws.

15.5 Declarant and the Unit Owners have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by law.

15.6 Declarant or its designee and the Condominium Board shall have the right to grant such additional electric, gas, telephone, internet, cable, television, steam,

ventilation or other easements for utilities or services or otherwise or relocate any easements in any portion of the Property as Declarant or its designee or the Condominium Board shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or relocation of existing utilities will not prevent or unreasonably interfere with the business of the tenants and occupants of the Commercial/Parking Units or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's liens against any of the Units. Any company providing the utilities or services and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance aforementioned easements in order to install, maintain, operate, repair, replace and service such utilities and services provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial/Parking Units or with the use of the Residential Units for their permitted purposes.

15.7 Declarant and its designee, assignee and licensees shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes, cable wring and similar equipment on the roof and facade of the Building and elsewhere on the Common Elements and the conduit and Facilities relating thereto, other than those portions of the roof which constitute Limited Common Elements and to retain any and all income derived therefrom, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, alteration, rebuilding, restoration or replacement thereof. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Declarant, its designees, assignees or licensees for the use of the aforesaid easements or equipment. Any satellite dish. Cable wiring or other facilities placed upon the roof and the facade of the Building and elsewhere on the Common Elements by Declarant, its designees, assignees or licensees shall be the exclusive property of Declarant, its designees, assignees or licensees and neither the Condominium nor other Unit Owners shall have any rights with respect thereto. Notwithstanding the foregoing, access to a Unit or Common Element in furtherance of such easement shall be exercised in a manner so as to not unreasonably interfere with the normal conduct of business of the tenants and occupants the Commercial/Parking Units or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice is necessary in the case of an emergency.

15.8 Any rights of access to the Commercial/Parking Units granted pursuant to this Article or elsewhere in this Declaration and the By-Laws shall be exercised only upon reasonable notice, but in no event less than three (3) days' notice, except in cases of emergency. The Boards shall use best reasonable efforts to schedule access to the Commercial/Parking Units so as to minimize disruptions to the business operations of the occupants of such Units, but shall not be required to schedule their right of access at times

when overtime or holiday wage rates shall be payable to employees or employees of contractors as a result of such scheduling.

ARTICLE 16

POWER OF ATTORNEY

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine) (a) to acquire or lease any Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with any such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the Condominium, the Property or the Building which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, the Property or the Building or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium, the Property or the Building or the Common Elements which the Board deems necessary or appropriate.

16.2 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration to effectuate the rights granted to Declarant under the Declaration.

ARTICLE 17

ACQUISITION OF UNITS BY BOARDS

If (a) any Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the General Common Elements and Limited Common Elements and appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter

collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or sublease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, subtenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

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

Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

18.3 If this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19

AMENDMENTS OF DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 80% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws, except (i) any provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least 80% in number and in Common Interest of the Common Interests of all Residential Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Residential Unit as expressed in this Declaration shall not be altered without the written consent of all Residential Unit Owners directly affected. and (ii) any provision of this Declaration benefiting, protecting or otherwise affecting only the Commercial/Parking Units or the Commercial/Parking Unit Owners may be added to, amended, modified or deleted by the vote of at least 80% in number and in Common Interest of the Common Interests of all Commercial/Parking Unit Owners taken in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to any Commercial/Parking Units shall not be altered without the written consent of all Commercial/Parking Unit Owners directly affected. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact.

19.2 If the number of rooms in an Unsold Unit is changed, or the use, size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or any Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of any Board or the Unit Owners. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given the right by the Board to make the changes described in this Section 19.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect Owners. Nothing contained in this Section shall be construed to mean that the Common changes made by the Unit Owner, all without the approval of the Board or other Unit Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

19.3 Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations as may be necessary, appropriate or desirable in connection with the operation of the Commercial/Parking Units or with the subdivision, combination or alteration of the Commercial/Parking Units, or of any newly created Commercial/Parking condominium units and/or the offering for sale or lease of all or any portion of the Commercial/Parking Units. In connection therewith, the Board will cause this Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and the resulting provision thereof may be similar or dissimilar to those affecting the Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Unit Owners, the Board shall be the attorney-in-fact for the Residential Unit Owners, coupled with an interest for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion.

19.4 The provisions of Sections 19.1 and 19.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee, and the provisions of Section 19.3 may not be modified, amended, added to or deleted, in whole or in part without the consent of 60% percentage in common interest of the Commercial Unit Owners.

19.5 Amendments, modifications, additions or deletions of or to this Declaration are subject in all respects to Section 13.2 of the By-Laws which is incorporated by reference herein.

ARTICLE 20

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Units, provided that in no event shall Declarant's consent be required more than five years after the date fee title to a Unit is first conveyed to a purchaser by Declarant or its designees pursuant to an offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payments shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 21

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 22

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 23

CERTAIN REFERENCES

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

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

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

ARTICLE 24

SEVERABILITY

Subject to the provisions of Sections 18.2 and 18.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest.

ARTICLE 25

COVENANT OF FURTHER ASSURANCES

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

25.2 If any Unit Owner, any Board or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board which represents such Unit Owner, Board or other party is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such

action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party. For purposes of this Section 26.2, the Commercial Board shall be deemed to represent the Board, the Board shall be deemed to represent the Commercial Board, and the Residential and/or Commercial Board shall be deemed to represent the Condominium Board.

25.3 If any Unit Owner, any Board or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to execute, acknowledge or delivery any instrument, or to take any action which such Unit Owner, Board or party is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 26

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee (not including Purchasers of Units pursuant to the Plan), or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Commercial/Parking Unit Owners as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Commercial/Parking Unit Owners. Subject to the foregoing, Declarant, its designee, and/or the Commercial/Parking Unit Owners, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ARTICLE 27

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

ARTICLE 28

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the Property Description annexed hereto as Exhibit A; (ii) the Description of the Units annexed hereto as Exhibit B; (iii) the Definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; and (v) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____day of _____, 2005.

KIRIN GROCERY, INC.

By:_____
Yiang Jun Lin
President

ACKNOWLEDGMENTS

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

On the ___ day of _____in the year ____ before me, the undersigned, a Notary Public in and for said State, personally appeared Yiang Jun Lin, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual acted, executed the instrument.

Notary Public

EXHIBIT A

DESCRIPTION OF THE LAND

EXHIBIT C

DEFINITIONS

"Appurtenant Interests"	With respect to any Unit, the undivided interest of the Owner thereof in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.
"Assessments"	The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata, in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-laws).
"Board of Managers" or "Condominium Board"	The board of managers of the Condominium.
"Building"	The building located at 2132-2136 Second Avenue, New York, New York.
"Closing"	The time, place and procedure by which fee title to a Unit is conveyed to a Purchaser pursuant to a Contract of Sale.
"Closing Date"	The date on which a Closing occurs.
"Commercial Unit"	Any Unit designated as a Commercial Unit in the Declaration and all such Commercial Units are collectively referred to as the "Commercial Units."
"Commercial Unit Owners"	The owners of the Commercial Units.
"Common Charges"	Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

"Common Elements"	All portions of the Property other than Units. Common Elements are comprised of General Common Elements and Limited Common Elements.
"Common Expenses"	All expenses of operation of the Property and all sums designated Common Expenses by or pursuant to provisions of the Declaration or By-laws.
"Common Interest"	The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as set forth in the Declaration.
"Condominium"	Means the The Crown Condominium.
"Condominium Act"	Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.
"Condominium Documents"	The Declaration and all Schedules thereto, the By-laws, the Rules and Regulations, the Floor Plans, form of Unit Deed and the form of Unit Owners Power of Attorney.
"Contract of Sale"	A contract between the Sponsor and a Purchaser to purchase the Condominium Unit.
"Declaration"	The instrument, as may be amended from time to time, by which the Property is submitted to the provisions of the New York State Condominium Act, consistent with the provisions of the New York Condominium Act and the By-laws.
"Downpayment"	The amount of ten percent (10%) of the purchase price for a Unit.
"Duplex Unit"	Means the Residential Unit on the eighth and ninth floors of the Building.
"First Unit Closing"	The first closing of title with a bona fide Purchaser of a Unit.
"Floor Plans"	The floor plans of the Units certified by a registered architect or licensed professional engineer, and filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"General Common Elements"	The Land and all parts of the Building, including its foundations, roofs and support, other than the Units and Limited Common Elements.
"Land"	All that certain tract, plot, piece and parcel of land situate, lying and being in the City of New York, New York, County, State of New York, as more particularly described in Schedule A to the Declaration.
"Law"	The laws and ordinances of any or all of the Federal, New York State, New York City, and New York County governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.
"Limited Common Elements"	Those Common Elements which serve or benefit exclusively one or more but not all the Units and/or the Unit Owners, including but not limited to: ▪ the Duplex terraces are a Limited Common Element of the Duplex Unit; ▪ the lobby on the first floor, the common terrace on the eighth floor, the courtyard and the residential Parking, the exercise room and laundry are Limited Common Elements of the Residential Units; ▪ the windows and exterior doors are a Limited Common Element of each Unit in which the Unit is located.
"Majority"	Majority of Unit Owners means more than fifty Percentage of Common Interest in the aggregate, as may be specified herein or in the Declaration or the By-laws with respect to any matter or matters. Any specified percentage of Unit Owners means such Percentage of Common Interest in the aggregate, as may be specified herein or in the Declaration or the By-laws with respect to any matter or matters.

