This Plan has been Amended

CONDOMINIUM OFFERING PLAN
for

SCHAEFER LANDING
WILLIAMSBURG ON THE RIVER

The Schaefer Landing North Condominium

located at
440 Kent Avenue
a/k/a Two Schaefer Landing
Brooklyn, NY 11211

134 Residential Units (plus 1 Superintendent's Unit) $117,654,500.00

The Condominium will have 134 Residential Units and a Superintendent's Unit that will be sold to the Condominium for use by the Superintendent.

SPONSOR:

Kent North Associates LLC
2226 First Avenue
New York, New York 10029
Telephone (212) 722-3671

SELLING AGENT:

Douglas Elliman, LLC
575 Madison Avenue
New York, New York 10022
Telephone (212) 891-7000

Date of Acceptance for Filing: June 9, 2005.

This Offering Plan may not be used after June 8, 2006 unless extended by amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE 1.

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.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UP TO 50% OF THE 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 SPONSOR
(SEE SPECIAL RISKS SECTION OF THE OFFERING PLAN)

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

THE SCHAEFER LANDING NORTH CONDOMINIUM WILL BE A MEMBER OF TWO (2) HOMEOWNERS ASSOCIATIONS.THE COST OF THE MEMBERSHIP IN THE HOMEOWNERS ASSOCIATIONS IS INCLUDED IN THE PRICE OF THE CONDOMINIUM UNITS.

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PART I

SPECIAL RISKS

1. Pursuant to the terms of the Building Loan Agreement executed by Sponsor in favor of The New York Community Bank, the Sponsor may declare the Offering Plan effective upon the execution of Purchase Agreements for a minimum of fifty percent (50%) of the Units in the Building. In the event that the Sponsor does not have executed Purchase Agreements for a minimum of fifty percent (50%) of the Units in the Building by the earlier of May 23, 2006 or the date by which the New York Community Bank's Architect has determined that the Improvements are ninety percent (90%) complete, the Sponsor shall be required to abandon the Plan, return the Down Payments received with executed Purchase Agreements, and convert the Building to a rental building, unless The New York Community Bank then extends such time period.

2. A public shore walkway along the easterly bank of the East River that is adjacent to the Kent Waterfront site, and an upland connection leading from Kent Avenue to the public shore walkway and other related elements ("Public Access Area") have been undertaken to be built by the New York City Economic Development Corporation ("EDC"). Sponsor will not have any control over the construction of the Public Access Area. The Sponsor shall not apply for a temporary certificate of occupancy for the Building until the earlier to occur of the following: (a) EDC has substantially completed the Public Access Area or (b) six (6) months from the date Sponsor or an affiliate of Sponsor has vacated the Public Access Area for any purpose related to construction and removed any and all equipment, supplies and debris. It is conceivable that the Sponsor may complete construction of the Building but may be delayed with respect to procuring a temporary Certificate of Occupancy for the Building because the Public Access Area has not been completed, or because the Public Access Area has not been vacated for six (6) months.

3. A Landing Facility for use by water taxis ("Landing Facility") will be built abutting the Public Access Area by the New York City Economic Development Corporation ("EDC"). Sponsor will not have any control over the construction of the Landing Facility.

4. Kent Waterfront Homeowners Association Inc., in which the Condominium will be a member, will be required under the terms of a Maintenance and Operation Agreement, dated, July 3, 2003, to maintain and repair the Public Access Area, and under the terms of a certain Landing Facility Maintenance and Operation Agreement to maintain and repair the Landing Facility, each at its own cost and expense. The estimated cost of such maintenance and repairs, for the first year of operation, are included in the Budget for The Kent Waterfront Homeowners Association Inc. Please refer to Schedule D in Part I of the Plan.

5. Sponsor shall construct the Building described in this Plan and shall obtain a temporary or permanent "Class A" Residential 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, Sponsor is subsequently obligated to obtain same. Pursuant to the policies of the New York City Department of Buildings, a temporary Certificate of Occupancy for a multiple dwelling may be issued for 90 day periods, renewable up to at least two (2) years from initial issuance. Sponsor expects that the Building will be completed in all respects necessary for the issuance of a permanent Certificate of Occupancy within such two (2) year period, barring force majeure or other reasons beyond the Sponsor's control.

6. The Sponsor is retaining the unconditional right to rent rather than sell up to fifty percent (50%) of the Units. Sponsor makes no representation that it will execute Purchase Agreements for sell more Units than the fifty (50%) necessary to declare the Plan effective. It is possible that title will not close to some Units for which Purchase Agreements will have been executed. Therefore this Plan may not result in the creation of a Condominium in which a majority of the Units are owned by owner- occupants.

7. The required Down Payment pursuant to the Purchase Agreement will be fifteen (15%) of the Purchase Price of the Unit. In the event of an uncured default by Purchaser in its obligations under the Purchase Agreement fifteen percent (15%) of the Purchase Price plus any interest earned thereon, may be retained as liquidated damages.

8. The By-laws of the Condominium do not include a provision that, after the initial Sponsor voting control period, a majority of the Board of Managers must be owner occupants or members of an owner occupants household who are unrelated to the Sponsor and its principals. Therefore, Purchaser's for their own occupancy may never gain control of the Board of Managers under the terms of this Plan.

9. Upon the earlier of (i) the Closing of title to Units whose aggregate Common Interest exceeds fifty (50%) percent; or (ii) five (5) years from the First Unit Closing, Sponsor, including any designee thereof, will relinquish control of the Board of Managers if it has such control and will not elect a majority of its nominees for positions on the Board of Managers, even though the total percentage of Common Interest may otherwise enable it to do so. Accordingly, it is possible that Sponsor and/or its designee(s) may control the Board of Managers for as long as five (5) after the First Unit Closing. Please refer to the section of the Plan entitled "Control By The Sponsor" in Part I for further discussion.

10. As long as the Sponsor or any Sponsor-designee shall continue to own Units equaling at least ten (10%) percent of the total Common Interest of the Condominium, 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 Sponsor will consent to replacements to the contingency fund 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% of the budgeted annual expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except for the purchase of the Superintendent's Unit or where necessary to perform work required by law to the extent that existing reserves are insufficient). Please refer to the section of the Plan entitled "Control By The Sponsor" in Part I for further discussion.

11. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor represents that it has the financial resources to meet such obligation with respect to Unsold Units. Sponsor will pay the Common Charges for the Unsold Units for so long as such Units are owned respectively by Sponsor. Please refer to the Section of the Plan entitled "Rights and Obligations

of Sponsor" in Part I of the Plan for further details.

12. If a Purchaser defaults under his Purchase Agreement, Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he or she has thirty (30) days from the mailing date within which to cure such default. Time is of the essence for the Purchaser to cure any default under the Purchase Agreement within such thirty (30) day period. "Time is of the Essence" means that if the default is not timely cured the Sponsor may (but is not obligated to) elect to cancel the Purchase Agreement. In such event, the Down Payment and any accrued interest shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. Please refer to the Section of the Plan entitled "Procedure to Purchase" in Part I for further discussion.

13. The Purchase Agreement is not contingent upon the Purchaser obtaining mortgage financing. Once a Purchaser signs the Purchase Agreement, the Purchaser shall be obligated to close the transaction whether or not the Purchaser obtains a mortgage. In the event a Purchaser does not have sufficient funds to pay the balance of the purchase price due at the Closing, for any reason whatsoever, Purchaser shall be deemed to be in default under the Purchase Agreements and Sponsor shall be entitled to the remedies set forth in Paragraph 11 above. Please refer to the Section of the Plan entitled "Procedure to Purchase" in Part I for further discussion.

14. Purchasers shall be required to pay the New York City and New York State Transfer Taxes due upon their purchase of a Unit. Although Transfer Taxes are customarily paid by the seller in single-family and other covered transactions (other than condominium developments), the responsibility for payment of such taxes may be modified by contract. It is now customary in New York City for Purchasers of Units in condominium developments to pay Transfer Taxes. The New York City Department of Finance and New York State Department of Taxation and Finance each take the position that, where the Purchaser pays such taxes, the amount thereof will be added to the taxable consideration. Please refer to "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.

15. There is no provision for a specific reserve fund for the Condominium for the purpose of paying the cost of future capital repairs, replacements or improvements to the Premises (except that each Purchaser of a Unit shall pay into the Working Capital Fund of the Condominium a sum equal to two (2) months of Common Charges for the Unit being purchased). The Working Capital Fund will be used by the Condominium to pay net closing adjustments in favor of the Sponsor for items including, but not limited to, the unfinanced portion of the Purchase Price of the Superintendents Unit, and initial equipment and supplies. Therefore, Unit Owners shall be obligated to pay their share of the cost of repairs, replacements and improvements to the Common Elements as the need for the same arises, unless there are sufficient Working Capital or other funds available. As the Building will be newly constructed, the Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements. However, no assurance or guaranty is given that such needs shall not arise in the future. See "Reserve Fund and Working Capital Fund" and "Rights and Obligations of Unit Owners and the Board of Managers" in Part I of the Plan.

16. Unlike Purchasers, the Sponsor shall not be required to offer a right of first refusal or seek

or obtain approval (as the case may be) from the Condominium Board of Managers for any transfer, lease of, or alterations, repairs or improvement to its Units, (provided that such alterations, repairs or improvements must comply with applicable laws). Please refer to "Rights and Obligations of Sponsor" in Part I of the Plan.

17. If a Purchaser makes a Down Payment in excess of $100,000.00 for the purchase of a Unit, such Down Payment will not be federally insured in excess of $100,000.00. Please refer to "Procedure to Purchase" in Part I of the Plan.

18. While Residential Units are being offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Building than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor or its designee nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or their respective agents.

19. On or about the date of the First Unit Closing, Sponsor will sell Unit 1D, to the Condominium to be used as the Superintendent's residence. The Sponsor shall pay all mortgage recording and transfer taxes due in connection with the sale of the Superintendent's Unit. All Common Charges, utilities, the cost of financing the Superintendent's Unit, and repairs shall be borne by the Condominium. The Purchase Price of the Superintendent's Unit to be paid by the Condominium is $ 350,000.00. At the Closing of title to the Superintendent's Unit, the Board of Managers on behalf of the Condominium will execute and deliver one or more institutional or purchase money mortgages and notes. The annual interest rate on the note(s) will be 7.25 % percent per annum for a period of thirty (30) years. In the event that the Sponsor is delinquent in paying its Common Charges it is conceivable that the Condominium could default under the note(s) and mortgage(s), the holder of the mortgage(s) may then foreclose on the Superintendent's Unit. If the proceeds from the sale of the Superintendent's Unit are insufficient to satisfy the outstanding mortgage and other fees incurred, the Condominium could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Superintendent's Unit. Accordingly alternate housing arrangements will be necessary for the Superintendent, as is then required by law. In order to prevent a foreclosure by the holder of the mortgage(s), which occurs in connection with Sponsor's delinquencies regarding common charges, the Condominium may collect the rent due from tenants of the Sponsor (if any) directly in accordance with Section 339-kk of the NYS Real Property Law.

20. Each Unit Owner, may sell or lease his Unit, but only after he has given the Sponsor, in addition to the Board of Managers, a "right of first refusal". The Board of Managers, on behalf of the Unit Owners, will have the exclusive right to elect, within twenty (20) days after receipt of notice to sell or lease a Unit. If the Board of Managers does not exercise the "right of first refusal", the Sponsor shall have the exclusive right to elect within five (5) days, from the expiration of such twentieth (20th) day to elect to purchase or lease the Unit on the same terms as set forth in the notice. The Sponsor's right to elect to lease or purchase a Unit on the same terms as the Unit

Owner's offer to the Condominium shall exist for the lesser of five (5) years from the date of the closing of the first Unit or until the Sponsor no longer owns any Units in the Condominium.

21. The Sponsor, prior to the commencement of construction of the Building performed certain environmental remediation measures at the Premises. This included excavation and removal of soil, and the installation of a vapor barrier underneath the concrete foundation and slab of the Building. Pursuant to a Declaration, dated June 30, 2003, recorded in the Register's Office of the City of New York. The Condominium will be required to maintain the vapor barrier underneath the concrete foundation and the slab underneath the Building. (Refer to Part II of the Plan Declaration Re: Environmental Remediation.)

22. The East Building Residential Unit on the site (and to the east of the Building) contains 140 residential rental apartments affordable to families whose household income will be less than 60% of the New York City AMI. The East Building Residential Unit's, annual assessment by The Kent Waterfront Homeowners Association Inc. will at no time exceed $20,000.00. In the event that the East Building Residential Unit annual assessment would exceed $20,000.00 the other members of The Kent Waterfront Homeowners Association Inc., including The Schaefer Landing North Condominium, may be required to pay, in addition to their own assessment a portion of the East Building Residential Unit's annual assessment that exceeds $20,000.00.

23. Each Unit Owner must notify the Managing Agent in writing when a child or children under the age of eleven (11) 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 must 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.

DEFINITIONS

"AMI"	-	The adjusted median income for the New York City metropolitan statistical area as determined by the United States Department of Housing and Urban Development or its successors from time to time for a family of four as further adjusted for family size.
"Appurtenant Interest"	-	With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, 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) and the charges allocated and assessed by the Board of Managers to the Members of the homeowners associations in accordance with their respective Membership Interest, (except as otherwise provided in the Declaration of Covenants, Restrictions, Easements, Charges and Liens or in the By-Laws of each homeowners association).
"Board of Managers"	-	The board of managers of the Condominium composed of Unit Owners or the board of managers of a homeowners association composed of members.
"Building"	-	The structure located at 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York.
"Closing"	-	The time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.
"Closing Date"	-	The date on which a Closing occurs.
"Common Elements or General Common Elements"	-	The Land and all parts of the Building, including its foundations, roofs and support, other than the Units. The Common Elements include the limited Common Elements.

"Common Expenses"- Costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

"Common Interest" - The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as expressed in the Declaration.

"Community Unit" - A Unit located in the Schaefer Landing South Condominium, owned by The Schaefer Landing Homeowners Association Inc., which includes a fitness center, meeting rooms, an accessory lounge / library and outdoor space.

"Commuter Van Service" - An amenity offered to all of the residents of Kent Waterfront site, on a pay per ride basis from Kent Waterfront to the Marcy Avenue and Bedford Avenue subway stations (Monday to Friday 7:00 AM to 9:30 AM and 5:00 PM to 7:30 PM. It is assumed that the Commuter Van will make two (2) round trips per hour.)

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

"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.

"DPR" - The New York City Department of Parks and Recreation.

"East Building" - The building which is a part of Kent Waterfront site and located at 450 Kent Avenue, Brooklyn New York.

"East Building Commercial Unit" - The condominium unit within the East Building containing all of the commercial or retail space.

"East Building Residential Unit" - The condominium unit within the East Building containing all of the 140 residential apartments.

"First Unit Closing" - The first time by which fee title to a Unit is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"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.

"Home Owners Association" - A homeowners association is an organization established to govern a private community. In the context of this Offering Plan "Homeowners Association" refers to The Schaefer Landing Homeowners Association Inc. and The Kent Waterfront Homeowners Association Inc.

"House Rules" - 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, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

"HPD" - The New York City Department of Housing Preservation and Development.

"Insurance Trustee" - A bank, a trust company or savings and loan association, having an office in the City of New York, from time to time appointed to serve as such by the Condominium Board.

"Inspection Statement" - Prior to a scheduled Closing Purchaser may inspect his / her Unit. At the conclusion of the inspection Purchaser shall date and sign the an inspection statement confirming Purchaser's acceptance of the Unit in its then "as is" condition subject to the sellers agreement to repair or replace noted items.

"Interior Courtyard or

Open Space Area or Outdoor Courtyard"- The open courtyard area which will be owned and maintained by the Kent Waterfront Homeowners Association Inc. located between the Condominium and the Schaefer Landing South Condominium.

"Kent Waterfront" - The site located at 440- 460 Kent Avenue, Brooklyn, New York. Kent Waterfront will include the Condominium, the Schaefer Landing South Condominium, the East Building, the open space courtyard, the Parking Facility and all interior walkways and driveways.

"Kent Waterfront Homeowners Association Inc." - The members of the Kent Waterfront Homeowners Association, Inc. will be the Condominium, the East Building Residential Unit, the East Building Commercial Unit, the Schaefer Landing South Condominium and the Parking Facility.

"Land" - All that certain tract, plot, piece and parcel of land situate, lying and being in the City of New York, County of Kings, State of New York, as more particularly described in Schedule A to the Declaration.

"Landing Facility" - Landing facility adjacent to Public Access Area for docking water taxis, which will be constructed by the New York City Economic Development Corporation.

"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 of the Units and / or the Unit Owners including but not limited to terraces.

"Majority" - Majority of Unit Owners means either (i) more than fifty per cent in Common Interest in the aggregate, or (ii) more than fifty per cent in number of Units in the aggregate, or (iii) more than fifty per cent in the aggregate in both Common Interest and in number of Units, 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 (i) such percentage in Common Interest in the

aggregate, or (ii) such percentage in number of Units in the aggregate, or (iii) such percentage in Common Interest and such percentage in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, provided, however, that different percentages in interest and in number of Units may be so specified.

"Managing Agent"- A person employed by the Condominium Board or a Homeowners Association Board, who shall undertake to perform the duties and services that the Board shall direct and who shall have whatever powers the Board shall delegate, subject to the limitations contained in the Condominium's or Homeowners Association's By-Laws.

"Membership Interest"- A members interest in a homeowners association.

"North Building Premises" - See definition of "Premises".

"NYWT" - New York Trans Harbor LLC, d/b/a New York Water Taxi.

"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 Facility" or "Parking" - The subterranean parking facility.

"Permitted Mortgage"- Refers to a mortgage placed on a Unit made to a bank, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender, the Sponsor, Sponsor-designee or the Seller of the Unit.

"Permitted Mortgagee"- Refers to the holder of a Permitted Mortgage.

"Person" - A natural person, corporation, partnership, association, trustee or other legal entity.

"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 Interests thereto 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.

"Premises " or "Property" - Means and includes the Land, located at 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York, and will include 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.

"PAA or Public Access Area" - Public shore walkway along the westerly bank of the East River adjacent to the Kent Waterfront site and the upland connection from Kent Avenue to the public shore walkway, which will be constructed by the New York City Economic Development Corporation.

"Purchaser" - Any Person who has entered into an agreement with 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 of the one hundred and thirty-five (135) residential units in the Building (including the Superintendent's Unit) designated as such in the Declaration. The term "Residential Units" shall mean more than one or all of the Residential Units.

"Residential Unit Owner" - Any owner of a Residential Unit, and all such owners are, collectively, referred to as "Residential Unit Owner."

"Schaefer Landing" - The Schaefer Landing South Condominium and the Schaefer Landing North Condominium are together known as Schaefer Landing. The site known as Schaefer Landing is contained within the site known as Kent Waterfront.

"Schaefer Landing Homeowners Association Inc." - The members of the Schaefer Landing Homeowners Association Inc. will be the Condominium and the Schaefer Landing South Condominium.

"Selling Agent" - Douglas Elliman, LLC, or any successor selling agent at the time in question.

"South Building"or "The Schaefer Landing South Condominium" - A residential condominium at 446 Kent Avenue, Brooklyn, New York, by an affiliate of principals of the Sponsor.

"Sponsor" - The promoter of the project and/or Offering Plan to convert a particular parcel of property to Condominium Ownership; Kent North Associates LLC, is the Sponsor of this Offering Plan.

"Sponsor-designee" - Any Person designated by Sponsor to hold title to any Unit. Sponsor's statement in writing that a Person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all the rights of a Sponsor-designee under this Offering Plan. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

"Superintendent's Unit" - Sponsor will sell Residential Unit 1D in the Condominium to the Board of Managers, to be used as the Superintendent's residence. Sponsor reserves the right, in its sole discretion prior to the First Unit Closing, to choose a different Residential Unit other than 1D to sell to the Condominium as the Superintendent's apartment, in lieu of Unit 1D.

"Unit" - Any space in the Building designated as a Unit. Such Units are a part of the Property intended for any type of legal use or uses, and adjoin an exit to a public street or highway or a Common Element or elements leading to a public street or highway, and may include such appurtenances as a terrace.

"Unit Deed"	-	The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.
"Unit Designation"	-	The number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the unit in the Declaration and on the Floor Plans.
"Unit Owner"	-	The person or persons, or entity owning a Unit in fee simple absolute also sometimes referred to as a Residential Unit Owner.
"Unsold Units"	-	Any Unit owned by Sponsor or its designee at the time in question.

INTRODUCTION

Kent North Associates LLC, a New York limited liability company, having its office at 2226 First Avenue, New York, New York 10029, Sponsor, is the owner of the property located in the State of New York, County of Kings, known as 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York ("Premises"). Sponsor took title to the Premises on August 6, 2003. The Premises is within a site controlled by other entities affiliated with the principals of Sponsor, which will collectively be known as "Kent Waterfront ". Kent Waterfront currently consists of vacant space and incomplete buildings. The Sponsor will construct a twenty-five (25) story ("Building") on the Premises. Floors one (1) through twenty (25) will consist of residential Condominium Units.

The Condominium shall consist of one hundred and thirty-five (135) Residential Units (including the Superintendent's Unit) (as defined in this Plan). One Hundred and Thirty -Four (134) Residential Units ("Units") are being offered hereunder. All of the Units are currently vacant. The Superintendent's Unit will be purchased by the Condominium from the Sponsor.

There will be available to residents of the Condominium, certain luxury apartment type services, including, but not limited to, a concierge, a live-in superintendent, automatic elevators, a fitness center, a security gate, and Commuter Van Service (on a pay per ride basis) to the Marcy Avenue subway station and the Bedford Avenue subway station that will operate Monday to Friday 7:00 AM to 9:30 AM and 5:00 PM to 7:30 PM. It is assumed that the Commuter Van will make two (2) round - trips hour.

The members of the Schaefer Landing Homeowners Association Inc. will be the Condominium and The Schaefer Landing South Condominium. The Schaefer Landing South Condominium, containing seventy-five (75) residential condominium Units, is currently under construction, at Kent Waterfront, by an entity affiliated with the principals of the Sponsor. Residents of the Condominium and Schaefer Landing South Condominium will have access to the amenities of the Community Facility Unit. The Community Facility Unit will include a fitness center, two (2) accessory lounges and outdoor space.

The Condominium will also be a member of the Kent Waterfront Homeowners Association Inc. The members of the Kent Waterfront Homeowners Association Inc. will be the Condominium, The Schaefer Landing South Condominium, the Residential Unit of the building being built immediately to the east of the Premises, that will contain approximately one hundred and forty (140) affordable residential rental apartments, for which the per apartment household income will be less than 60% of the New York City AMI ("East Building Residential Unit"), the Commercial Unit of the east building being built immediately to the east of the Premises ("East Building Commercial Unit"), and the subterranean parking facility ("Parking Facility"). As a result of the membership in Kent Waterfront Homeowners Association Inc., the Unit Owners will enjoy the benefits of an outdoor courtyard, a security gate service (upon the completion of Phase II), and Commuter Van Service (pay per ride) to the Marcy Avenue subway station and the Bedford Avenue subway station. Title to the outdoor courtyard, walkways and driveways will be

conveyed to the Kent Waterfront Homeowners Association Inc. on or about the date of the first unit closing of The Schaefer Landing South Condominium, but in no event prior to the completion of the construction of the aforesaid improvements.

The residents of the Kent Waterfront will have access to a public shore walkway along the easterly bank of the East River that is adjacent to the Kent Waterfront site and the upland connection from Kent Avenue to the public shore walkway ("Public Access Area" or "PAA") that will be built by the New York City Economic Development Corporation ("EDC"). Additionally, the residents of the Kent Waterfront will have access to a water taxi landing facility ("Landing Facility")adjacent to the Public Access Area, which will also be built by EDC. The Kent Waterfront Homeowners Association Inc. will be required under the terms of the Maintenance and Operations Agreement, dated July 3, 2003, to maintain and repair the PAA, at its own cost and expense. The Kent Waterfront Homeowners Association Inc. will also be required under the terms of a certain Landing Facility Maintenance and Operations Agreement to maintain and repair the Landing Facility, at its own cost and expense.

The purpose of this Plan is to set forth all the terms of the offer so that prospective Purchasers have an adequate basis upon which to determine whether to purchase Units in the Condominium. The Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. All filed amendments will be served on (i) Purchasers who have executed and delivered purchase documents to the Sponsor or Selling Agent, (ii) Unit Owners and (iii) any other offeree who is required by law to receive such amendment. Service shall be either by personal delivery, ordinary mail or registered mail. Service by personal delivery is deemed complete upon delivery. Service by mailing shall be presumed complete on the fifth day after the date of mailing.

The Condominium will be organized pursuant to Article 9B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act.

As more particularly described in this Plan, the Building will include (a) Common Elements, (b) Residential Units, and (c) Limited Common Elements.

All of the Residential Units are being offered as Condominium Units in accordance with this Plan at the prices noted in Schedule A. These prices have been established solely by the Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency.

In condominium form of ownership, each Purchaser of a Unit owns his Unit similarly in many respects to the manner in which a private home owner owns his home. (References to the masculine gender in this Plan shall be deemed to refer to the feminine gender or plural where the context so requires and shall be deemed to include any duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association or any other entity permitted to own real property in the State of New York). The Unit Owner owns the Unit in fee simple absolute and is entitled to the exclusive possession thereof. He is also the owner, in common with the owners of all other

Units, of all remaining parts of the Premises except for the Units themselves, including the land upon which the Units are built, the foundations and supports of the Building, the exterior walls and the roof (hereinafter called "Common Elements"). Each Unit Owner's proportionate share (hereinafter called "Common Interest") of the Common Elements has been determined upon the basis of such Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium. These allocations are made pursuant to Section 339-i 1(iv) of the Real Property Law, which is part of Article 9-B of the Real Property Law of the State of New York (hereinafter called "the Condominium Act"). Any portion of the land or Building, other than the Units themselves, which are for the use of one or more specified Units to the exclusion of all others, are known as "Limited Common Elements". The Plan provides that any terraces adjacent to and with access directly from a particular Unit shall be Limited Common Elements. Each Unit Owner is privileged to mortgage his Unit generally on the terms and in such amount as he chooses. With respect to any Unit, a first mortgage or second mortgage shall be either with an institutional lender, the Sponsor, a family member, a business associate or employer or a selling Unit Owner. Pursuant to this Plan, however, no Purchase Agreement shall be contingent upon a Purchaser obtaining mortgage financing. No Unit Owner shall be permitted to encumber his or her Unit with a third mortgage. A Unit is not subject to the lien of any mortgages placed by other Unit Owners on their Units.

A Unit Owner can sell or lease his Unit to anyone for a term of not less than one year, without restriction or limitation, subject only to a "right of first refusal" by the Board of Managers and the Sponsor at the same price and terms the Owner has been offered. If the Board of Managers does not exercise the "right of first refusal" the Sponsor for so long as the Sponsor owns Units in the Condominium, may exercise a "right of first refusal" for a period of five (5) days after the expiration of the Board of Managers "right of first refusal", for a period of five years from the date of the First Unit Closing or until Sponsor does not own any Units in the Condominium, whichever is a shorter term. Such right of first refusal is hereinafter described in the Section of the Plan entitled "Rights and Obligations of the Unit Owners and the Board of Managers".

A Unit Owner can alter and decorate the interior of his Unit in any way he desires, subject to the Condominium by-laws and local codes, and he is obligated for the cost of his own interior decoration, maintenance and repair after closing. Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible if any of the other Unit Owners fail to pay their real estate taxes. In the opinion of counsel for the Sponsor, a Unit Owner, like a home owner, may under most circumstances, deduct from his income for income tax purposes his real estate taxes and the interest paid on the mortgage encumbering the Unit(s) owned by him. The Board of Managers will assess against each Unit Owner, in proportion to his respective percentage of Common Interest as defined in the section of the Plan titled "Definitions", charges (hereinafter called "Common Charges") for the maintenance of the Common Elements and for the operating costs of the Premises (hereinafter called "Common Expenses"), as provided in New York State Real Property Law Section 339-m. Each Unit Owner, will pay for all electricity consumed within his own Unit, the charges for which will be separately metered. Gas for cooking and for heating the Units shall be a Common Expense.

Each Unit Owner is obligated to comply with the Declaration, the By-Laws, the House Rules and any other requirements of the Board of Managers. Each Unit Owner shall also be responsible for maintaining his own Unit and for making repairs within his own Unit. Unit Owners should review the Description of the Property and Specifications, prepared by Gene Kaufman, Architect, in Part II of this Plan, for the maximum capacity and specifications for equipment and appliances to be used within or in conjunction with a Unit. The cost of maintenance and repair of the General Common Elements shall be shared by all Unit Owners as provided above. Each Unit Owner shall have the same rights of access to, the use of and the benefit of the General Common Elements. Each Unit Owner shall also be responsible for obtaining and bearing the cost of casualty and liability insurance in connection with his respective Unit. The Board of Managers shall have the duty of obtaining casualty and liability insurance on behalf of the Condominium with respect to the Building as a whole.

The Board of Managers shall be elected by the Unit Owners with the number of votes allocated to each Unit Owner determined by the Unit Owner's percentage of Common Interest. The Board of Managers shall have the authority to manage and administer the affairs of the Condominium, including, but not limited to, the determination of Common Charges and the adoption of House Rules covering the Condominium. Please see the section entitled "Rights and Obligations of the Unit Owners and the Board of Managers" for further discussion.

Units may be purchased either by natural persons over the age of 18 years or by a duly formed partnership, or corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York.

Pursuant to the terms of The Building Loan Agreement executed by Sponsor in favor of New York Community Bank, the Sponsor may declare the Offering Plan effective upon the execution of Purchase Agreements for a minimum of fifty percent (50%) of the Units in the Building. The Sponsor is retaining the unconditional right to rent rather than sell Units. Notwithstanding the foregoing until Sponsor has satisfied the construction loan for the Building, the Sponsor will not rent Units without the consent of New York Community Bank. Sponsor makes no representation that it will execute Purchase Agreements for more Units than the fifty (50%) necessary to declare the Plan effective, and makes no representation that it will sell Units to persons who represent that they are Purchasers of Units for owner-occupancy. Therefore this Plan may not result in the creation of a Condominium in which a majority of the Units are owned by owner- occupants.

The New York Community Bank shall release its lien on a Unit, at the time of its sale to a Purchaser, upon receipt of payment of the greater of (a) ninety percent (90%) of the gross sales price of such Unit or (b) one hundred percent (100%) of the net proceeds of the sale of a Unit, in each case to be applied a prepayment on the construction mortgage. Net proceeds, shall be defined for purposes of the foregoing sentence, as the gross sales price for the Unit less all closing expenses including brokerage commissions and transfer taxes. Additionally, the New York City

Department of Housing Preservation and Development ("HPD") shall release its lien on a Unit, at the time of its sale to a Purchaser upon receipt from the Sponsor of the Units pro rata portion of the Substitute Purchase Money Mortgage, dated August 6, 2003.

The By-laws of the Condominium do not provide for the Board of Managers to approve or disapprove Purchasers, and there is no limit on the number of Purchasers who may purchase for investment rather than for personal occupancy. Therefore there may always be a substantial percentage of Unit Owners who are not residents.

The Plan contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the office of the Selling Agent or at the on-site sales office at all times such office is open.

The Plan may be borrowed upon payment of a one hundred ($100.00) deposit, which amount will be fully refunded either upon (i) the prompt return of all borrowed materials in good condition or (ii) the acceptance by the Sponsor of an executed Purchase Agreement.

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 PURCHASE AGREEMENT.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The North Building Premises have a land area of approximately 8,112 square feet. Sponsor will construct a twenty-five (25) story building on the Premises. The address of the Premises shall be 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York.

The Condominium shall consist of one hundred and thirty-five (135) Residential Units (including Superintendent's Unit). The ground floor through the twenty-fifth floor shall contain the one hundred and thirty-five (135) Residential Units. The Superintendent's Unit will be on the first floor. There will be two (2) passenger elevators. The exterior walls of the Building will be insulated curtain wall with pre-cast glass fiber reinforced concrete panels ("GFRC") and operable windows.

The Condominium will be a part of Kent Waterfront, a site which is intended to include the east building, a mixed use building consisting of approximately one hundred and forty (140) rental residential apartments, affordable to households whose income is less than 60% of the AMI for New York City, and retail space ("East Building"), an outdoor courtyard, driveways and walkways, the Schaefer Landing South Condominium containing an additional seventy-five (75) condominium units and a subterranean parking facility ("Parking Facility"). The Condominium, the outdoor courtyard, driveways, walkways and the remainder of the Parking Facility are a part of Phase II of the site development. An affiliate of the principals of the Sponsor are in the process of building the Schaefer Landing South Condominium, a seventy-five (75) unit condominium as Part of Phase I. The Sponsor cannot make any representations as to the completion date of Phase II. The Parking Facility will be owned by Kent Waterfront Associates LLC, an affiliate of the Sponsor, and may be leased to a garage operator. There are seventy (70) parking spaces allocated to the Condominium which may be leased by Unit Owners at the rates established by the garage operator, according to market conditions. As there will be fewer parking spaces allocated to the Condominium than there are Units, it is possible that a Unit Owner who desires to lease a parking space may not be able to be accommodated.

Unit Owners of the Condominium, will also enjoy the following services, as a result of the Condominium's membership in two (2) homeowners associations: outdoor courtyard, fitness center, two (2) accessory lounges, security gate service (upon completion of Phase II), and Commuter Van Service (on a pay per ride basis) from the Building to the Marcy Avenue subway station and the Bedford Avenue subway station (Monday to Friday 7:00 AM to 9:30 AM and 5:00 PM to 7:30 PM). It is estimated that the Commuter Van will make two (2) round-trips per hour.

New York City Economic Development Corporation ("EDC") has undertaken to build a shore public walkway along the easterly bank of the East River that is adjacent to the Kent Waterfront site, an upland connection leading from Kent Avenue to the public shore walkway and other related elements ("Public Access Area" or "PAA"). EDC has also undertaken to build a water taxi landing facility ("Landing Facility") adjacent to the Public Access Area. Kent Waterfront Homeowners Association will be required under the terms of a Maintenance and

Operation Agreements with the City of New York, dated, July 3, 2003, and the Landing Facility Maintenance and Operations Agreement to maintain and repair the Public Access Area and Landing Facility, at its own cost and expense. The estimated cost of maintenance, repair and future replacement (including reserves) of the Public Access Area and Landing Facility are included in the Budget for Kent Waterfront Homeowners Association Inc.

The Kent Waterfront Site, of which the Premises is a part, is the site of a former Schaefer Brewery. Prior to the acquisition of the Premises by the Sponsor, from the City of New York, the Department of Housing, Preservation and Development ("HPD") performed an environmental investigation of the site. This work was done by AKRF, a consultant retained by HPD. AKRF prepared a Phase II Site Assessment Report ("Phase II") which was completed in October of 2002, which found petroleum constituents on the site. In response to the Phase II, AKRF prepared a Remedial Action Plan ("RAP") for the Premises and submitted the recommendations to the City's Department of Environmental Protection ("DEP"). DEP reviewed the Phase II report and accepted the recommendations of AKRF in a letter to HPD dated October 21, 2002.

After architectural drawings and construction phasing plans were created, the Sponsor's predessor in title submitted a remedial plan to DEP in conformance with the terms of the October 21, 2002 letter. This plan was set forth in a letter to DEP dated May 6, 2003, prepared by the environmental consultant of the Sponsor's predecessor in title, Ethan C. Eldon Associates, Inc. ("Ethan Eldon"). By letter dated May 7, 2003 DEP approved and further outlined the RAP ("RAP") and associated site specific Health and Safety Plan ("HASP"). The RAP sets forth the actions to be taken by the Sponsor with regard to excavation and disposal of material from the site, implementing the HASP during construction and the separation of the project from potentially contaminated material through the use of vapor barriers, clean fill, foundation walls and basement slabs.

The RAP included a provision for a restrictive declaration with DEP relating to the Kent Waterfront Site. On June 30, 2003, a Declaration was executed and it was recorded with the New York City Register for the County of Kings at ACRIS No. 2003070300215001002E8798 ("Declaration"). The Declaration requires the Sponsor, or the current owner of the Premises, to return to DEP in any instance where the vapor barrier would be breached. This action is not contemplated for this Project. The Sponsor, upon its affiliates receipt of a permanent Certificate of Occupancy for the Schaefer Landing North Condominium, will request from the DEP a Notice of Satisfaction, that no remediation is required or that the Premises have been satisfactorily mitigated. Upon DEP's issuance of a Notice of Satisfaction, Sponsor will request that DEP issue a Notice of Cancellation, in recordable form. Sponsor shall record the Notice of Cancellation, thus rendering the Declaration null and void.

In November of 2002 the Sponsor's geotechnical consultants detected odors while drilling cores to determine soil conditions on the property. As the odors appeared to be from petroleum products, the Sponsor informed Ethan Eldon. Ethan Eldon, in accordance with industry practice, contacted the State Department of Environmental Conservation ("DEC") to inform it of this matter. DEC directed the Sponsor to prepare and complete an investigation plan which was carried out by Ethan Eldon. The investigation results were submitted to DEC. Upon review of the tests DEC was

satisfied that no significant elevated levels of petroleum existed on the site and DEC issued a "spill closure letter" dated March 25, 2003. The "spill closure letter" stated that "no further investigation or response will be required concerning this site".

The foregoing is a brief description of the environmental remediation that has been conducted at the Premises. For further details please refer to the documents listed above which are contained in Part II of the Offering Plan.

LOCATION AND AREA INFORMATION

Location and Surrounding Area:

The Property is located at a point being three (3) courses from a point formed by the westerly side of Kent Avenue with the northerly side of Division Street in the Williamsburg section of Brooklyn.

The Williamsburg area provides a variety of cultural activities, and access to shopping, recreational facilities, medical services and transportation.

Transportation:

Public transportation is accessible from the Condominium. Local bus lines include the B24, B38, B39, B44, B46, B60, B61, Q54 and Q59 located on Kent Avenue, the B61 located on Bedford Avenue and the B/M39 located by the Williamsburg Bridge. The subway lines that are closest to the Property are the M, J, Z at Marcy Avenue (which provide connection at Fulton Street to A, C, 2, 3, 4, 5 trains and at Canal Street to N, Q, R, W, 4 and 1) and the G train. The L train runs through Williamsburg. Bedford Avenue is the first stop in Brooklyn located at Bedford Avenue and North 6th Street. The L train's subway stops in Manhattan are located at 14th Street/Union Square (which provide connections to the L, N, R, 4, 5, and 6 trains), 14th Street and Seventh Avenue (which provide connections to the 1, 2, 3 and 9 trains) and 14th Street and Eighth Avenue (which provide connection to the A, C and E trains). Williamsburg is accessible by automobile from the Brooklyn Queens Expressway.

Kent Waterfront Associates LLC, an affiliate of the Sponsor, received a letter of intent from New York Trans Harbor LLC, d/b/a New York Water Taxi ("NYWT"), dated, September 23, 2003, outlining a proposal from NYWT, whereby the parties shall cooperate, each at their own expense, to secure landing rights for water taxis at the Landing Facility adjacent to the Public Access Area. NYWT intends to provide water taxi service from the Public Access Area to lower Manhattan between 6:30 AM and 9:00 AM and 4:30 PM and 7:00 PM on non-holiday weekdays. The water taxi service is expected to run at 30 minute intervals with six (6) runs each weekday morning and six (6) runs each weekday evening. For further detail regarding the water taxi service, please review the September 23, 2003 letter from NYWT in Part II of this Plan. However, no representation is made by Sponsor that water taxi service will in fact be provided by NYWT or any other water taxi service provider.

Public Schools:

The Property is located in CSD 14. The Public Schools located in the vicinity are:

Grade School:

P.S. 16 which is located at 157 Wilson Street, Brooklyn, NY.

P.S. 19 Roberto Clemente School, which is located at 325 South 3rd Street, Brooklyn, NY.

P.S. 84 Jose DeDiego School which is located at 250 Berry Street, Brooklyn, NY.

P.S. 380 John Wayne School which is located at 370 Marcy Avenue, Brooklyn, NY.

Intermediate / Junior High School:

I.S. 71 Morel Campos is located at 215 Heyward Street, Brooklyn, NY.

I.S. 49 W.J. Gaynor is located at 223 Graham Avenue, Brooklyn, NY.

I.S. 318 E.M. Dehostos is located at 101 Walton Street, Brooklyn, N.Y.

JHS 50 J.D.Wells which is located at 183 South Third Street, Brooklyn, N.Y.

JHS 126 J. Ericsson which is located at 424 Leonard Street, Brooklyn, N.Y.

High School:

HS 685 which is located at 211 South 4th Street, Brooklyn, NY.

El Puente Academy for Peace and Justice which is located at 211 South 4th Street, Brooklyn, NY.

HS of Enterprise, Business and Technology which is located at 850 Grand Street, Brooklyn, NY.

HS of Legal Careers which is located at 850 Grand Street, Brooklyn, NY.

Progress High School which is located at 850 Grand Street, Brooklyn, NY.

Private Schools in the area include the following:

Grade Schools:

Talmud Torah of Kasho which is located at 324 Penn Street, Brooklyn, NY.

Bais Yaakov Adas Yeriem which is located at 563 Bedford Avenue, Brooklyn, NY.

St.s Peter & Paul Elementary School which is located at 228 Berry Street, Brooklyn, NY.

St. Nicholas Elementary School which is located at 287 Powers Street, Brooklyn, NY.

High School:

Bnos Yaakov Educational Center which is located at 274 Keap Street, 62 Harrison Avenue, Brooklyn, NY.

Yeshiva Beth Yitzchok D'Spinka, 575 Bedford Avenue, Brooklyn, NY.

Bishop Loughlin Memorial High School which is located at 357 Clemont Avenue, Brooklyn, NY.

The above listing does not include all schools. No representation is made that the children of Unit Owners will be entitled to attend any particular school.

Religious Institutions:

Bais Medrash Kol Moshe, which is a synagogue located at 171 South 9th Street, Brooklyn, NY.

Bais Medrash Yetev Lev of South 8th, which is a synagogue located at 109 South 8th Street, Brooklyn, NY.

St. Peter & Paul Roman Catholic Church, which is located at 715 3rd Street, Brooklyn, NY.

St. Vincent de Paul Roman Catholic Church, which is located at 167 North 6th Street, Brooklyn, NY.

St. Mary's Episcopal Church, which is located at 230 The Classon Realty, L.L.C. Avenue, Brooklyn, NY.

South Third Methodist Church located at 411 South Third Street, Brooklyn, NY.

Parks/Recreation:

Grand Ferry Park is located on Grand Street at River Street, Brooklyn, N.Y.

El Puente Greenthumb Garden is located at 201-207 South Second Street, Brooklyn, N.Y.

Berry Playground, South Third Street is located between Berry Street and Bedford Avenue, Brooklyn, N.Y.

Williamsburg Bridge Plaza is located at Wythe Street to Berry Street, South 5th Street to South 6th Street, Brooklyn, N.Y.

LaGuardia Playground is located at Roebling Street between South Fourth Street and South Fifth Street, Brooklyn, N.Y.

McCarren Park is located at Nassau Avenue, Bayard, Leonard, and N. 12th Streets, Brooklyn, NY.

Roberto Clemente Park located at Division Avenue between Kent Avenue and Wythe Avenue, Brooklyn, N.Y.

Jacob's Ladder Park located at Clyner Street between Kent Avenue and Wythe Avenue, Brooklyn, N.Y.

Public Library:

Brooklyn Public Library, Leonard Street Branch, which is located at 81 Devoe Street (at Leonard Street), Brooklyn, NY.

Hospitals:

Woodhall Hospital which is located at 760 Broadway, Brooklyn, NY.

Brooklyn Health Clinic which is located at 875 Manhattan Avenue, Brooklyn, NY.

Municipal Services:

Police, fire protection, water, sanitation, snow removal and street maintenance services are provided by the City of New York and all charges are incorporated into the City tax. Commercial garbage removal must be obtained and paid for privately by the Non-Residential Unit Owners.

The Property is located in the 90th Police Precinct. The station is located at 211 Union Avenue, Brooklyn, NY.

The New York Fire Department Companies serving the Property are the 1st Engine Company, Engine 221, the 1st Ladder Company and Ladder Company 119.

Postal:

The zip code for the Property is 11211, which is the Williamsburg Station located at 263 South 4th Street, Brooklyn, NY.

Zoning:

The Property is located in a C2-4/R7-3 and R7-3 Zoning District, which permits residential occupancies of the type contemplated by the Plan. Additionally, in the case of the non-residential space, the zoning district permits the uses contemplated under the Plan.

SCHEDULE A

THE SCHAEFER LANDING NORTH CONDOMINIUM

Price Schedule and Estimated Carrying Costs for Units
(January 1, 2006 to December 31, 2006 The Projected First Year of Condominium Operation) (1)

Unit No.	Approx. Interior Sq. Ft. (2)	# Bedrooms	# Baths	Outdoor Space (2)	Purchase Price (3)	Percent Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Annual Real Estate Taxes w/out 421-a (6)	Estimated Annual Real Estate Taxes with 421-a (6)
1A	1,270	2	2		$ 650,000	0.6709%	$ 630.22	$ 5,198.00	$ 66.00
1B	1,460	3	2	Grdn	$ 825,000	0.8475%	$ 796.16	$ 5,983.00	$ 84.00
1C	1,175	2	2	Grdn	$ 635,000	0.6821%	$ 640.75	$ 4,815.00	$ 67.00
1D	836	2	1	Super's Unit	$ 304,500	0.4368%	$ 410.30	$ 3,421.00	$ 43.00
1E	890	1	1.5		$ 425,000	0.4650%	$ 436.80	$ 3,642.00	$ 46.00
2A	1,270	2	2		$ 750,000	0.6709%	$ 630.22	$ 5,198.00	$ 67.00
2B	1,460	3	2		$ 895,000	0.7712%	$ 724.51	$ 5,975.00	$ 76.00
2C	1,175	2	2		$ 650,000	0.6207%	$ 583.08	$ 4,809.00	$ 61.00
2D	1,650	3	2.5	Grdn	$ 805,000	0.9578%	$ 899.77	$ 6,762.00	$ 95.00
2E	1,246	2	2		$ 625,000	0.6582%	$ 618.31	$ 5,100.00	$ 65.00
2F	860	1	1.5		$ 450,000	0.4543%	$ 426.76	$ 3,520.00	$ 45.00
3A	1,270	2	2		$ 760,000	0.6782%	$ 637.15	$ 5,199.00	$ 67.00
3B	1,460	3	2		$ 920,000	0.7797%	$ 732.47	$ 5,976.00	$ 77.00
3C	1,175	2	2		$ 660,000	0.6275%	$ 589.49	$ 4,810.00	$ 62.00
3D	1,222	2	2		$ 615,000	0.6526%	$ 613.07	$ 5,002.00	$ 65.00
3E	1,246	2	2		$ 640,000	0.6654%	$ 625.11	$ 5,100.00	$ 66.00
3F	860	1	1.5		$ 460,000	0.4593%	$ 431.45	$ 3,520.00	$ 45.00
4A	1,270	2	2		$ 770,000	0.6856%	$ 644.07	$ 5,199.00	$ 68.00
4B	1,460	3	2		$ 945,000	0.7882%	$ 740.43	$ 5,977.00	$ 78.00
4C	1,175	2	2		$ 670,000	0.6343%	$ 595.89	$ 4,810.00	$ 63.00
4D	1,222	2	2		$ 620,000	0.6597%	$ 619.73	$ 5,003.00	$ 65.00
4E	1,246	2	2		$ 655,000	0.6727%	$ 631.90	$ 5,101.00	$ 67.00
4F	860	1	1.5		$ 470,000	0.4643%	$ 436.14	$ 3,521.00	$ 46.00
5A	1,270	2	2		$ 780,000	0.6930%	$ 651.00	$ 5,200.00	$ 69.00
5B	1,460	3	2		$ 970,000	0.7967%	$ 748.39	$ 5,978.00	$ 79.00
5C	1,175	2	2		$ 680,000	0.6411%	$ 602.30	$ 4,811.00	$ 64.00
5D	1,222	2	2		$ 645,000	0.6668%	$ 626.39	$ 5,004.00	$ 66.00
5E	1,246	2	2		$ 670,000	0.6799%	$ 638.70	$ 5,102.00	$ 67.00
5F	860	1	1.5		$ 480,000	0.4693%	$ 440.83	$ 3,521.00	$ 46.00

SCHEDULE A

THE SCHAEFER LANDING NORTH CONDOMINIUM

Price Schedule and Estimated Carrying Costs for Units
(January 1, 2006 to December 31, 2006 The Projected First Year of Condominium Operation) (1)

Unit No.	Approx. Interior Sq. Ft. (2)	# Bedrooms	# Baths	Outdoor Space (2)	Purchase Price (3)	Percent Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Annual Real Estate Taxes w/out 421-a (6)	Estimated Annual Real Estate Taxes with 421-a (6)
6A	1,270	2	2		$ 790,000	0.7004%	$ 657.92	$ 5,201.00	$ 69.00
6B	1,460	3	2		$ 995,000	0.8051%	$ 756.35	$ 5,979.00	$ 80.00
6C	1,175	2	2		$ 690,000	0.6480%	$ 608.71	$ 4,812.00	$ 64.00
6D	1,222	2	2		$ 650,000	0.6739%	$ 633.06	$ 5,004.00	$ 67.00
6E	1,246	2	2		$ 685,000	0.6871%	$ 645.49	$ 5,102.00	$ 68.00
6F	860	1	1.5		$ 490,000	0.4743%	$ 445.52	$ 3,522.00	$ 47.00
7A	1,270	2	2		$ 800,000	0.7077%	$ 664.85	$ 5,202.00	$ 70.00
7B	1,460	3	2		$ 1,020,000	0.8136%	$ 764.31	$ 5,980.00	$ 81.00
7C	1,175	2	2		$ 700,000	0.6548%	$ 615.12	$ 4,812.00	$ 65.00
7D	1,222	2	2		$ 655,000	0.6810%	$ 639.72	$ 5,005.00	$ 67.00
7E	1,246	2	2		$ 700,000	0.6944%	$ 652.28	$ 5,103.00	$ 69.00
7F	860	1	1.5		$ 500,000	0.4792%	$ 450.21	$ 3,522.00	$ 48.00
8A	1,270	2	2		$ 815,000	0.7151%	$ 671.77	$ 5,202.00	$ 71.00
8B	1,460	3	2		$ 1,045,000	0.8221%	$ 772.28	$ 5,981.00	$ 81.00
8C	1,175	2	2		$ 710,000	0.6616%	$ 621.52	$ 4,813.00	$ 66.00
8D	1,222	2	2		$ 660,000	0.6881%	$ 646.38	$ 5,006.00	$ 68.00
8E	1,246	2	2		$ 720,000	0.7016%	$ 659.08	$ 5,104.00	$ 70.00
8F	860	1	1.5		$ 510,000	0.4842%	$ 454.90	$ 3,523.00	$ 48.00
9A	1,270	2	2		$ 835,000	0.7225%	$ 678.70	$ 5,203.00	$ 72.00
9B	1,460	3	2		$ 1,070,000	0.8306%	$ 780.24	$ 5,981.00	$ 82.00
9C	1,175	2	2		$ 720,000	0.6684%	$ 627.93	$ 4,814.00	$ 66.00
9D	1,222	2	2		$ 665,000	0.6952%	$ 653.05	$ 5,006.00	$ 69.00
9E	1,246	2	2		$ 735,000	0.7088%	$ 665.87	$ 5,105.00	$ 70.00
9F	860	1	1.5		$ 520,000	0.4892%	$ 459.59	$ 3,523.00	$ 48.00
10A	1,270	2	2		$ 855,000	0.7298%	$ 685.63	$ 5,204.00	$ 72.00
10B	1,460	3	2		$ 1,095,000	0.8390%	$ 788.20	$ 5,982.00	$ 83.00
10C	1,175	2	2		$ 730,000	0.6752%	$ 634.34	$ 4,815.00	$ 67.00
10D	1,222	2	2		$ 670,000	0.7023%	$ 659.71	$ 5,007.00	$ 70.00
10E	1,246	2	2		$ 750,000	0.7161%	$ 672.67	$ 5,105.00	$ 71.00
10F	860	1	1.5		$ 530,000	0.4942%	$ 464.28	$ 3,524.00	$ 49.00

SCHEDULE A

THE SCHAEFER LANDING NORTH CONDOMINIUM

Price Schedule and Estimated Carrying Costs for Units
(January 1, 2006 to December 31, 2006 The Projected First Year of Condominium Operation) (1)

Unit No.	Approx. Interior Sq. Ft. (2)	# Bedrooms	# Baths	Outdoor Space (2)	Purchase Price (3)	Percent Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Annual Real Estate Taxes w/out 421-a (6)	Estimated Annual Real Estate Taxes with 421-a (6)
11A	1,270	2	2		$ 875,000	0.7372%	$ 692.55	$ 5,205.00	$ 73.00
11B	1,460	3	2		$ 1,120,000	0.8475%	$ 796.16	$ 5,983.00	$ 84.00
11C	1,175	2	2		$ 740,000	0.6821%	$ 640.75	$ 4,815.00	$ 68.00
11D	1,222	2	2		$ 675,000	0.7094%	$ 666.38	$ 5,008.00	$ 70.00
11E	1,246	2	2		$ 765,000	0.7233%	$ 679.46	$ 5,106.00	$ 72.00
11F	860	1	1.5		$ 540,000	0.4992%	$ 468.97	$ 3,524.00	$ 49.00
12A	1,270	2	2		$ 895,000	0.7372%	$ 692.55	$ 5,205.00	$ 73.00
12B	1,460	3	2		$ 1,145,000	0.8475%	$ 796.16	$ 5,983.00	$ 84.00
12C	1,175	2	2		$ 750,000	0.6821%	$ 640.75	$ 4,815.00	$ 68.00
12D	1,222	2	2		$ 680,000	0.7094%	$ 666.38	$ 5,008.00	$ 70.00
12E	1,246	2	2		$ 780,000	0.7233%	$ 679.46	$ 5,106.00	$ 72.00
12F	860	1	1.5		$ 550,000	0.4992%	$ 468.97	$ 3,524.00	$ 49.00
14A	1,270	2	2		$ 915,000	0.7372%	$ 692.55	$ 5,205.00	$ 73.00
14B	1,460	3	2		$ 1,170,000	0.8475%	$ 796.16	$ 5,983.00	$ 84.00
14C	1,175	2	2		$ 760,000	0.6821%	$ 640.75	$ 4,815.00	$ 68.00
14D	1,222	2	2		$ 720,000	0.7094%	$ 666.38	$ 5,008.00	$ 70.00
14E	1,246	2	2		$ 795,000	0.7233%	$ 679.46	$ 5,106.00	$ 72.00
14F	860	1	1.5		$ 560,000	0.4992%	$ 468.97	$ 3,524.00	$ 49.00
15A	1,270	2	2		$ 935,000	0.7446%	$ 699.48	$ 5,205.00	$ 74.00
15B	1,460	3	2		$ 1,195,000	0.8560%	$ 804.12	$ 5,984.00	$ 85.00
15C	1,175	2	2		$ 770,000	0.6889%	$ 647.15	$ 4,816.00	$ 68.00
15D	1,222	2	2		$ 735,000	0.7164%	$ 673.04	$ 5,009.00	$ 71.00
15E	1,246	2	2		$ 810,000	0.7305%	$ 686.26	$ 5,107.00	$ 72.00
15F	860	1	1.5		$ 570,000	0.5042%	$ 473.66	$ 3,525.00	$ 50.00
16A	1,270	2	2		$ 955,000	0.7446%	$ 699.48	$ 5,205.00	$ 74.00
16B	1,460	3	2		$ 1,220,000	0.8560%	$ 804.12	$ 5,984.00	$ 85.00
16C	1,175	2	2		$ 780,000	0.6889%	$ 647.15	$ 4,816.00	$ 68.00
16D	1,222	2	2		$ 750,000	0.7164%	$ 673.04	$ 5,009.00	$ 71.00
16E	1,246	2	2		$ 825,000	0.7305%	$ 686.26	$ 5,107.00	$ 72.00
16F	860	1	1.5		$ 580,000	0.5042%	$ 473.66	$ 3,525.00	$ 50.00

SCHEDULE A

THE SCHAEFER LANDING NORTH CONDOMINIUM

Price Schedule and Estimated Carrying Costs for Units
(January 1, 2006 to December 31, 2006 The Projected First Year of Condominium Operation) (1)

Unit No.	Approx. Interior Sq. Ft. (2)	# Bedrooms	# Baths	Outdoor Space (2)	Purchase Price (3)	Percent Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Annual Real Estate Taxes w/out 421-a (6)	Estimated Annual Real Estate Taxes with 421-a (6)
17A	1,270	2	2		$ 975,000	0.7520%	$ 706.40	$ 5,206.00	$ 74.00
17B	1,460	3	2		$ 1,245,000	0.8645%	$ 812.08	$ 5,985.00	$ 86.00
17C	1,175	2	2		$ 800,000	0.6957%	$ 653.56	$ 4,817.00	$ 69.00
17D	1,222	2	2		$ 765,000	0.7235%	$ 679.70	$ 5,009.00	$ 72.00
17E	1,246	2	2		$ 845,000	0.7377%	$ 693.05	$ 5,108.00	$ 73.00
17F	860	1	1.5		$ 590,000	0.5092%	$ 478.35	$ 3,525.00	$ 50.00
18A	1,270	2	2		$ 995,000	0.7593%	$ 713.33	$ 5,207.00	$ 75.00
18B	1,460	3	2		$ 1,270,000	0.8729%	$ 820.05	$ 5,986.00	$ 86.00
18C	1,175	2	2		$ 820,000	0.7025%	$ 659.97	$ 4,817.00	$ 70.00
18D	1,222	2	2		$ 780,000	0.7306%	$ 686.37	$ 5,010.00	$ 72.00
18E	1,246	2	2		$ 860,000	0.7450%	$ 699.85	$ 5,108.00	$ 74.00
18F	860	1	1.5		$ 600,000	0.5142%	$ 483.04	$ 3,526.00	$ 51.00
19A	1,270	2	2		$ 1,015,000	0.7667%	$ 720.25	$ 5,207.00	$ 76.00
19B	1,460	3	2		$ 1,295,000	0.8814%	$ 828.01	$ 5,986.00	$ 87.00
19C	1,175	2	2		$ 840,000	0.7094%	$ 666.38	$ 4,818.00	$ 70.00
19D	1,222	2	2		$ 795,000	0.7377%	$ 693.03	$ 5,011.00	$ 73.00
19E	1,246	2	2		$ 875,000	0.7522%	$ 706.64	$ 5,109.00	$ 74.00
19F	860	1	1.5		$ 610,000	0.5192%	$ 487.73	$ 3,526.00	$ 51.00
20A	1,270	2	2		$ 1,035,000	0.7741%	$ 727.18	$ 5,208.00	$ 77.00
20B	1,460	3	2		$ 1,320,000	0.8899%	$ 835.97	$ 5,987.00	$ 88.00
20C	1,175	2	2		$ 860,000	0.7162%	$ 672.78	$ 4,818.00	$ 71.00
20D	1,222	2	2		$ 810,000	0.7448%	$ 699.69	$ 5,011.00	$ 74.00
20E	1,246	2	2		$ 890,000	0.7594%	$ 713.44	$ 5,110.00	$ 75.00
20F	860	1	1.5		$ 620,000	0.5242%	$ 492.42	$ 3,527.00	$ 52.00
21A	1,270	2	2		$ 1,055,000	0.7814%	$ 734.10	$ 5,209.00	$ 77.00
21B	1,460	3	2		$ 1,345,000	0.8984%	$ 843.93	$ 5,988.00	$ 89.00
21C	1,175	2	2		$ 880,000	0.7230%	$ 679.19	$ 4,819.00	$ 72.00
21D	1,222	2	2		$ 825,000	0.7519%	$ 706.36	$ 5,012.00	$ 74.00
21E	1,246	2	2		$ 905,000	0.7667%	$ 720.23	$ 5,110.00	$ 76.00
21F	860	1	1.5		$ 630,000	0.5292%	$ 497.11	$ 3,527.00	$ 52.00
22A	1,790	3	2.5		$ 1,480,000	1.1118%	$ 1,044.44	$ 7,343.00	$ 110.00
22B	1,850	3	2.5		$ 1,550,000	1.1491%	$ 1,079.45	$ 7,589.00	$ 114.00
22C	1,780	3	2.5		$ 1,425,000	1.1056%	$ 1,038.61	$ 7,302.00	$ 110.00
22D	1,790	3	2		$ 1,275,000	1.1118%	$ 1,044.44	$ 7,343.00	$ 110.00

SCHEDULE A

THE SCHAEFER LANDING NORTH CONDOMINIUM

Price Schedule and Estimated Carrying Costs for Units
(January 1, 2006 to December 31, 2006 The Projected First Year of Condominium Operation) (1)

Unit No.	Approx. Interior Sq. Ft. (2)	# Bedrooms	# Baths	Outdoor Space (2)	Purchase Price (3)	Percent Common Interest (4)	Estimated Monthly Common Charges (5)	Estimated Annual Real Estate Taxes w/out 421-a (6)	Estimated Annual Real Estate Taxes with 421-a (6)
PH1A	1,740	3	2.5	T	$ 1,515,000	1.1009%	$ 1,034.25	$ 7,139.00	$ 109.00
PH1B	1,800	3	2.5	T	$ 1,595,000	1.1389%	$ 1,069.91	$ 7,386.00	$ 113.00
PH1C	1,690	3	2.5	T	$ 1,400,000	1.0693%	$ 1,004.53	$ 6,934.00	$ 106.00
PH1D	1,740	3	2	T	$ 1,325,000	1.1009%	$ 1,034.25	$ 7,139.00	$ 109.00
PH2A	1,740	3	2.5	T	$ 1,550,000	1.1110%	$ 1,043.73	$ 7,141.00	$ 110.00
PH2B	1,800	3	2.5	T	$ 1,650,000	1.1494%	$ 1,079.72	$ 7,387.00	$ 114.00
PH2C	1,690	3	2.5	T	$ 1,425,000	1.0791%	$ 1,013.74	$ 6,935.00	$ 107.00
PH2D	1,740	3	2	T	$ 1,375,000	1.1110%	$ 1,043.73	$ 7,141.00	$ 110.00
PH3A	1,870	3	2.5	T	$ 1,795,000	1.0871%	$ 1,021.28	$ 7,663.00	$ 108.00
PH3B	1,995	3	2.5	T	$ 1,875,000	1.1598%	$ 1,089.54	$ 8,176.00	$ 115.00
PH3C	1,859	3	2	T	$ 1,525,000	1.0807%	$ 1,015.27	$ 7,619.00	$ 107.00
PH3D	1,910	3	2	T	$ 1,450,000	1.1104%	$ 1,043.12	$ 7,828.00	$ 110.00
Total:	**172,270**				**$ 117,654,500**	**100.0000%**	**$ 93,941.50**	**$ 705,966.00**	**$ 9,903.00**

NOTES TO SCHEDULE A

1. Amounts are projected on the assumption that the first year of condominium operation will be the year from January 1, 2006 to December 31, 2006. The actual first year of condominium operation may be earlier or later than that year.

2. Any floor plan or sketch shown to a prospective purchaser is only an approximation of the square foot area and layout of the Unit in question. 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 Purchase Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property, and in such event, 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 Purchase Agreement(s) and receive a refund of their down payment(s), together with all interest earned thereon.

   The square foot area of the Units set forth in the floor plans and in Exhibit B to the Declaration of Condominium are approximate and were obtained by using the method customarily used in New York City to measure condominium apartments.

   Each unit will consist of the area measured horizontally from the exterior of the Unit side of the glass or the centerline of the exterior wall (perimeter columns and perimeter mechanical pipes are not deducted) to the centerline of the wall separating one Unit from another Unit, corridors, stairs and other mechanical equipment spaces or any Common Elements; or to the centerline of the glass of the opposite exterior walls or the centerline of the exterior walls.

3. Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Purchase Agreements, so Purchasers may pay different prices for similar Units. See "Changes in Prices and Units" for further discussion. In addition to paying the purchase prices of their Unit, Purchasers will be responsible for paying certain closing adjustments and closing costs (see "Unit Closing Costs and Adjustments" for further discussion).

4. The Common Interest of each Unit has been determined, pursuant to Section 339-i (l) (ii) of the Condominium Act, that is based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units , the relative value of the unit to other units in the building, and reflecting any Limited Common Elements appurtenant to such Unit. The aggregate Common Interests of all of the Units equal one hundred percent.

5. These projections have been based upon the projections contained in "Projected Budget for First Year of Condominium Operation - Schedule B", which were made based on the assumption that the first year of condominium operation will be from January 1, 2006 to

December 31, 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, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchaser electing rescission pursuant to such offer will have their Down Payments and any interest accrued thereon returned.

In addition to the payment of Common Charges, each Unit Owner will incur additional expenses for:

a. mortgage payments under any loan or loans obtained to finance the purchase of the Unit;

b. the cost of electricity supplied to the Unit, which will be separately sub-metered and payable as and when billed by the Condominium;

c. 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;

d. 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;

e. telephone and cable television charges; and

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

6. The projection of the real estate taxes that will be payable for each of the Residential Units and Community Unit during the first year of condominium ownership is based upon an estimate that the aggregate real estate taxes for the Units for such made by Metropolitan Valuation Services, Inc. For a more detailed description of Section 421-a Real Estate Tax Exemption Benefits please refer to the Section of the Plan entitled "Real Estate Taxes".