"Managing Agent"	A person employed by the Condominium Board pursuant to Article II, Section 3 of the By-laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in such Section of the By-laws.
"Offering Plan"	The document filed with the New York State Department of Law which describes the condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time. Sometimes herein referred to as the "Plan."
"Operation of the Property"	The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.
"Parking Unit"	The Unit designated as a Parking Unit in the Declaration."
"Parking Unit Owners"	The owner of the Parking Unit.
"Power of Attorney"	The document, signed by Unit Owners, which appoints:(i)the Board of Managers as attorney-in-fact to acquire, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon together with the Appurtenant Interest and to deal with any such Units so acquired as they may determine, (ii) the Sponsor, as attorney-in-fact, to amend the Declaration, the By-laws, and the Rules and Regulations of the Condominium or any of said documents under certain conditions set forth in the Power of Attorney.
"Person"	A natural person, corporation, partnership, association, trustee or other legal entity.
"Property"	Means and includes the Land, the Building and all other improvements thereon, (i) owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.

"Purchaser"	Any Person who has entered into a Contract of Sale with the Sponsor to purchase any Unit and is not in default thereunder.
"Recording officer" and "Recording" or "Recorded"	Shall have the meanings stated in section two hundred ninety of the New York State Real Property Law.
"Residential Unit"	Any Unit designated as a Residential Unit in the Declaration, and all such Residential Units, are collectively referred to as the "Residential Units."
"Residential Unit Owner"	Any owner of a Residential Unit, and all such owners are, collectively, referred to as "Residential Unit Owner."
"Rules and Regulations"	The rules and regulations of the Condominium, which are annexed as an addendum to the By-laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-laws.
"Sponsor"	Means Kirin Grocery, Inc..
"Unit"	Any space in the Building designated as a Unit.
"Unit Owner"	The person or persons, or entity owning a Unit in fee simple absolute.
"Unsold Units"	Any Unit owned by the Sponsor or its designee at the time in question.

EXHIBIT D

BY-LAWS

BY-LAWS
OF THE CROWN CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of The Crown Condominium (the "Condominium") All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the property known as The Crown Condominium at 2132-2136 Second Avenue, New York, New York 10029 (the "Property") and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration as they may be amended from time to time, are accepted and ratified.

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

ARTICLE 2

BOARDS OF MANAGERS

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the first annual meeting of Unit Owners as provided in Section 3.1, the Board shall consist of six persons, one representative of the Commercial/Parking Unit Owners elected by the Commercial/Parking Unit Owners, and five representatives of the Residential Unit Owners, subject to Declarant's Subsection 3.9.3 rights.

2.1.2 Each member of the Board except for the first Board as provided in Section 2.4 and except as otherwise provided herein, shall be elected at the annual meeting of Unit Owners and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant or its designee, all members of the Board shall be either Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies fiduciaries or any other entities which own Units, Permitted Mortgagees, or family members of any of the foregoing, Other than Board members elected or designated by Declarant or its designee, no Board member shall continue to serve after such member ceases to be qualified as set forth above. As used herein the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon pursuant to these By-Laws.

2.2 Powers and Duties

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners). All determinations, however, which (a) affect only the Residential Units and do not adversely affect the Commercial/Parking Units or the use of the Commercial/Parking Unit for its permitted purposes, shall be made by the Board members who represent Residential Unit Owners, or (b) affect only the Commercial/Parking Units and do not adversely affect the Residential Units or the use of Residential Units for their permitted purposes, shall be made by the Board member who represents the Commercial/Parking Units. All other determinations with respect to the administration of the affairs of the Condominium including, without limitation, determinations which (i) relate to the Residential Units and adversely affect the Commercial/Parking Units, or (ii) relate to the Commercial/Parking Units and adversely affect the Residential Units, or (iii) relate to or affect the General Common Elements, shall be made by the Board in its entirety. Any dispute between the Board members with respect to which Board members shall be entitled to make any determination shall be settled by Arbitration (as hereinafter defined); provided, however, that no such dispute with respect to whether the determination of one adversely affects the other shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the other party within 10 business days of receipt by it of notice of such determination. The Arbitration shall be determined on the basis of what is in the best interests of the Condominium. As used herein the term "Arbitration" means arbitration conducted in accordance with the provisions of Article 11 and the term "adversely affect" shall mean the uses prohibited by Section 6.16.

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof, the Board shall have all powers and duties expressly set forth elsewhere in the Declaration and By-Laws and shall be entitled to make such determinations and take such actions and incur such liabilities as may be required to effectuate the Board's obligations under the Declaration and By-Laws. The Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1 Operating, caring for, keeping up, maintaining, repairing and replacing of the General Common Elements, including contracts for utilities, services and supplies.

2.2.2.2 Determining the amount of Common Charges (as hereinafter defined.)

2.2.2.3 Employing and dismissing personnel necessary for the maintenance and operation of the General Common Elements.

2.2.2.4 Adopting, amending or adding to, the Rules and Regulations (as hereinafter defined).

2.2.2.5 Making additions and improvements to, or alterations of, the General Common Elements and Limited Common Elements.

2.2.2.6 Making repairs and restorations of the General Common Elements and Limited Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.7 Enforcing obligations of Unit Owners.

2.2.2.8 Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.9 Opening and maintaining bank accounts on behalf of the Condominium and designating signatories therefor.

2.2.2.10 Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves General Common Elements or Limited Common Elements, as set forth in 6.2.

2.2.2.11 Borrowing money on behalf of the Condominium, when required in connection with the operation, care, upkeep and maintenance of; or the making of repairs, replacements, restorations or additions to or alterations of; the General Common Elements or Limited Common Elements; provided, however, that (i) the consent of at least 60% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $10,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Board pursuant to the authority contained in this subparagraph 2.2.2.1(k) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.12 Bringing actions on behalf of the Unit Owners, as their interests may appear, with respect to any cause of action relating to the General Common Elements or Limited Common Elements, as the Board deems advisable.

2.2.2.13 Organizing corporations or limited liability companies to act as designees of the Board with respect to such matters as the Board may determine.

2.2.2.14 Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Board deems necessary or appropriate.

2.2.2.15 Preparing executing and recording, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.16 Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.17 Subject to Section 8.2 of the By-Laws, purchasing, leasing and otherwise acquiring in the name of the Board or its designee, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board.

2.2.2.18 Purchasing Units at foreclosure or other similar sales, in the name of the Board or its designee, on behalf of all Unit Owners.

2.2.2.19 Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the Board or its designee, on behalf of all Unit Owners.

2.2.3 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by such Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or its designee shall continue to own Condominium Units equaling at least twenty-five (25%) percent of the total Common Interest of the Condominium, but in no event later than five years from the First Closing of a sale made under an Offering Plan, the Board may not, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the General Common Elements or to the Limited Common Elements; (ii) increase or decrease the number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any General Common Charges for the creation of; addition to or replacement of all or part of a reserve, contingency or surplus fund except that Declarant will consent to replacements to the contingency fund provided in Schedule B of the Offering Plan to the extent that the aggregate of such fund does not exceed 5% of the budgeted annual expenses of the Condominium; or (vi) exercise a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.3 Managing Agents and Managers. The Board may employ a managing agent and/or a manager at a compensation established by such Board to perform such duties and services as such Board shall authorize.

2.4 First Board. The Board shall initially consist of two persons designated by Declarant to initially comprise the Board. Such Board member shall be deemed to have been "elected" as a member of the Board for the purposes of these By-Laws. Within 60 days after the date of closing of 50% in Common Interests of the Residential Units, the Board will call for the first annual meetings of Unit Owners for the purpose of electing a new Board in accordance with the provisions of Section 3.1

2.5 Resignation and Removal. Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board from which such member is resigning. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of Subsection 3.9.3, any Board member may be removed, with or without cause, by a majority vote of Unit Owners owning, in the aggregate a majority of the Common Interest on the floor which such Board member represents, present in person or by proxy at a regular or special meeting of Unit Owners, at which a quorum is present or by written consent. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed with cause and replaced as described in Section 2.6. In addition, any member of the Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 Vacancies. Subject to the provisions of Section 3.9.3, any vacancy on the Board for whatever reason shall be filled by the affirmative vote of the Unit Owners owning in the aggregate a majority of the Common Interests, either in writing or at a special meeting of such Unit Owners held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the resignation, removal or any other cause which results in any Board member designated by (i) Declarant or its designee, ceasing to be a member of any such Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member, and (ii) Commercial/Parking Unit Owners, ceasing to be a member of any such Board, Commercial/Parking Unit Owners, shall have the sole right to designate a replacement for such member,

2.7 Organizational Meeting of the Board. The first meeting of the Board following the annual meeting of Unit Owners shall be held immediately following such annual meeting.

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

2.9 Special Meetings of the Board. Special meetings of the Board may be called by the President or Vice President of the Board by giving five business days' prior notice to each member of such Board by personal delivery, mail, facsimile or e-mail, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. Special meetings of the Board shall be called in like manner and on like notice on the written request of at least two members of the Board..