No warranty, guaranty or assurance is given that:

(i) any projected or estimated amount set forth (including, without limitation, the estimates of the Premises' assessed valuations during the first year of condominium operation; the estimates of the portions of such assessed valuations that will be

allocable to the Units; and the projection of the average real estate tax rate that will be in effect during such first year of operation; will approximate the actual amount; or

(ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used by Metropolitan Valuation Services , Inc., for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above;

(iii) any of the projections or estimates made above and in Schedule A are accurate.

Until the Units are separately assessed, each Unit Owner will pay to the Board their Unit's pro rata share of the Premises' real estate taxes for the period in question based upon Common Interest. The Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, 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.

There is no assurance that the pro-ration of taxes described in the paragraph above will equal the actual amount of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above.

Please refer to the Section of the Plan entitled "Real Estate Taxes" set forth in Part I of the Plan for further discussion regarding real estate taxes for the Units.

Additionally, in the opinion of Seiden & Schein, P.C., counsel to 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. However, the amount of such deductions may vary from year to year 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). Prospective Purchasers should refer to "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium", as well as to the "Counsel's Income Tax Opinion", for further discussion.

SCHEDULE B
THE SCHAEFER LANDING NORTH CONDOMINIUM
440 Kent Avenue
a/k/a One Schaefer Landing
Brooklyn, New York 11211

PROJECTED OPERATING BUDGET FOR TWELVE-MONTH PERIOD
JANUARY 1, 2006 THROUGH DECEMBER 31, 2006

			Notes:
INCOME			
Annual Common Charges	$	1,127,297.98	(1)
TOTAL PROJECTED INCOME	**$**	**1,127,297.98**	
EXPENSES			
Payroll and Related Expenses	$	198,725.00	(2)
Repairs & Maintenance	$	47,250.00	(3)
Service Contracts & Supplies	$	36,800.00	(4)
Heating & Hot Water	$	171,098.00	(5)
Electric	$	76,530.00	(6)
Cooking Gas	$	18,973.00	(7)
Insurance (Hazard - Director and Officer)	$	58,500.00	(8)
Management Fee	$	101,250.00	(9)
Administrative Fees	$	5,000.00	(10)
Professional and Consultants Fees	$	6,500.00	(11)
Francise & Corporate Taxes	$	1,000.00	(12)
Contingency	$	14,923.60	(13)
Water & Sewer Charges	$	46,565.00	(14)
Building Reserve Fund	$	20,100.00	(15)
Superintendent Apartment	$	30,278.61	(16)
Homeowner Association Fees	$	293,804.78	(17)
TOTAL EXPENSES	**$**	**1,127,297.98**	

NOTES TO SCHEDULE B

1. **Estimated Annual Common Charges: $ 1,127,297.98**

Amounts are projected on the assumption that the first year of Condominium operation will be the year 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, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Down Payments returned, together with interest earned thereon.

This figure represents the total Common Charges to be levied against and collected from the Units during the first year of condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Common Charges have been allocated among the Units on the basis of Common Interest.

2. **Estimated Payroll and Related Expenses: $198,725.00**

All wage, salary and benefit costs, including applicable payroll taxes, are based on comparable rates currently in effect within similar buildings as of the date of the Plan. No warranty is made as to the actual rate, which will be in effect during the first year of Condominium Operation.

Wages:	
Superintendent (resident)	$ 36,780.00
Concierge	$112,896.00
Subtotal:	$149,676.00

Benefits and Employer Liability:	
Superintendent (resident)	$ 12,053.00
Concierge	$ 36,996.00
Subtotal:	$ 49,049.00
Total:	$198,725.00

The level of staffing described in this Schedule B complies with all applicable housing and labor laws.

No warranty is made as to the actual wages, salaries, benefits and related payroll taxes and similar expenses that will be applicable and in effect during the first year of Condominium Operation. However, the projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert in comparable buildings.

No warranty is made to the actual base wage rates that will be required during the first year of operation.

3. **Estimated Repairs and Maintenance: $47,250.00**

This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting and cleaning. 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. Given that the Building will be new with new mechanicals and improvements, we have estimated a relatively low cost for repairs & maintenance and supplies equal to $350.00 per Unit, which translates into a first year expense of approximately $47,250.00.

While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the first year of condominium operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

4. **Estimated Cost of Service Contracts and Supplies: $36,800.00**

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 service contracts for the following items will be entered into at the following estimated costs during the first year of condominium operation:

Service Contract	1st Year Cost
Elevator Maintenance	$ 15,360.00
Exterminator Service	$ 4,080.00
TOTAL:	$ 19,440.00

The total estimated cost for service contracts during the first year of condominium ownership is $ 19,440.00. The estimated cost of supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish bags, etc. used in connection with the operation of the Common Elements is estimated to be $17,360.00.

5. **Estimated Heat / Hot Water $171,098.00**

Heating will be provided in via two (2) gas fired low pressure, hot water boilers, and two (2) floors mounted end suction hot water circulating pumps. The two (2) boilers will have a capacity of 1,285,000 Btu per hour each. It is estimated that 174,700 therms per year will be consumed for heating and 24,640 therms per year will be consumed for cooking gas. The budgeted figures are based upon an analysis prepared by Lehr Associates Consulting Engineers, LLP as of October 1, 2004.

It is impossible to predict whether the budgeted figure will reflect the actual cost of operation for the first year of condominium operation. This cost will vary with both the level of consumption of heat and hot water and the tariff rate charged by the utility company. The level of consumption of fuel will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating, and room temperature settings in the apartments and common areas) adopted by the Board.

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of fuel during the first year of condominium operation. However, no budget item is warranted.

6. **Estimated Electricity: $76,530.00**

The amount set forth is primarily the estimate for the electricity consumed by the Common Elements, since the electricity for each Residential Unit and the Community Unit will be separately metered. The amount set forth in Schedule B for electricity is based on the estimate and projections of consumption for all Common Elements inclusive of common area lighting, ventilation, pumps and elevators, as described in a memo, dated October 1, 2004, from Lehr Associates Consulting Engineers LLP., which reflects for a total first year estimated annual consumption of approximately $76,530.00. The estimated cost is based upon current rates ($0.15/kwh) as adjusted for projected cost increases and appropriate taxes, and an estimated 510,200 KWH consumption factor.

In view of the varying costs of energy, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of condominium operation although it is believed that reasonable provisions for increased costs have been made. The actual cost for electricity will vary depending upon various factors, including the amount of consumption, the severity of the weather, conservation measures, if any, adopted by the Board or individual residents, the rates of the utility company (which fluctuate periodically), and the possibility of changes in the methods of calculating charges by the utility company.

7. **Estimated Cooking Gas: $18,973.00**

Cooking Gas will be master metered for all Units. An annual estimate of $18,973.00 for the first year of operation is based on the estimates of Lehr Associates Consulting Engineers, LLP, 134 West 29th Street, New York, New York 10001 of proposed consumption of 24,640 therms/yr at $0.77 per therm.

The consultant assumed one gas oven/stove per Unit.

8. **Estimated Hazard Insurance: $ 58,500.00**

The insurance premiums are based on the memo, dated October 25, 2004 from Fairmont Insurance located at 1600 60th Street, Brooklyn, New York, setting forth the following coverages:

Subject of Insurance	**Cause of Loss**	**Amount**	**Deductible**
Building Boiler & Machinery	Included	$60,879,577.00	$10,000.00
Maintenance Income		$1,040,000.00	

General Liability Coverage	**Limits**
General Aggregate	$2,000,000.00
Products / Completed Ops Aggregate	$1,000,000.00
Personal & Advertising Injury	$1,000,000.00
Per Occurrence	$1,000,000.00
Fire Damage	$ 100,000.00
Medical Expense	$ 5,000.00
Directors & Officers	$1,000,000.00
Non-owned and hired auto	$1,000,000.00

Note: This is only a general description of coverages provided. For a detailed description of the terms of a policy, you must refer to the policy itself. This proposal is dependent upon the receipt of acceptable loss information and loss control surveys.

The total premium for these various coverages is estimated at $58,500.00. This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units, nor does it include coverage of the furniture or personal property of Unit Owners. This premium waives the coinsurance requirement.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the first year of Condominium operation. Purchasers should be aware of the possible of rate increases.

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.

9. Management Fee: $101,250.00

A management agreement has been entered into with Allstate Realty Associates. The agreed to fee for the first year of management is $101,250.00. This falls within market standards for condominium apartment buildings with of similar size and type located within Brooklyn. This management fee includes billing & collection services, day-to-day phone availability, on-site inspections and attendance at board meetings. In the opinion of Allstate Realty Associates, the Managing Agent's fee for the first year of condominium operation is comparable to the fees charged for such services at similar buildings. Reference should be made to "Management Agreement" in Part I for further discussion of the terms of the Management Agreement.

10. Estimated Administrative Fees: $5,000.00

This expense is to cover miscellaneous fees associated with operation of the Condominium inclusive of administrative fees, bank fees, permit fees, and/or license fees.

11. Estimated Professional and Consultant Fees: $6,500.00

Legal, Audit, Miscellaneous Professionals

Accounting	$2,500.00	(based on estimate from Steven Mauceri, CPA, letter dated October 12, 2004)
Legal	$4,000.00	(based on an estimate from Allstate Realty Associates, 5420 Thirteenth Avenue, Brooklyn 11219.) Estimated legal fees are for occasional counseling and attendance at annual shareholder's meetings, as necessary.

12. Estimated Franchise and Corporate Taxes: $1,000.00

Franchise and Corporate Taxes for the Condominium are estimated to be $1,000.00 per year based on a letter, dated October 12, 2004 from Steven Mauceri, CPA.

13. Contingency: $14,923.60

Contingency is to be used at the discretion of the Board of Managers of the Condominium for unanticipated operating expenses and capital expenditures not included in the budget for the first year of operation, and for possible increases in one or more items of operating expense above the amounts projected. It is calculated as 2% of North Building Operating Expenses.

14. Estimated Water and Sewer Charges: $ 46,565.00

Estimated annual cost of $46,565.00 for the Units. This estimate was provided by Lehr Associates Consulting Engineers, LLP, 134 West 29th Street, New York, NY 10001. It is based upon water consumption of 300 gallons per day per person at $1.68 /thousand gallons.

15. Building Reserve Fund: $20,100.00

Each month, the Board of Managers will allocate monthly the sum of $925.00 from the collected Common Charges to a reserve. This reserve is installed to fund the cost of future capital improvements and capital replacements to the Building that are not a part of the normal expenses of operating the Condominium.

16. Estimated Cost of the Superintendent's Unit $30,278.61

As additional consideration for his duties and the convenience of the Unit Owners, the Superintendent shall be permitted to occupy the Superintendent's Unit as a tenant of the Board of Managers. The Superintendent's Unit located on the ground floor will be sold to the Condominium subject to a mortgage of $297,500.00 and assumes annual interest rate of 71/4%, for a 30-year mortgage. In the event that The Condominium cannot qualify for a mortgage with a lending institution on the aforesaid terms, Sponsor reserves the right to substitute a balloon mortgage from the Sponsor for a period of five (5) years at the aforesaid interest rate calculated over a thirty (30) year term. If the Condominium delivers a purchase money mortgage to the Sponsor, a "balloon" payment of $278,492.66 will be due at the end of five (5) years. The Sponsor will not be obligated to extend the term of the purchase money mortgage. Therefore, the Condominium will then either have to refinance the purchase money mortgage with a lending institution or assess the Unit Owners for the cost of paying off the balance due at that time.

Costs for the Superintendent's Unit are calculated as follows:

Annual Mortgage Payment	$ 24,353.69
Annual Common Charges	$ 4,681.92
Real Estate Taxes	$ 43.00
Telephone & Electric Service	$ 1,200.00
	$ 30,278.61

The Real Estate tax projection assumes that the Property will receive 421-a benefits.

17. Estimated Cost of Homeowners Association Membership Assessments: $293,804.78

The HOA's Membership Assessments are based on the Condominium's proportionate share of the expenses for the Schaefer Landing Homeowners Association Inc. ($89,686.37) and the Kent Waterfront Homeowners Association Inc. ($204,118.41) See Schedules C and Schedule D.

In the opinion of Allstate Realty Associates the projected income for The Schaefer Landing South Condominium is adequate to meet the estimated expenses for the first year of operation of The Schaefer Landing North Condominium, 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 anyone that the annual Common Charges will be sufficient to cover the expenses of the first or any subsequent year of operation. In fact, it is likely that the actual income and expenses for the first year of operation of The Schaefer Landing North Condominium will vary from the amounts shown in the budget.

Schedule C
THE SCHAEFER LANDING HOMEOWNERS ASSOCIATION INC.

PROJECTED OPERATING BUDGET FOR TWELVE-MONTH PERIOD

JANUARY 1, 2006 THROUGH DEDEMBER 31, 2006

INCOME			Notes:
Common Charges South Condo	$	49,825.76	(1)
Common Charges North Condominium	$	89,686.37	(1)
Kent Waterfront HOA Esplanade, and Interior Courtyard Labor Reimbursement	$	34,500.00	(2)
TOTAL	**$**	**174,012.13**	(3)
EXPENSES			
Community Unit Utilities	$	30,886.14	(4)
Cleaning Service-Community Unit	$	6,000.00	(5)
Real Estate Taxes	$	63.75	(6)
Payroll	$	118,776.04	(7)
Insurance	$	2,500.00	(8)
Management	$	5,000.00	(9)
Corporate & Franchise Taxes	$	1,000.00	(10)
Professional Consultants	$	1,500.00	(11)
Contingency	$	8,286.30	(12)
TOTAL EXPENSES	**$**	**174,012.23**	

THE SCHAEFER LANDING HOMEOWNERS ASSOCIATION INC.
NOTES TO SCHEDULE C

1. **Estimated Annual Assessments: $139,512.13**

Amounts are projected on the assumption that the second year of operation of the homeowners association will be the year from January 1, 2006 to December 31, 2006. The actual second year of operation of the homeowners association, during which The Schaefer Landing North Condominium will be a member, may be earlier or later than that year. If any amended budget of the homeowners association causes the Condominium's Budget for the above listed year of operation to increase by 25% or more and it results in Unit Owners Common Charges for the first year of operation to be increased by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Down Payments returned, together with interest earned thereon.

2. **Estimated Income from The Kent Waterfront Homeowners Association for Employee's Services: $34,500.00**

It is estimated by Allstate Realty Associates, 5420 Thirteenth Avenue, Brooklyn, New York 11219, that employees of the Schaefer Landing Homeowners Association will perform maintenance services on the driveways, walkways, PAA, Landing Facility, and esplanade that are the responsibility of the Kent Waterfront Homeowners Association, Inc. The Kent Waterfront Homeowners Association, Inc. will therefore reimburse the Schaefer Landing Homeowners Association Inc. for the cost of such services.

3. **Estimated Total Annual Income: $174,012.13**

This figure represent the Assessments to be levied against and collected from the members during the above listed year of operation of the homeowners association less the payment the Schaefer Landing Homeowners Association, Inc. will receive from the Kent Waterfront Homeowners Association Inc. for the services of its employees.

4. **Estimated Cost of Utilities: $30,886.13**

Based on the estimates of Lehr Associates Consulting Engineers LLP, 134 West 29th Street, New York, New York 10001, dated October 1, 2003, it is estimated that the accessory lounges and the fitness center will consume as follows:

Electricity:	191,660 KW-hr/yr @ $0.15/kwhr	=	$ 28,749.00
Gas:	2,764.50 therms/year @ $0.77/therm	=	$ 2,128.67
Water:	5045 gal/yr @ $1.68/thousand gallons	=	$ 8.47
			$ 30, 886.14

5. Estimated Cost of Cleaning: $6,000.00

It is estimated by Allstate Realty Associates, 5420 Thirteenth Avenue, Brooklyn, New York 11219, that employees of the Schaefer Landing Homeowners Association Inc. will perform maintenance and cleaning services in the fitness center and accessory lounges.

6. Estimated Real Estate Taxes: $63.75

The estimated real estate taxes that will be payable for the Community Unit during the above listed year of operation of The Schaefer Landing Homeowners Association, Inc. is based on an estimate made by Metropolitan Valuation Services, Inc., which assumes (a) an assessed valuation upon completion attributable to the Community Unit of $30.00 per square foot for the 2006/07 tax year and (b) a projected tax rate of $13.66 per $100 of assessed valuation and assuming that the Building receives Section 421-a Real Estate Tax Exemption Benefits. For a more detailed description of Section 421-a Real Estate Tax Exemption Benefits please refer to the Section of the Plan entitled "Real Estate Taxes".

No warranty, guaranty or assurance is given that:

(i) Any projected or estimated amount set forth above (including, without limitation, the estimates of the Premises' assessed valuations during the above listed year of condominium operation; the estimates of the portions of such assessed valuations that will be allocable to the Units; the projection of the average real estate tax rate that will be in effect during the above listed year of operation, which will determine the real estate taxes between July 1, 2006, and June 30, 2007), will approximate the actual amount; or

(ii) The New York City Real Estate Tax Assessment Bureau will allocate the Premises' aggregate assessed valuation between the Units in accordance with the appraised values used by Metropolitan Valuation Services, Inc., for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above;

(iii) Any of the projections or estimates made above are accurate.

Until the Units are separately assessed, the Schaefer Landing Homeowners Association Inc. will pay to the Board of Managers of the Schaefer Landing South Condominium their Unit's pro rata share of the Premises' real estate taxes for the period in question

based upon Common Interest. The Board of Managers of the Schaefer Landing South Condominium 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 as set forth above, the Board of Managers of the Schaefer Landing South Condominium 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 Schaefer Landing Homeowners Association Inc. will pay such taxes directly to the taxing authority.

There is no assurance that the pro-ration of taxes described in the paragraph above will equal the actual amount of real estate taxes which will be assessed against the Community Unit, and the actual amounts may vary considerably from the method set forth above.

Please refer to the Section of the Plan entitled "Real Estate Taxes" set forth in Part I of the Plan for further discussion regarding real estate taxes for the Units.

7. Estimated Payroll and Related Expenses: $118,776.04

All wage, salary and benefit costs, including applicable payroll taxes, are based on comparable rates currently in effect within similar buildings as of the date of the Plan.

Porter (s):	
Wages	$89,460.00
Benefits	$29,316.04
Total Labor Cost	$118,776.04

No warranty is made as to the actual wages, salaries, benefits and related payroll taxes and similar expenses, which will be applicable, and in effect during the above listed year of operation of the homeowners association. However, the projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert in comparable homeowners associations.

No warranty is made to the actual base wage rates, which will be required during the above listed year of operation.

8. Estimated Cost of Annual Insurance: $2, 500.00

It is estimated by Allstate Realty Associates, 5420 Thirteenth Avenue, Brooklyn, New York 11219 that the cost for Directors and Officers Insurance for the homeowners association will cost $2,500.00 for the above listed year of operation. This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will

be for the above listed year of operation of the homeowners association. Purchasers should be aware of the possible of rate increases.

9. Annual Management Fee: $5,000.00

A management agreement has been entered into with Allstate Realty Associates for the management of the homeowners association for a fee of $5,000.00. This falls within market standards for homeowners associations of similar size and type located within Brooklyn. This management fee includes billing & collection services, day-to-day phone availability, on-site inspections and attendance at board meetings. In the opinion of Allstate Realty Associates, the Managing Agent's fee is comparable to the fees charged for similar services. Reference should be made to "Management Agreement" in Part I for further discussion of the terms of the Management Agreement.

10. Franchise and Corporate Taxes: $ 1,000.00

Franchise and Corporate Taxes for the Condominium are estimated to be $ 1,000.00 per year based on a letter, dated October 12, 2004 from Steven Mauceri, CPA.

11. Estimated Annual Cost of Professional Consultants: $1,500.00

Accounting $1,500.00 (based on estimate from Steven Mauceri, CPA)

In the opinion of Allstate Realty Associates the projected income for the Schaefer Landing Homeowners Association Inc. is adequate to meet the estimated expenses for the above listed year of operation of the homeowners association, assuming that such year is the fiscal year commencing January 1, 2006. The budget, however, is not intended, and should not be taken, as a guaranty by anyone that the annual Assessment of Members for the above listed or any subsequent year of operation will be set forth in the budget. In fact, it is likely that the actual income and expenses for the operation of the homeowners association will vary from the amounts shown in the budget.

12. Contingency $8,286.30

Contingency is to be used at the discretion of the Board of Managers of the homeowners association for unanticipated operating expenses and capital expenditures not included in the budget, and for possible increases in one or more items of operating expense above the amounts projected. It is calculated as 5% of Schaefer Landing Homeowners Association Inc. expenses.

SCHEDULE D
THE KENT WATERFRONT HOMEOWNERS ASSOCIATION Inc.

PROJECTED OPERATING BUDGET FOR TWELVE-MONTH PERIOD

JANUARY 1, 2006 THROUGH DECEMBER 31, 2006

INCOME		Notes:
Schaefer Landing South Condominium	$112,722.11	
Schaefer Landing North Condominium	$204,118.41	
Kent Affordable Housing LLC	$20,000.00	
Kent Avenue Retail LLC	$11,914.63	
Schaefer Garage	$31,536.34	
	$380,291.48	(1)
Shuttle Van Income	$66,308.00	(2)
TOTAL	**$446,599.48**	(3)
EXPENSES		
Utilities	$15,805.00	(4)
Landscape Maintnenance-Interior Courtyard	$27,200.00	(5)
Real Estate Taxes-Lot 39	$33,779.00	
Public Access Area	$47,051.33	(6)
Insurance	$19,095.00	(7)
Management	$5,000.00	(8)
Security	$67,502.51	(9)
Corporate & Franchise Taxes	$1,000.00	(10)
Professional Fees	$1,500.00	(11)
Shuttle Van- Cost of Operations	$114,400.00	(12)
Allowance for Water Taxi Supplement	$93,000.00	(13)
Contingency	$21,266.64	(14)
TOTAL EXPENSES	**$446,599.48**	

KENT WATERFRONT HOMEOWNERS ASSOCIATION

NOTES TO SCHEDULE D

1. Estimated Annual Income from Assessments: $380,291.48

Amounts are projected on the assumption that the second year of operation of the Kent Waterfront Homeowners Association, Inc. will be the year from January 1, 2006 to December 31, 2006. If an amended budget of the Kent Waterfront Homeowners Association Inc. will cause the Condominium's projected budget to increase by 25% or more and as a result a Unit Owners Common Charges are thereby increased by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Down Payments returned, together with interest earned thereon.

It should be noted that Kent Affordable Housing LLC, the owner of the East Building Residential Unit, annual assessment during the first year, and all years of operation, shall not exceed $20,000.00 in accordance with the terms of the letter agreement dated August 6, 2003, between Kent Affordable Housing LLC and 460 Kent Avenue Housing Development Fund Company, Inc. All other members assessments shall be based on the percent of square footage in use by a member of Kent Waterfront Homeowners Association Inc. / the total square footage in use by Kent Waterfront Homeowners Association Inc. The Schaefer Landing North Condominium will pay 57.85 %, the Schaefer Landing South Condominium will pay 30.09 %, the East Commercial Unit will pay 3.31%, and the Parking Facility will pay 8.75 % of the total expenses of the homeowners association less $20,000.00.

2. Estimated Annual Commuter Van Service Income: $66,308.00

It is assumed that riders will be charged $1.00 per ride and 66,308 rides per year ($66,308.00). It is assumed that the Commuter Van will make 2 loops per hour or 1 ride per half hour and will operate Monday to Friday 7:00 AM to 9:30 AM and 5:00 PM to 7:30 PM.

3. Estimated Total Annual Income: $446,599.48

This figure represents the Assessments to be levied against and collected from the members during the above listed year of operation of the homeowners association plus the income the Kent Waterfront Homeowners Association Inc. will receive from the shuttle van service.

4. Estimated Utilities: $15,805.00

Based on the estimates of Lehr Associates Consulting Engineers LLP, 134 West 29th Street, New York, New York 10001, it is estimated that the ramp lighting, will consume as follows:

Electricity:	7,300 KW-hr/yr @ $0.15/kwhr	=	$1,095.00

Based on the estimates of Lehr Associates Consulting Engineers LLP, 134 West 29th Street, New York, New York 10001, it is estimated that the Landscapes Area lighting, will consume as follows:

Electricity:	97,000 KW-hr/yr @ $0.15/kwhr	=	$14,550.00
Water	95,000cu. Ft./yr @ $1.68/thousand gallons	=	$160.00

5. Estimated Cost of Interior Courtyard Landscape: $27,200.00

In the opinion of Allstate Realty Associates the annual cost of cleaning and snow removal will be approximately $27,200.00.

6. Estimated Cost of Maintenance of Public Access Area: $ 47,051.33

$ 22,750.00	As estimated by Mark Morrison Associates LTD, Landscape Architect, dated June 26, 2003.
$ 4,144.00	As estimated by Lehr Associates, dated October 1, 2004
$ 18,700.00	As estimated by Han Padron LLC, dated October 12, 2004.
$ 1,457.33	Annual premium for performance bond calculated as defined in Section 4.06 of Maintenance and Operations Agreement between 460 Kent Avenue Housing Development Fund Company, Inc. and The City Of New York (page 11). The rate used is 2.5%, which is the prevailing market rate according to the letter from Allied North America, dated October 19, 2004.
$ 47,051.33	

7. Estimated Insurance Premium: $ 19,095.00

General Liability Coverage	Limits
Property	$ 1,309,967.00
Loss of Income	$ 160,000.00
General Aggregate	$ 2,000,000.00
Per Occurrence	$ 1,000,000.00
Umbrella	$10,000,000.00
Directors & Officers	$ 1,000,000.00
Fidelity Bond	$ 50,000.00

Note: This is only a general description of coverages to be provided based on an insurance quote from Fleet, 7111 Valley Green Road, Fort Washington, PA 19034, dated November 5, 2004. For a detailed description of the terms of a policy, you must refer to the policy itself. This proposal is dependent upon the receipt of acceptable loss information and loss control surveys.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the first year of operation of the Kent Waterfront Homeowners Association Inc. Purchasers should be aware of the possibility of rate increases.

8. Estimated Management Fee: $5,000.00

A management agreement has been entered into with Allstate Realty Associates. The estimated cost for the above captioned year of management is $5,000.00. This falls within market standards for homeowners associations of similar size and type located within Brooklyn. This management fee includes billing and collection services, day-to-day phone availability, on-site inspections and attendance at board meetings. In the opinion of Allstate Realty Associates, the Managing Agent's fee is comparable to the fees charged for similar services. Reference should be made to "Management Agreement" in Part I for further discussion of the terms of the Management Agreement.

9. Security $67,502.51

The cost of maintaining the Kent Waterrfront entry gate and driveway has been estimated by the sponsor in the following breakdown:

Maintenance Contract-Gate/Card Reader	$ 3,000
Labor	$ 94,080
Benefits	$ 30,830
Lighting	$ 1,095
Insurance	$ 2,000
Landscaping of Easement/maintenance	$ 2,000
Repair of Driveway	$ 2,000
	$ 135,005
50% Schaefer	$ 67,503

The sponsor is in negotiations with the neighboring landowner regarding sharing the entry driveway and security gate, and sharing the cost of maintenance of the foregoing. The budget amount represents Schaefer Landing's contribution to the total amount. At this time, no final agreement has been reached so the actual cost may change as the negotiations develop.

10. Estimated Franchise and Corporate Taxes: $1,000.00

Franchise and Corporate Taxes for the HOA are estimated to be $ 1,000.00 per year based on a letter from Steven Mauceri, CPA, and dated October 12, 2004.

11. Estimated Professional Fees: $ 1,500.00

Audit Fees $1,500.00 (Based on estimate from Steven Mauceri, CPA, and dated October 12, 2004)

12. Estimated Cost of Commuter Van Service Operation $ 114,400.00

As per the estimate of Corporate Express, Inc. dated October 18, 2004, the daily cost of Commuter Van Service is estimated to be $440.00 per day, based on 260 days per year. The annual cost is anticipated to be $114,400.00. One shuttle (one driver) will make 2 loops per hour or possibly 3 loops if traffic permits, Monday through Friday, from 7:00 a.m. to 9:30 a.m. and 5:00 p.m. to 7:30 p.m.

13. Allowance for Water Taxi Supplement $93,000.00

Kent Waterfront may enter into an agreement with New York Water Taxi for service to Schaefer Landing. As part of the agreement, Kent Waterfront Homeowners Association Inc. may be required to guarantee a minimum number of riders.

14. Contingency $21,266.64

Contingency is to be used at the discretion of the Board of Managers of the Kent Homeowners Association Inc. for unanticipated operating expenses and capital expenditures not included in the budget, and for possible increases in one or more items of operating expense above the amounts projected. It is calculated as 5% of Kent Waterfront Homeowners Association's Operating Expenses.

Douglas Elliman
DEVELOPMENT MARKETING GROUP

A Prudential Douglas Elliman Realty Company
575 Madison Avenue
New York, NY 10022
Bus 212 891-7000 Fax 212 702-4092
www.elliman.com

December 22, 2004

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

Re: 440 Kent Avenue (a.k.a. Two Schaefer Landing)
Brooklyn, New York

Ladies and Gentlemen:

This letter is with respect to the Condominium Plan of the premises at the above address and the allocation of the Percentage of Common Elements to the respective Units therein.

Douglas Elliman has had over twenty years of experience as broker in connection with sales of cooperative and condominiums, and have provided opinions in numerous Offering Plans relating to cooperatives and condominiums.

It is our opinion that the allocation of the Percentages of Common Elements allocated to the respective Units as set forth in Schedule A of the Plan of Condominium Organization are in compliance with regulations issued pursuant to Real Property Law Article 9-B, Section 339-i 1(ii).

The Sponsor has used method (ii) contained in Section 339-i 1 (ii) of the New York Condominium Act, that is based upon the approximate proportion that the floor area of the Unit at the date of this Declaration bears to the then aggregate floor area of all the Units and reflecting any Limited Common Element appurtenant to such Unit.

Douglas Elliman will be acting as the selling agent for the property. We agree that this letter may be included in the Plan.

Very truly yours,

Andrew Gerringer
Managing Director
Douglas Elliman LLC

An Independently Owned and Operated Member of The Prudential Real Estate Affiliates, Inc.

All information regarding a property for sale, rental or financing is from sources deemed reliable. No representation is made as to the accuracy thereof, and such information is subject to errors, omissions, change of price,

CHANGES IN PRICES AND UNITS

Subject to conditions hereinafter set forth, Sponsor has the right to change the amount of any purchase prices from the amounts shown in Schedule A of the Plan. The purchase prices set forth in Schedule A must be changed by a duly filed amendment to the Plan when the change of price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. The Sponsor may enter into a Purchase Agreement with a Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment. Purchase prices may be negotiated by Sponsor under certain circumstances. The Sponsor also reserves the right to negotiate with Purchasers the following aspects of the purchase price of Units: financing contingencies, decorating allowances, payment of fees otherwise paid by Purchasers, payment of all or part of Purchaser's financing costs, price reductions tied to rental of Units, reduced down payment deposits (but at least $10,000.00) and extra work. Furthermore, Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms. No party other than Sponsor will have the right to approve any changes in price, whether before or after the First Unit Closing.

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

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective Purchasers, or for any other reason, Sponsor 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 otherwise, including, without limitation, 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. Subject to the terms of the last two paragraphs of this section, such right may be exercised by Sponsor from time to time, both before and after the First Unit Closing, without the consent or approval of any Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, any mortgagee or any other party. However, 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 SPONSOR IN THE SIZE OR NUMBER OF UNITS, THEIR RESPECTIVE PERCENTAGES OF COMMON INTEREST, OR IN THE SIZE OR QUALITY OF COMMON ELEMENTS EXCEPT BY AMENDMENT TO THE OFFERING PLAN AND TO THE DECLARATION. UNLESS THE AFFECTED PURCHASER PROVIDES A WRITTEN CONSENT, NO MATERIAL CHANGE WILL BE MADE BY SPONSOR IN THE UNIT SIZE OR IN THE PERCENTAGE OF COMMON INTEREST IF A PURCHASE AGREEMENT HAS BEEN EXECUTED AND DELIVERED TO THE SPONSOR FOR THAT

UNIT AND SUCH PURCHASER IS NOT IN DEFAULT.

NO ADVERSE MATERIAL CHANGE WILL BE MADE IN THE SIZE OR QUALITY OF COMMON ELEMENTS UNLESS PURCHASERS NOT IN DEFAULT RECEIVE A RIGHT TO RESCIND THEIR PURCHASE AGREEMENTS FOR FIFTEEN (15) DAYS AFTER THE PRESENTATION OF THE RIGHT TO EXERCISE OF SUCH RIGHT OF RESCISSION.

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, 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 Sponsor changes the size and/or number of Unsold Units, 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 payable by the owners of 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 payable by the owners of 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, 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 benefitting 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.

THE COMMUNITY UNIT

The Schaefer Landing North Condominium is a member of The Schaefer Landing Homeowners Association Inc., and as such the Unit Owners will have access to the Community Unit that occupies a portion of the First Floor of 446 Kent Avenue a/k/a One Schaefer Landing. The Community Unit includes a fitness center, two (2) accessory lounges and outdoor space. The Community Unit includes all, or a portion of all equipment, apparatus and facilities located in such area or elsewhere in 446 Kent Avenue, Brooklyn, New York which service, enclose, or benefit the Community Unit. On or about the date of the Closing of the First Unit, in The Schaefer Landing South Condominium, a Unit Deed will be delivered for the Community Unit to The Schaefer Landing Homeowners Association Inc., without charge to either The Schaefer Landing Homeowners Association, Inc. or to the Condominium.

The two (2) accessory lounges contained within the Community Unit, shall be available to the Sponsor and Sponsor's affiliates for marketing purposes until the Sponsor's affiliate has closed on the sale of the last unit within either the Condominium or The Schaefer Landing South Condominium.

INTERIM USE AND OCCUPANCY AGREEMENTS

Sponsor is reserving the unconditional right to rent rather than sell Units. Since the Sponsor is retaining the unconditional right to rent rather that 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.

Sponsor or its designee reserves the right, freely and without restriction, to rent or lease vacant Units, to Purchasers and non-Purchasers at any time, both before and after the First Unit Closing. However, once a Purchase Agreement is signed for a vacant Unit, and for so long as such Purchase Agreement is in effect, such Unit may only be rented to the Purchaser thereof. Such agreement (an "Interim Use and Occupancy Agreement") will be for such use and occupancy fee, and upon such other terms as may be mutually agreed upon. The term of such Interim Use and Occupancy Agreement shall be for a period which will expire on the earlier of the date of the closing of such Unit or six months after the execution date of the Agreement. In the event this Plan is abandoned, the Purchaser may, at any time at his or her sole option, cancel the Interim Use and Occupancy Agreement and remove from the Building upon thirty (30) days' prior written notice to the Sponsor at the address set forth on the cover page of this Plan. Should Purchaser rescind his or her Purchase Agreement pursuant to any permitted rescission, the Interim Use and Occupancy Agreement shall terminate thirty (30) days thereafter and Purchaser shall be obligated to vacate the Unit no later than that time.

An Interim Use and Occupancy Agreement will provide that an uncured default by the Purchaser under the Purchase Agreement will constitute a default under the Interim Use and Occupancy Agreement, entitling the landlord (i.e., Sponsor), at its sole option, to terminate the Interim Use and Occupancy Agreement. The Purchase Agreement contains a similar cross-default provision entitling Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under the Interim Use and Occupancy Agreement within any applicable grace period. However, before the Sponsor may utilize a default under the Interim Use and Occupancy Agreement to declare a default under the Purchase Agreement, the Sponsor must (i) obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim occupant or (ii) the interim occupant must have vacated the Unit. The interim occupant must vacate the Unit within five (5) days after any default under the Purchase Agreement which remains uncured after five (5) days.

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

ASSIGNMENT OF PURCHASE AGREEMENTS

No assignment of a Purchase Agreement shall be permitted without 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 Purchase Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle a Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of the Purchase Agreement in which the Purchaser will receive consideration. If Sponsor, in its sole discretion consents to a Purchaser's request for an assignment of the Purchase Agreement, the assignee of the Purchase Agreement shall be required to close title to the Unit on the originally scheduled Closing Date set forth in the Purchase Agreement. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, then the Purchaser shall be required to pay Sponsor's attorneys a fee of $750.00, in advance, for preparation of an assignment agreement and any necessary revisions to the other Closing documents.

EFFECTIVE DATE OF PLAN

All Purchase Agreements signed by Sponsor shall be contingent upon Sponsor's declaring the Offering Plan effective pursuant to the requirements and terms of the Plan. These requirements, stated below, must be satisfied within one 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 an amendment has been filed substantiating the same, and the Condominium Declaration and By-Laws have been duly recorded.

Pursuant to the terms of The Building Loan Agreement, dated November 23, 2004, made by Sponsor to New York Community Bank, the Plan may be declared effective when Purchase Agreements have been both executed and accepted by Sponsor for the sale of fifty percent (50%) of the Units offered under the Plan. The Plan must be declared effective when Purchase Agreements have been both executed and accepted by Sponsor for the sale of at least eighty (80%) percent of the Units offered under the Plan.

The Attorney General's Regulations Governing Newly Constructed and Vacant Condominiums provide that a Plan may be declared effective with executed Purchase Agreements of bonafide purchasers for occupancy of fifteen percent (15%) of the Units offered under the Offering Plan. However, pursuant to the terms of The Building Loan Agreement in the event that Sponsor has not entered into Purchase Agreements with bonafide purchasers for the sale of fifty percent (50%) of the Units offered under the Plan, by the earlier of (i) May 23, 2006 or (ii) the date by which the New York Community Bank's Architect has determined that the Improvements are 90% complete, Sponsor shall abandon the Plan and convert the Building to a rental Building, unless New York Community Bank extends such time period.

The Plan may be abandoned, at Sponsor's sole option, at any time before the amendment substantiating effectiveness is filed and before eighty (80%) percent of the Units have been purchased. The Plan, if abandoned, shall be abandoned by amendment filed with the Department of Law in appropriate form. 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 Purchase Agreements 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 amendment substantiating effectiveness is filed 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, or (ii) violations that cannot be cured for less than one-half of one percent of the total amount of the offering, or (iii) 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, or (iv) 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 the mailing of written notice to all purchasers. Within three (3) business days after such notice is given, an amendment to the Plan will be submitted by Sponsor stating that the Plan has been declared effective. If requested, Sponsor will submit to the Department of Law copies of all Purchase Agreements, together with any amendments or modifications to such Agreements, within five (5) business days after the request is received.

PROCEDURE TO PURCHASE

A. **Purchase Agreement**. A Person desiring to purchase a Unit in the Condominium, or the authorized parties thereof if the Person is other than a natural person, shall be required to execute in duplicate a Purchase Agreement in the form in Part II and return it to the Sponsor, together with a check in the amount of fifteen percent (15 %) of the Purchase Price, drawn to the order of "Seiden & Schein, P.C., as attorneys". Seiden & Schein, P.C. shall be the "Escrow Agent" pursuant to the Purchase Agreement and Offering Plan. Purchasers pursuant to this Offering Plan who have not had an opportunity to review the Offering Plan and any filed amendments for at least three (3) days prior to their executing a Purchase Agreement shall be afforded seven (7) days after delivering an executed Purchase Agreement together with the required deposit to rescind the Purchase Agreement and have the full deposit 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 Agreement. Those Purchasers who execute a Purchase Agreement after having had an opportunity to review the Offering Plan and any filed amendments for not less than three (3) days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

The Purchase Agreement 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 Purchase Agreement, 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 Purchase Agreement without cause or explanation to Purchaser, provided such rejection is not based upon gender, sexual orientation, race, creed, color, national origin or ancestry or other ground proscribed by law.

The Purchase Agreement is not contingent upon a Purchaser obtaining mortgage financing. Once a Purchaser signs the Purchase Agreement, the Purchaser shall be obligated to close the transaction whether or not the Purchaser obtains a mortgage.

Any conflict between the terms of this Plan and the Purchase Agreement will be resolved according to the terms of this Plan.

All checks required under the terms of the Purchase Agreement shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of the New York Clearing House Association, unless otherwise agreed to by Seller. If any check is returned for insufficient funds or any other reason, Seller at its option may declare the Purchase Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for collection of the Down Payment as liquidated damages or may declare a default by Purchaser under the Purchase Agreement.

After this Plan has been declared effective, the Sponsor shall fix dates for closing title to all Units for which Purchase Agreements have been fully executed. 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.

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

B. Closing. At Closing, a Purchaser shall pay the balance of the Purchase Price stated in the Purchase Agreement with his or her unendorsed, personal certified check or by official cashier's check. However, a Purchaser may apply the proceeds of any financing obtained by the Purchaser, to make such payment, provided that it is made in the form stated above.

The balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Unit by an official bank check or unendorsed certified check drawn on or issued by a New York Bank or trust company which is a member of the New York Clearinghouse Association and shall be payable to the direct order of the Sponsor, or otherwise if Sponsor shall so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan.

If Purchaser shall fail to pay any portion of the Purchase Price (including all fees listed in the section of the Plan entitled "Unit Closing Costs and Adjustments") when due, fail to close title on the date, hour and place specified by 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 Purchase Agreement, such failure shall constitute a default by Purchaser, and Sponsor may send notice to Purchaser of Sponsor's intention to cancel the Agreement if such default is not timely cured. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. "Time Is of the Essence" means that if such default is not cured within thirty (30) days from the mailing date, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement by notice of cancellation sent after the cure period has expired. Upon such cancellation by Sponsor, the Down Payment monies held with respect to the particular Unit, but not more than fifteen percent (15%) of the purchase price, shall be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. In the event a default is disputed in writing by Purchaser to Seiden & Schein, P.C., during the time to cure period and the default, in Sponsor's opinion, is not timely cured, and Sponsor thereafter cancels the Purchase Agreement, then Seiden & Schein, P.C. shall have the right to continue to hold the Down Payment pending resolution of such dispute (judicial or otherwise) or pay the Down Payment into court.

If a Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing

Date (a) the Closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, an amount equal to 0.03% of the purchase price of the Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease. No assignment of a Purchase Agreement shall be permitted without Sponsor's prior written consent, which may be withheld or delayed for any reason or no reason.

It is anticipated that the First Closing will occur by the date set forth in Schedule B as the commencement date for the first year of Condominium operation. If the First Closing does not occur within twelve (12) months after the date set forth in Schedule B as the commencement date for the first year of Condominium operation, Sponsor will amend the Plan to update the budget and to offer Purchasers the right to rescind their Purchase Agreements within fifteen (15) days after the presentation of the amendment disclosing the updated budget, and any Purchaser electing rescission will have their Down Payments and any interest earned thereon returned, and provided that rescission need not be offered to any Purchaser who is in default under such Purchaser's Purchase Agreement, beyond the expiration of any applicable grace period provided that Sponsor shall only retain the Down Payment of a Purchaser in accordance with the escrow and trust fund requirements of General Business Law Sections 352-e(2b) and 352-h and the Attorney General's regulations promulgated pursuant thereto as described in the subsection of the Plan entitled "Escrow and Trust Fund Requirements" in this Section of the Plan.

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

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges in proportion to the Purchaser's Common Interest, real estate taxes and assessments and all other expenses with respect to such Unit Owner's Unit, whether or not the Unit Owner has taken possession of such Unit Owner's Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to the Unit or the Building has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects

(which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Board of Managers"), the Purchase Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Purchase Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan, provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Purchase Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion.

C. Escrow. All checks constituting the "Down Payment" are to be made payable to the order of "Seiden & Schein, P.C., 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 Kent North Associates, LLC or as otherwise directed by 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 Seiden & Schein, P.C. as Escrow Agent to hold all monies, including all deposits, Down Payments, deposits or advances, received by Sponsor, directly or through its agents, employees or agents (if any) either prior to or subsequent to the closing of title to a Unit ("Consummation of Plan"), in trust in a segregated special escrow account titled, "Seiden & Schein, P.C., Attorney Account (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 New York Community Bank at its office located at One Jericho Plaza, Jericho, New York. Such funds shall be deposited within five (5) business days after the Purchase Agreement is executed by all necessary parties and except as otherwise stated in the Plan, shall be held there until actually employed in connection with the consummation of this Plan. Seiden & Schein, P.C. is located at 570 Lexington Avenue, New York, New York 10022 (212-935-1400). The signatories on this special escrow account authorized to withdraw funds are the principal attorneys of the firm who are Jay G. Seiden, Esq., and Alvin Scheiñ, Esq., both of whom are located at 570 Lexington Avenue, New York, New York 10022.

Section 71-a(3) of the Lien Law, as applicable herein, also provides in part for the following, although Department of Law regulations are more restrictive:

(a) Down Payments shall be placed in an interest bearing account if so requested by Purchaser. Such Down Payment, with any accumulated interest, shall remain the property of the Purchaser, except as otherwise provided by law.

(b) Down Payments will be retained in escrow as set forth above until: (i) Sponsor performs under the terms of the Purchase Agreement or (ii) Purchaser rescinds, if permitted, or defaults in release or discharge of Sponsor's liability to refund such Down Payment or (iii) transfer of title to the Unit to the Purchaser, or (iv) release by mutual consent of Sponsor and Purchaser.

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

The Down Payment 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 at Closing. The account is a variable-rate account, paying money market rates. The interest rate to be earned will fluctuate daily and is currently approximately 0.2 % per annum. Interest will begin to accrue upon deposit of the Down Payment, which is to be made in accordance with the preceding paragraphs.

The New York Community 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. Sponsor shall bear any administrative cost for maintenance of the account.

Within ten (10) business days after tender of the Down Payment submitted with the Purchase Agreement, the Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account and will provide the account number. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Down Payment, 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 Down Payment. 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 Down Payment to be released pursuant to an uncured default shall be released prior to the Consummation of the Plan. Any withdrawals or disbursement of funds from this special account or accounts shall be made only upon the written approval by an officer in the firm of Seiden & Schein, P.C., despite the fact that The New York Community Bank may be a party to an escrow agreement with respect to such account or accounts. 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 352-e (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 Down Payment. Any provision of any Purchase Agreement, contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Offering Plan or in a Purchase Agreement. Please refer to Part II of the Offering Plan for a copy of the Escrow Agreement between Sponsor and the Escrow Agent.

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

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

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

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

If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General'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 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.

D. 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. The Power of Attorney grants broad powers to the Condominium Board to enter into agreements affecting the Common Elements. The Power of Attorney also grants to Sponsor the right to amend the Declaration with respect to Unsold Units. Purchaser shall deliver such executed Power of Attorney to Seller or as directed by Seller 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 Purchase Agreement.

The Purchase Agreement 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.

TERMS OF SALE

The Units, when sold by the Sponsor, will be sold in fee simple absolute to Purchasers, who may be individuals, a duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, any department or agency thereof, or any other entity which is permitted to own property in the State of New York. The sale of the Units will be made at the respective 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 respective undivided interests in the Common Elements. At the closing of title to an individual 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 in the Common Elements will be conveyed as directed by the Sponsor by Bargain and Sale Deed 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.

1. "Boundary and Topographic Survey" made by prepared by Control Point Associates, Inc., dated January 30, 2003 as last revised August 1, 2003 as Revision No. 7;

2. Any additional state of facts an updated survey might show, provided same will not materially interfere with the use and enjoyment of the Units by Purchasers;

3. Zoning Lot Description and Ownership Statement;

4. Title Company Zoning Lot Certification;

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 structure (as constructed 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. The Declaration of Covenants, Restrictions, Easements, Charges and Liens and By-Laws of The Schaefer Landing Homeowners Association Inc. to be recorded in the Office of the City Register, as the same may be amended from time to time;

8. The Declaration of Covenants, Restrictions, Easements, Charges and Liens and By-Laws of The Kent Waterfront Homeowners Association Inc. to be recorded in the Office of the City Register, as the same may be amended from time to time;

9. 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 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;

10. 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;

11. 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;

12. 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;

13. Service, maintenance and union contracts and agreements, if any, in effect on the date of the First Unit Closing;

14. 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 sidewalks or walkways 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;

15. 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, 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 structure;

16. Beams and beam rights, party walls and party wall agreements;

17. Any service contracts to be assumed by the Condominium at the First Unit Closing;

18. 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);

19. Any Sidewalk Notices or Violations;

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

21. Declaration of Easements made by the 460 Kent Avenue Housing Development Fund Company, Inc., dated as of 08/06/03, and recorded on 09/25/03 CRFN No. 2003000389747;

22. Restrictive Declaration made by the 460 Kent Avenue Housing Development Fund Company, Inc., dated as of 07/03/03, and recorded on 07/30/03 CRFN No. 2003000269760;

23. Declaration made by the 460 Kent Avenue Housing Development Fund Company, Inc., dated as of 06/30/03, and recorded on 07/09/03 CRFN No. 2003000217245;

24. Covenants, restrictions , provisions and agreements as contained in the Deed made by the City of New York, acting by and through its Department of Housing Preservation and Development to the United Jewish Organizations of Williamsburg, Inc., dated as of 12/31/01 and recorded 01/13/02 in reel 5442 page 1256 as corrected by Correction Deed made between same, dated 08/06/03 and intended to be recorded and contained in a Deed made by the United Jewish Organizations of Williamsburg, Inc. to 460 Kent Avenue Housing Development Fund Company, Inc. dated 12/31/01 and recorded 01/18/02 in Reel 5442 Page 1465 and corrected by Correction Deed made between same, dated 08/06/03 and recorded on 09/25/03 CRFN No. 2003000389746;

25. Land Disposition Agreement made by and between The City of New York, acting by and through its Department of Housing Preservation and Development; United Jewish Organizations of Williamsburg, Inc.; 460 Kent Avenue Housing Development Fund Company, Inc.; and Kent Waterfront Associates LLC dated 12/31/01 and recorded 01/13/02 in Reel 5442 Page 1256, as amended by the First Amendment of Land Disposition Agreement dated as of 08/05/03 and recorded 09/25/03 as CRFN # 2003000389748.

    A. First Amendment of Land Disposition Agreement dated as of 08/05/03 and recorded on 09/25/03 CRFN No. 2003000389748.

B. Land Disposition Subordination Agreement, made by the City of New York, acting by and through its Department of Housing Preservation and Development, and The Roslyn Savings Bank dated 08/06/03 and recorded 09/25/03 as CRFN No. 2003000389772.

26. Easement for ingress and egress made between Kent Avenue- South 6th Street Enterprises, Inc. And United Talmudical Academy Torah Veyirah, Inc. dated 01/10/80 and recorded 01/11/80 in Reel 1133 Page 464 (affects the southeasterly 15 feet by 188.58 feet of the subject premises for the benefit of premises adjoining on the south) 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 structure;

27. Regulatory Agreement made by the City of New York, acting by and through its Department of Housing Preservation and Development and 460 Kent Avenue Housing Development Company, Inc, dated as of 12/31/01 and recorded 1/18/02 in Reel 5442 Page 1540.

28. Any land lying below the high water line of the East River, its arms, branches and tributaries by whatever name called, as the same now or formerly exisits;

29. Riparian rights and easements of others over the East River;

30. Rights of the United States of America to enter upon and take possession, without compensation, of lands lying below the high water line of the East River as the same now exists or formerly existed;

31. 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 to be 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, upon satisfaction of all criteria necessary to obtain a permanent Certificate of Occupancy. If the Sponsor is unable to obtain a permanent Certificate of Occupancy, as a result of force majeure or other reasons beyond Sponsor's control, including but not limited to Unit Owners making alterations to their Units, the Sponsor will continue to renew the temporary Certificate of Occupancy until a permanent Certificate of Occupancy for the Building is obtained.

(2) The recordation in the Kings 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 its undivided Common Interest and the recording of a partial release which releases such Unit and its undivided Common Interest from such lien, if any, as required by Section 339-r of the Real Property Law;

(4) 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

(5) The amending of the Offering Plan by Sponsor with an amendment substantiating that the Plan has been declared effective and confirming that the Units to be closed have been constructed in accordance with the applicable plans and specifications and that Sponsor has satisfied, or will satisfy prior to Closing of title, all of the requirements of this section titled "Terms of Sale."

At the Closing of title to a Unit, Sponsor will deliver to each Unit Owner any manufacturer's 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 Purchase Agreement. 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 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 this Purchase Agreement, 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 which is described in this Plan in the Purchase Agreement is included in the conveyance to the Unit Purchaser, unless specifically indicated otherwise. 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.

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 Royal Abstract of New York LLC, of the cost of fee title insurance, if Purchaser elects to obtain title insurance. Fee title insurance rates, as quoted by Royal Abstract of New York LLC, as of the date of preparation this Plan (December 2004)are as follows: 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 and ACRIS fee for recording the deed and power of attorney of approximately $285.00.

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 Royal Abstract of New York LLC, as of the date of preparation of this Plan (December 2004) will cost a base rate of $344.00 for the first $35,000.00 in coverage; $5.55 per additional thousand dollars of coverage up to $50,000.00, plus $4.54 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. Currently, the mortgage recording tax for mortgages under $500,000.00 is $2.00 for each $100.00 of principal, and the mortgage recording tax for mortgage in the amount of $500,000.00 or greater $2.125 for each $100.00 of principal. The tax is reduced for residential units in both instances by $25.00 if the mortgage principal exceeds $10,000.00 Lenders are required to pay one quarter of one percent of the 2% tax, or 2.125% tax, as the case

may be, thereby reducing Purchaser's cost to 1.75% less $25.00 or 1.875% less $25.00, 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 AND PURCHASERS WILL THEREFORE BE REQUIRED TO REIMBURSE SPONSOR, AT CLOSING, TO THE EXTENT OF ANY MORTGAGE TAX CREDIT IS 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 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 Purchase Agreement, 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 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 consideration $500,000.00 or less and 2.625% where the consideration is greater than $500,000.00.

e. New York State Transfer Taxes, which are currently at the rate of $2.00 per each $500.00 of consideration or part hereof. Pursuant to the terms of this Plan, this tax is an obligation of the Purchaser. 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 to be paid for the Residential Unit, so that 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. Under Section 1402-a of the Tax Law of the State of New York, a "Mansion Tax" of one percent (1%) of consideration (or part thereof attributable to the real property being conveyed) is payable by the grantee (i.e., 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. It should be noted that for purposes of paying this tax, consideration includes the purchase price plus the amount of New York City Real Property Transfer Tax and New York State Transfer Taxes to be paid by the Purchaser. 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.

g. The legal fees of Sponsor's attorneys in the amount of $1,500.00 will be payable by Purchaser to Seiden & Schein, P.C. An additional fee of $500.00 will be payable by Purchaser to Seiden & Schein, P.C. in each of the following instances: (a) if the Closing for any Unit occurs outside the office of Seiden & Schein, P.C., but within New York County; (b) if Purchaser or Purchaser's lender cause the closing to last more than two (2) hours; and (c) if Purchaser adjourns a closing within 48 hours of the scheduled date and time. An additional fee of $750.00 will be payable by Purchaser to Seiden & Schein, P.C. in each of the following instances: (a) if the Closing for any Unit occurs outside of New York County; (b) if the Purchaser orders title insurance from a company other than Royal Abstract, LLC; and (c) an assignment and/or cancellation of a Purchase Agreement or contract (Assignments are permitted only pursuant to the terms of the Offering Plan).

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.

i. At Closing, adjustments will be made as of midnight of the day preceding the Closing Date, between Sponsor and Purchaser with respect to (a) real estate taxes and assessments (including water and sewer charges)on the basis of the period for which assessed; (b) Common Charges for the month in which title closes; and (c) any accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement if any, covering Purchaser's Unit.

If Purchaser fails for any reason to close title to their Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day proceeding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and this Plan, an amount equal to 0.03% of the purchase price of the Unit for each day (starting from and including) the originally scheduled Closing Date to and including the actual Closing Date.

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, 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 January 10, 2006, Sponsor will have paid the real estate taxes for the Property through June 31, 2006. 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 one (1) year tax period subsequent to the tax period in which the First Unit Closing occurs. 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 one (1) year tax period subsequent to the tax period in which the Purchaser's Unit Closing occurs. 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 one (1) year 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. Sponsor shall also pay into this special account with respect to any Units owned by it.

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.

j. In addition to adjusting with Sponsor the Common Charges for the month in which the Closing occurs, the Purchaser will be required to pay to the Board of Managers Common Charges allocable to his Unit for the month following the Closing.

k. 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, Sponsor suggests that Purchasers review their closing costs with an attorney.

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."

Sponsor paid a mortgage recording tax on its construction mortgages, therefore, pursuant to the above Section of the New York Real Property Law, it is specifically understood that such credit 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. 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 Purchase Agreement 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 $495,000.00 and a mortgage of $396,000.00 are set forth below. Tax, insurance and recording rates are subject to change.

1. Title insurance for fee and mortgage: $ 3042.00 (this includes a discount for a simultaneous issuance);

2. Recording costs for deed and power of attorney and ACRIS fee: $285.00;

3. Mortgage recording tax (including any payment to Sponsor pertaining to mortgage tax credit): $6,905.00;

4. Recording cost of mortgage: approximately $120.00;

5. New York City Real Property Transfer Tax: $5,019.00;

6. New York State Transfer Taxes: $ 2,010.00;

7. Mansion Tax: n/a

8. Legal fee of Sponsor's attorney (at the office of Sponsor's attorney): $1,500.00

9. Real estate tax escrow (assumes 421-a benefits, close January 10, 2006, reimbursement of real estate taxes paid by Sponsor): $24.08

10. Common Charges (assumes close December 1, 2006, reimbursement of Common Charges paid by Sponsor): $445.04

11. Common Charges (first full month following the Closing): $445.04

12. Working Capital Fund Contribution: $890.08 (equal to two (2) months of Common Charges)

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

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

1. 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 the Common Elements for the authorized and proper work performed and fixtures, material and equipment supplied or installed in said construction.

2. The Sponsor will diligently, expeditiously and at Sponsor's own cost, complete the construction of the Building, including the Units and Common Elements, substantially in accordance with the plans and specifications described herein. If any work still remains to be done to complete such work, Sponsor, at Sponsor's own cost and expense, will perform or cause all such work to be performed and will supply or cause all material therefor to be supplied and will pay for such work and materials and discharge or bond all mechanics' liens which may be filed as a result of the construction of the Units and/or construction of the Units and Common Elements.

   The Sponsor reserves the right to substitute for any of the materials specified in the Description of Property or elsewhere in the Plan, materials of equal or better quality and design. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan, and in the architectural plans on file, but, due to the possible unavailability of materials and supplies or for any other reason, Sponsor may substitute materials, fixtures, and equipment of equal or better quality and design for any of those set forth in this Plan. The Sponsor reserves the right to change, from time to time, the landscaping specification, plant types, sizes or plans without notice.

   The Sponsor also reserves the right, 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, except as otherwise provided herein, only with the consent of all Unit Owners directly affected, and by amendment to the Plan and also by amendment to the Declaration if the Declaration was

filed prior to such change. 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, Sponsor shall not be obligated to obtain consent of any Unit Owner for changes to Units made prior to the execution of a Purchase Agreement 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 Purchase Agreement has been executed by Purchaser and Sponsor and delivered to the Purchaser or changes in the amount or quality of Common Elements directly affecting or servicing a Unit for which a Purchase Agreement has been executed by Purchaser and Sponsor and delivered to Purchaser 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 Sponsor a return of any deposit or Down Payment for fifteen (15) days from the date of mailing or personal delivery of written notice from Sponsor.

The Sponsor reserves the right to not complete the finishing of the public hallways until all move-ins have been completed.

3. The Sponsor shall complete the Units described in this Plan, at Sponsor's sole cost and expense, and shall obtain, prior to the Closing of a particular Unit, the issuance of a temporary or permanent Certificate of Occupancy for the Unit closed. Sponsor shall complete construction and obtain a permanent Certificate of Occupancy for the Building within two (2) years subsequent to the issuance of the initial temporary Certificate of Occupancy, barring force majeure, or other reasons beyond Sponsor's control. If, at the time of Closing of title to a Unit, Sponsor has only obtained a temporary Certificate of Occupancy covering such Unit, then Sponsor shall place in escrow with its attorney an amount, as determined by an architect chosen by 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 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 Sponsor's architect or posting a surety bond in the amount so determined.

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 Building to verify that the work performed is in accordance with the "as built" plans filed with the Department of Buildings.

4. The Sponsor and Sponsor's affiliates will diligently, expeditiously and at their own cost, complete the construction of the Parking Facility, security gate, outdoor courtyard, walkways and driveways within the Kent Waterfront site. (It should be noted that the City of New York Economic Development Corporation has undertaken to construct the PAA and Landing Facility.)

5. The Sponsor will pay all expenses incurred prior to the establishment of the Condominium 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 entitled "Closing Costs and Adjustments", and will pay or have paid, except as otherwise provided in the Plan, all selling expenses of Sponsor, including, but not limited to, advertising and printing costs, architect's fees, attorneys' fees, for other than for individual Units, organization costs, brokerage commissions, engineers' fees, appraisal and any surveying fees and costs.

6. 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 Sponsor shall continue to own the same. However, Sponsor, where Purchaser has caused an unauthorized delay in closing of title, shall be entitled to certain reimbursement of real estate taxes and Common Charges. Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. Sponsor's financial obligations to the Condominium will be funded from sales proceeds and/or its own funds.

7. 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 Common Interest shall be released therefrom by partial release duly recorded.

8. The Sponsor will promptly correct any material patent 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 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 Sponsor is notified by the Board of Managers within one year from the First Unit Closing. If any defect in the Common Elements can only be detected after said period by occupancy of a particular Unit, Sponsor will correct 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, if notified by the Board of Managers within sixty (60) days from Closing of title to or first leasing of that particular Unit. Sponsor will also correct 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 First Unit Closing. Sponsor, in its sole discretion, shall select the method of correcting any defect. On three (3) days' notice from Sponsor, the Board of Managers and/or the Unit Owner in question shall allow Sponsor, 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.

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) Sponsor is not notified within the time periods specified herein or (ii) the Board of Managers and/or the Unit Owner in question prevents Sponsor, Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question as provided herein, or (iii) Sponsor shall have corrected the defect in accordance with the practice of the industry as determined by Sponsor's general contractor or architect or engineer, in their sole discretion.

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.

Notwithstanding the foregoing, 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. **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 settling 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 title 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, or repairs of dented appliances, (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, (xvii) ponding and/or controlled drainage on the roof surface, or (xviii) cracks in any pressure treated wood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone and porcelain surfaces, which repair shall be made by filling the stone or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone or porcelain surfaces.

Except as expressly set forth herein, Sponsor has no obligation to correct or repair any other defect or conditions in the Units, Common Elements or the Building and all other installations, apparatus, fixtures and appurtenances. The foregoing sets forth the entire obligation of Sponsor to correct any defects and none other shall be implied. 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, 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).

Notwithstanding any provision to the contrary herein, 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.

As set forth in the section of the Plan entitled "Effective Date", in the event 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 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 Purchase Agreements 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 Purchase Agreements.

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 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 Purchase Agreements 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 Purchase Agreement 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 Use and Occupancy 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 Purchase Agreement and accepting title to the Unit.

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.

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

10. 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 8 to Schedule B, which Schedule sets forth the Projected Budget for First Year of Condominium Operation.

11. In the event of the voluntary dissolution or liquidation of the Sponsor or the transfer of ten (10) or more Units or twenty percent (20%) or more of the total number of Units in the Condominium, whichever is less, the principals comprising the Sponsor will provide financially responsible entities or individuals who will assume the status and the obligations of the Sponsor for those Units under the Offering Plan, applicable laws or regulations.

12. Sponsor shall deliver to The Board of Managers a set of "as built" architectural plans, within ninety (90) days, upon receipt of the permanent Certificate of Occupancy.

13. Sponsor shall be obligated to defend any lawsuits or proceedings arising out of its acts or omissions and shall indemnify the Board of Managers or the Unit Owners against any such suits or proceedings (excepting any lawsuits or proceedings commenced by the Board of Mangers or any Unit Owner).

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 Sponsor or representations made by Sponsor in the Offering Plan. In no event shall the Sponsor be obligated to reimburse the Board of Managers or the Condominium for any legal fees or other consultants' fees incurred in connection with any claim arising from any alleged act or omission of the Sponsor. 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 Sponsor.

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

15. 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.

16. 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, Sponsor agrees that during such period it will, in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

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

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. The representations contained in paragraphs 1 through 16 of this section shall survive delivery of the deed, as stated. Sponsor makes no other representation or warranties except as provided above. However, nothing herein shall be construed to limit any rights which Purchasers may otherwise have pursuant to Article 23-A of the General Business Law, Part 20 of the Regulations promulgated by the Attorney General and the Offering Plan.

Sponsor's Rights of Access

(a) General

As a condition of sales of Units pursuant to this Plan, 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 Sponsor's rights and obligations thereunder.