2.10 Resolutions of Board. The Board shall cause to be promptly delivered to the Unit Owners copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable law, Q,) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.11 Meetings of Board. No organizational or regular meetings of the Board shall be held unless otherwise required by applicable law in which event such required meetings shall be held at such time and place in the Borough of Manhattan as shall be determined by the Condominium Board, provided that notice thereof be given to Board members by personal delivery, mail, facsimile or e-mail at least five business days prior to the day named for such meeting. Special meetings of the Board may be called by the President of the Board by giving five business days' prior notice to each member of the Board by personal delivery, mail or

telegram, which notice shall state the time, place (which shall be in the Borough of Manhattan) and purpose of the meeting.

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

2.13 Determinations by Board; Quorums.

2.13.1 Except as otherwise set forth in Subsection 2.2.1, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Board.

2.13.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.13.3 Members of any Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of the Board.

2.14 Compensation. No member of any Board shall receive any compensation for acting as such.

2.15 Liability of Boards and Unit Owners.

2.15.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the General Common Elements or any Limited Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof shall state that it is made by such Board, managing agent or manager only as agent for all Unit Owners, that such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or any Limited Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or

Residential Unit Owners, and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that a Board member shall be liable to such Unit Owner for such Board Member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with any Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

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

2.16 Fidelity Bonds. The Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds or insurance shall constitute General Common Expenses

2.17 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of as many members as the Board shall deem appropriate for the purpose of making such reports and studies as the Board deems appropriate. Any Executive Committee of the Board shall be required to consist of at one member of the Commercial/Parking Units. For so long as Declarant is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one of its members a member appointed by Declarant.

2.18 Principal Office of the Board. The principal office of the Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board.

2.19 Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the

event of the incorporation of the Board pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable.

2.20 Incorporation of Board. To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.21 Board as Agent of Unit Owners. In exercising their respective powers and performing their respective duties under the Declaration and these By-Laws, the Board shall act in good faith as, and shall be, the agent of the Unit of the Declaration and these By-Laws.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners shall be called on or no more than 30 days after the closing on Units which account for 35.78% of the Common Interests to bona fide Purchasers (which does not include Sponsor's principals or family members of principals) but in no event later than the second anniversary of the First Unit Closing. At such meeting, the incumbent Board shall resign and the Unit Owners shall elect the Board's six (6) members in accordance with Section 3.9. Thereafter, annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At each such annual meeting, the incumbent Board members shall resign and new Board members shall be elected in accordance with Section 2.1 and there shall also be transacted such other business as may properly come before such meetings.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 Special Meetings. The President of the Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by not less than a majority in Common Interest of Unit Owners.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting shall be given by the appropriate Secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to

the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the appropriate Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Adjournment of Meetings. If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 Title to Units.

Title to Units may be taken by any individual, corporation, partnership, association, limited liability company, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, but title may not be held by any entity or individual with sovereign or diplomatic immunity unless approved by the Board.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the appropriate Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. No Board or its designee shall be entitled to vote the interest appurtenant to any Unit owned by such Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to such Unit Owner's Unit. If any Unit is owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning said Unit shall agree among themselves and cast the votes for their Unit.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Residential Unit Owners, as a group, or the Commercial/Parking Unit Owners as a group (as opposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.9 Election of Board Members; Rights of Declarant.

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Subsection 3.8.2. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it.

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

3.11 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

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

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Board need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Board after the first annual meeting of Unit Owners. Thereafter, the President must a member of the Board and a Unit Owner.

4.2 Election of Officers. The officers of the Board shall be elected annually by the members of the Board, at the organizational meeting thereof except that the initial officers of the Board shall be elected by the initial Board and shall hold office at the pleasure of such Boardand until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and at all meetings of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the Condominium.

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

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

4.7 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, the Board can, by resolution, determine that an expenditure in excess of a specified amount by the Board must be countersigned by two members of the Board.

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

ARTICLE 5

NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to all Unit Owners and to all Permitted Mortgagees, as the case may be, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices required or desired to be given hereunder to any Unit Owner shall be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a

postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

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

ARTICLE 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements ("General Common Expenses") shall be determined by the Board as set forth below and shall be borne by all Unit Owners. General Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be General Common Expenses. General Common Expenses shall also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. The Board shall from time to time and at least annually prepare a budget to meet General Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation, charges as set forth in the Plan) ("General Common Charges") to meet General Common Expenses. In addition to basing charges on Common Interests, the Board may also make allocations and assessments of General Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. To the extent practicable, the Board shall allocate costs based upon metered or submetered usage.

6.1.2 Except as otherwise provided herein, all costs and expenses attributable to the replacement of a Limited Common Element shall be determined by the Board and shall be borne by all Unit Owners. Notwithstanding anything to the contrary in Subsection 6.1.2, if a Limited Common Element benefits only certain Unit Owners, then the costs of maintenance, operation, alteration, addition, repair and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Unit Owners who benefit from the Limited Common Element in the proportion that the Common Interest of each benefiting Unit Owner bears to the Common Interest of all benefiting Unit Owners. In addition, except as otherwise provided in the By-Laws, such Unit Owners shall be responsible for the normal operation, maintenance and repair, including but not limited to the cost of staff necessary for such operation, maintenance and repair, of any such Limited Common Element at their sole cost and expense.

6.1.3 Common Expenses shall include real estate taxes and other taxes and assessments on the Property until the Units are separately assessed.

6.2 Insurance.

6.2.1 The Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building, together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance, covering its employees, if any; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Board may determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a General Common Expense and shall be borne by the Residential Unit Owners and the Professional Unit Owner in accordance with their Percentage Interest

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by Board. Insurance proceeds with respect to any loss shall be payable to the Board.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Board shall provide copies of insurance certificates to any Permitted Mortgagee upon request.

6.2.4 The Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (i) the Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium, (ii) the Unit Owners, and (iii) Declarant and its members, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Board shall review such limits once each year.

The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

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

6.2.6 The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the apartment or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage). The limits of liability set forth in (a) and (b) above may be increased by the Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Board or the Managing Agent, the Unit Owner shall deliver to the Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Board. To the extent a party is insured for loss or damage to property, each party will look to their own insurance policies for recovery.

6.3 Repair or Reconstruction after Fire or Other Casualty.

6.3.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless 80% or more of the Building is destroyed or substantially damaged and 80% of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof and the Board shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any deficit or surplus in insurance proceeds shall be borne as a General Common Expense or shared as a profit by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Subsection 6.3.1 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.2 Unless the Unit Owners have elected not to restore the Building as provided in Subsection 6.3.3., damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the Owner of the affected Unit(s) where such repair or reconstruction does not involve the Common Elements for which the repair or reconstruction is the obligation of the Board. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Board may cause the Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment.

6.3.3 If 80% or more of the Building is destroyed or substantially damaged and if 80% of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds, such amounts as may be necessary to discharge or reduce all unpaid liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Section 6.3, the words "promptly resolve" mean resolve as promptly as practical under the circumstances but in any event, not more than 60 days from the date of such damage or destruction.

6.4 Payment of Common Charges.

6.4.1 Unit Owners shall be obligated to pay to the Board the General Common Charges assessed to them by the Board pursuant to the provisions of Section 6.1 at such time or times as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to the Board or its designee, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All liens provided for in Subsection 6.4.2, to the extent permitted by applicable law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.3 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common

Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Board.

6.4.4 In the event that prior to the Units being separately assessed for real estate tax purposes, the Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Subsection 6.4.2) for any such accrued and unpaid amounts.

6.5 Collection of Common Charges. The Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 Default in Payment of Common Charges. In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts computed from the due date, thereof, together with all costs and expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. All such "late charges," interest, costs and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, theBoard may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein.

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

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

6.9 Maintenance and Repairs.

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, and (b) in or to the General Common Elements shall be made by the Board and the cost and expense thereof shall be charged to the Unit Owners as a General Common Expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1. In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner, (b) the Board, the entire cost thereof shall be charged to the Unit Owners as a General Common Expense, except in such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2. The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and neither the windows, window frames nor mullions may be modified, altered or replaced without the consent of the Board. All normal maintenance, repairs and replacements of any balconies, terraces, roof areas or rear yard which are a Limited Common Element shall be made by the Unit Owner having access to such balcony, terrace, roof area or rear yard at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such balcony, terrace, roof area or rear yard (including any leaks which are not caused by the negligence of the Unit Owner having access to the same) shall be made by the Board and the cost and expense thereof, including the cost of restoring the balcony, terrace, roof area or rear yard to the condition prior to the structural or extraordinary repairs or replacements, shall be charged to all Unit Owners as a Common Expense. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the health and safety of the occupants.

6.9.2.3. The exterior surface of all windows in Building shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each

Unit Owner shall indemnify the Board and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of the them as a result of a violation of the aforesaid, laws, ordinances, regulations or rules.

6.9.2.4. The exterior of all front doors of Units shall not be painted or decorated other than with the consent of the Board.