(b) Examples of Specific Easements and Rights of Access Reserved by Sponsor

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

1) The right to maintain any vacant and Unsold Unit(s) or re-aquired Units as general sales, leasing and administrative 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, leasing or administration, 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 and the right to use (without charge therefore), on twenty- four (24) hours prior notice to the managing agent, the two (2) accessory lounges for marketing, promotions and public relations for the sale, leasing or administration of Units in The Condominium or The Schaefer Landing South Condominium until the Sponsor or its affiliate has closed on the sale of its last Unit in the Condominium or The Schaefer Landing South Condominium;

2) 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;

3) Right to show vacant or leased Units;

4) Utility and other easements for the benefit of Unit Owners, Common Elements and Limited Common Elements;

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

Pursuant to the terms of The Building Mortgage Security Agreement executed by Sponsor in favor of New York Community Bank, the Sponsor may declare the Offering Plan effective by selling a minimum of fifty percent (50%) of the Units in the Building. The Sponsor is retaining the unconditional right to rent rather than sell Units. Sponsor makes no representation that it will sell more Units, than the fifty percent (50%) necessary to declare the Plan effective.

The New York Community Bank shall release its lien on a Unit upon receipt of payment of the greater of (a) ninety percent (90%) of the gross sales price of such Unit or (b) one hundred percent (100%) of the net proceeds of the sale of a Unit, in each case to be applied as a prepayment on the construction mortgage, together with the fees and expenses of the New York Community Bank and its counsel for the preparation and delivery of the release documentation. Net proceeds, shall be defined for purposes of the foregoing sentence, as the gross sales price for the Unit less all closing expenses including brokerage commissions and transfer taxes. Additionally, the New York City Department of Housing Preservation and Development shall release its lien on a Unit, at the time of its sale to a Purchaser, upon receipt from the Sponsor of the Units pro rata portion of the Substitute Purchase Money Mortgage, dated November 23, 2004.

Real Property Law §339-kk

A new subsection kk to Section 339 of the Real Property Law ("RPL"), a copy of which is set forth in Part II of the Plan, was enacted into law July 22, 1998. RPL §399-kk is intended to provide additional financial protection for a condominium association if a sponsor or other non-occupant Unit Owner fails to make monthly payments for Common Charges, assessments and late fees due in connection with such owner's units.

RPL §339-kk provides, by its terms, among other things, that with respect to Unsold Units of a Condominium owned by a sponsor or by any other non-occupant Unit Owner and occupied by a tenant:

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

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

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

(d) A non-occupant Unit Owner who disputes a Condominium's claim to rental payments is entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within thirty (30) days after receipt of notice that the Unit Owner seeks to dispute the Condominium's claim.

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

RPL §339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant Owner and secured by the Unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the Unit Owner under said loan, (ii) RPL §339-kk's effect on assignments of leases and rents given by a Non-Occupant Owner to a mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board after

notice from the Condominium Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's failure to give notice to a tenant, or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant Unit Owner is brought current in payment of common charges, assessments and late fees.

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

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

CONTROL BY SPONSOR

Title to all Units which have not been sold by the time of the First Unit Closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide Purchasers. Such sales do not require a right of first refusal to the Board of Managers. It is conceivable, that although the terms of The Building Loan Agreement, made by Sponsor to New York Community Bank state that the Plan may be declared effective when Purchase Agreements have been executed and accepted by the Sponsor for the sale of fifty percent (50%) of the Units, that some Purchasers counted towards declaring the Plan effective may default under the terms of the Purchase Agreement and therefore not close title to a Unit.

Until the first annual meeting of the Condominium, the Board of Managers shall consist of three persons designated by Sponsor. Accordingly, until such first annual meeting, 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. Sponsor shall relinquish voting control of the Board of Managers upon the earlier of (i) the transfer of title to Units, the percentage Common Interest of which, in the aggregate, equals at least fifty(50%) of the Common Interest or (ii) five (5) years after the First Unit Closing. Sponsor, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers Sponsor will not use such vote to elect a particular individual to the Board of Managers which would, by the election of such individual, give Sponsor voting control of the Board. Sponsor will cause a meeting to be held to elect a new members to the Board of Managers, unrelated to the Sponsor, within thirty (30) days of the expiration of the Sponsor control period pursuant to the foregoing sentence.

The By-Laws of the Condominium do not require that a majority of the members of the Board of Managers must be owner -occupants or members of an owner-occupants household. Purchasers for their own occupancy may never gain control of the Board of Managers pursuant to the By-Laws of the Condominium.

As long as the Sponsor or any Sponsor-designee shall continue to own Units having in the aggregate at least ten (10%) percent of the total Common Interest of the Condominium, 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 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 purchase the Superintendent's Unit or 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 a Unit, 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 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 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.

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

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 five (5) persons. The Board of Managers will initially consist of three (3) persons designated by the Sponsor. From and after the first annual meeting of Unit Owners which shall be called within 180 days after the First Unit Closing, the Board of Managers will consist of five (5) persons elected or designated by Unit Owners. The Unit Owners shall hold annual meetings and at each such meeting they shall elect members of the Board of Managers. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to their Unit(s) on all matters put to a vote at all meetings of the Unit Owners except that, when voting for the election of members of the Condominium Board, each Unit Owner: (i) shall be entitled to one vote for each .0001% of Common Interest attributable to its Unit per member to be elected, and (ii) shall not have the right to cumulate its votes in favor of any one or more members to be elected. If Units are owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning said Unit shall agree among themselves and cast the votes for their Unit.

A majority of the five (5) member Board of Managers for the period terminating upon the earlier of (i) the transfer of title to Units whose percentage of Common Interest equals, in the aggregate, exceed at least fifty percent (50%) or (ii) five years after the First Unit Closing, shall be designated by the Sponsor and or its designee. Accordingly, it is possible that the Sponsor and/or its designee may control the Board of Mangers for as long as five (5) years after the First Unit Closing.

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 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 the five (5) member Condominium 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, the principal or officer of a Unit Owner, or the spouse of

a Unit Owner. Except for a member of the Board of Managers designated by Sponsor or a Sponsor-designee, Managers may be removed from office, with or without cause, by the affirmative vote of Unit Owners owning, in the aggregate, a percentage of Common Interest in excess of fifty percent (50%) of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor or a Sponsor-designee can only be removed for cause by affirmative vote of Unit Owners (including Sponsor and/or any other Holder of the Unsold Units) owning, in the aggregate, a percentage of Common Interest in excess of fifty (50%) percent of the Common Interest of the Condominium. In the event of such removal, the Sponsor or Sponsor-designee, as the case may be, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers.

Subsequent to the date when the Sponsor relinquishes control of the Board of Managers and so long as the Sponsor or a Sponsor-designee shall continue to own Unsold Units having a Percentage Interest of at least fifteen (15%) percent, the Sponsor or Sponsor-designee shall have the right to elect at least two (2) of the five (5) members of the Board of Managers or one member less than a majority of the Board of Managers as the case may be. Also, subsequent to the date when the Sponsor relinquishes control of the Board of Managers and as long as the Sponsor or a Sponsor-designee shall continue to own at least one Unit the Sponsor or Sponsor-designee shall have the right to elect at least one of the members of the Board of Managers.

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 covering the details of the Property, opening of bank accounts, purchasing, leasing or otherwise acquiring Units, selling, leasing or mortgaging of Units owned by the Board of Managers and generally managing or supervising the Condominium property as provided in the Declaration and By-Laws. The Common Expenses shall include such amounts as the Board of Managers 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, gross 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, gross 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.

Officers

The principal officers of the Condominium shall be a President, two (2) Vice Presidents, Secretary and Treasurer thereof, all of whom shall be elected by the Board of Managers. 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. Either of the Vice Presidents shall take the place of the President in his or her absence. Each of the Vice Presidents shall serve as the Condominium's representative at one of the homeowners associations (ie. the Schaefer Landing Homeowners Association Inc. and the Kent Waterfront Homeowners Association Inc.). 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 interests appurtenant 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 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 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 and the Sponsor 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 Unit may be made from the working capital and Common Charges, 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 Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired or leased by the Board of Mangers, the title or lease shall be held by the Board of Managers 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 of Managers on behalf of all Unit Owners in proportion to their percentage of Common Interests. Such Unit, while owned or leased by the Board of Mangers, may be used for any purpose for which it could be used by an individual Unit Owner. In no event, however, may the Board of Managers 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 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.

Review of Real Estate Tax Assessments

It shall be the responsibility of the individual Unit Owners, at their sole cost and expense, to review the real estate tax assessments of their Units and, if they so desire, to take any steps necessary to review and/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. 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 the obtaining such refund, shall belong to and be incurred by the Sponsor alone.

Amendments to Condominium Declaration and By-Laws

The By-Laws of the Condominium may be modified or amended by the affirmative vote

of Unit Owners owning not less than sixty-six and two-thirds percent of the Units and whose percentage of Common Interest, in the aggregate equals or exceeds sixty-six and two-thirds percent. However, for as long as Sponsor or its designee owns title to one or more Units, the 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 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; (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, other than Sponsor or its designee with respect to any Unsold Units, may sell or lease his or her Unit, but only after the owner first gives the Board of Managers and the Sponsor 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 of Managers, 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. If the Board of Managers does not elect to purchase or lease the Unit within twenty (20) days after receipt of notice, the Sponsor shall have the exclusive right to elect within five (5) days, from the expiration of such twentieth day, to elect to purchase or lease the Unit on the same terms as set forth in the notice. If neither the Board of Managers nor the Sponsor notify the Unit Owner of their election to purchase or lease the Unit within the aforementioned time periods, the Unit Owner will have thirty (30) days after the expiration of the twenty-fifth (25th) day to contract to sell the Unit or lease the Unit in accordance with the terms stated in the offer. After the expiration of the thirty (30) day period, the Unit Owner will again be required to first offer the Unit to the Board of Managers and the Sponsor as provided above. The Sponsor's right to elect to purchase or lease a Unit on the same terms as the Unit Owner's offer to the Condominium Board shall exist for so long as the Sponsor owns a Unit within the Building or five (5) years from the First Unit Closing, whichever is sooner.

In the event the Board of Managers does exercise its right of first refusal, the acquisition or lease of the Unit may be made from the working capital and Common Charges or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's percentage of Common Interest for any funds so borrowed for the Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired or leased by the Board of Managers the title or lease shall be held by the Board of Managers 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 of Managers on behalf of the Unit Owners in proportion to their percentage of Common Interests. Such Unit, while owned or leased by the Board of Managers, may be used for any purpose for which it could be used by an individual Unit Owner. In no event, however, may the Board of Mangers 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 mortgagee in foreclosure or by deed in lieu of foreclosure, which will be free to sell or lease without first offering to sell or lease to the Condominium Board or the Sponsor.

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 person for a reason proscribed by the laws of the State of New York.

Compliance with all laws, rules and regulations concerning the lawful use and occupancy of any Unit will be the sole responsibility of the Owner of such Unit and each Unit Owner shall indemnify and hold the Board of Managers and all other Unit Owners harmless from and against any claim, loss, cost, damage, expense or liability arising from the failure of that Unit Owner to comply with such laws, rules and regulations.

Mortgage of Units

Each Unit Owner, after notice to Board of Managers 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. 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.

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

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

Repairs

All maintenance of and repairs to any Unit, electrical (except Common Elements), plumbing (except Common Elements) as well as the washing of exterior windows shall be at the Unit Owner's expense, excepting as otherwise specifically provided in the By-Laws.

All maintenance, repairs and replacements to the 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 Common Elements as defined in the Declaration will be performed by the Board of Managers as a Common Expense, or by the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, if involving a Limited Common Element such as a roofing surface and/or a roof deck above such surface or as a result of the Unit Owner's negligence, misuse or neglect.

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

Sponsor or its designee may make 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. Any change as to the number of rooms in a Unit shall be deemed to be a structural alteration. No Unit Owner, other than the Sponsor, or its designee, as a holder of Unsold Units, 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. The Sponsor or its designee need no such consent for any of their Units. 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 insurances (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 such addition in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration. Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration. 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.

Certain structures cannot be built as of right with respect to the City of New York Building Code and require a variance from the City Board of Standards and Appeals. If the Board does not consent to the proposed alteration, an application for a variance is moot, since the Board would not permit the proposed alteration in any event.

If a Unit Owner does not need the consent of the Condominium for such alteration, but a variance is needed, such a variance may be denied if it is opposed by the Board of Managers at the Condominium. Structures that increase the size of the Building require a variance. These structures include: additional floors, additional penthouses, roof mezzanines, greenhouses and gazebos.

Subject to the By-Laws and Rules and Regulations of the Condominium, which, among other requirements, assigns responsibility for negligence, misuse or neglect, a Unit Owner who has an exclusive terrace area may, without a Department of Buildings permit, 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. All such policies shall provide that adjustment of loss, if over $1,000,000.00, shall be made by the Board of Managers with approval of the Insurance Trustee, if any. Additionally, the net proceeds of such adjustment, if $1,000,000.00 or less, shall be payable to the Board of Managers, and if more than $1,000,000.00 shall be payable to the Insurance Trustee, if any, to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners. At the First Unit Closing, the fire insurance coverage of the Building shall be $60,879,577.00. Said coverage shall be maintained while Sponsor is in control of the Board of Managers.

The Board of Managers shall have the right to select an Insurance Trustee as such term is defined in the By-Laws of the Condominium.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that

such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. The standard mortgagee loss payable clause shall be attached to all policies.

The cost of all such insurance and the fees and expenses of the Insurance Trustee 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) public liability insurance covering each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit. The Board of Managers shall review such limits once each year. The public liability insurance will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least $1,000,000.00 covering all claims for bodily injury with respect to any one occurrence.

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

The Units may be used only for Residential purposes. The Condominium will consist of one hundred and thirty-five (135) Residential Units (including the Superintendent's Unit).

Compliance with all laws, rules and regulations concerning the lawful use and occupancy of any Unit will be the sole responsibility of the Owner of such Unit and each Unit Owner shall indemnify and hold the Board of Managers and all other Unit Owners harmless from and against

any claim, loss, cost, damage, expense or liability arising from the failure of that Unit Owner to comply with such laws, rules and regulations.

No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Units or Common Elements, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right, 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 Sponsor and its designee to maintain and staff one or more vacant and Unsold Units in the Building as a sales, leasing or administrative office and/or model Unit. Sponsor and its designee shall have the right to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building or on the facade of the Building. Sponsor or its designee shall be responsible for installing and removing such signs.

There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, stairways, or fire towers of the Building, except in any recreational areas, if any, or other areas designated as such in the Declaration or by the Board of Managers.

Except as elsewhere provided, no exterior of any Unit or the windows or doors thereof or any other portions of the Residential Elements shall be painted or decorated by any Owner in any manner without prior written consent of the Residential Board.

No furniture, equipment, or other personal articles shall be placed in entrances, hallways, stairways, or other Common Elements.

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 and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows of a Unit, any dirt or other substances. In addition, where applicable, each Unit Owner shall keep his or her terrace and terrace drain(s) free of debris.

Except as otherwise provided above, no exterior shades, awnings, window guards, ventilators, fans or air-conditioning devices shall be used on or about the Building or Common Elements except such as shall have been approved by the Board of Managers or as required by law.

Except as provided above, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of a Unit or adjoining Common Element except

such as shall have been approved in writing by the Board of Managers, nor shall anything be projected out of any window of the Building without similar approval.

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.

No clothes, sheets, blankets, laundry, or other articles of any kind shall be hung on or out of a Unit or its appurtenant Limited Common Elements.

Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damage resulting from misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

No Unit Owner shall engage any employee of the Condominium for any private business of the Unit Owner without prior written consent of the Board of Managers.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall permitted be kept or harbored in any Unit unless the same in each instance be expressly permitted in writing by the Board of Managers. Any such consent, if given, shall be revocable at any time by the Board of Managers. In no event shall "pit bulls" or similar dogs or other dangerous animals or non-domestic animals be permitted in any Unit. In no event shall any Unit Owner maintain more than two (2) pets (other than fish) in a Unit without the consent of the Board of Managers and in no event shall any animal be permitted in any of the public portions of the Building unless carried or on a leash. Unit Owners will be responsible to cleanup after their pets in common areas of the Building. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and hold it harmless against any loss, liability, or damage of any kind or character whatsoever arising from or as a result of having any animal in the Building. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street or walkway adjacent to the Building.

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 (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

If any key or keys are entrusted by a Unit Owner, by any family member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board of Managers nor the Managing Agent shall (except as provided above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

No Unit Owner or any visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in the heating, electrical or mechanical equipment areas without the express permission of the Board of Managers.

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.

Complaints regarding the management of the Building and grounds or regarding the actions

of other Unit Owners shall be made in writing to the Board of Managers.

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.

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

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

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 pantries, bathrooms, maid's rooms, closets and foyer. At least 80% of the floor area of kitchens shall be covered with rugs, carpeting or equally effective noise reducing material, except for within eight feet of any stove.

Smoke detectors must be installed in every Residential Unit as required by New York City Building Code. It is the obligation of the Unit Owner to maintain 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 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.

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 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 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 directly upon the surface of such terrace, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the Residential 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 House Rules of the Condominium are set forth in Part II of this Offering Plan as an addendum to the By-Laws. The House Rules 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 Sponsor or the Sponsor-designee.

REAL ESTATE TAX BENEFITS

Sponsor, through its counsel Seiden & Schein, P.C., has obtained a Declaratory Ruling from HPD dated July 1, 2003 (the "Prior Opinion Letter") regarding the eligibility of the Building for tax benefits pursuant to Section 421-a of the Real Property Tax Law ("Section 421-a").

The Prior Opinion Letter concludes that based on information provided by Sponsor's Counsel, the Property will be exempt from real estate taxes, other than assessments for local improvements, upon any increase in assessment over the prior assessed value, for the construction period or three (3) years, whichever is earlier and a twenty-five (25) year post-construction partial tax exemption as provided by Section 421-a. The prior assessed value is the lower of the actual or transitional assessed value of the land and building (if any) during the tax year prior to the commencement of construction. As construction commenced in November 2004 (in the New York City 2004/05 fiscal year), the mini-tax will be based on the the assessed value of the Property during the New York City 2003/2004 fiscal year. A copy of the Prior Opinion Letter follows this page. Taxes based on the prior assessed value may be higher or lower depending on the tax rate then in effect.

The Section 421-a program also provides that the Property will be eligible for a twenty-five (25) year tax exemption, as follows: one hundred percent (100%)exemption on any increase in the assessed value of the Property for the first 21 years, commencing on the July 1st following the Taxable Status Date (January 5) after receipt of a Temporary or Permanent Certificate of Occupancy covering all residential Units in the Building; eighty percent (80%) exemption in year 22; sixty percent (60%) exemption in year 23; forty percent (40%) exemption in year 24; and twenty percent (20%) exemption in year 25, with full taxes due and payable commencing with the 26th year.

Sponsor represents that it will use its best efforts to obtain 421-a Benefits. The Sponsor will keep all records required by HPD to obtain 421-a Benefits and will make said records available to HPD whenever reasonably requested to do so. Sponsor will make all 421-a Benefit documents available to the Condominium upon request, for inspection and copying for the duration of the 421-a Benefits.

Notwithstanding anything above or in the attached letter to the contrary, Sponsor makes no representation or warranty that the Building will receive Section 421-a Benefits, and no representation or warranty as to the date such benefits will take effect if they are received.

The City of New York

DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT
JERILYN PERINE, Commissioner

Office of Development
DIVISION OF HOUSING FINANCE
100 GOLD STREET, NEW YORK, N.Y. 10038

WILLIAM TRAYLOR, Deputy Commissioner
AILEEN C. GRIBBIN, Assistant Commissioner

July 1, 2003

Jay G. Seiden, Esq.
Seiden & Schein, P.C.
570 Lexington Avenue
New York, NY 10022
Fax: (212) 593-4545; Phone: (212) 935-1400

Re: 440 – 460 Kent Avenue
Block 2134, Lot 36
Borough of Brooklyn
Declaratory Ruling No. 1339A (§421-a)

Dear Mr. Seiden:

I am writing in response to your request dated June 27, 2003, for an amendment to the declaratory ruling issued on June 18, 2003, which responded to your letter dated April 22, 2003, as supplemented by later submissions, in which you requested a declaratory ruling pursuant to §6-05(g) of Chapter 6 of Title 28 of the Rules of the City of New York (the "Rules") regarding the eligibility of two construction projects (individually, the "Project" and collectively, the "Projects") at the above referenced site (the "Site") for tax benefits pursuant to §421-a of the Real Property Tax Law ("§421-a"), §11-245 of the Administrative Code ("§11-245"), and the Rules.

This revised declaratory ruling supercedes our previous Declaratory Ruling No. 1339 and incorporates the new information you have provided regarding the owner's decision to apply for tax benefits for Building B pursuant to §421-a, rather than §420-c of the Real Property Tax Law as previously stated. The Projects now include all three residential buildings that will be constructed on this Site ("Buildings A, B and C"). Building B will consist of two condominium units, one containing retail space and the other containing one hundred forty (140) rental apartments. In all other respects, this revised declaratory ruling is unchanged from Declaratory Ruling No. 1339.[1]

Building A will be separated from Building B by a firewall, and all three buildings will receive individual certificates of occupancy. Buildings A and C will be owned as residential condominium units, and Building B will be developed as a rental condominium on a separate tax

[1] In addition, typographical errors in section I.B. below, concerning site requirements, have been corrected.

HPD

7/1/03

lot. We assume that a separate §421-a application will be filed for each of the three Projects, Buildings A, B and C.

I. Eligibility Requirements

To be eligible for §421-a tax benefits, the Projects must comply with each of the eligibility requirements set forth in §421-a and the Rules. The application of these requirements to the Projects is discussed in detail below. Capitalized terms not defined herein have the respective meanings given in the Rules.

A. Location Requirements

1. Geographic Exclusion Area Limitation

Sections 6-02(b)(2) and 6-02(c)(10) of the Rules provide that a project in the Geographic Exclusion Area is eligible for §421-a tax benefits only if carried out with Substantial Governmental Assistance or if Affordable Units are created in accordance with the requirements of §6-08 of the Rules.

The Projects are not located in the Geographic Exclusion Area and, therefore, are not subject to these limitations.

2. Public and Private Park Limitation

Paragraphs (5) and (6) of §6-02(c) of the Rules bar §421-a benefits for projects situated on land mapped as a public park (with certain exceptions) or utilized for ten (10) or more consecutive years immediately prior to October 1, 1971 as a private park (as defined in §6-02(c)(6) of the Rules). You state and we assume that the Site does not fall within either category.

B. Site Requirements

Section 6-02(f) of the Rules states that for a project to be eligible for §421-a benefits, the land on which it is located must have been "vacant, predominantly vacant, under-utilized, or improved with a non-conforming use on the operative date." "Operative Date" means, in the case of the Projects, thirty-six (36) months prior to the Commencement of Construction.

Specifically, under §11-245.1(a-1)(2) of the Administrative Code, land outside of Manhattan or in Manhattan north of 110th Street is under-utilized if, on the Operative Date, it was improved with a non-residential building or buildings each of which had an Actual Assessed Valuation equal to or less than seventy-five (75%) of the Actual Assessed Valuation of the land on which the building or buildings were situated.

HPD

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You indicate that construction of the Projects is scheduled to commence during the 2003/2004 or 2004/2005 fiscal year.[2] Accordingly, the Operative Date will have occurred in the 2000/2001 or 2001/2002 fiscal year.

You have submitted a printout of Department of Finance records showing that lot 36 was improved with a non-residential building designated as tax class 4, and the Actual Assessed Valuation of the land and the improvements on lot 36 in the 2000/2001 and 2001/2002 fiscal years was as follows:

Fiscal Year	Building Actual Assessed Valuation	Land Actual Assessed Valuation	Ratio of Building to Land Actual Assessed Valuation
2000/2001	$427,500	$724,500	59.0%
2001/2002	$472,500	$724,500	65.2%

On the Operative Date lot 36 was improved with a non-residential building or buildings whose Actual Assessed Valuation was equal to or less than 75% of the Actual Assessed Valuation of the land on which the non-residential building or buildings was situated. Accordingly, the Site qualifies as under-utilized for the purposes of the Rules.

C. Project Requirements

1. New Multiple Dwelling

Section 6-02(b) of the Rules provides that a project is eligible for §421-a benefits only if it is a "new multiple dwelling." Section 6-02(c)(2) states that Multiple Dwellings resulting from the conversion or rehabilitation of a building or structure are ineligible for benefits, and §6-01 of the Rules (in the definition of "Commencement of Construction") provides that:

> construction shall not commence prior to issuance by the Department of Buildings of either (i) a building or alteration permit for the construction of an entirely new multiple dwelling, the footprint of which consisted entirely of vacant and unimproved land upon such date, or (ii) an alteration permit for the construction of a new multiple dwelling above, and on an entirely separate tax lot from, one or more existing structures which are to be retained, provided that only the floor area attributable to the new multiple dwelling, and any eligible commercial, community facility or accessory use space within such new structure shall be eligible for benefits under the Act.

[2] Fiscal year refers to the 365 day New York City year for budget and tax purposes from July 1 through June 30. For example, both September 27, 2003 and February 25, 2004 fall in fiscal year 2003/2004.

7.1.03

You state and we assume that the Projects will be carried out pursuant to new building permits and that, upon completion, they will constitute new Multiple Dwellings. We assume it will be constructed on land which was entirely vacant and unimproved as of the Commencement of Construction. Accordingly, the Projects will meet the requirements set forth above.

2. Not Used as a Hotel or for Single Room Occupancy

Paragraphs (3) and (4) of §6-02(c) of the Rules deem any building or portion thereof which is used as a Hotel or for Single Room Occupancy ineligible for §421-a benefits. You state and we assume that no such use of the Projects will occur.

D. Construction Requirements

1. Number of Rooms

Section 421-a(2)(c)(iv) requires that in a project containing more than one hundred (100) dwelling units, not less than fifteen percent (15%) of the dwelling units contain at least 3½ rooms and not less than an additional ten percent (10%) of the dwelling units contain at least 4½ rooms.

You state and we assume that Buildings A, B and C will each be located on separate tax lots and that each building will receive a separate certificate of occupancy. We assume that tentative tax lot numbers will be assigned prior to application and that there will be a separate §421-a application for each Project. Accordingly, Buildings A, B and C will each comply with this requirement as a separate Project.

You state and we assume that Building A will contain approximately seventy-five (75) dwelling units. Therefore, the Project involving Building A will not be subject to this requirement.

In addition, you state and we assume that Building B will consist of approximately one hundred (140) dwelling units and Building C will consist of approximately one hundred thirty-five (135) dwelling units. Therefore, the Projects involving Building B and C will be subject to this requirement, and we assume that they will comply.

2. Class A Unit Replacement

Section 421-a(2)(c)(iii) requires that a project with more than twenty (20) dwelling units contain at least five (5) dwelling units for each Class A dwelling unit in existence immediately prior to the Commencement of Construction.

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HPD

Because the Site contained no Class A dwelling units during the specified period, the Projects are not subject to this requirement.

E. Limitation on Other Real Estate Tax Benefits

Section 421-a(2)(c)(i) provides that a Multiple Dwelling shall be eligible for tax benefits pursuant to that section only if "exemption from taxes is not availed of concurrently under any other law." Section 6-02(c)(1) of the Rules provides a limited exception for condominium units which are not taxed by reason of the exempt status of the owner.

You state and we assume that the Projects will comply with this requirement.

F. Timing Requirements

1. Project Commencement and Completion

Section 421-a and the Rules set forth deadlines for the Commencement and Completion of Construction. You state and we assume that the Projects will comply with these requirements.

2. Application Timing

Sections 6-05(b) and 6-05(d) of the Rules impose specific timing requirements for filing applications for preliminary and final certificates of eligibility. You state and we assume that the Projects will comply with these requirements.

G. Rent Regulation and Condominium/Cooperative Requirements

Section 6-02(g)(2) of the Rules requires that residential rental units be subjected to rent stabilization. You state and we assume that all such units in Building B will be duly registered. We assume that the residential rental units in Building B will remain rent stabilized for at least as long as the Project receives §421-a tax benefits. We note that §6-02(g)(2) of the Rules, in accordance with §421-a, imposes conditions on the deregulation of units after the expiration of §421-a benefits, and assume that the Project will comply with these requirements.

Section 6-05(d)(1)(iii) of the Rules requires that if a project is to be owned as a cooperative or a condominium, the owner must provide a statement that if the prospective cooperative or condominium plan has not been declared effective for filing at a time fifteen months after the issuance of a final certificate of eligibility, such owner will register these rental units with the New York State Division of Housing and Community Renewal within fifteen days after such fifteen month period, or if the building is not occupied, an affidavit stating that the

owner shall register all units as they become occupied. You state and we assume that Buildings A and C will comply with this requirement.

H. Community Board Notice Requirement

Section 6-03 of the Rules requires that a §421-a application for a project containing more than twenty (20) dwelling units be submitted to the community board in the area in which the project is located. You state and we assume that the Projects will comply with this notice requirement.

I. Rent Limitations

Section 6-04 of the Rules imposes a cap on the initial monthly rent which may be charged in a project receiving §421-a benefits. You state and we assume that Building B will comply with this requirement. You indicate that the residential units in Buildings A and C will be owned as condominiums. Therefore, this rental cap requirement will not pertain to Buildings A and C, provided that the condominium plans are declared effective within fifteen months after the issuance of a final certificate of eligibility.

II. Duration of Tax Benefits

Section 6-02(d) of the Rules establishes the duration of the §421-a partial tax exemption.

Section 6-02(d)(5) states that a twenty-five (25) year post-construction exemption (as more particularly described therein) is available in all boroughs (except in Manhattan south of 110th Street) if a project is (i) located in (A) a Neighborhood Preservation Program Area (as determined by the Department as of June 1, 1985), (B) a Neighborhood Preservation Area (as determined by the New York City Planning Commission as of June 1, 1985), (C) an area eligible for mortgage insurance provided by the Rehabilitation Mortgage Insurance Corporation (REMIC) as of May 1, 1992, or (D) an area receiving funding for a neighborhood preservation project pursuant to the Neighborhood Reinvestment Corporation Act (42 U.S.C. §180 et seq.) as of June 1, 1985 or (ii) (A) is constructed with Substantial Governmental Assistance, or (B) is a building where the Department has imposed a requirement or has certified that 20 percent (20%) of the units are affordable to persons of Low and Moderate Income.

We confirm that the Projects are located in an area eligible for mortgage insurance provided by REMIC as of May 1, 1992. Accordingly, the Projects will be eligible for a twenty-five (25) year post-construction partial tax exemption pursuant to §6-02(d)(5) of the Rules.

7/1/03

III. Reduction of Benefit for Excess Commercial, Community Facilities, and Accessory Use Space

Section 6-06(b) of the Rules provides that the tax exemption granted by §421-a will be reduced if the project's Floor Area of Commercial, Community Facilities, and Accessory Use Space exceeds twelve percent (12%) of Aggregate Floor Area.

Each Project's Floor Area of Commercial, Community Facilities, and Accessory Use Space and a resulting decrease in benefits, if any, will be determined in accordance with the Rules based on the building plans for the Project as built.

IV. Conclusion

Based on the information provided by you and the assumptions stated herein, we conclude that the Projects will be eligible for a construction period partial tax exemption and a twenty-five (25) year post-construction partial tax exemption, as provided by §421-a.

V. Scope of this Letter

Except as specifically stated herein, this letter is based solely upon the information provided by you and the assumptions stated herein, and we have not verified any of your statements or claims or investigated the accuracy of our assumptions. The Projects must satisfy all statutory and regulatory requirements of §421-a in effect at the time of issuance of the certificate of eligibility in order to be eligible for benefits, and we cannot render a final determination regarding eligibility until all documentation required for a certificate of eligibility has been provided to us, reviewed and approved.

This letter relates only to the Projects and the specific facts and circumstances thereof. It may not be used or relied upon in connection with any other application or project.

Each page of this letter is imprinted with the Tax Incentives raised seal, which is initialed and dated in blue ink.

7/1/03

HPD

In order to expedite processing, please include a copy of this letter when you apply for §421-a benefits.

Very truly yours,

Lisa S.J. Yee
Director, Tax Incentive Programs

cc: Nancy Batterman, Deputy General Counsel
Ronald Sinacori, 421-a Program
Margot Algase Sklar, Associate Deputy Director

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7/16/03



INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

A Unit Owner will own his or her Unit and its appurtenant Common Elements in fee simple absolute and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner owns his or her Unit in fee simple absolute, he or she may mortgage his or her Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

As fully set forth in the tax opinion of Seiden & Schein, P.C. counsel to the Sponsor, in Part I of this Plan (the "Tax Opinion"), under present law, a Residential 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.* 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. 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. Under present law, the exact tax status of the Condominium Board is uncertain and no opinion has been rendered with respect to it. The Federal income tax consequences to the Condominium Board with respect to the receipt of the Common Charges and of the expenditure of Condominium funds will depend on whether the Condominium Board:

(i) is treated as a conduit,
(ii) qualifies and elects to be taxed under Section 528, or
(iii) is treated as a corporation.

If the Condominium Board is treated as a conduit, it will not be subject to tax. Rather, items of income, expenses, credits and deductions will be attributed to each Unit Owner in proportion to his Common Charges. Thus, for example, interest earned on funds reported by the Condominium Board would be taxed to the Unit Owners. There appear to be no judicial precedents directly supporting such treatment and the position of the Internal Revenue Service (the "Service"), which is described more fully below, appears to be that a condominium management association is an association taxable as a corporation.

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* All section references are to the Internal Revenue Code of 1986 unless otherwise indicated.

If it satisfies the requirements of Section 528, the Condominium Board may elect to be exempt from Federal income tax on the Common Charges. Generally, those requirements are:

(i) The condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance, and care of association property;

(ii) Sixty percent or more of the gross income of the condominium management association must consist of assessments from Unit Owners ("Exempt Function Income");

(iii) Ninety percent of the expenditures of the condominium management association must be for the acquisition, construction, management, maintenance, and care of the condominium management association's property;

(iv) No part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management, or maintenance of the condominium management association's property or by rebates of excess assessments; and

(v) Substantially all of the Units must be used as residences.

Under the Treasury regulations issued pursuant to Section 528, a condominium management association must qualify annually for the election under Section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue. It appears that these requirements will be met for a Section 528 election at least for the first year of operation.

A condominium management association meeting the requirements of Section 528 and electing to be exempt from Federal income tax on Exempt Function Income would be taxable at a rate of 30% on the amount by which other income exceeds the amount of allowable deductions that are directly connected with the production of such income. Such an association, however, would not be allowed certain deductions that are available to corporations that are not taxable under Section 528.

If the Condominium Board either cannot qualify or chooses not to elect the benefits of Section 528, certain published rulings of the Service implicitly state that a condominium management association will be treated as an association taxable as a corporation. Consequently, it appears that the Condominium Board would be taxable on that portion of the Common Charges which exceeds the deductible expenses paid or incurred by the Condominium Board for the operation of the Condominium property. The Condominium would also be taxable on income derived from the interim investment of the Common Charges.

If the Condominium is treated as a corporation for Federal income tax purposes, the Condominium Board might still contend that a portion of the Common Charges that it receives should not be includable in its gross income. For example, published rulings of the Service indicate that assessments collected by a condominium management association and expressly designated for use for specified capital improvements that are owned in common, and which are not commingled with funds collected for operating expenses or as contingency reserves, should not be included in the gross income of a condominium management association. No part of such an assessment may, however, be expended by the condominium management association for the benefit of an individual Owner.

In addition, in connection with assessments for ordinary operating expenses, such as the Common Charges, a condominium management association may not have any taxable income if the expenses of the condominium management association with respect to managing, operating, and replacing the common elements of the Condominium either equal the assessment or any excess amount is annually returned to unit owners or applied to the next year's assessment. Based on the facts in existence at the present time, it appears that the Condominium Board is unlikely to have a substantial amount of income other than the Common Charges.

Since Section 528 is not applicable, moreover, the Service has noted that a condominium management association may be eligible for the tax treatment afforded to certain cooperatives under Subchapter T of the Code.

If the Condominium Board makes additional assessments to cover the amounts of any Federal, New York State, or New York City tax liability incurred, such additional assessments may also be taxable to the Condominium.

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.

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COUNSEL'S TAX OPINION LETTER

December 14, 2004

Kent North Associates LLC
2226 First Avenue
New York, New York 10029

Re: Offering Plan for the Conversion to Condominium Ownership of The Schaefer Landing North Condominium 440 Kent Avenue, a/k/a Two Schaefer Landing Brooklyn, New York

Gentlemen:

You have requested our opinion concerning (i) the availability of certain deductions for Federal, New York State and New York City income tax purposes (but not for purposes of the New York City earnings tax on non-residents) to persons who purchase Units for private Residential use ("Residential Unit Owners") under the Plan and (ii) the proper treatment by the Condominium Board for such income tax purposes of the Common Charges paid or borne by all Unit Owners. Except where otherwise indicated herein, the terms used in this opinion have the same meanings as in the Plan.

In this connection, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1986 ("Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other materials as we deemed relevant, and we have assumed that the closings under the Plan will occur in 2005.

I. Deductions for Mortgage Interest and Real Estate Taxes

A Unit Owner will own his Unit and its Appurtenant Interest in the Common Elements in fee simple absolute. Accordingly, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will be individually liable for the payment of such real estate taxes. A Unit Owner, per terms of the Offering Plan, may also mortgage such Unit(s) and become individually liable for the payment of any finance charges or interest on such mortgage indebtedness.

In our opinion, a non-corporate Residential Unit Owner who itemizes his deductions will be entitled to a deduction in computing his taxable income for Federal income tax purposes for bona fide mortgage interest incurred with respect to his Unit in the year paid or accrued provided that, up to the aggregate amount of $1,000,000.00 for all qualifying mortgages on all qualifying Units, A) the mortgage does not exceed the lesser of (i) the Owner's original basis in his Unit plus the cost of improvements, if any, or (ii) the fair market value of the Unit and B) his Unit is a "qualified residence." A Unit will be a "qualified residence" if it is either (i) the Owner's "principal residence" as that term is defined by Section 1034 or (ii) a residence as defined by Section 280A(d)(1) and the Owner selects it as a qualified residence. Thus, a single taxpayer or a married couple filing a joint return may have two, and only 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 Section 461(g) of the Code, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points paid in certain cases).

In our opinion, a Unit Owner whose Unit is used by him for residential purposes will, for Federal income tax purposes, be entitled to a deduction for real estate taxes incurred with respect to his Unit in the year paid or accrued under Section 164 of the Code.

It is also our opinion that each Unit Owner whose Unit is used in an active profession and/or trade or business, other than the rental of such Unit, in which the Unit Owner materially participates, will, for Federal income tax purposes, be entitled to a deduction for real estate taxes incurred with respect to his Unit in the year paid or accrued under Section 164 of the Code.

Other rules are applicable to a Unit Owner if the Unit is to be used in a trade or business or is to be held for rental. In these cases, the Tax Reform Act of 1986 will have broad impact, and no opinion is offered as to the consequences to such a Residential Unit Owner.

It is also our opinion that each Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for Federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year. Section 615 of the New York State Tax Law.

It should be noted, however, the benefit of a Unit Owner's deductions for interest and real estate taxes may be reduced if the Unit Owner is subject to the Federal alternative minimum tax, or the State or City minimum taxes. Section 55 of the Code. Sections 615 and 622 of the New York State Tax Law; Sections 11-1715 and 11-1722 of the City Code. In addition, it should be noted that state and local taxes, including real estate 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 an 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.

It should be noted that our opinion as to the availability of deductions to a Unit Owner with respect to mortgage interest and real estate taxes in connection with his or her Unit used in an active profession and/or trade or business, other than the rental of such unit, is based on the assumption that such owner will have "at risk", within the meaning of Section 465 of the Internal Revenue Code, in such profession, trade or business, an amount equal to, or in excess of his losses in connection with said profession, trade or business, including such deduction.

II. Common Charges

Common Charges will be borne by the Unit Owners and assessed and collected by the Board of Managers ("Condominium Board").

Under Section 528 some Condominium Boards may be eligible to be exempt from tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met.

Generally, these requirements are:

(i) The condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance and care of association property;

(ii) Sixty percent or more of the gross income of the condominium management association must consist of assessments from residential Unit Owners ("Exempt Function Income");

(iii) Ninety percent of the expenditures of the condominium management association must be for the acquisition, construction, management, maintenance, and care of the condominium management association's property;

(iv) No part of the net earnings can inure to the benefit of private individuals other than

by the acquisition, construction, management, or maintenance of the condominium management association's property or by rebates of excess assessments; and

(v) Substantially all of the units must be used as residences.

Under the Treasury regulations issued pursuant to Section 528, a condominium management association must qualify annually for the election under Section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

It appears, based upon your representations to us, that the requirements will be met as the Offering Plan is currently structured. With respect to requirement (v) above "Substantially all" is interpreted in Treasury Regulation 1.528-4(b) as meaning at least 85% of the total square footage of all units in the project. Since all of the Units are residential with the exception of the Community Unit, which you have represented to us is less than 15% of the total square footage of all of the Units, the "Substantially all" requirement is met.

Assuming the Condominium Board is eligible to make a Section 528 election, it would still be subject to tax on any income not received as assessments or other such payment from Unit Owners; thus, if the Condominium Board realized interest income from funds on deposit, such interest may be taxable to it.

If an election under Section 528 is not in effect for the taxable year, the tax status of the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528 ("existing law").

Under existing law, the tax status of the Condominium Board is uncertain. The Bylaws provide that the Condominium Board will act as the agent of the Unit Owners. Thus, the Condominium Board may take the position that it is simply a conduit for receipts and payments of the Unit Owners for whom it acts as agent and not a separate entity. In such case, the Unit Owners would themselves be taxable on any interest or similar income which is earned from investments of the amounts which are assessed and collected from the Unit Owners and/or held as reserve funds.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners through the Condominium Board, constitute an association taxable as a corporation. In such event, such association may be deemed subject to the Federal corporate income tax (and also to New York State and New York City corporate income taxes) on the portion of the Common Charges which is deemed to constitute gross income of such association, 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 which are deductible for Federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to such Board,

either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected (Revenue Ruling 75-370, 1975 - 2 Cumulative Bulletin 25), or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the association (Revenue Ruling 75-371, 1975 - 2 Cumulative Bulletin 52, *cf.* Concord Village, Inc., 65 T.C. 142 (1975)). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be treated as receiving a distribution equal to the fair market value of that benefit; under the usual rules applicable to distributions of associations, 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.

In this connection, it should be noted that if the Condominium Board is determined to be a separate taxable entity for federal income tax purposes, it is possible that the limitations of Section 277 may be found to apply. If this were the case, the Condominium Board's income from sources other than Unit Owners, if any, could not be offset by the Condominium Board's expenses incurred in the provision of services to 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 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.

In the event that the Condominium Board is required to pay any Federal, New York State or New York City income tax and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax (*see* Old Colony Trust Co. v. Commission, 279 U.S. 716 (1929); Revenue Ruling 74-75, 1974 - 1 Cumulative Bulletin 19; Revenue Ruling 86-14 I.R.B. 1986-5, 33).

We express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or as to any tax status of the Plan of a Unit under the laws of any other U.S. or foreign jurisdiction.

Thus, this opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business, other than set forth herein, or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Limited Common Elements are acquired and/or leased by the Condominium Board. It is also to be noted that under certain circumstances an owner of any Unit, by virtue of such ownership, may be deemed to become a resident of New York City and that this opinion does not deal with the circumstances under which this may occur, or with the income, estate or other tax

consequences that may arise therefrom. Thus, each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

In our opinion, Unit Owners will be entitled to income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or rulings of the Internal Revenue Service on which counsel relied which cause Unit Owners not to be entitled to income tax deductions.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan.

Very truly yours,

SEIDEN & SCHEIN, P.C.

By: Alvin Schein

RESERVE FUND AND WORKING CAPITAL FUND

Reserve Fund

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

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"). If the net closing adjustment in favor of the Sponsor exceeds the balance of the Working Capital Fund, the payment of the balance owing, after exhaustion of the Working Capital Fund, shall be deferred and paid to Sponsor in twelve (12) equal consecutive monthly installments commencing one (1) month after the First Unit Closing Date, at an interest rate of five (5%) percent per annum evidenced by a negotiable promissory note (with provision for acceleration in the event of a default) to be executed by the Condominium in favor of the Sponsor. No representation is made that the Working Capital Fund will be adequate to cover current or future expenses and if additional funds are required over and above such Working Capital Fund, it may be necessary to increase Common Charges. The amounts in the Working Capital Fund may be held or used at any time for working capital to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board of Managers in its sole discretion.

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 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 DEPARTMENT OF LAW 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, Sponsor shall apportion the following items with the Condominium Board as of the day immediately preceding such closing:

(a) any Common Charges which are 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;

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

(i) premiums for any transferable insurance policies; and

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

HOMEOWNERS ASSOCIATIONS

The Schaefer Landing North Condominium will be a member of two (2) homeowners associations. The Condominium as a member of each of the homeowners associations will have access to certain services and amenities.

THE SCHAEFER LANDING HOMEOWNERS ASSOCIATION INC.

The Schaefer Landing Homeowners Association Inc. will be a Not- for- Profit Corporation formed under the laws of the State of New York. It will receive title to the Community Unit, located at 446 Kent Avenue, a/k/a One Schaefer Landing, Brooklyn, New York on or about the date of the Closing of the first unit of The Schaefer Landing South Condominium. The Community Unit includes a fitness center two (2) accessory lounges and outdoor space. The members of the Schaefer Landing Homeowners Association Inc. will be the Condominium and the Schaefer Landing South Condominium.

Pursuant to the By-Laws of the Schaefer Landing Homeowners Association Inc., the Board of Directors of the Schaefer Landing Homeowners Association Inc. shall annually determine a budget for the adequate continued operation of the association. Assessments shall be allocated among the members based upon the number of residential Units represented by each member. Pursuant to the terms of the Declaration of Covenants, Restrictions, Easements, Charges and Liens of the Schaefer Landing Homeowners Association Inc., to be recorded, on or about the date of the closing of the first unit of The Schaefer Landing South Condominium, with the City Register for the County of Kings, the Schaefer Landing Homeowners Association Inc. shall be governed by a Board of three (3) Directors. The Schaefer Landing South Condominium shall be entitled to designate one (1) Director. The Condominium shall be entitled to designate two (2) Directors.

Please refer to Schedule C for the Budget of First Year of Operation of the Schaefer Landing Homeowners Association Inc.

A copy of the Declaration of Covenants, Restrictions, Easements, Charges and Liens and the By-Laws for the Schaefer Landing Homeowners Association, Inc. are included in Part II of this Plan.

THE KENT WATERFRONT HOMEOWNERS ASSOCIATION INC.

The Kent Waterfront Homeowners Association Inc. will be a Not- for- Profit Corporation formed under the laws of the State of New York. The Kent Waterfront Homeowners Association Inc. will coordinate commuter van service (on a pay per ride basis) to the Marcy Avenue subway station. The members of the Kent Waterfront Homeowners Association Inc. will be the Condominium, the East Building Residential Unit, the East Building Commercial Unit, The Schaefer Landing South Condominium, and the Parking Facility. The Kent Waterfront Homeowners Association Inc. will provide the following services: maintenance of the PAA and Landing Facility, and the outdoor courtyard, common utilities, all walkways and driveways within Kent Waterfront and the

maintenance and repair of the PAA, Landing Facility and the security gate entrance (upon completion of Phase II) to Kent Waterfront. The Kent Waterfront Homeowners Association Inc. will receive title to the outdoor courtyard (located parallel to the PAA, in between the Condominium and The Schaefer Landing South Condominium), driveways and walkways on or about the date of the closing of the first unit of The Schaefer Landing South Condominium.

Pursuant to the By-Laws of the Kent Waterfront Homeowners Association Inc. the Board of Directors of the Kent Waterfront Homeowners Association Inc. shall annually determine a budget for the adequate continued operation of the association. Assessments shall be allocated among the members on an equitable basis. Pursuant to the terms of the Declaration of Covenants, Restrictions Easements Charges and Liens of the Kent Waterfront Homeowners Association Inc., which will be filed with the City Register for the County of Kings, at or subsequent to the Closing of the first unit of The Schaefer Landing South Condominium, the Kent Waterfront Homeowners Association, Inc. shall be governed by a Board of five (5) Directors. Each member shall be entitled to designate one (1) Director.

The New York City Economic Development Corporation ("EDC") has entered into a contract with for the construction of the Public Access Area and Landing Facility. The Public Access Area and Landing Facility shall continue to be owned by the City of New York.

Pursuant to the terms of a Restrictive Declaration, dated July 3, 2003, between an affiliate of the Sponsor and New York City acting by and through its Department of Parks and Recreation ("DPR"), the Kent Waterfront Homeowners Association Inc. will be responsible to maintain in good condition and repair, operate, and make replacements when necessary to the Public Access Area for the use and enjoyment of the public. The maintenance work shall include, but not be limited to, the removal of dirt, litter, trash and leaves, fallen branches, cleaning of walkways, lighting and improvements, removal of graffiti, cleaning of sewers and catch basins to prevent clogging, snow and ice removal, landscaping maintenance (replacement of any dead trees or plants, reseeding of grass areas, as necessary) repair or replacement of bench seating, walls, barriers and fencing, pavement, signage. Pursuant to the terms of a Maintenance and Operations Agreement, between the Kent Waterfront Homeowners Association Inc. and New York City acting by and through its DPR , the Kent Waterfront Homeowners Association Inc. will also be responsible to maintain in good condition and repair, operate, and make replacements when necessary to the Landing Facility for the use and enjoyment of the public. The maintenance work shall include, but not be limited to, the removal of dirt, litter, cleaning of walkways, lighting and improvements, removal of graffiti, snow and ice removal, repair or replacement of bench seating, pavement, signage, marine structures (steel pilings, steel sheeting, bulkhead, riprap, cribbing, pier decks and substructure).

Kent Waterfront Homeowners Association Inc. to secure its obligation to maintain the Public Access Area and the Landing Facility will post a security bond with DPR. Please refer to Schedule D for a further description of the security bond. In the event that Kent Waterfront Homeowners Association Inc. defaults under the Restrictive Declaration or the Maintenance and Operations Agreement, after the expiration of a notice and cure period, DPR shall have the option of taking any of the following actions, which DPR deems reasonably appropriate: (a) draw down on the security

bond and Kent Waterfront Homeowners Association Inc. shall be required to replenish the security bond, (b) any and all administrative, legal and equitable remedies including but not limited to injunction compelling Kent Waterfront Homeowners Association Inc. to perform its obligation. In the event that any building in Schaefer Landing is converted to condominium form of ownership, every condominium unit (other than any condominium unit that includes lower income residential apartments) shall be jointly and severally liable and subject to levy and execution or other enforcement procedure for the satisfaction of any monetary remedies of DPR, provided that such enforcement procedures shall be taken against all of the units simultaneously, rather than against individual units.

Please refer to Schedule D for the Budget of First Year of Operation of the Kent Waterfront Homeowners Association Inc.

A copy of the Declaration of Covenants, Restrictions, Easements, Charges and Liens and a copy of the By-Laws for The Kent Waterfront Homeowners Association, Inc. are included in Part II of this Plan.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management Agreement

The Sponsor has entered into a management agreement with Allstate Realty Associates to manage the Condominium (the "Managing Agent or "Agent"). Allstate Realty Associates shares an identity of interest with East River Holdings North LLC, which has an interest in the profits of the Sponsor. The Sponsor reserves the right to substitute another Managing Agent for Allstate Realty Associates prior to the First Unit Closing on substantially the same terms. The Allstate Realty Associates agreement will be for an initial term of one (1) years, commencing on the date of the First Unit Closing. The Managing Agent will receive an annual fee of $50,000.00 for the period commencing on the Closing of the first Unit and ending twelve (12) months after the First Unit Closing. Thereafter, the annual fee will be as mutually agreed upon for the renewal periods, or if no new annual fee has been established, the Condominium shall continue to pay the Managing Agent the previous annual fee, all 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.

Additionally, each of the homeowners associations, of which the Condominium is a member,(ie. the Schaefer Landing Homeowners Association Inc. and the Kent Waterfront Homeowners Association, Inc.), have entered into a management agreement with Allstate Realty Associates to manage the assets and assessments of the homeowners associations. The Sponsor reserves the right to substitute another Agent for Allstate Realty Associates prior to the First Unit Closing on substantially the same terms. The Allstate Realty Associates agreement with each of the homeowners associations will be for an initial term of one (1) years, commencing on the closing of the first unit of The Schaefer Landing South Condominium. The Managing Agent will receive an annual fee of $5,000.00 from each of the homeowners associations for the period commencing on the closing of the first unit of The Schaefer Landing South Condominium and ending twelve (12) months later. Thereafter, the annual fee will be as mutually agreed upon for the renewal periods, or if no new annual fee has been established, the homeowners associations shall continue to pay the Managing Agent the previous annual fee, all 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 right of approval by the Condominium Board / homeowners association Board of Directors), paid and supervised, all persons necessary to be employed, if any, in order to properly maintain and operate the Condominium or homeowners association property or services, and cause to be discharged by either written order of the Condominium Board or the homeowners association Board of Directors or the Agent all persons unnecessary or undesirable, all subject to such Union contracts or other agreements concluded on behalf of the principal's approval.

(b) Cause the Condominium or homeowners association property to be maintained in such a condition as may be deemed advisable by the principal, including interior and exterior cleaning; and cause repairs and alterations thereof to be made, including, but not limited to, plumbing, steamfitting, carpentry, decorating and such other incidental alterations or changes therein as may be proper, subject only to the limitations contained in the Management Agreement or in any agreement with any unit owner or tenant. Ordinary repairs or alterations involving expenditure of over $5,000.00 for any one item shall be made only with prior written approval of the principal, 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 principal.

Managing 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 principal and Managing Agent.

(c) Cause all such acts and things to be done in or about the Condominium or homeowners association property 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, subject to the limitation with respect to the amount of expenditure involved as contained in paragraph (b) of this Article.

(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 principal; purchase all Condominium or homeowners association supplies. In no event shall any service contract be for a term longer than two (2) years or require annual payments in excess of $5,000.00 unless otherwise authorized by the principal.

(e) Cause to be effected and maintained to the extent obtainable, in such amounts as the principal shall designate in writing and through such brokers as the principal shall designate, fire, rent, water damage, liability, worker's compensation, disability and such other insurance as the principal 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 or homeowners association, pay all such bills and, also pay water charges and sewer rent and assessments assessed with respect to the Condominium or homeowners association, if any, as and when the same shall become due and payable.

(g) At the direction of the principal, 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) Procure social and credit references from all prospective Unit Owners or tenants.

(i) 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.

(j) 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 principal from any Unit Owner.

(k) 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 Condominium Board and give reason for its opinion.

(l) 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 with assistance from a paycheck service at the expense of the principal if desired by Managing Agent.

(m) Render monthly statements supported by disbursement vouchers and bills to the principal not later than the 25th of each month, remitting the amount collected during the previous month less disbursements made on behalf of and for the account of the principal, including the Agent's compensation hereinafter specified, and, less, all such amounts as in the Managing 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 Managing Agent to the President and Treasurer of the principal.

(n) 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.

(o) In conjunction with the certified public accountant of the Condominium or homeowners association, arrange for an annual audit or review of each of the books of the account of the Condominium or homeowners association, including an annual report each year of the operations of the Condominium or homeowners association for the then year ended. A copy of such annual report shall be sent by the Managing Agent to each Unit Owner.

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

(q) Make all necessary arrangements for the holding of meetings of the Unit Owners and Board of the Condominium or the Boards of the homeowners association and cause a representative of its organization to attend meetings of the Unit Owners and of the Condominium Board, or the Boards of the homeowners associations if required.

(r) Prepare and send out all notices of Board of Managers' meetings and Unit Owners' or homeowners association Board meetings and such other letters and reports as the Board may request.

(s) 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 or the homeowners association Board of Managers for the proper management of the property or services of the homeowners association.

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 of $500.00 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 certified financial statement with respect to the Condominium or the homeowners associations will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Condominium Board or the homeowners association Board whose fees are to be paid by the Condominium Board or the homeowners association Board as an expense.

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

All expenses incurred by the Managing Agent in performance of its duties for a specific homeowners association will be reimbursed by the homeowners association Board and charged to the members as an expense. In addition, the homeowners association Boards will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed

by it pursuant to the instructions of the homeowners association or for personal injury or property damage not resulting from the Managing Agent's gross negligence or wilful misconduct.

Other Contractual Agreements

The Schaefer Landing North Condominium

At or prior to the First Unit Closing the Board of Managers of the Condominium or a properly authorized entity acting on its behalf may enter into contracts for the services set forth below. The costs listed are estimated for the first year of condominium operation. These proposals are also set forth in the footnotes to Schedule B.

1.	Elevator Service	$15,360.00
2.	Exterminator Service	$ 4,080.00
		$ 19,440.00

The Schaefer Landing Homeowners Association Inc.

It is not anticipated that the Schaefer Landing Homeowners Association Inc. will enter into any contracts for services for the first year of condominium operation, other than the aforementioned management agreement.

The Kent Waterfront Homeowners Association Inc.

Prior to the First Unit Closing the Board of Managers of the Kent Waterfront Homeowners Association Inc. or a properly authorized entity acting on its behalf may enter into contracts for the services set forth below. The costs listed are estimated for the first year of condominium operation. These proposals are also set forth in the footnotes to Schedule D.

Van Service	$ 114,400.00

IDENTITY OF PARTIES

Sponsor

The Sponsor of the Offering Plan is Kent North Associates LLC, a New York limited liability company formed on June 16, 2003. The Sponsor has an office at 2226 First Avenue, New York, New York 10029.

The members of Sponsor are BFC Kent North Managers LLC, a New York limited liability company, formed on June 16, 2003 and L & M Kent North Managers LLC , a New York limited liability company formed on June 18, 2003, East River Holdings North LLC, a New York limited liability company formed on May 5, 2003 and 460 Kent Avenue Housing Development Fund Company, Inc., a New York not- for profit corporation, incorporated on December 27, 2001. L & M Kent North Managers LLC, East River Holdings North LLC, 460 Kent Avenue Housing Development Fund Company, Inc., are not actively involved in the planning or consummation of this Plan.

The controlling members of the Sponsor are BFC Kent North Managers LLC and East River Holdings North LLC. The controlling members of BFC Kent North Associates LLC are Donald Capoccia, Joseph Ferrara and Brandon Baron who are the principals of the Sponsor. The controlling member of East River Holdings North LLC is Joseph Spitzer.

Mr. Spitzer has an office at 5420 13th Avenue, Brooklyn, New York 11219. Mr. Spitzer as a principal of a holder of unsold shares initially offered cooperative shares at the following buildings in the last five (5) years:

- 1350 Ocean Parkway, Brooklyn, New York
- 8735 Bay Parkway, Brooklyn, New York

Mr. Spitzer is a principal of a sponsor or a principal of the holder of unsold shares, which owns in excess of 10 % of the shares appurtenant to unsold apartments at the following buildings:

- 415 Beverly Road, Brooklyn, New York
- 1360 Ocean Avenue, Brooklyn, New York
- 770 Ocean Parkway, Brooklyn, New York
- 1710 Avenue H, Brooklyn, New York
- 1350 Ocean Parkway, Brooklyn, New York
- 1580 East 18th Street, Brooklyn, New York
- 8735 Bay Parkway, Brooklyn, New York
- 166 West 22nd Street, New York, New York

The entities in which Mr. Spitzer is a principal of a sponsor or a principal of the holder of unsold shares, which own in excess of 10 % of the shares appurtenant to unsold apartments at the above listed buildings are current in all their financial obligations for the appurtenant shares.

Mr. Spitzer has been a principal of the Sponsor of the following condominium, which has been offered for sale in the last five (5) years, in which the Sponsor holds unsold units:

- The Schaefer Landing South Condominium, 446 Kent Avenue, a/k/a One Schaefer Landing, Brooklyn, New York

Mr. Capoccia, Mr. Fererra and Mr. Baron who have an office at 2226 First Avenue, New York, New York10029, have been principals of the respective Sponsor entities of the following condominiums, located in New York, New York, which have been offered for sale in the last five (5) years, in which the Sponsor no longer holds any unsold units or the shares appurtenant to unsold apartments:

- Del Este Village I Condominium, 503-509 East 13th Street
- Del Este Village II Condominium, 511-515 East 11th Street
- Del Este Village III Condominium, 549 East 11th Street a/k/a 176-180 Avenue B
- Del Este Village IV Condominium, 613-617 East 11th Street
- Del Este Village V Condominium, 625-629 East 11th Street
- Del Este Village VI Condominium, 642-648 East 11th Street, 177 Avenue C, 383-389 East 10th Street
- The Seventh Street East Condominium, 217 East 7th Street
- 619 East 11th Street Condominium, 619 East 11th Street
- 416 East 11th Street Condominium, 416 East 11th Street

Mr. Capoccia, Mr. Fererra and Mr. Baron are principals of the Sponsor of the following condominium, which has been offered for sale in the last five (5) years, in which the Sponsor holds unsold units:

- The Schaefer Landing South Condominium, 446 Kent Avenue, a/k/a One Schaefer Landing, Brooklyn, New York

Mr. Capoccia, Mr. Fererra and Mr. Baron are principals of the respective sponsor entities of the following cooperatives located in New York, New York, which own the shares appurtenant to unsold apartments:

- Madison Park Cooperatives, 1831 Madison Avenue (first offered December 27, 2001)
- Madison Plaza Cooperatives, 1825 Madison Avenue (first offered June 19, 2003)
- The Washington Cooperatives, 231, 239 & 255 West 148th Street(first offered October 16, 2003)

The sponsor entities under the three (3) above listed offering plans are current in all their obligations in connection with the offering plans, under which they are now holders of unsold shares or units. Each of these offering plans is available for inspection at the Office of the New York State Attorney General.

Attorneys for Sponsor

Sponsor has retained the law firm of Seiden & Schein, P.C., located at 570 Lexington Avenue, New York, New York 10022 (Telephone No. (212) 935-1400), to represent Sponsor in connection with preparation and consummation of this Plan. The principal attorney of the firm who is responsible for the matter is Alvin Schein, Esq. This firm drafted the Declaration, the By-Laws, this Plan, the form of Purchase Agreement, the form of deed and all other documents necessary in connection with the formation of the Condominium, and is advising the Sponsor in connection with all legal matters incidental thereto. No separate counsel has been retained to represent the Condominium. It is suggested and expected that each Purchaser will consult and be represented by his own counsel in connection with this Plan.

Seiden & Schein, P.C. has no financial relationship, past or present, in the property or to the Sponsor, except that it is paid a fee for services it renders in its capacity as attorneys for the Sponsor.

Architect

The architect who prepared the Narrative and Drawings appearing in Part II of the Plan is Gene Kaufman Architect PC, 371 Broadway, New York, 10013. The Sponsor's architects have no financial relationship, past or present, to the Property or to the Sponsor, except that they are s paid a fee for the services they render in their capacity as architects.

Managing Agent

Allstate Realty Associates having a principal office at 5420 Thirteenth Avenue, Brooklyn, New York 11219, has executed an agreement to serve as managing agent of the Condominium and the managing agent of the Schaefer Landing Homeowners Association Inc. and the Kent Waterfront Homeowners Association Inc. pursuant to management agreements set forth in the section of the Plan entitled "Management Agreement Contracts and Leases". Allstate Realty Associates shares an identity of interest with East River Holdings South LLC, which has an interest in the profits of the Sponsor.

Selling Agent

The Sponsor has retained Douglas Elliman, LLC, having an office at 575 Madison Avenue, New York, New York 10022 as Selling Agent for this Offering Plan. The Douglas Elliman LLC has no financial relationship, past or present, to the Building or the Sponsor, except that the Selling Agent shall be paid fees by Sponsor in connection with the sale of Units under this Offering Plan.

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) The financial statement of The Schaefer Landing Homeowners Association Inc. and the financial statement of The Kent Waterfront Homeowners Association Inc. prepared by a certified public accountant or public accountant by March 15th of each calendar year for the prior fiscal year;

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

(d) 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 such budget shall be certified.

DOCUMENTS ON FILE

Copies of this Plan and all exhibits or documents referred to herein shall be available for inspection by prospective purchasers and by any person who shall have purchased a Unit offered under this Plan or shall have participated in the offering of such Unit, at the office of Sponsor during convenient 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. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to this Plan, any rider or separate agreement changing or adding provisions to such document.

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 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 preliminary binding agreements and has not collected any money from prospective purchasers for the sale of Units in the Building. The Sponsor has previously tested the market pursuant to Cooperative Policy Statement No. 1.

In accordance with the provisions of the laws of the State and City of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person because of 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 Sponsor pursuant to this Plan, or in the leasing of any such Units or any other portion of the Building.

Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of Sponsor, Purchasers or prospective Purchasers, without obtaining the consent of Purchasers or others. However, Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, 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 Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to this Plan. In the case of a material revision adversely affecting the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of Sponsor, such Purchasers will be given, for fifteen (15) days after the presentation of the amendment, a right to rescind their Purchase Agreements by written notice to 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 Purchase Agreement, will be conditioned on the cancellation of any interim use and occupancy agreement 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

Sponsor adopts the Description of the Property, Building and Specifications set forth in Part II of the Plan. Sponsor represents that to the best of its knowledge, the "Description of Property and Specifications" set forth in Part II of this Plan accurately summarizes the general nature of the systems, materials, equipment, appliances and fixtures to be contained in the Building on completion of construction, provided same are completed in substantial accordance with the Plans and Specifications. The Description of Property and Specifications was prepared by Gene Kaufman Architects PC and is included in this Plan with the consent of said firm. Sponsor does not know of any material defect or need for material repairs except as indicated in the Description of Property and Specifications.