6.9.2.5. Except as otherwise provided in Section 9.4 of the Declaration, routine maintenance and repair of the vault space in the Cellar shall be the obligation of the Commercial/Parking Unit Owners having the exclusive use thereof. The costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults, shall be performed by the Board and the cost therefor shall be a General Common Expense.

6.9.2.6. It shall be the obligation of the Board to clean the sidewalks surrounding the Building and to remove the snow therefrom. The cost of repairing and replacing the sidewalks shall be a General Common Expense.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any balcony, terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. The public areas of the Building and the General Common Elements shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building by the Board with respect to such parts of the Building required to be maintained by it.

6.10 Violations of Maintenance Obligations.

6.10.1 In the event that any Unit Owner, within a reasonable time after receipt of written notice from the Board, fails to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may, but shall not be obligated to, perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within thirty (30) days after receiving notice of such default from the Board (or sooner in the case of emergency), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement by the Board, together with 10% for overhead and interest thereon at the rate of 2% per month from the date on which the Board first incurs any cost or expense (but in no event in excess of the

maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11 Structural Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Except as otherwise provided in the Declaration, no Unit Owner shall make any structural alteration, addition, improvement or repair in or to such Unit Owner's Unit without the prior written approval of the Board, not to be unreasonably withheld. The Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within 45 days after such request is received, and the failure to do so within the stipulated time shall constitute the Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Board may exercise the right to reasonably approve the Unit Owner's contractors and suppliers, and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to such Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. A Board may impose fees upon a Unit Owner to reimburse the Board for its costs incurred in reviewing or supervising the aforesaid work. Notwithstanding anything to the contrary contained in this Subsection 6.11.1, neither Declarant or its designee nor a Permitted Mortgagee (or its designee) of Declarant or its assignee shall be required to obtain the approval of any Board for any structural alteration, addition, improvement or repair in or to Unsold Units.

6.11.2 All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Board (if such approval is required) shall, if required by law or such department or authority, be executed by the Board, provided that the Board shall incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, material man, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant is hereby authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Unsold Units and Common Elements as Declarant is entitled to perform in accordance with the terms of the Declaration and these By-Laws and to obtain such certificates of completion as may then be required by Law (collectively the "Required Documentation") and, the Board, if requested by Declarant, shall execute the Required Documentation.

6.12 Alterations, Additions, Improvements or Repairs to Common Elements.

Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs in or to any General or Limited Common Element shall be made by the Board or Unit Owner(s) required to maintain such General or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a General Common Expense or to the Unit Owner(s) responsible therefor, as the case may be.

6.13 Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Board, Mortgage Representative or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by the Board, Mortgage Representative or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses; (b) (the proposed Alteration would not materially interfere with the use and enjoyment of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.13.2 Nothing contained in Subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 Restrictions on Use of Units.

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Residential Unit shall be used only for residential purposes and for any home occupation uses to the extent permitted under applicable zoning law and ordinances and other applicable governmental laws and regulations but not for any other use and not otherwise herein expressly provided.

6.14.1.1. No portion of a Residential Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.14.1) may be accommodated therein.

6.14.1.2. Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age often (10) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Boards of Managers" for further details.

6.14.2 Notwithstanding the provisions of Subsection 6.14.1, Declarant or its designee may, without the permission of the Board, (a) grant permission for the use of any Unsold Residential Unit for any purpose, provided such use is permitted by law, does not violate the certificate of occupancy for such Residential Unit and the user of such Unit complies with all applicable governmental regulations, and (b) use any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-laws and in compliance with applicable governmental laws and regulations.

6.14.3 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an Occupant in strict compliance with applicable Law. No Professional Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, except in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law.

6.15 Use of Common Elements.

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

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other parts of the General Common Elements other than in the areas designated for Parking in accordance with rules adopted by the Board, without the prior consent of the Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.16 Other Provisions as to Use. No nuisance, immoral or offensive use shall be allowed in the Units which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. All laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property. Except as otherwise provided in the Declaration, the Commercial/Parking Units may be used for any use permitted under the Zoning Resolution.

6.17 Right of Access.

6.17.1 Each Unit Owner grants a right of access to such Unit Owner's Unit to the Board, the managing agent, superintendent and/or any other person authorized by any of the foregoing for the purpose of making inspections of; or for the purpose of removing violations noted or issued by any governmental authority against, the General or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the General or Limited Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the General or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the General or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made within a reasonable time in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and occupants of the Professional Unit or with the use of the Residential Units for their permitted purposes. In case of an emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.17.2 Each Unit Owner grants a right of access to such Unit Owner's Unit, and the Board shall grant rights of access to the General Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.18 Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the General Common Elements and the Limited Common Elements. The Board may from time to time, modify, amend or add to the Rules and Regulations. The Board shall also have the authority to promulgate special rules and regulations concerning the use of Parking space, if any, for the personal property of the Unit Owners. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto, shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

6.19 Real Estate Taxes, Water Charges and Sewer Rents. Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. Until the Units are separately assessed for real estate tax purposes, the Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion that the Common Interest of all Units bears to the Common Interests of all Units) to the Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event of a proposed sale of any Unit, the Board, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as such Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20 Utilities Serving the General Common Elements. Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any General Common Element shall be (a) considered part of the expense of maintaining such General Common Element, (b) determined by the Board, and (c) charged to the Unit Owners as a General Common Expense.

6.21 Utilities Serving the Residential Limited Common Elements. Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any Residential Limited Common Element shall be (a) considered part of the expense of maintaining such Residential Limited Common Element, (b) determined by the Board, and (c) charged to the Residential Unit Owners as a Residential Common Expense.

6.22 Abatement and Enjoinment of Violations by Unit Owners.

6.22.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board, the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Unit or General or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty

or liable in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

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

ARTICLE 7

MORTGAGES

7.1 Notice to Boards. A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 Notice of Default and Unpaid Common Charges. Whenever requested in writing by a Permitted Mortgagee, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws of which the Board may have received notice. The Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

7.3 Performance by Permitted Mortgagees. The Board shall accept from any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner, in which event the Permitted Mortgagee shall be subrogated to the rights and interests of the Board upon such payment or performance.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

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

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. No Unit Owner, other than those Unit Owners excepted under Section 8.7, may sell or lease such Unit Owner's Unit except by complying with the following provisions.

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase such Unit Owner's Unit together with its appurtenant Common Interest, or (b) lease such Unit Owner's Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer," the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which the Offeree Unit Owner intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as such Board may reasonably require. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell such Unit Owner's Unit together with its appurtenant Common Interest or to lease such Unit Owner's Unit to the Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board that the Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by hand delivery or by certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2 In the event the Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Board of its election to accept such offer and (b)with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a down payment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term

of the lease shall be the date set forth in the notice to the Board referred to in Subsection 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Board, or to its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree Unit Owner thereafter elect to sell such Unit together with its appurtenant Common Interest or to lease such Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these By-Laws and shall provide that it may not be materially modified, amended or extended without the prior consent in writing of the Board, that the tenant shall not assign such Unit Owner's interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the, if permitted by applicable law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Any lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

8.2 Consent of Unit Owners to Purchase or Lease of Units by the Board. The Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Residential Unit Owners. However, the Board shall have the right to release or waive such option without the prior approval of a Majority of Residential Unit Owners.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of Subsections 8.1 .1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed by an officer of the Condominium stating that the provisions of Subsection 8.1.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board, and that as a result thereof the rights of the Board thereunder have terminated provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Board shall furnish such certificate upon request to any Unit Owner with respect to whom the provisions of Subsection 8.1.1 have, in fact, terminated.

8.6 Financing of Purchase of Units by the Board. The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit Owner in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the

Property other than the Unit to be purchased together with its (their) appurtenant Common Interest(s).

8.7 Exceptions. The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to such Unit Owner's spouse, domestic partner, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant or its designee, (c) the Board, (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or such Unit Owner's nominee, who has acquired title to any Unit at any foreclosure sale of such Unit Owner's Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit subject to, the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to any lease, sale or conveyance of the Commercial/Parking Units or any part thereof. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

8.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer such Unit Owner's Unit by gift, or may devise such Unit Owner's Unit by will or have such Unit Owner's Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Unit Owner shall be bound by, and such Unit Owner's Unit shall remain subject to, the provisions of this Article 8.

8.9 Unauthorized Sales or Leases of Units. Any purported sale or lease of a Unit consummated in violation of Sections 8.1 or 8.3 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the owner or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.10 Charges Imposed on Sale or Lease of Units. If permitted by law, the Board shall be entitled to fix by resolution and collect, before any sale or lease of a Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. If such charge is adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charge shall not apply to the lease of a Unit to Declarant or its designee, to the sale or lease of Unsold Units by Declarant or its designee, or to the sale or lease of Unsold Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Units.

8.11 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for

recording in the City Register's Office, the Power of Attorney required by Article 17 of the Declaration.

8.12 Notices Concerning Unit Occupancy. Within five (5) days following acquisition of a Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the ease may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

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

8.14 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Unit unless and until the Unit Owner shall have paid in full to the Board all unpaid Common Charges theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages.