PART II

PURCHASE AGREEMENT
UNIT NUMBER ____
THE SCHAEFER LANDING NORTH CONDOMINIUM
440 KENT AVENUE
A/K/A TWO SCHAEFER LANDING
BROOKLYN, NEW YORK

CONTRACT DATE: _____

UNIT NO.:_____ **PERCENTAGE OF TOTAL COMMON INTEREST:** _____%

SELLER: KENT NORTH ASSOCIATES LLC
MAILING ADDRESS: 2226 First Avenue, New York, New York 10029

SELLING AGENTS: Douglas Elliman, LLC
ADDRESS: 575 Madison Avenue
New York, New York 10022
TELEPHONE NO.: 718-302-4545

SELLER'S ATTORNEY AND ESCROW AGENT: Seiden and Schein, P.C.
ADDRESS: 570 Lexington Avenue, New York, New York 10022
TELEPHONE: 212-935-1400 **FAX:** 212-593-4545

PURCHASER(S) NAME(S):

(1)_____ **TELEPHONE:**_____
FAX:_____ **E-MAIL** _____

(2)_____ **TELEPHONE:**_____
FAX:_____ **E-MAIL** _____

PURCHASER(S) MAILING ADDRESS: _____

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

CO- BROKER (if any):_____

PURCHASER'S ATTORNEY: _____
ADDRESS:_____
TELEPHONE:_____**FAX:** _____
E-MAIL _____

PURCHASE PRICE: $_____

15% DOWN PAYMENT: $_____

BALANCE DUE AT CLOSING: $_____

Statement of Seller

Kent North Associates LLC, with an office at 2226 First Avenue, New York, New York 10029 ("Seller"), has promulgated a Plan of Condominium Ownership for The Schaefer Landing North Condominium, located at 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York ("the Plan") pursuant to which the land with appurtenances, and the Units, ("the Units") located in Kings 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.

Statement of Purchaser

Purchaser acknowledges as follows:

A. Purchaser acknowledges having received and read the Plan and all amendments thereto, if any, filed with the Department of Law of the State of New York (the Plan together with all such filed amendments, if any, are hereinafter collectively referred to as the "Plan") at least three (3) business days prior to Purchaser delivering this executed Purchase Agreement together with the required Down Payment to the Seller.

B. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Offering Plan, the provisions of the Offering Plan will govern and be binding.

C. Purchaser has been given an opportunity to examine the floor plans for the above numbered Unit and for the building in which it is located (the "Building"), prepared by Gene Kaufman Architect PC(the "Architect").

D. The Declaration of Condominium to be made by the Seller and to be recorded in the Office of the Register of the City of New York, County of Kings, the schedules, By-Laws and the House Rules attached thereto, are incorporated herein by reference and made part of this Purchase Agreement with the same force and effect as if fully set forth herein.

E. 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").

Purchase Agreement Between Seller and Purchaser

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

1. **Payment for Unit**.

Seller hereby agrees to sell and convey and Purchaser hereby agrees to purchase the Unit for the Purchase Price stated above. The Down Payment stated above has been made on the signing of this Purchase Agreement, receipt of which by check subject to collection is hereby acknowledged by Seller. The Balance Due at Closing shall be payable at the Closing, 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 Sponsor. All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of the New York Clearing House Association, unless otherwise agreed to by Seller. If any check is returned for insufficient funds or any other reason, Seller at its option may declare this Purchase Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for collection of the Down Payment as liquidate damages or may declare a default by Purchaser under this Agreement which shall entitle Seller to exercise any of the remedies set forth in Article 9 hereof.

2. **Closing of Title**.

2.1 The closing of title to the Unit (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 the 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 Date 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 the Scheduled Closing Date of up to fifteen (15) days, on at least five (5) days prior written notice from 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 as of midnight of the day proceeding the originally scheduled Closing Date plus an amount equal to 0.03% of the purchase price of the Unit for each day (starting from and including) the originally scheduled Closing date up to and including the actual Closing Date.

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, conveying the Unit to Purchaser. Such deed will be substantially in the form contained in Part II of the Plan, and will be executed and acknowledged by Seller, in proper form for recording. At the Closing the Purchaser shall accept the executed deed and deliver it to the title company, if any, or the Office of the Register of the City of New York, County of Kings for recording.

2.4 Simultaneously with the delivery of the deed, Purchaser (I) shall cause the net proceeds of any mortgage loan to be paid to Seller on account of the Purchase Price and (ii) shall execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any other documents and payments required to be delivered under the Plan or under this Purchase Agreement. Seller and Purchaser shall execute and deliver such forms as shall be required by law with respect to the reporting real estate transfers.

3. 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 of the Condominium, substantially in the form contained in Part II of the Plan. Purchaser agrees to deliver such power of attorney to the representative of the title company, if any, or to the Office of the Register of the City of New York, County of Kings, and to pay the recording fee.

4. Binding Effect of Declaration, By-Laws, Plan, House Rules.

Purchaser hereby agrees to be bound by the Schaefer Landing North Condominium Declaration of Condominium, the By-Laws, the Rules and Regulations and the Plan, the Schaefer Landing Homeowners Association Inc. Declaration of Covenants, Restrictions, Easements Charges and Liens and By-Laws, the Kent Waterfront Homeowners Association Inc. Declaration of Covenants, Restrictions, Easements Charges and Liens and By-Laws, the Restrictive Declaration made by the 460 Kent Avenue Housing Development Fund Company Inc, dated 07/03/03 and recorded on 07/30/03 ACRIS No. 2003000269760, Declaration of Easements made by 460 Kent Avenue Housing Development Fund Company Inc., dated as of 08/06/03 and recorded on 09/025/03 ACRIS No. 2003000389747, Declaration made by the 460 Kent Avenue Housing Development Fund Company Inc., dated 06/30/03, and recorded on 07/09/03 Acris No. 2003000217245 and to any amendments to any of these documents.

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, which are stated in Part I of the Plan thereof in the section titled "Terms of Sale", and in the Exhibits in Part II of the Plan.

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 Royal Abstract of New York, LLC, 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 Purchase Agreement, by depositing sufficient funds with or by delivering written undertakings to the title insurer, as required by such title insurer, at the time of the 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 any costs associated with obtaining a mortgage loan. The basic legal fees of Seller's attorneys in the amount of $1,500.00 will be payable by Purchaser to Seiden & Schein, P.C. An additional fee of $500.00 will be payable by Purchaser to Seller's Attorney in each of the following instances: (a) if the Closing for any Unit occurs outside of the office of Seller's Attorney; (b) if Purchaser or Purchaser's lender cause the closing to last more than two (2) hours; and (c) if Purchaser adjourns a closing within 48 hours of the scheduled date and time. An additional fee of $750.00 will be payable by Purchaser to Seller's Attorney in each of the following instances: (a) if the Closing for any Unit occurs outside of New York County; (b) if the Purchaser orders title insurance from a company other than Royal Abstract, LLC; and (c) if an assignment and/or cancellation of a Purchase Agreement is permitted. 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 of the Condominium a sum equal to (a) one (1) month of Common Charges for the Unit being purchased for the first month's Common Charges following the Closing; and (b) two (2) month of Common Charges for the Unit being purchased as Purchaser's contribution to the Working Capital Fund of the Condominium.

6.2 Except as otherwise provided in this agreement or in the Plan, real estate taxes and Common Charges, rent under an Interim Use and Occupancy Agreement (if any) and other Closing expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. Any such expenses or adjustments payable to Seller in excess of $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).

If Purchaser fails for any reason to close title to his or her Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day proceeding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay Seller, as a reimbursement of Seller's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Seller under the Purchase Agreement and this Plan, an amount equal to 0.03% of the Purchase Price of the Unit for each day (starting from and including) the originally scheduled Closing Date to and including the actual Closing Date.

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.

6.5 In the event that a mortgage tax credit is available pursuant to Section 339-ee(2) of the New York Real Property Law, it is specifically understood that such credit shall inure to the benefit of the Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

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 (T.P.-584 or its successor) required to be filed with the New York County Register's office. This transfer tax return and T.P.-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 Seller a W-8 or W-9 Internal Revenue Service form.

8. Agreement Subject to Mortgages.

Purchaser agrees that all terms and provisions of this Purchase Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full

extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph 7, however, as of the Closing Date the only mortgage to which the Unit will be subject will be any mortgage obtained by Purchaser for the Unit.

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 Purchase Agreement), such failure shall constitute a default by Purchaser and Seller may send notice to Purchaser of Seller's intention to cancel this Purchase Agreement 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 PURCHASE AGREEMENT 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, Seller may (but shall not be obligated to) elect to cancel the Purchase Agreement by notice of cancellation to Purchaser sent after the cure period has expired. In the event that Seller shall elect to cancel this Purchase Agreement, Seller shall certify to Escrow Agent, that title has not closed because of Purchaser's default and that Seller has elected to cancel this Purchase Agreement by reason thereof, and Seiden & Schein, P.C. shall thereupon pursuant to Paragraph 16 hereunder, cause to have paid over to Seller as liquidated damages the Down Payment 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 Purchase Agreement shall be canceled by Seller pursuant to the provisions of this Paragraph 9, 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. Escrow Agent 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, the Escrow Agent, will hold funds in escrow until otherwise directed in

(I) a writing signed by both Seller 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 escorted funds, the Escrow Agent will not pay the funds to the Seller 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 Seller 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 Seller will not object to the release of the escorted 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 Down Payment and any interest thereon. The Seller 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.

10. No Assignment.

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

11. 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.

12. 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 Purchase Agreement) and to Seller at 2226 First Avenue, New York, New York 10029 with copy to Sponsor's Attorney, Seiden & Schein, P.C., 570 Lexington Avenue, New York, New York 10022 Attn: Alvin Schein, 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. Attorneys for the parties are authorized to send notices on behalf of their clients.

13. 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 Schaefer Landing, Kent Waterfront, 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, Schaefer Landing and / or Kent Waterfront, 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.

14. Binding Effect.

This Purchase Agreement shall not be effective or binding on Seller until and unless a counterpart hereof is duly executed by Seller and delivered to Purchaser. Subject to the provisions hereof, this Purchase Agreement shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and permitted assigns.

15. Agreement Subject to Plan Becoming Effective; Seller 's Right to Cancel.

15.1 This Purchase Agreement is contingent upon the Plan being declared effective. Pursuant to the terms of The Building Mortgage Security Agreement, dated November 23, 2004, made by Seller to The New York Community Bank, the Plan may be declared effective when Purchase Agreements have been both executed and accepted by Seller for the sale of fifty percent (50%) of the Units offered under the Plan. The Plan must be declared effective when Purchase Agreements have been both executed and accepted by Seller for the sale of at least eighty (80%) percent of the Units offered under the Plan. The Plan may be abandoned by Seller at any time prior to its being declared effective, provided Purchase Agreements for Units totaling less 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 Purchase Agreement 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.

15.2 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 scheduled closing date, after permitted adjournments, this Purchase Agreement shall be deemed canceled. If this Purchase Agreement 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.

16. Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing.

The required Down Payment pursuant to this Purchase Agreement will be fifteen percent (15%) of the Purchase Price for the Unit. All monies, including all deposits, down payments or advances, received by Seller through its agents or employees pursuant to this Purchase Agreement either prior to or subsequent to the consummation of the Plan will be deposited with The New York Community Bank, in a segregated, special escrow account or accounts titled "Seiden & Schein, P.C., Attorney Escrow Account" or similar name, with the name of the Purchaser and the Unit number added to the title of the sub-account, at its branch located at One Jericho Plaza, Jericho, New York . Such account or accounts shall be interest bearing if so requested by Purchaser in accordance with Section 71-a(3) of the Lien Law. Such funds shall be deposited within five (5) business days after this Purchase Agreement 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 member of Seiden & Schein, P.C., 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 Purchase Agreement is canceled (without default by either party) in accordance with its terms. Down Payments, with any accumulated interest, shall remain the property of the Purchaser except as provided by law. Seller is required by law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Down Payment, if any. Purchaser will be taxed accordingly on such interest.

Down Payments will be retained in the special account as set forth above until: (I) Seller performs under the terms of the Purchase Agreement or (ii) Purchaser rescinds or defaults in performance, thereby excusing performance by Seller or (iii) release or discharge of Seller's liability to refund such Down Payment or (iv) upon transfer of title to the Unit to the Purchaser,

or (v) by mutual consent of Seller and Purchaser, including provisions in the previous paragraph, or (vi) as provided for in the section of the Plan titled "Procedure to Purchase", which is incorporated herein by reference. By signing this Purchase Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Down Payment to Seller in the event Seller and Purchaser close title under this Purchase Agreement.

As an alternative to depositing Down Payments in escrow as set forth above, Seller, provided it first obtains an exemption from the Department of Law, may post a bond or indemnity contract with a licensed surety company ensuring return of such monies, which bond or contract is to be delivered to Purchaser. YOU, AS THE PURCHASER OF A UNIT, MAY REQUIRE THE RECIPIENT OR THE SELLER TO DEPOSIT THE DOWN PAYMENT MADE BY YOU INTO AN ESCROW ACCOUNT.

In the event of an uncured default by Purchaser in its obligations under the Purchase Agreement, no more than fifteen percent (15%) of the purchase price plus any interest earned thereon, may be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser. No Down Payment or other monies shall be released pursuant to an uncured default by Purchaser prior to the First Unit Closing.

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

Following the declaration of effectiveness of the Plan, Purchaser will be given at least thirty (30) days prior written notice of the Closing date for his Unit, which notice will also remind Purchaser of its obligation to pay the balance of the Purchase Price at that time and will state when Common Charges will be due and payable.

17. 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 Purchase Agreement. The cost of any such items will be added to the Purchase Price of the Unit.

18. Acceptance of Condition of Unit; Risk of Loss.

18.1 Purchaser's execution of this Agreement shall constitute Purchaser's agreement to accept the Unit in the condition it is in on the earlier of (I) the date the Purchaser has the right to possession of the Unit under an Interim Use and Occupancy Agreement, or (ii) the Unit Closing Date, including the then existing kitchen, bathroom and other appliances, fixtures, equipment and installations, subject to the conditions set forth in this Purchase Agreement and the Inspection

Statement as described in this paragraph.

18.2 Prior to the Closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the Prior consent of Seller. Prior to a scheduled Closing Seller shall advise the Purchaser of a date and time when the Purchaser may inspect the Unit. Purchaser shall attend such inspection only with an authorized representative of Seller. Purchaser shall date and sign the inspection statement at the conclusion of the inspection (the "Inspection Statement"), confirming Purchaser"s acceptance of the Unit in its then "as is" condition. If, however, during the inspection, Purchaser notes certain incomplete items that Seller, through its authorized representative agrees to complete, repair or replace, these items shall be itemized on a list attached to the Inspection Statement which list must be signed and dated by both Seller's representative and Purchaser to be binding on the Seller. Neither Purchaser's architect, engineer nor interior decorator may inspect the Unit for the Purchaser.

18.3 Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the Closing of title thereto.

18.4 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, or (f) anything else in Schaefer Landing and Kent Waterfront. 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 an Inspection Statement.

18.5 Purchaser understands that certain items such as shower heads, toilet seats, kitchen cabinet knobs, mechanical chimes, plumbing fittings, light fixtures, electrical receptacles, toilet accessories, door hardware and minor parts of kitchen cabinets, might not be installed at the time of the inspection. Some of these items are typically left off until Purchaser is about to take occupancy, to prevent pilferage. Other items will be installed subject to availability. Still other items may have been installed but damaged during the course of construction. To the extent any such items are noted on the Inspection Statement, Seller will make reasonable efforts to have any such items installed, repaired or replaced as appropriate, within a reasonable time period following the Closing or occupancy pursuant to an Interim Use and Occupancy Agreement, as applicable, provided Purchaser provides Seller access to do so.

18.6 Purchaser's failure to attend an inspection appointment or to complete, sign and deliver the Inspection Statement, shall not excuse Purchaser from paying the Balance Due at Closing at Closing, and shall constitute Purchaser's full and unconditional acceptance of the Apartment "as-is" on the Closing Date.

18.7 Seller's agreement to complete items on the Inspection Statement shall obligate Seller to perform Seller's work in accordance with the standards for Seller's work set forth in the Plan.

However, Purchaser's failure to permit Seller (or Seller's contractors, agents, or employees) access to the Unit to complete Inspection Statement list items, shall constitute Purchaser's waiver of completion of the Inspection Statement list items.

18.8 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 Purchase Agreement. 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, invites 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 Purchase Agreement and accepting title to the Unit.

18.9 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, this Purchase Agreement 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.

18.10 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 Purchase Agreement 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.

19. Possession of Unit Prior to Closing.

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

19.2 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 Purchase Agreement, and a default under this Purchase Agreement shall be a Default under the Interim Use and Occupancy Agreement, entitling Sponsor, after notice and expiration of the applicable cure periods, to terminate both agreements. Upon the occurrence of such default, Seller shall have the right to cancel this Purchase Agreement 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 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, Seller shall have the right to retain, as and for liquidated damages, all payments made hereunder (but in no event to exceed fifteen percent (15%) of the Total Purchase Price, plus any interest. Any additional deposits in excess of fifteen percent (15%) of the Total Purchase Price, plus any interest, shall be refunded to Purchaser promptly thereafter. Upon cancellation of this Purchase Agreement 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 Purchase Agreement had never been made and without accounting to

Purchaser for the proceeds of such sale.

19.3 Failure to comply with all obligations under this Purchase Agreement shall also constitute default under any Interim Use and Occupancy Agreement. 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 Purchase Agreement.

19.4 If Purchaser becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest thereon, within forty-five (45) days following the Closing, provided that Purchaser is not in default under Purchaser's lease or tenancy obligations.

20. Limitation of Seller's Liability.

The Seller's liability under this agreement 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, this Purchase Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding to render the title to the Unit marketable or to cure any objection to title.

21. Definitions.

21.1 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.

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

21.3 The "Contract Date" on Page 1 of this Purchase Agreement shall be filled in by Seller only upon signing this Purchase Agreement.

22. Gender.

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

23. Other Agreements.

This Purchase Agreement 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.

24. Amendment of Purchase Agreement.

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

25. Brokerage.

Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than the Selling Agent and the Broker named on Page 1 of this Purchase Agreement. Purchaser and Seller agrees 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.

26. Governing Law.

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

27. Jury Waiver.

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

28. Acceptance by Seller.

Within twenty (20) days after delivery to Seller or its Agent by Purchaser of this Purchase Agreement, executed by Purchaser, Seller will either:

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

(b) reject this Purchase Agreement offer and refund the down payment tendered by Purchaser.

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

29. Survival.

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

30. Conflict with Plan.

Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

31. 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.

32. Rules of Construction.

There shall be no presumption against the draftsman of this Purchase Agreement or the Plan.

33. Costs of Enforcing and Defending Purchase Agreement.

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

34. Strict Compliance.

Any failure by Seller to insist upon the strict performance by Purchaser of any of the provisions of this Purchase Agreement 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 this Purchase Agreement to be performed by Purchaser.

35. Performance by and Liability of Seller.

Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Seller to be performed pursuant to the provisions of this Purchase Agreement, 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.

36. Cross Default

Any uncured default by the Purchaser under provisions of this Purchase Agreement or any other Purchase Agreement for a Unit in the Schaefer Landing South Condominium or the Schaefer Landing North Condominium shall be deemed to be a default under all of the Purchase Agreements each of which shall entitle the Seller, at its sole option, to terminate any or all the Purchase Agreements.

37. **Captions**.

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

_____ _____
Purchaser Date

_____ _____
Purchaser Date

Accepted:

Kent North Associates LLC
By: BFC Kent North Managers LLC

By: _____
, Member

Dated: _____

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

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

(Send this application to the reviewing attorney assigned to the subject plan.)

Re: 440 Kent Avenue,
a/k/a Two Schaefer Landing
Brooklyn, New York
Name of Project: The Schaefer Landing North Condominium
File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant:_____

2. Address of Applicant:_____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any):_____

4. This is an application for:

[ ] return of down payment.
[ ]forfeiture of down payment.
[ ] other: _____

5. The project is [ ] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as [ ] a cooperative.
[ ] a condominium.
[ ] a homeowners association.

[ ] a timeshare.
[ ] other:_____

7 Name and Address
of Sponsor: _____
_____

8. Name and Address
of Escrow Agent:_____
_____

9. If down payments are maintained in an escrow account:

(a) Name of account: _____

(b) Name and address
of bank:_____

(c) Account number (if known):_____

(d) Initial interest rate (if known):_____

10. If down payments have been secured by bonds:

(a) Name and address
of bond issuer or surety:_____
_____

(b) Copy of bond included in this application.
(DO NOT SEND ORIGINAL BOND.) If not included, explain:

_____
_____
_____
_____
_____

11. If down payments have been secured by a letter of credit:

(a) Name and address of bank
which issued the letter of credit:_____
_____

(b) Date of expiration of the letter of credit,
if known:_____

12. Plan information:

(a) Date of filing of Plan:_____

(b) The Plan:

[ ] has been declared effective.
Approximate date:_____

[ ] has not been declared effective.

(c) If effective, the Plan:

[ ] has closed or the first unit has closed.
Approximate date:_____

[ ] has not closed.

[ ] don't know.

(d) Down payments are secured by:

[ ] escrow account

[ ] bonds.

[ ] letter of credit

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed:_____

(c) Date(s) of down payment(s):_____

(d) Total amount of down payment(s):_____

(e) Names and addresses of subscribers or 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 unlawfiil 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: _____
_____
_____

ESCROW AGREEMENT(re Down Payments)

ESCROW AGREEMENT ("Agreement") made this ___ day of _____, 2004 between Kent North Associates LLC ("Sponsor"), as Sponsor and Holder of Unsold Units under the Offering Plan for the premises at 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York, and Seiden & Schein, P.C. ("Escrow Agent"), as escrow agent.

WHEREAS, Sponsor is the Sponsor under the Condominium Offering Plan for The Schaefer Landing North Condominium located at 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York (the "Offering Plan"); and

WHEREAS, Escrow Agent is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL" Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, Sponsor desires that Escrow Agent act as escrow agent for deposits and payments by Purchasers, 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 (the "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 New York Community Bank (the "Bank") at its branch located at One Jericho Plaza, Jericho, New York.

1.2 The name of the Escrow Account is SEIDEN & SCHEIN, P.C. ATTORNEY ESCROW ACCOUNT.

1.3 Jay G. Seiden, Esq. and Alvin Schein, Esq., principals of Escrow Agent, are the sole signatories on the Escrow Account.

1.4 The Escrow Account shall be an interest-bearing account as disclosed in the Offering Plan.

1.5 The Escrow Account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds, received from prospective Purchasers 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 the order of SEIDEN & SCHEIN, P.C. AS ESCROW AGENT. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to the prospective Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, Escrow Agent shall notify the Purchaser of the deposit of such funds (the "Escrowed Funds") in the Bank, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Escrowed Funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1 Escrow Agent shall not release the Escrowed Funds of a defaulting Purchaser until after consummation of the Offering 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 Escrowed 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 Purchaser who timely rescinds in accordance with an offer of rescission contained in an amendment to the Plan, as described in the Plan.

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 Escrowed

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 Escrowed Funds.

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

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 Escrow Agent shall maintain the Escrow Accounts called for in this Agreement under the direct supervision and control of Escrow Agent.

5.2 A fiduciary relationship shall exist between Escrow Agent and Purchasers, and Escrow Agent acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

6.1 Sponsor agrees that Sponsor and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to Escrow Agent.

6.2 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

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

(1) 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

(2) 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

(3) All Units offered pursuant to the Offering 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 Escrowed 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 AGENT'S COMPENSATION.

10.1 Sponsor agrees that Escrow Agent's compensation shall not be paid from Escrowed Funds nor from any interest accruing thereon and that compensation to Escrow Agent, if any, shall not deducted from the Escrowed Funds by any financial institution under any circumstance.

11. SEVERABILITY.

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

12. ENTIRE AGREEMENT.

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

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

Seiden & Schein, P.C.

By:_____

Alvin Schein

Kent North Associates LLC

By:BFC Kent North Managers LLC,

Managing Member

By:_____

Donald Capoccia , Member

ESCROW AGREEMENT(re real estate taxes)

ESCROW AGREEMENT, dated as of _____, 2004, by and among Kent North Associates LLC ("Sponsor"), having an office at 2226 First Avenue, New York, New York, and The Board of Managers of THE SCHAEFER LANDING NORTH CONDOMINIUM ("Board of Managers"), with an office at 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York, acting by and through Allstate Realty Associates, with an office at 5420 Thirteenth Avenue, Brooklyn, New York 11219, its managing agent ("Managing Agent").

Statement of Facts

WHEREAS, pursuant to the terms of the Offering Plan for the conversion to condominium ownership of the premises 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York, each Unit Owner is obligated to pay the real estate taxes attributable to his or her condominium unit during such Unit Owner's period of ownership, despite the fact that the condominium units may not yet have been separately assessed as independent tax lots;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Sponsor shall place in escrow with the Board of Managers, at the First Unit Closing, money sufficient to pay the real estate taxes for six months subsequent to the date of the First Unit Closing. If the real estate taxes have already been paid for the part of this six month period, then this six month period shall be reduced by the amount of time subsequent to the First Unit Closing for which the taxes have been paid. Sponsor shall have the right to reduce this escrow on a Unit by Unit basis by requiring each Purchaser to fund into escrow, at such Purchaser's Unit Closing, the amount necessary, on the basis of percentage of Common Interest, to cover the period for which real estate taxes have not been paid for such Unit up to six (6) months from the First Unit Closing. This funding can occur by either Purchaser paying such funds to its mortgagee or by paying such monies into the escrow held by the Board of Managers. Sponsor shall pay the real estate taxes from this escrow account when they are next due and shall be entitled to reimbursement from any Unit Owner who either did not pay any money into escrow or paid less than was required to cover the real estate taxes attributable to such Unit for the time Purchaser owned the Unit.

The Board of Managers shall place any amounts paid by Sponsor as Unit Owner and/or its mortgagees in a special, segregated escrow account in a savings institution or commercial bank of its choice, under the control of its Managing Agent, as Escrow Agent, until such real estate taxes are due and payable, at which time the Board of Managers shall have such funds paid to the City of New York.

The Board of Managers shall receive no compensation for its services to be performed hereunder.

IN WITNESS WHEREOF, Sponsor and the Board of Managers have duly executed this Real Estate Tax Escrow Agreement as of the day and year first above written.

KENT NORTH ASSOCIATES LLC
By: BFC Kent North Managers LLC

By:_____

Donald Capoccia, Member

BOARD OF MANAGERS OF THE SCHAEFER LANDING NORTH CONDOMINIUM

BY: ALLSTATE REALTY ASSOCIATES

By:_____

Joseph Spitzer, President

POWER OF ATTORNEY

POWER OF ATTORNEY

The undersigned, the Owner of Unit No. ___ in the Condominium known as THE SCHAEFER LANDING NORTH CONDOMINIUM consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York, in the Building known as 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York, pursuant to a Declaration of Condominium dated _____, and recorded in the Kings County office of the Register of the City of New York on _____, ARCIS No. _____ and on the Floor Plans on file in said office as Map No._____, do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of THE SCHAEFER LANDING NORTH CONDOMINIUM jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution: (1) acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units in said Property, in accordance with their Common Interests, any Unit whose Owner desires to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the rights and privileges appurtenant thereto, 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 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) 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, (2) commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Residential Board deems necessary or appropriate and (3) execute, acknowledge and deliver any declaration or other instrument affecting the entire Building which the Board of Managers 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 any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Units or the Common Elements which the Board of Managers deems necessary or appropriate, 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.

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

The undersigned do hereby nominate, constitute and appoint Kent North Associates LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, the By-Laws and the Rules and

Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its Designee in accordance with Article 19 of the Declaration or (2) shall be required by (a) an institutional lender procured by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of 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 full force and effect until such time as the Sponsor or Sponsor-designee(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 , 200_.

_____

_____

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

_____
Notary Public

POWER OF ATTORNEY

Dated: _____ __, 200__

By and between
The Board of Managers of The Schaefer Landing North Condominium
and _____

Premises: Unit _____
440 Kent Avenue,
a/k/a Two Schaefer Landing
Brooklyn, New York

Block: 2134
Lot:
County: Kings

Record and Return to:
SEIDEN & SCHEIN, P.C.
570 Lexington Avenue
New York, New York 10022

FORM OF UNIT DEED

THIS INDENTURE made the_____day of _____,_____ , between Kent North Associates LLC, a New York limited liability company having an office at 2226 First Avenue, New York, New York, "Grantor", and _____, having and address at_____"Grantee".

W I T N E S S E T H:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit known as Unit No. _____ in the Building known as 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York, and also designated and described as Unit No. _____ in the Declaration of Condominium comprising The Schaefer Landing North 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 Kings County Office of the Register of the City of New York, on the ____ day of ____200__, in ACRIS No. _____ (hereinafter called the "Declaration"), which Unit is also designated as Tax Lot No. _____on the Floor Plan of the Building, certified by Gene Kaufman Architect PC, on the _____day of _____, 200____, and filed simultaneously with said Declaration in the said Office of the Register of the City of New York, County of Kings as Map No. _____ (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 City of New York, County of Kings and State of New York, bounded and described as follows:

SEE SCHEDULE A ATTACHED HERETO AND MADE A PART HEREOF

All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration of Condominium of the Schaefer Landing South Condominium.

TOGETHER with an undivided _____ percent interest in the common elements of the Property described in said Declaration (hereinafter called the "Common Elements");

TOGETHER with the appurtenances and all estate and rights of the Grantor in and to the Unit;

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 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;

SUBJECT also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and / or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Kings County Office of the Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having 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;

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 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 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 Kings 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.

GRANTOR:
Kent North Associates LLC
By: BFC Kent North Managers LLC

By: _____

GRANTEE:

_____

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

_____
Notary Public

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

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

_____
Notary Public

UNIT DEED

Dated: _____ __, 200___

By and between
Kent North Associates LLC
and _____

Premises: Unit ____
440 Kent Avenue,
a/k/a Two Schaefer Landing
Brooklyn, New York

Block: 2134
Lot:
County: Kings

Record and Return to:

SCHAEFER DEVELOPMENT HOUSING COMPLEX
CONDOMINIUM APARTMENT BUILDINGS
NORTH BUILDING
NEW YORK, NEW YORK 11211

May 23, 2005

General: The property described herein will contain a new building located in a complex of three new buildings with a parking garage located in cellar and an interior private landscaped courtyard/plaza.

A. Location of Property:

1.	Address:	440 Kent Avenue, a/k/a Two Schaefer Landing Brooklyn, New York
2.	Block No.:	2134
3.	Lot Number:	40
4.	Zoning District:	R7-3
5.	Permitted Uses:	Use Group 2 (Residential) and accessory uses. Use Group 3 (Community Facility, includes colleges, universities, college or university dormitories, domiciliary care facilities for adults, libraries, museums, non-commercial art galleries, monasteries, non-profit hospital staff dwellings, nursing homes and health-related facilities). Use Group 4 (Community Facility, includes churches, clubs community centers, government operated health centers, medical offices, monasteries, non-commercial recreational centers, non-profit hospital staff dwellings, non-profit or voluntary hospitals, philanthropic or non-profit institutions, proprietary hospitals, seminaries, welfare centers, agricultural uses, cemeteries, golf courses, outdoor tennis courts or ice skating rinks, public parks, playgrounds, private parks, railroad or transit right-of-way).
6.	Landmark Status:	None

B. Status of Construction:

1. The New Building is currently in the initial stages of construction pursuant to permit # 301545291-01-NB, dated June 9, 2004. The projected date of substantial completion is on or about November 15, 2005 unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

2. Certificate of Occupancy: After completion of construction, the Sponsor will apply for a Certificate of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). The Sponsor makes no representation as to the exact time of the delivery of the Certificate of Occupancy. The Sponsor will obtain a Temporary Certificate of Occupancy prior to the first unit closing. The Sponsor will obtain a Permanent Certificate of Occupancy within 2 years of the first unit closing.

3. Class of Construction: The Building will be classified as Class IC (Non-Combustible) and will conform to all applicable regulations of the Building code of the City of New York ("Building Code"). The building plans were filed with the New York City Department of Buildings as job # 301545291 and were approved by DOB.

C. Site Description:

1. The Site is part of a Waterfront Lot totaling 107,524 S.F. and has been sub-divided into multiple tax lots. Lot 40's metes and bounds description starts at a South/East point where lots 39 and 40 meet, thence 83.85' north, thence 134.08' west, thence 83.85' south, thence 134.08' east to the point of origin. The directions north, south, east and west are approximate, and are more precisely defined with surveyed coordinates in the tax lot filing RP-604 filed with the City Surveyor. The land has an area of approximately 11,062 square feet.