8.15 Mortgage of Units. Subject to Article 7 and Section 8.14, each Unit Owner shall have the right to mortgage such Unit Owner's Unit to a Permitted Mortgagee, provided that, with respect to any mortgage covering a Unit, the Unit Owner making such mortgage shall notify in writing the Board of the making of such mortgage.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the General or Limited Common Elements, the Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the General or Limited Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board, and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit and Owners with respect to any taking of the Common Elements pro rata in accordance with their respective Common Interests; thereafter, the Board shall allocate such deficit or surplus, as the case may be, pro rata, to the Unit Owners in accordance with their respective Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that (1) 80% or more of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the General Common Elements, then such repairs or restorations of the General Common Elements shall not

be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in acccordance with their Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 10

RECORDS AND AUDITS

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

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

10.3 Availability of Documents. Copies of the Declaration, these by-laws, the Rules d Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York having jurisdiction over the matter. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any arbitration under this Article 11 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen years.

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

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

ARTICLE 12

MISCELLANEOUS

12.1 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 Certain References.

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

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted

by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Units then owned by Declarant or its designee, as the case may be (but not to Purchasers of Units pursuant to the Plan). Subject to the foregoing, Declarant, its designee, and/or the Professional Unit Owners, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.6 Covenant of Further Assurances.

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

12.6.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Board, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7 Conflict. In the event of any conflict or inconsistency between the provisions of the Declaration or these By-laws and the provisions of the Offering Plan, the provisions of the Declaration or By-laws shall govern and prevail.

ARTICLE 13

AMENDMENT TO BY-LAWS

13.1 Amendments by Unit Owners. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting

Declarant or its designee, or any Unsold Units, or the Commercial/Parking Units or any Commercial/Parking Unit Owner, any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 80% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these By-Laws, except (i) any provision of these By-laws benefiting, protecting or otherwise affecting only the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least 80% in number and in Common Interest of the Common Interests of all Residential Unit Owners taken in accordance with the provisions of the Bylaws; provided, however, that the Common Interest appurtenant to each Residential Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected, and (ii) any provision in these By-laws benefiting, protecting or otherwise affecting only the Commercial/Parking Units or the Commercial/Parking Unit Owners may be added to, amended, modified or deleted by the vote of at least 80% in number and in Common Interest of the Common Interests of all Commercial/Parking Unit Owners taken in accordance with the provisions of the By-laws, provided, however, that the Common Interest appurtenant to any Commercial/Parking Units shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, any Unsold Units, any such amendment, modification, addition or deletion shall be executed the Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact.

13.2 Amendments Affecting Declarant or its Designee Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way without the prior written consent of Declarant or its designee or the owner of any Unsold Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Unit, as the case may be.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or Sections 6.1, 6.2, 6.3, 6.4.1, 6.4.2, 6.4.3, 8.7(d) or (e), or 8.10 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

SCHEDULE A

RULES AND REGULATIONS

1. No furniture, equipment, or other personal articles shall be placed in entrances, hallways, stairways, or other Common Elements without the prior written consent of the Board.

2. No Unit Owner shall make or permit any noise that will disturb or annoy the occupants of any of the Units in the Building or do or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Unit Owners.

3. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness. Each Unit Owner shall keep the roof areas and balcony free of debris.

4. No sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of a Residential Unit or adjoining Common Element except such as shall have been approved in writing by the Board, nor shall anything be projected out of any window of the Building without similar approval.

5. All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct. Unit Owners shall be responsible for complying with all applicable recycling laws pertaining thereto.

6. No pets other than two dogs, two cats or one dog and one cat per Unit, caged birds and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall be permitted to be kept or harbored in any Unit unless the same in each instance be expressly permitted in writing by the Board. Any such consent, if given, shall be revocable at any time by the Board. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and the other Unit Owners and hold them harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having any animal in the Building. The Board of Managers shall have the right to impose a maintenance fee not to exceed $500 per annum on each Unit Owner with a dog or dogs in the Unit.

7. No radio or television aerial or dish shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers.

8. The agents of the Board of Managers, and any contractor or workman authorized by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-Laws, or Rules and Regulations of the Condominium.

9. The Board of Managers or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board of Managers or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers or Managing Agent or their agents may, when specifically authorized by an officer of the Condominium or an officer of the Managing Agent (except in an emergency, no such authorization shall be required) forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

10. All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

11. No Unit Owner shall interfere in any manner with any portion of the heating or lighting apparatus which are part of the Common Elements and not part of the Unit Owner's Unit.

12. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his family members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit or Limited Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or Limited Common Elements.

13. The Unit Owners shall not be allowed to put their names on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

14. Any damage to the Building or equipment caused by Unit Owners, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

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

16. No nuisance, immoral or illegal use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules,

regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

17. Unless expressly authorized by the Board of Managers in each case, the floors of each Unit must be covered with rugs or carpeting or equally effective noise reducing material, to the extent of at least 80% of the floor area of each room excepting only kitchens, pantries, bathrooms, maid's rooms, closets and foyer.

18. Smoke detectors and carbon monoxide detectors must be installed in every Unit as required by New York City Building Code. It is the obligation of the Unit Owner to maintain, repair and replace the alarms and to make certain the units are in working order at all times.

19. Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit in which children under the age of eleven years live. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent.

20. The cost of maintenance and repair of the sidewalks, and adjacent curbs, including keeping them free from snow, ice, dirt and rubbish, shall be the responsibility of the Condominium.

21. No group tour or exhibition of any part of a Unit or its contents shall be conducted nor shall any auction sale be held in any part of a Unit, without the consent of the Board of Managers or the Managing Agent in each instance.

22. Plantings on any terrace or balcony shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches from the terrace or balcony surface, and, if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest upon the surface of such terrace or balcony, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

23. Any consent or approval given under the Rules and Regulations of the Condominium may be amended, modified, added to, or repealed at any time by resolution

of the Board of Managers. Further, any such consent or approval may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature.

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Kam Chiu Associates, Inc.

54 Howard Street, 5th fl, New York, NY 10013 Tel: 917-743-3267 Fax: 914-713-4469 Email: kchiupe@aol.com

June 8, 2005

East Harlem apartments
2132-2136 2nd Avenue
New York, N.Y.

Energy Budget Estimates for "East Harlem apartments"

The following are the **estimated** annual electric and fuel usage and cost for the above referenced premise address.

PARAMETERS, CALCULATIONS AND COSTS

Heating Cost for apartments:

One bedroom unit-typical for 12:

1. Outside air temperature = 15 deg F., Inside design temperature = 72 deg F., Number of heating degree-days = 4900.

2. Estimated cost

   - 10,000 BTU/hr heating requirement with 4900 degree days and 80% boiler efficiency at 72 F. indoor temperature and 15 F. outdoor temperature will require = 157 therm/yr

     157 therm/yr * $1.2/therm = $188.00/yr

     $188.00 x 12 apartments = **$2,256.00/yr**

Two bedroom unit (650 sq.ft.-typical for 12):

1. Outside air temperature = 15 deg F., Inside design temperature = 72 deg F., Number of heating degree-days = 4900.

2. Estimated cost

   - 32,500 BTU/hr heating requirement with 4900 degree days and 80% boiler efficiency at 72 F. indoor temperature and 15 F. outdoor temperature will require = 511 therm/yr

     511 therm/yr * $1.2/therm = $613.00/yr

     $613.00 x 12 apartments = **$7,356.00/yr**

Two bedroom unit (1150 sq.ft.)-typical for 6:

1. Outside air temperature = 15 deg F., Inside design temperature = 72 deg F., Number of

heating degree-days = 4900.

2. Estimated cost

   - 43,000 BTU/hr heating requirement with 4900 degree days and 80% boiler efficiency at 72 F. indoor temperature and 15 F. outdoor temperature will require = 677 therm/yr

     677 therm/yr * $1.2/therm = $813.00/yr

     $813.00 x 6 apartments = **$4,878.00/yr**

Penthouse:

1. Outside air temperature = 15 deg F., Inside design temperature = 72 deg F., Number of heating degree-days = 4900.

2. Estimated cost

   - 81,000 BTU/hr heating requirement with 4900 degree days and 80% boiler efficiency at 72 F. indoor temperature and 15 F. outdoor temperature will require = 1274 therm/yr

     1274 therm/yr * $1.2/therm = **$1,529.00/yr**

<u>Cooking and hot water cost for apartments:</u>

1. Gas range = 40,000 BTU/hr for cooking, Hot water = 60,000 BTU/hr for domestic water, Average usage = 2 hrs / day.

2. Estimated cost

   - 1 therm * 2 hrs/day * 30 days/month * $1.2/therm = $72.00/month per apartment.

     $72.00 * 30 apartments & 1 penthouse * 12 month/yr = **$26,784.00/yr**

<u>Hot water cost for common area:</u>

1. Hot water = 60,000 BTU/hr for domestic water, Average usage = 1 hr / day.

2. Estimated cost

   - .6 therm * 1 hrs/day * 30 days/month * $1.2/therm = $22.00/month.

     $22 * 12 month/yr = **$264.00/yr**

<u>Hot water cost for Washer/Dryers:</u>

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1. Hot water usage for washing machines = 6,600 gallons of hot water/year, 2 gallons of hot water per cycle with 90 deg F rise.

2. Estimated cost

   - 62 therm * $1.2/therm = **$75.00/yr**.

3. Gas usage for dryer = 3,300 cycle per year, 30 minutes per each cycle.

4. Estimated cost

   - 0.125 therm per cycle * 3,200 cycle per year * $1.2/therm = **$495.00/yr**.

Estimated Annual Gas usage (see break down above):

Each apartment is provided with its own gas meter

Total gas usage: $43,637.00/yr

Building Water Consumption for apartments:

1. Estimated water consumption is estimated at 216 gallons/day for each apartment.

2. Estimated annual water consumption is (31 apartments * 216 gallons/day/apartment * 365 days/yr. =24,444,040 gallons/yr.

3. Estimated cost

   - 24,444,040 gallons/yr. * 1/7.41 cu. ft./gallons * $1.20/100 cu. ft. = **$3,958.00/yr**

Building Water Consumption for all retails (typical for 3 retails):

1. Estimated water consumption is estimated at 432 gallons/day for retails. Water usage is based on toilet only. Water usage will be higher for restaurant usage.

2. Estimated annual water consumption 432 gallons/day/retail * 365 days/yr. = 157,680 gallons/yr.

3. Estimated cost

   - 157,680 gallons/yr. * 1/7.41 cu. ft./gallons * $1.20/100 cu. ft. = **$255.00/yr**

Building Water Consumption for common area:

1. Estimated water consumption is estimated at 65 gallons/day for one bathroom.

2. Estimated annual water consumption 65 gallons/day/retail * 365 days/yr. = 23,725 gallons/yr.

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3. Estimated cost

    - 23,725 gallons/yr. * 1/7.41 cu. ft./gallons * $1.20/100 cu. ft. = **$39.00/yr**

Estimated Annual water usage (see break down above):

Common water meter for apartments, retails and common area.

Total water usage cost: $4,252.00/yr

Building Sewage Usage for apartments:

1. Sewer charges are metered at 159% of water charges.
2. Estimated cost

    - $3,958.00 * 1.59 = **$6,293.00/yr**

Building Sewage Usage for retail:

1. Sewer charges are metered at 159% of water charges.
2. Estimated cost

    - $255.00 * 1.59 = **$405.00/yr**

Building Sewage Usage for common area:

1. Sewer charges are metered at 159% of water charges.
2. Estimated cost

    - $39.00 * 1.59 = **$62.00/yr**

Estimated Annual Sewage cost (see break down above):

Total sewage cost: $6,760.00/yr

Electrical Cost for apartments:

One bedroom unit-typical for 12:

1. Lighting (300 watts, operates 6 hrs/day)
   300 watts * 6 hr = 1800 watt-hr/day * 30 days/month = 54 kwh/month
2. Refrigerator (1000 watts, operates 24 hrs/day, cycle 50%)
   1000 watts * 24 hr * 0.50 = 12,000 watt-hr/day * 30 days/month = 360 kwh/month

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3. Television (200 watts, operates 6 hrs/day)
   200 watts * 6 hr = 1200 watt-hr/day * 30 days/month = 36 kwh/month

4. Misc. household appliance (600 watts, operates 1 hrs/day)
   600 watts * 1 hr = 600 watt-hr/day * 30 days/month = 18 kwh/month

5. AC unit (700 watts, operates 9 hrs/day from July to August. 200 watts & operates 12 hrs/day from October to March)
   700 watts * 9 hr = 6,300 watt-hr/day * 30 days/month = 189 kwh/month
   200 watts * 12 hr = 2,400 watt-hr/day * 30 days/month = 72 kwh/month
   Average of 67.50 kwh/month * average 2 ac units per apartment = 135 kwh/month

6. Estimate cost
   Total use per month = 603 kwh/month
   603 kwh/month * $0.17/kwh = $103.00
   Total = $103.00/month

   - **Annual cost = $103.00/month * 12 month = $1,236.00 (average) per apartment**

Two bedroom unit (650 sq.ft.)-typical for 12:

1. Lighting (400 watts, operates 6 hrs/day)
   400 watts * 6 hr = 2400 watt-hr/day * 30 days/month = 72 kwh/month

2. Refrigerator (1000 watts, operates 24 hrs/day, cycle 50%)
   1000 watts * 24 hr * 0.50 = 12,000 watt-hr/day * 30 days/month = 360 kwh/month

3. Television (200 watts, operates 6 hrs/day)
   200 watts * 6 hr = 1200 watt-hr/day * 30 days/month = 36 kwh/month

4. Misc. household appliance (900 watts, operates 1 hrs/day)
   900 watts * 1 hr = 900 watt-hr/day * 30 days/month = 27 kwh/month

5. AC unit (700 watts, operates 9 hrs/day from July to August. 200 watts & operates 12 hrs/day from October to March)
   700 watts * 9 hr = 6,300 watt-hr/day * 30 days/month = 189 kwh/month
   200 watts * 12 hr = 2,400 watt-hr/day * 30 days/month = 72 kwh/month
   Average of 67.50 kwh/month * average 3 ac units per apartment = 203 kwh/month

6. Estimate cost

   Total use per month = 698 kwh/month
   698 kwh/month * $0.17/kwh = $119.00
   Total = $119.00/month

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- **Annual cost = $119.00/month * 12 month = $1,428.00 (average) per apartment**

Two bedroom unit (1150 sq.ft.)-typical for 6:

1. Lighting (600 watts, operates 6 hrs/day)
   600 watts * 6 hr = 3600 watt-hr/day * 30 days/month = 108 kwh/month

2. Refrigerator (1000 watts, operates 24 hrs/day, cycle 50%)
   1000 watts * 24 hr * 0.50 = 12,000 watt-hr/day * 30 days/month = 360 kwh/month

3. Television (200 watts, operates 6 hrs/day)
   200 watts * 6 hr = 1200 watt-hr/day * 30 days/month = 36 kwh/month

4. Misc. household appliance (1200 watts, operates 1 hrs/day)
   1200 watts * 1 hr = 1200 watt-hr/day * 30 days/month = 36 kwh/month
5. AC unit (700 watts, operates 9 hrs/day from July to August. 200 watts & operates 12 hrs/day from October to March)
   700 watts * 9 hr = 6,300 watt-hr/day * 30 days/month = 189 kwh/month
   200 watts * 12 hr = 2,400 watt-hr/day * 30 days/month = 72 kwh/month
   Average of 67.50 kwh/month * average 4 ac units per apartment = 270 kwh/month

6. Estimate cost

   Total use per month = 810 kwh/month
   810 kwh/month * $0.17/kwh = $138.00
   Total = $138.00/month

   - **Annual cost = $138.00/month * 12 month = $1,656.00 (average) per apartment**

Penthouse:

1. Lighting (1000 watts, operates 6 hrs/day)
   1000 watts * 6 hr = 6000 watt-hr/day * 30 days/month = 180 kwh/month

2. Refrigerator (1000 watts, operates 24 hrs/day, cycle 50%)
   1000 watts * 24 hr * 0.50 = 12,000 watt-hr/day * 30 days/month = 360 kwh/month

3. Television (300 watts, operates 6 hrs/day)
   300 watts * 6 hr = 1800 watt-hr/day * 30 days/month = 54 kwh/month

4. Misc. household appliance (1800 watts, operates 1 hrs/day)
   1800 watts * 1 hr = 1800 watt-hr/day * 30 days/month = 54 kwh/month

5. AC unit (1175 watts, operates 9 hrs/day from July to August. 300 watts & operates 12 hrs/day from October to March)
   1175 watts * 9 hr = 10,575 watt-hr/day * 30 days/month = 317 kwh/month

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300 watts * 12 hr = 3,600 watt-hr/day * 30 days/month = 108 kwh/month
Average of 107 kwh/month * average 3 ac units per apartment = 321 kwh/month

6. Rooftop ac unit (12670 watts, operates 9 hrs/day from July to August. 670 watts & operates 12 hrs/day from October to March)
12670 watts * 9 hr = 114,030 watt-hr/day * 30 days/month = 3,421 kwh/month
670 watts * 12 hr = 8,040 watt-hr/day * 30 days/month = 241 kwh/month
Average of 691 kwh/month

7. Estimate cost

Total use per month = 1660 kwh/month
1660 kwh/month * $0.17/kwh = $282.00
Total = $282.00/month

- **Annual cost = $282.00/month * 12 month = $3,384.00 (average)**

Electrical Cost for apartment's common area:

1. Lighting (4550 watts, operates 24 hrs/day)
3150 watts * 24 hrs = 75,600 watt-hr/day * 365 days/year = 27,594 kwh/year
27,594 kwh/year * $0.17/kwh = $4,691.00/yr

2. Outside lighting (800 watts, operates 9 hrs/day)
1400 watts * 9 hrs = 12,600 watt-hr/day * 365 days/year = 4,599 kwh/year
4,599 kwh/month * $0.17/kwh = $782.00/yr.

3. Exhaust fans (6796 watts, operates 18 hrs/day, 365 days/yr) = $7,590.00/yr

4. Split ac unit (1502 watts, operates 12 hrs/day, 365 days/yr, cycle 50%) = $559.00/yr

5. Electric heaters for lobby and parking area above the hung ceiling to prevent water piping freeze up:

   - 36,500 BTU/hr heating requirement with 4900 degree days at 72 F. indoor temperature and 15 F. outdoor temperature will require

     15,375 kwh * $0.17/kwh = $2,614.00/yr

6. Sewer ejector pump (1130 watts, operates 2 hrs/day, 365 days/yr) = $140.00/yr

7. Domestic circulating pump (3920 watts, operates 3 hrs/day, 365 days/yr) = $730.00/yr

8. Lobby A/C unit (5400 watts, operates 12 hrs/day, 180days/yr, 50% cycle) = $991.00/yr

9. Elevators (operates 3 hrs/day, 365 days/yr) = $3,132.00/yr

10. Elevator A/C unit (1500 watts, operates 6 hrs/day, 50% cycle)

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1500 watts * 6 hr * 50% cycle = 4500 watts-hr/day * 30 days/month = 135 kwh/month
135 kwh/month * 12 month/yr * $0.17/kwh = $275.00/yr

11. Washer/Dryer units (2,500 watts, operates 3,300 cycle/yr, 30 minutes per cycle)
2,500 watts * 0.5 hr * 3,300 = 4,125 kwh/yr
4,125 kwh/yr * $0.17/kwh = $701.00/yr

12. Estimated cost

- **Annual cost = $22,205.00/yr**

Each apartment will be provided with its own electric meter.

Electrical Cost for Retail:

1. Lighting & power (Based on the electrical of 5 watts/sq.ft. 11,750 watts, operates 12 hrs/day)
11,750 watts * 12 hrs = 141,000 watt-hr/day * 30 days/month = 4,230 kwh/month
4,230 kwh/month * 12 month/yr * $0.17/kwh = $8,630.00/yr

2. Retail A/C units (36,720 watts, 50% cycle, operates 12 hrs/day, 365 days/yr) = $13,670.00/yr

3. Electric heaters:

- 70,500 BTU/hr heating requirement with 4900 degree days at 72 F. indoor temperature and 15 F. outdoor temperature will require

  26,111 kwh * $0.17/kwh = $4,438.00/yr

4. Estimated cost

- **Annual cost = $26,738.00/yr**

Each retail space will be provided with its own electric meter.

Actual costs may vary depending upon the hours of use, thermostat setting and proper maintenance. The cost figures are estimate and are not intended as guarantees.

In view of the fact that these estimates include the use of energy by persons of varying needs with different standards of comfort, or with families of different sizes, the amount of energy used by a purchaser may vary substantially from the estimates herein provided. In addition, the effect of inflation, fuel adjustment charges and other factors may raise the costs of electrical and gas substantially higher than the current or projected rated.

Although the sponsor is under the obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially affect the cost of

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heating and cooling after the purchase of a unit or in subsequent years. The sponsor represents, however, that it will follow the plans and specifications provided by the manufacturer of the appliances together with the recommendations of the experts to enable these items of equipment to operation at optimum efficiency at the lower cost

Thank you for the opportunity to serve your company and should you have any questions or wish to discuss this project further please feel to contact me.

Very truly yours,

Kam Chiu, P.E.

STATE OF NEW YORK
KAM WING CHIU
No. 075441
LICENSED PROFESSIONAL ENGINEER

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EXHIBIT B-25

ESCROW AGREEMENT

AGREEMENT made as of this 1st day of March, 2005, between KIRIN GROCERY, INC. ("SPONSOR") as sponsor of the offering plan and MANATT, PHELPS & PHILLIPS, LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the sponsor of an offering plan to convert to cooperative/condominium ownership the premises located at 2132-2136 Second Avenue, New York, New York; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with General Business Law (GBL) Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits 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 Sterling National Bank at its branch located at 512 Seventh Avenue, New York, New York 10018.

1.2 The account number is [redacted]

1.3 The name of the account is Manatt, Phelps & Phillips, LLP Attorney Trust Account No. 2.

1.4 ESCROW AGENT is the sole signatory on the account.

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

1.6 The escrow account is an IOLA established pursuant to Judiciary Law §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 Manatt, Phelps & Phillips, LLP, as escrow agent for The Crown 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 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 received 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 released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

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

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. Recordkeeping

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners of members of the firm shall make appropriate arrangements for the maintenance of

these records by one of the partners of 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.

5.3 ESCROW AGENT shall not have any liability to Sponsor, purchasers or subscribers or to any third party arising out of its services as escrow agent under this Agreement, except for damages directly resulting from ESCROW AGENT'S gross negligence or willful misconduct. Without limiting the generality of the preceding sentence, so long as the deposits are deposited in a bank account, in no event shall ESCROW AGENT have any liability arising out of any losses resulting from its investment of the deposits (whether due to an error of judgment or any mistake of fact or law), including, but not limited to, any loss of principal or failure to earn interest on the deposit or any claim that a higher rate of return could have been obtained. The parties acknowledge that the deposits will not be insured to the extent the aggregate amount thereof exceeds $100,000.

5.4. ESCROW AGENT may consult with and obtain advice from other legal counsel in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be reimbursed for its costs associated with such consultation and shall be fully protected in acting in good faith in accordance with the advice of such counsel.

5.5 If and to the extent ESCROW AGENT is in good faith uncertain as to its duties and rights hereunder, it shall be entitled to refrain from taking any action other than to hold the deposit in question until it shall be directed otherwise in a writing signed by SPONSOR and the purchaser or order of a court of competent jurisdiction.

5.6 SPONSOR shall indemnify ESCROW AGENT and hold it harmless against any loss, liability, damage or expense (including reasonable attorneys' fees) or any tax, additions to tax, interest and penalties (including for incorrect preparation or filing of tax returns or information reporting returns) that ESCROW AGENT may incur as a result of acting as escrow agent under this Agreement, except for any loss, liability, damage or expense arising from its own gross negligence or willful misconduct. For this purpose, the term "attorneys' fees" includes fees payable to any independent counsel retained by ESCROW AGENT in connection with its services under this Agreement.

5.7 ESCROW AGENT shall be entitled to rely upon any judgment, notice, instrument or other writing delivered to it under this Agreement without being required to determine the

authenticity of, or the correctness of any fact stated in, that document. ESCROW AGENT may act in reliance upon any instrument or signature believed by it to be genuine and may assume that any person purporting to give any notice or receipt or advice or make any statement or execute any document in connection with this Agreement has been duly authorized to do so.

5.8 ESCROW AGENT shall have no duties or responsibilities except those expressly set forth in this Escrow Agreement.

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 Generals regulations.

7. Termination of Agreement

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

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

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

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

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any 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 Agents 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. Severabilitiy

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 to the day and year first written above.

ESCROW AGENT

MANATT, PHELPS & PHILLIPS, LLP

By:_____
Name: Diana J. Lee, Esq.
Title: Partner

SPONSOR:

KIRIN GROCERY, INC.

By:_____
Name: Yiang Jun Lin
Title: President

10. Escrow Agents 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.

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

ESCROW AGENT

MANATT, PHELPS & PHILLIPS, LLP

By: _____
Name: Diana J. Lee, Esq.
Title: Partner

SPONSOR:

KIRIN GROCERY, INC.

By: YIANG JUN LIN
Name: Yiang Jun Lin
Title: President

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: _____

_____

2/6/92

CERTIFICATION OF SPONSOR
AND
PRINCIPALS OF SPONSOR

New York State Office of the Attorney General
120 Broadway, 23rd Floor
New York, New York 10271

Attn: Investment Protection Bureau
Real Estate Financing Section

Re: Condominium Offering Plan
The Crown Condominium
2132-2136 Second Avenue, New York, New York

The undersigned certify as follows:

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

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Attorney General in Part 20 and such other laws and regulations as may be applicable.

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

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no

reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

KIRIN GROCERY, INC.

Sworn to before me this 28TH day of July, 2005

By: _____
Yiang Jun Lin
President

Notary Public

JOSEPH LO
Notary Public, State of New York
No. 01LO6046715
Qualified in New York County
Commission Expires August 21, 2006

PRINCIPAL OF SPONSOR:

Sworn to before me this 28th day of July, 2005

_____
Yiang Jun Lin

JOSEPH LO
Notary Public, State of New York
No. 01LO6046715
Qualified in New York County
Commission Expires August 21, 2006

Sworn to before me this 28TH day of July, 2005

_____
Sao Yao Chou

Notary Public

JOSEPH LO
Notary Public, State of New York
No. 01LO6046715
Qualified in New York County
Commission Expires August 21, 2006

CERTIFICATION OF ARCHITECT

New York State Office of the Attorney General
120 Broadway, 23rd Floor
New York, New York 10271

Attn: Investment Protection Bureau
Real Estate Financing Section

Re: Condominium Offering Plan
The Crown Condominium
2132-2136 Second Avenue, New York, New York

The undersigned certify as follows:

The Sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We visually inspected existing portions of the property on November 18, 2001, and we prepared the building plans and specifications dated July 3, 2003, and prepared the Report dated June 20, 2005, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report (and addendum).

We are a registered architect in the State in which the property is located.

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

We 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.

We certify that the Report:

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

(ii) in our 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 we prepared;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

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

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

ARCHITECT:

PETER F. POON ARCHITECT, P.C.

Sworn to before me this 15th day of July, 2005.

David Lee
Notary Public

By: Peter F. Poon

DAVID LEE
Notary Public, State of New York
No. 01LE6092933
Qualified in Queens County
Commission Expires May 27, 20 07

Matthew Adam
PROPERTIES, INC

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 20.4 (d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLES 23-A AS AMENDED

New York State Office of the Attorney General
120 Broadway, 23rd Floor
New York, New York 10271

Attn: Investment Protection Bureau
Real Estate Financing Section

Re: Condominium Offering Plan for
The Crown Condominium
2132-2136 Second Avenue, New York, New York

The undersigned certify as follows:

The Sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B, containing projections of income and expenses for the first year of condominium operation, and to review Schedule B-1, which was prepared by a consulting engineer, containing projections of heating, electricity and other utilities. Our experience in this field includes:

Our firm is in the real estate management business for a period in excess of six (6) years. We currently manage and in the past have managed residential brownstone and conventional elevator and non-elevator apartment buildings which are either operated in the cooperative or condominium form of ownership or as rental properties. Additionally, we manage commercial properties. Some of the properties that we manage or have managed are as follows: Plaza Tower, 118 East 60th Street; The York River House, 1175 York Avenue; The American Felt Building, 114 East 13th Street; Leslie House, 220 East 67th Street; Connaught Tower, 300 East 54th Street; Lawrence House, 79 West 12th Street and Lexington House, 50 Lexington Avenue.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1.

We have reviewed Schedule B and investigated the facts set forth in Schedule B and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on your experience in managing residential buildings. We have reviewed Schedule B-1 prepared by the consulting engineer and rely on his projections.

127 East 59th Street New York, NY 10022
Telephone: (212) 699-8900 Facsimile: (212) 699-8939
www.matthewadamproperties.com

We 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.

We 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) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

MATTHEW ADAM PROPERTIES, INC.

Sworn to before me this 26th day
of July, 2005.

Evelyn Santiago

Notary Public

EVELYN SANTIAGO
Notary Public, State of New York
No. 01SA6089237
Qualified in King County
[illegible] 24, 200[illegible]

By: [signature]
Name: Ira Meister
Title: President

Matthew Adam
PROPERTIES, INC

CERTIFICATION REGARDING ADEQUACY OF PAYMENTS FROM THE COMMERCIAL AND PARKING UNIT OWNERS PURSUANT TO SECTION 20.4(e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLES AS AMENDED

July 26, 2005

New York State Office of the Attorney General
120 Broadway, 23rd Floor
New York, NY 10271

Attn: Investment Protection Bureau
Real Estate Financing Section

Re: Condominium Offering Plan for
The Crown Condominium
2132-2136 Second Avenue, New York, New York

Gentlemen:

The Sponsor of the captioned condominium offering plan retained our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the commercial and parking units. Our firm is in the real estate management business for a period in excess of six (6) years. We currently manage and in the past have managed residential brownstone and conventional elevator and non-elevator apartment buildings which are either operated in the cooperative or condominium form of ownership or as rental properties. Additionally, we manage commercial properties. Some of the properties that we manage or have managed are as follows: Plaza Tower, 118 East 60th Street; The York River House, 1175 York Avenue; The American Felt Building, 114 East 13th Street; Leslie House, 220 East 67th Street; Connaught Tower, 300 East 54th Street; Lawrence House, 79 West 12th Street and Lexington House, 50 Lexington Avenue.

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

We reviewed the Schedule as it impacts upon the commercial and parking units and investigated the facts underlying with due diligence in order to form a basis for this certification. I also have relied upon my experience in managing residential buildings with commercial units.

127 East 59th Street New York, NY 10022
Telephone: (212) 699-8900 Facsimile: (212) 699-8939
www.matthewadamproperties.com

We certify that the projections in Schedules B for common charges payable by the owners of commercial and parking units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial and parking units for the projected first year of condominium operation, and that the allocation of common charges to the commercial and parking units also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial and parking units:

(i) set forth in detail the common charges for the commercial and garage units for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial and parking units;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

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

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth;

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial and parking units for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Sworn to before me this
26th day of July, 2005

Evelyn Santiago
Notary Public

EVELYN SANTIAGO
Notary Public, State of New York
No. 01SA6089237
Qualified in King County
Commission Expires March 24, 2007

MATTHEW ADAM PROPERTIES, INC.

By: _____
Ira Meister, President

STORAGE LICENSE

THIS STORAGE LICENSE is made this _____ day of _____, 200__ ("License") by and between the Board of Managers of The Crown Condominium (the "the Board") and

_____

(if there is more than one Licensee, jointly and severally) having an address at 2132-2136 Second Avenue, New York, New York ("Licensee").

WHEREAS, The Crown Condominium (the "Condominium") located at 2132-2136 Second Avenue, New York, New York 10029 (the "Building") consists of Residential Units, three Commercial Units and one Parking Unit;

WHEREAS, the storage area located in a portion of the cellar level of the Building is a Limited Common Element of the Residential Units; and

WHEREAS, the storage area contains eight storage bins for use by Residential Unit Owners of the Condominium; and

WHEREAS, Kirin Grocery, Inc. (the "Sponsor") is authorized to enter into this License on behalf of the the Board with Licensee;

WHEREAS, Licensee owns or simultaneously herewith is acquiring Residential Unit ___ in the Condominium; and

WHEREAS, Licensee desires the exclusive use of storage bin no. _____ (the "Designated Bin") for a term of three years;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Board hereby grants to Licensee, its successors and assigns, this License for the exclusive use of the Designated Bin and Licensee hereby accepts this License from the Board for a term of three years commencing on the date hereof and ending on the third anniversary of the date hereof. The term may be renewed by Licensee giving written notice to the Board of its desire to renew no later than thirty days prior to the expiration of each term.

2. Licensee shall pay an annual license fee (the "Fee") to the Board. The Fee for the period from the date hereof to December 31, 200_ shall be in the amount of $_____ (pro-rated based on $_____ per annum) which is due and payable upon execution of this License by Licensee. The Fee for each subsequent calendar year shall increase by the same percentage as each increase in the Common Charge for Residential Unit Owners. The Fee shall be due and payable in one annual payment within fifteen (15) days after the date a bill for the Fee is sent to Licensee by the Board or its managing agent.

3. The Designated Bin shall only be used for storage purposes, provided that no material which pose a health or safety threat or which otherwise create a nuisance, in the sole discretion of the Board, may be stored there.

4. Licensee shall not (a) store any property in the storage area outside of the Designated Bin; or (b) allow any other person to use the Designated Bin.

5. This License may not be assigned. This License shall automatically terminate at such time as Licensee no longer owns and occupies a Residential Unit in the Condominium. or surrenders the Designated Bin and terminates this License by written notice to the Board.

6. Licensee represents that it has made a thorough inspection of the Designated Bin and agrees to take same in its "as is" condition as of the date of this License. Licensee shall throughout the term of this License, take good care and maintain the Designated Bin. All repairs and replacements to the Designated Bin as well as the storage area shall be performed by the Board, unless caused by the gross negligence or willful misconduct of the Licensee.

7. Neither the Board nor their respective agents or employees shall be liable for any theft or damage to any property stored in the Designated Bin.

8. If Licensee defaults in its obligations hereunder, the Board may (i) deny access to and use of the Designated Bin until Licensee cures such default, or (ii) terminate this License upon written notice to Licensee.

9. The Board or its agents shall have the right (but not the obligation) to open the Designated Bin in an emergency at any time, and, at other reasonable times upon prior notice to Unit Owner, to inspect and examine the Designated Bin and to make such repairs, replacements and improvements as the Board shall deem necessary.

10. This License shall constitute a License only and shall not be construed under any circumstances to be a sale of the Designated Bin or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Board and Licensee with respect to this License.

11. Licensee shall indemnify and hold the Board and their respective officers, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with this License.

12. Licensee shall be obligated to reimburse the Board for any legal fees and disbursements incurred by the Board in defending the rights of the Board under this License or, in enforcing Licensee's obligations hereunder.

13. Neither this License nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing, signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. If any provision of this License is invalid or unenforceable as against any party or under certain circumstances, the remainder of this License and the applicability of such provision to the parties or circumstances shall not be affected thereby. Each provision of this License, except as otherwise herein provided, shall be valid and enforced to the fullest extent permitted by Law.

15. Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this License or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder pursuant to any such transaction.

16. Any failure by the Board to insist upon strict performance by Licensee of any of the provisions of this License shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Board, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this License to be performed by Licensee.

17. Notices. Any notice to be given under this License shall be in writing and sent by personal delivery or certified mail, return receipt requested to the address shown on page one of this License or to such other address as a party may designate to the other in writing. Any notice given hereunder shall be deemed delivered on the day of personal delivery or the third business day after the day of mailing.

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

Agreed to and Acknowledged by

THE BOARD MANAGERS OF THE CROWN CONDOMINIUM

By: Kirin Grocery, Inc., the Board's Authorized Representative

By:_____
Name:
Title:

LICENSEE:

_____

_____