D. Site Distribution:

1. North Building, Lot 40:
   a. 25-Story Residential Complex
   b. 135 Condominium Dwelling Units
   c. One (1) Concierge Counter/Mail Room/Storage Facility

2. Schaefer Landing Homeowner's Association ("SLHOA") (located in South Building)
   a. One (1) Private Accessory Health Club Facility
   b. One (1) Private Accessory Lounge Facility
   c. One (1) Private Accessory Lobby/Waiting Lounge
   d. One (1) Business Center

3. The site is accessed via Kent Waterfront Homeowners Association ("KWHOA") areas:
   a. Vehicular service access driveway to interior courtyard/plaza level.
   b. Pedestrian walkways, stairs and ramps to interior courtyard/plaza level.
   c. Vehicular access driveway services the subterranean parking garage.
   d. Temporary pedestrian egress through the site (prior to completion of North Condominium) from Kent Avenue to the Shoreline Public Walkway

4. Recreation Areas are part of SLHOA including accessory health club facility (approximately 1,836 sf), accessory lounge (approximately 3278 sf), accessory lobby/waiting lounge (approximately 2,804 sf), accessory lounge (approximately 313 sf), accessory pantry (approximately 253 sf) and accessory business center (approximately 294).

E. Sidewalk:

1. There are no public sidewalks or curbs as the building is set back from the public street.

2. Walkways within the property are part of KWHOA and give access to the building entrance.

3. A shared driveway that provides access to the cellar accessory parking of the property is part of KWHOA.

4. Garage
   a. Garage finishes are concrete floor and perimeter walls, concrete or concrete plank ceilings, concrete block interior walls, two-hour fire rated construction.
   b. Garage ventilation is fresh-air intake from courtyard above and mechanical exhaust fans, in compliance with code.
   c. Garage drainage is provided by floor drains throughout the space connected to the building sewer system.
   d. Garage fire protection is dry pipe sprinkler system throughout in compliance with code.

5. There are seventy (70) parking spaces available to residents of the Schaefer Landing North Condominium. They are not allocated to individual units. Two (2) spaces are handicapped accessible in compliance with code.

F. Utilities:

1. Water supply and combined sewer servicing the building units will be provided by the City of New York.

   a. Water supply will be master metered. An individual sub meter will be provided for each of the buildings. Each unit will not be billed separately for their usage.
   b. Water supply for the Private Accessory Health Club space in the South Building shall be sub-metered through a master meter and all usage shall be incorporated into the overall maintenance cost of the SLHOA.
   c. Water supply for the Private Accessory Lounge in the South Building shall be sub-metered through a master meter and all usage shall be calculated as an expense of the SLHOA.
   d. Water supply for the landscaped Courtyard/Plaza shall be sub-metered through a master meter and all expenses shall be distributed equally amongst the residents of the complex, thru the KWHOA.
   e. Water service shall be provided for the Security Control Booth at the entrance driveway and all expenses incurred shall be equally distributed amongst the residents and included in maintenance costs through the KWHOA.

2. Consolidated Edison (Electric) and KEYSPAN (Gas) shall provide Gas and Electrical service.

   a. Gas supply will be master metered for the building and all usage shall be incorporated into the overall cost of maintenance of the private condominium ownership.
   b. Electrical supply will be individually metered for each unit.
   c. Electrical supply for the common elements shall be individually metered and all usage shall be incorporated into the overall cost of maintenance of the private condominium ownership.
   d. Electrical supply for the SLHOA Private Accessory Health Club space shall be sub-metered through a master meter and all usage shall be incorporated into the overall cost of maintenance of the private condominium ownership.

e. Gas and Electrical supply for the SLHOA Private Accessory Lounge shall be sub-metered through a master meter and all usage shall be the calculated express expense of the SLHOA.
f. Electrical supply for the KWHOA landscaped Courtyard/Plaza shall be sub-metered through a master meter and all expenses shall be distributed to the members of the KWHOA.
g. Electrical supply shall be provided for the KWHOA Security Control Booth at the entrance driveway and all expenses incurred shall be distributed to the members of the KWHOA.

3. The KWHOA Sponsors shall provide telephone, cable television wiring for the entire complex. Internet usage can be obtained through cable TV and telephone wiring.

a. Individual residents shall select telephone, cable television and Internet service provider of their choice to service their particular requirements.
b. Telephone lines will also be used for intercom service to each residential unit.
c. Telephone service shall be provided for the Security Control Booth at the entrance driveway and all expenses incurred shall be distributed amongst the members of KWHOA Inc.

G. Sub-soil Conditions:

1. The new cellar floor shall be supported on steel tube concrete filled piles and pile caps. The new cellar floor shall be comprised of a new reinforced concrete slab on a waterproofing membrane, capable of performing as a vapor barrier, on two (2) feet of clean fill. New perimeter foundation walls shall be waterproofed reinforced concrete with a full height drainage barrier.

2. The building complex is not located in 100 year Flood hazard. It is located in Zone B (100-year flood to 500-year flood).

H. Landscape & Enclosure:

1. The interior courtyard/plaza level is part of KWHOA further described in KWHOA. Refer to side plan for planting areas. Refer to KWHOA report for landscape and construction information.

I. Building Height:

1. The building height is 234 feet above the base plane.

2. The Subterranean Cellar floor height is approximate 11'-3" high to plaza above.

3. The South building is sub-divided as follows:

1. Ground Floor (Accessory Uses) to Second floor:	9'-9"
2. Second Floor to Third Floor:	9'-9"
3. Third Floor to Fourth Floor:	9'-9"
4. Fourth Floor to Fifth Floor:	9'-9"
5. Fifth Floor to Sixth Floor:	9'-9"
6. Sixth Floor to Seventh Floor:	9'-9"
7. Seventh Floor to Eight Floor:	9'-9"
8. Eighth Floor to Ninth Floor:	9'-9"
9. Ninth Floor to Tenth Floor:	9'-9"

10. Tenth Floor to Eleventh Floor:	9'-9"
11. Eleventh Floor to Twelfth Floor:	9'-9"
12. Twelfth Floor to Fourteenth Floor*:	9'-9"
13. Fourteenth Floor to Fifteenth Floor:	9'-9"
14. Fifteenth Floor to Sixteenth Floor:	9'-9"
15. Sixteenth Floor to Seventeenth Floor:	9'-9"
16. Seventeenth Floor to Eighteenth Floor:	9'-9"
17. Eighteenth Floor to Nineteenth Floor:	9'-9"
18. Nineteenth Floor to Twentieth Floor:	9'-9"
19. Twentieth Floor to Twenty-First Floor:	9'-9"
20. Twenty-First Floor to Twenty-Second Floor:	9'-9"
21. Twenty-Second Floor to Twenty-Third Floor:	10'- ½"
22. Twenty-Third Floor to Twenty-Fourth Floor (PH1):	10'- 1½"
23. Twenty-Fourth Floor to Twenty-Fifth Floor (PH2):	10'- 1½"
24. Twenty-Fifth Floor to Roof (PH3):	10'-3 ½"
25. Mechanical Equipment Room, Compactor Room:	11'-6"
26. Cellar Vestibule, Bicycle Storage:	11'-6"

*Thirteenth floor has been dropped, from numbering system

4. Roof structure height from main roof to top of bulkhead slabs is approximately +/_ 30'-0".

5. Parapets:

   a. Height from top of roof finish to top of parapet coping or railings will be 3'6".

J. Occupancy

1. There will be 135 Class-A residential units in the project. All units shall be compliant with Local Law 58.

2. The numbers of units are in compliance with the requirements of the New York City Zoning Resolution.

K. Building System

1. The new foundation walls will be concrete. The building structure will be steel and pre-cast concrete plank floor slab for upper structure, poured-in-place reinforced concrete for courtyard/plaza and subterranean cellar floor.

   (a) The building is a new building. There is no Landmark district or individual building designation.

   (b) Walls: The exterior wall construction is insulated curtain wall with operable windows and pre-cast glass fiber reinforced concrete panels (GFRC) with a minimum insulation value of R-19, as required by the NYS Energy Code, and a 5/8" gypsum wallboard finish at interiors. At the roof structures, EIFS or stucco finish on concrete block or light gauge framing.

(c) Windows: The windows at all floors will be of new aluminum tilt & turn windows and fixed windows manufactured by Technal Window Inc. with a one year warranty on labor and materials. The warranty period will start from the end date of completion of the window installation. There shall be no Lot-line windows.

2. Parapets and Copings: The roof and terrace parapets shall be glass fiber reinforced concrete panels (GFRC) on concrete block with metal railings anchored to the concrete slab. The parapet wall and coping at the courtyard/plaza shall be made of concrete block cast-stone and acrylic stucco or aluminum.

3. Exposed exterior flashing for the building shall be stainless steel or aluminum.

4. Chimneys and Flues: The refuse chute shall be vented through flues at the roof per NYC DOB standards. The boiler exhaust flue terminates above the main roof per NYC DOB standards.

5. Terraces and Balconies: (See item #8 below).

A. Balconies

The balconies are to be made from pre-cast concrete plank flooring with a cement topping and liquid applied waterproofing membrane pitched to floor drains connected to discharge into the buildings sewer lines that lead to the NYC Sewer Waste Lines. The balcony flooring is finished with stone tiles on a cement setting bed. All balconies have a raised curb to prevent the overflow of waste to the lower levels. The railings are made of ½" thick clear tempered glass with an extruded aluminum cap; these are secured into a recessed extruded aluminum receptor channel that is anchored to the structural slab. Owners are not allowed to construct anything new on balconies.

B. Terraces

a. Private roof terraces are at the main roof. These are assembled in a similar fashion with the only exception being the railings or parapets that enclose them.

The main roof is subdivided into a series of private terraces. These have direct access from their condominium. A common public terrace is provided for the units that do not have direct access from their units via elevators. The private rooftop terraces are accessed by means of an enclosed private stair and bulkhead that leads from the living room of each individual penthouse condominium unit to an outdoor space on the rooftop. The floor composition is made from pre-cast concrete plank flooring with a cement topping and liquid applied waterproofing membrane pitched to floor drains connected to discharge into the buildings sewer lines. Wood fences enclose these terraces. The floor is finished with 2'-0"x2'-0" pre-cast concrete unit pavers on sleepers over rigid insulation. Privacy enclosure is achieved by means of a 6'-0" high decorative wooden fence. The landscaping of the common roof is achieved through the use of a wooden trellis and planter boxes. Benches are provided for seating. All railings and fences are setback a distance of 5'-0" from the roof edge. As the building has utilized all available floor area, no new construction is allowed on the terraces. No plumbing or electrical work or any work normally requiring a building permit may be performed without a permit from the New York City Department of Buildings. The Board of Managers will oppose applications for work requiring a variance of any kind. Only a removable potted garden may be installed on the roof terrace without building department

approval. Nonetheless, any installation on the roof terrace must have Board of Managers approval.

C. Yards

a. Private yards at first floor and unit 2D are provided at the roof of the parking garage with wood fence enclosure. As the building has utilized all available floor area, no new construction is allowed in the yards. No plumbing or electrical work or any work normally requiring a building permit may be performed without a permit from the New York City Department of Buildings. The Board of Managers will oppose applications for work requiring a variance of any kind. As the yards are built on the roof of the parking garage, only a removable potted garden may be installed in the yards without building department approval. Nonetheless, any installation in the yards must have Board of Managers approval.

6. Exterior Entrance and Ground Floor Public Areas

a. Exterior Doors and frames: The main entrances doors are aluminum with transparent glass panels.

b. Vestibules and Entrance Doors: Doors will be clear tempered glass and frames shall be powder-coated aluminum.

c. Mail Boxes: Mailboxes are located in the Lobby at the Ground Floor and will be front-loading finished metal and U.S. Government approved.

d. Storage Room: Provided at Cellar floor for tenant bicycle storage and at Ground floor for packages.

e. Lighting: Exterior light at all main building entrances shall be provided. Lighting will be provided in the lobby and public corridors. Courtyard/plaza illumination shall be provided and charged to HOA.

7. Roof and Roof Structures

1. Type of Roof

a) Material: The roofing systems will be a two layer modified bitumen rubber roof membrane type over tapered insulation sloped to drains (as recommended by the roofing manufacturer) with Precast pavers for the roof terraces and main roof accessible to the public or owners of North Building.

b) Insulation: Insulation shall be as per roofing manufacturer's recommendations with an "R" value as required to meet the NYS Energy Codes.

c) Surface Finish: The surface finish will be roofing or concrete pavers as described above.

d) Expected Useful Life: The roofing system shall have a minimum life of up to 15 years.

e) Bond or Warranty: The roofing system shall have a Fifteen-year minimum manufacturer's warranty.

f) Flashing Material: There will be aluminum counter flashing and bituthene membrane base flashing as required and will be compatible with the Hydrotech roofing assembly.

2. Roof Drains:

a) Material and Type: Cast Iron Drains

b) Scuppers and Leaders: At roof bulkheads, and balconies made of galvanized steel material.

3. Skylights: none.

4. Core Bulkheads, fire stairs, elevator overrun:

a) Residential Elevator: The elevator will be fabricated, installed, and guaranteed for a one-year period by Elevator Manufacturer. The overrun will be part of roof bulkhead, which will consist of a poured-in-place concrete floor on metal deck and exterior walls with a cement plaster finish on light gauge steel framing enclosure with EIFS finish.

b) Stairs: The stair enclosure will be part of roof bulkhead that will consist of 8" light gauge steel framing enclosure with an EIFS veneer finish.

c) Other: Residential air handling units will be located on the main roof level for all building units.

5. Elevator and Stair Bulkhead

a) Exterior Enclosure: EIFS veneer finish.

6. Metal Work at Roof Levels

a) Vertical Ladders: One exterior, vertical ladder shall be provided to gain access to the upper roof level of the elevator bulkhead per building.

b) Railings: metalized or power coated steel or galvanized pipe and tempered clear glass railings at some terraces and balconies. Aluminum or galvanized railings at roof of elevator bulkheads.

c) Hatches to Elevator Roof: One per Bulkhead.

d) Other: None

7. Roof top facilities and the roof terraces are a private limited common element and will be for use by the penthouse units, and a common element area of approximately 2868 SF will be available for the remaining unit owners.

8. The sponsor's conveyance of the limited common element of the roof to the condominium unit owners is restricted as follows:

a) No floor area may be added.

b) No construction can be performed without a permit from the Department of Buildings and approval by the Board of Managers of the Condominiums. All drawings and calculations submitted must be signed and sealed by a Registered Architect or Professional Engineer.

c) If any proposed construction cannot be built as-of-right and require a variance from the Board of Standards and Appeals, the applicant must disclose the need for the variance. If the Board of Managers of the Condominium opposes the application for a variance it may be denied.

d) The condominium shall have unlimited access to all areas of the roof for the purposes of making inspections, repairs, maintenance work on the building facades and cleaning of building windows.

e) Repair or replacement of the roof, roof accessories or common elements in or passing through the unit is the financial responsibility of the condominium unless the damage is caused by the condominium unit owner.

f) In the event the condominium unit owner wishes to construct on the roof subject to the conditions stated above, the Board of Managers of the Condominium should regulate 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 that must be taken to prevent compromising the security of the building during construction.

(4) The interruption of services during construction.

(5) Liability insurance for contractors during construction.

9. Fire Escapes

a. There are no fire escapes. Fire escapes are not permitted by the building code, of the City of New York for new construction.

10. Yards: Landscaped interior courtyard/plaza (See KWHOA Architect Description).

11. Interior Public Stairs:

a. Number of Stairs: There is one stair core in the building, containing a scissor type fire stair, which will extend from the cellar level to the main roof level. Fire stairs provide egress from the cellar, upper floors and roofs.

b. Enclosure: The stairs will be enclosed with a min. 2-hour rated 5" Gypsum wallboard shaft wall construction. Stairs bulkheads projecting the through the roofs shall be constructed from light gauge studs with EIFS. All stair walls will be painted.

c. Stair Construction: All the stairs will be pre-cast concrete construction.

d. Stringers: None.

e. Treads: Concrete.

f. Risers: Concrete.

g. Hand Rails: There shall be a steel pipe handrail in each stair in accordance with the NYC Building Code.

h. Balustrade: Steel bars or pipe rail as required.

12. Interior Penthouse Unit Stairs:

1. Location of Stairs:

a. The 25th floor Penthouse units shall have one interior stair with rails as required leading to the private roof level.

b. Stair Construction: Penthouse stairs will be steel and wood construction.

c. Stringers: Painted metal.

d. Risers: Open riser.

e. Balustrade: Ornamental steel painted finish.

13. Interior Doors and Frames:

a. Apartment Entry Doors: The Residential units shall be accessed from the corridors and shall have a hollow metal doors and frame to comply the New York City Building Code requirement.

b. Public Area Doors and Frames: All doors and frames shall be hollow-metal and will comply the New York City Building Code requirements.

c. Stair Doors and Frames: All doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

d. Roof Doors, Cellar Doors and Frames: These doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

e. Apartment Interior Doors: Door and frames shall be wood with wood or hollow metal frames.

14. Elevators:

1. There shall be two (2) Residential passenger elevators servicing the building from the Cellar to the Roof Floor. The elevator manufacture is Hollister – Whitney Elevator Corporation.

2. The passenger elevators shall have a capacity of 2,500 pounds.

3. The type of operation will be Selected Collective Operation.

4. The elevator will be installed with a Tricon VVVF solid-state controller.

5. The elevator will be an overhead traction type.

6. The elevators doors will be single speed Doors.

7. The residential elevator machine rooms will be located at the elevator bulkhead above the elevator overrun and is accessed via an exterior steel ships ladder.

8. The elevator power will be a 40 hp, 208-volt, 3-phase A/C Imperial motor.

15. Elevator Cab:

a. Residential elevator cab will be manufactured by EDI and shall be in conformance with applicable code provisions.

b. The floor material will be a stone finish on setting bed.

c. The walls for elevator cab will be covered with stainless steel and wood laminate panels for safety.

d. The ceiling for elevator cabs will be a stainless steel panel.

e. The lighting of the cab will be recessed incandescent lighting.

16. Finishes /Appliances:

A. <u>Residential Lobby:</u>

a. The floor shall be finished with stone flooring and carpeting
b. Walls shall be finished with a gypsum wallboard finish with painted wood baseboards.
c. Reception Desk shall be custom design per architect's specifications.
d. Entry doors to aluminum storefront framing with tempered clear glass panels with door pivot hardware.
e. Ceiling lighting shall be recessed incandescent fixtures as selected.

B. Interior of Residential Units, General Requirements-

Typical appliances and finishes: (equal or better as certified by architect of record)

Item	Manufacturer	Model #
Ceiling	Painted Concrete Plank	N/A
Walls	Sheetrock, painted B. Moore, white	
Floors	Wood	N/A
Refrigerator	GE	PTS22SCBS
Microwave	GE	JEM31SF
Dishwasher	GE	PDW7880GSS
Garbage Disposal	GE	GFB760F
Range	GE	JGS968SEH
Range Hood	Broan	QS130SS/BPSF30
Floors	Wood	N/A
Countertop	Stone	N/A
Ceiling	Painted Gypsum Wallboard	N/A
Kitchen Sink	Kohler	Undertone K-3332
Kitchen Faucet	Danze	D404458
Kitchen Cabinets	Stained Wood Veneer	N/A

C. Bathrooms:

Master Bathroom

Item	Manufacturer	Model #
Bathtub	Kohler	Maestro K-840-0
Tub Drain	Kohler	K-7193
Tub Spout	Danze Parma	D30555
Tub Faucet	Danze Parma	D3058-SC
Shower Head	Danze Parma	D500555
Lavatory	Kohler	Caxton K-2211-0 undercounter
Lavatory Faucet	N/A	N/A
Toilet	Kohler	San Raphael K-3466-0
Floors	GDD	Calacatta White Marble

Guest Bathroom

Item	Manufacturer	Model #
Guest Bathtub	Kohler	K-715 or K-716
Guest Shower Faucet	Danze Parma	D50058
Guest Shower Mixing Valve	Danze Parma	D50058
Guest Lavatory	Kohler	Caxton K2210 undercounter
Toilet	Kohler	San Raphael K-3466-0
Floors	GDD	Gascogne Hue Limestone

17. Unit Description:

Building Designation/ Floor Level	Unit Designation	Unit Type	Gross Square Footage of Condo Unit*	Total Gross Square Footage
Cellar				
1st Floor	1A	2BR	1,270	
1st Floor	1B	3BR	1,460	
1st Floor	1C	2BR	1,175	
1st Floor	1D	2BR	836	
1st Floor	1E	1BR	890	
1st Floor	2D -Lower		410	
Total 1st				6041
2nd Floor	2A	2BR	1,270	
2nd Floor	2B	3BR	1,460	
2nd Floor	2C	2BR	1,175	
2nd Floor	2D Upper	3BR	1,240	
2nd Floor	2E	2BR	1,246	
2nd Floor	2F	1BR	860	
Total 2nd				7251
3rd Floor	3A	2BR	1,270	
3rd Floor	3B	3BR	1,460	
3rd Floor	3C	2BR	1,175	
3rd Floor	3D	2BR	1,222	
3rd Floor	3E	2BR	1,246	
3rd Floor	3F	1BR	860	
Total 3rd				7233
4th Floor	4A	2BR	1,270	
4th Floor	4B	3BR	1,460	
4th Floor	4C	2BR	1,175	
4th Floor	4D	2BR	1,222	
4th Floor	4E	2BR	1,246	
4th Floor	4F	1BR	860	

Total 4th				7233
5th Floor	5A	2BR	1,270	
5th Floor	5B	3BR	1,460	
5th Floor	5C	2BR	1,175	
5th Floor	5D	2BR	1,222	
5th Floor	5E	2BR	1,246	
5th Floor	5F	1BR	860	
Total 5th				7211
6th Floor	6A	2BR	1,270	
6th Floor	6B	3BR	1,460	
6th Floor	6C	2BR	1,175	
6th Floor	6D	2BR	1,222	
6th Floor	6E	2BR	1,246	
6th Floor	6F	1BR	860	
Total 6th				7233
7th Floor	7A	2BR	1,270	
7th Floor	7B	3BR	1,460	
7th Floor	7C	2BR	1,175	
7th Floor	7D	2BR	1,222	
7th Floor	7E	2BR	1,246	
7th Floor	7F	1BR	860	
Total 7th				7233
8th Floor	8A	2BR	1,270	
8th Floor	8B	3BR	1,460	
8th Floor	8C	2BR	1,175	
8th Floor	8D	2BR	1,222	
8th Floor	8E	2BR	1,246	
8th Floor	8F	1BR	860	
Total 8th				7211
9th Floor	9A	2BR	1,270	
9th Floor	9B	3BR	1,460	
9th Floor	9C	2BR	1,175	
9th Floor	9D	2BR	1,222	
9th Floor	9E	2BR	1,246	
9th Floor	9F	1BR	860	
Total 9th				7233
10th Floor	10A	2BR	1,270	
10th Floor	10B	3BR	1,460	
10th Floor	10C	2BR	1,175	
10th Floor	10D	2BR	1,222	
10th Floor	10E	2BR	1,246	
10th Floor	10F	1BR	860	
Total 10th				7233
11th Floor	11A	2BR	1,270	
11th Floor	11B	3BR	1,460	
11th Floor	11C	2BR	1,175	
11th Floor	11D	2BR	1,222	
11th Floor	11E	2BR	1,246	

11th Floor	11F	1BR	860	
Total 11th				7211
12th Floor	12A	2BR	1,270	
12th Floor	12B	3BR	1,460	
12th Floor	12C	2BR	1,175	
12th Floor	12D	2BR	1,222	
12th Floor	12E	2BR	1,246	
12th Floor	12F	1BR	860	
Total 12th				7233
14th Floor	14A	2BR	1,270	
14th Floor	14B	3BR	1,460	
14th Floor	14C	2BR	1,175	
14th Floor	14D	2BR	1,222	
14th Floor	14E	2BR	1,246	
14th Floor	14F	1BR	860	
Total 14th				7233
15th Floor	15A	2BR	1,270	
15th Floor	15B	3BR	1,460	
15th Floor	15C	2BR	1,175	
15th Floor	15D	2BR	1,222	
15th Floor	15E	2BR	1,246	
15th Floor	15F	1BR	860	
Total 15th				7233
16th Floor	16A	2BR	1,270	
16th Floor	16B	3BR	1,460	
16th Floor	16C	2BR	1,175	
16th Floor	16D	2BR	1,222	
16th Floor	16E	2BR	1,246	
16th Floor	16F	1BR	860	
Total 16th				7211
17th Floor	17A	2BR	1,270	
17th Floor	17B	3BR	1,460	
17th Floor	17C	2BR	1,175	
17th Floor	17D	2BR	1,222	
17th Floor	17E	2BR	1,246	
17th Floor	17F	1BR	860	
Total 17th				7233
18th Floor	18A	2BR	1,270	
18th Floor	18B	3BR	1,460	
18th Floor	18C	2BR	1,175	
18th Floor	18D	2BR	1,222	
18th Floor	18E	2BR	1,246	
18th Floor	18F	1BR	860	
Total 18th				7211
19th Floor	19A	2BR	1,270	
19th Floor	19B	3BR	1,460	
19th Floor	19C	2BR	1,175	
19th Floor	19D	2BR	1,222	

19th Floor	19E	2BR	1,246	
19th Floor	19F	1BR	860	
Total 19th				7233
20th Floor	20A	2BR	1,270	
20th Floor	20B	3BR	1,460	
20th Floor	20C	2BR	1,175	
20th Floor	20D	2BR	1,222	
20th Floor	20E	2BR	1,246	
20th Floor	20F	1BR	860	
Total 20th				7233
21st Floor	21A	2BR	1,270	
21st Floor	21B	3BR	1,460	
21st Floor	21C	2BR	1,175	
21st Floor	21D	2BR	1,222	
21st Floor	21E	2BR	1,246	
21st Floor	21F	1BR	860	
Total 21st				7211
22nd Floor	22A	3BR	1,850	
22nd Floor	22B	0BR	1,780	
22nd Floor	22C	2BR	1,790	
22nd Floor	22D	3BR	1,810	
Total 22nd				7230
23rd Floor	PH1A	3BR	1,800	
23rd Floor	PH1B	0BR	1,700	
23rd Floor	PH1C	2BR	1,730	
23rd Floor	PH1D	3BR	1,740	
Total 23rd				6970
24th Floor	PH2A	3BR	1,800	
24th Floor	PH2B	0BR	1,700	
24th Floor	PH2C	2BR	1,730	
24th Floor	PH2D	3BR	1,720	
Total 24th				6950
25th Floor	PH3A	3BR	1,800	
25th Floor	PH3B	0BR	1,700	
25th Floor	PH3C	2BR	1,730	
25th Floor	PH3D	3BR	1,740	
Total 25th				6970
Roof	A		130	
Roof	B		195	
Roof	C		169	
Roof	D		170	
Total Roof				**664**
TOTAL:		**135Units**	**172,160 (residential only)**	

*(Unit Sizes are calculated from the exterior face of exterior walls adjacent to the unit to the centerline of the demising wall between Units, Corridors, Elevator, and Stairs)

L. Auxiliary Facilities

1. Public Laundry Room: None

i). Washers and dryers will be provided within each Condominium Unit. The washers will be Eurotech Model # EWF150. The dryers will be Eurotech Model # EDC158. The dryers will be electric and ventless and no exhaust ducts are provided.

2. Refuse Disposal

i) Incinerators: None.

ii) Trash Chutes: One (1).

iii) Compactors: One (1). Manufactured by U.S. Chutes, Model #3000.

iv) Storage Location: The refuse for each building will be stored in the Refuse Room located at the cellar level and is transferred to street level. Recycling of designated materials will be per local law requirements. Recyclables (if required) will be stored in the refuse rooms.

v) Bags and recyclables from the residential refuse room shall be transported to street level by the building superintendent, and then removed by the New York City Department of Sanitation.

M. Plumbing and Drainage

(1) Water Supply:

i) A 6" metered cold water service with a curb valve is connected to the street water main in Kent Avenue. The service line is extended to the cellar Water Meter Room.

ii) The metered cold water supply will be extended to a reduced pressure backflow preventer located in the cellar then to the triplex domestic water booster pumps located in the cellar, and serving each building.

iii) Booster water pumps shall provide water pressure to equipment and to the fixtures in all of the residential units.

iv) Cold-water distribution will be supplied from the cellar booster pumps dedicated to each building via the cellar and first floor distribution main.

v) The hot water piping parallels the cold water as an up-feed supply. The end of each hot water riser is provided with a hot water return extended down to the hot water return main in the cellar. Hot water is provided to residential units.

vi) The domestic hot water temperature to all fixtures will be 120 deg. F. and controlled by a mixing valve at the water heater. Domestic hot water will be

provided by gas fired water heaters with storage tanks and distributed to all residential units. Separate heaters will be provided for each building.

vii) Flow conservation devices will be provided on all water supplies to all showers.

viii) Backflow preventers and vacuum breakers will be provided as required to protect the domestic water supply.

ix) Air chambers are provided at the top of all risers and throughout the piping systems to prevent water hammer.

x) The cold, hot and hot water return piping 2" and less is copper Type 'L' with 95-5 solder joints. Piping 2-1/2" and larger is copper Type 'L' with 95/5 solder joints.

xi) The cold-water service and 8" combined fire standpipe/sprinkler service pipes shall be of cast iron material.

xii) All water risers will be provided with control valves.

xiii) Expansion compensators and loops will be provided on hot and hot water return piping systems.

xiv) The water pressure in the cold and hot water systems to fixtures will be limited to between 20 and 85 psig per NYC code by means of pressure reducing valve.

xv) Water conservation plumbing fixtures will be provided and must be used should owner replace any fixtures in their unit.

(2) Fire Protection System:

i) An 8" combined fire standpipe water service from Kent Avenue serves an automatic fire pump. The fire pump capacity is between 500 GPM and 1000 GPM and is provided with a jockey pump to maintain pressure in the system.

ii) From the automatic fire pump, a distribution main at cellar will supply combined fire standpipe and sprinkler riser located in the stair of each building. The riser will serve sprinkler systems throughout each floor, and each hose station on each floor. The pipe material is black steel pipe.

iii) Each hose valve station located in the residential portion of the building will be provided with 2-1/2" angle valve with a cap and chain. In the cellar a fire hose rack is provided with a 2-1/2" angle valve and 125 feet of 2-1/2" fire hose. In the residential lobby area, a Fire Department hose cabinet will be provided with 375 feet hose and nozzles. In addition, a key cabinet for the Fire Department use to open the hose cabinet will also be provided adjacent to the hose cabinet.

iv) Sprinklers will be provided throughout the building except for residential toilet rooms and closets unless required by code. (Windows within 15 feet of a side or

rear lot line not protected by easement shall be protected by an automatic sprinkler head meeting all state and local code requirements.) The first floor Residential lobby and corridor, will be protected with a wet sprinkler system. The sprinkler system is supplied from the combined fire standpipe and sprinkler system.

v) Upright, pendent and flush type heads will be provided throughout. In all finished areas with hung ceiling the heads will be flush type concealed heads with plates. Approved sidewall type heads will also be provided. The sprinkler system will be designed for light and ordinary hazard occupancy.

vi) The secondary source of water supply is from the combined fire, standpipe and sprinkler system flush type Siamese facing Kent Avenue.

(3) Water Storage Tank: None provided.

(4) Water Pressure:

i) Domestic water pressure is maintained by a triplex booster water pump system to be located at the cellar level, serving each building.

(5) Sanitary Sewage System:

i) A complete sanitary drainage system in each building will convey all soil and waste from plumbing fixtures, drains and equipment. The sanitary system is designed for gravity flow through vented branches, stacks and building drains. Drainage piping to fixtures located in the cellar area will flow by gravity to a duplex sewage ejector including all remote fixtures that cannot drain by gravity on the first floor. The ejector discharge pipe connects on the downstream side of the building house trap.

ii) Sanitary piping above ground shall be cast iron piping with no-hub fitting and galvanized steel pipe. Piping below grade is cast iron service weight pipe with Bell and Spigot fittings and neoprene gasket joints.

iii) The sanitary drainage flows to the city public sewer at Kent Avenue.

(6) Permits Required:

Permits and approvals to be delivered on closing by the developer for:

- Plumbing, sewer, water and gas.
- Sprinkler
- Standpipe
- Elevator

(7) Storm Drainage System:

i) A complete storm water drainage system designed for gravity flow will convey storm water drainage from the building roofs, and the private open courtyard. Roof drains will be the control type, allowing the retainage of up to 3" of storm water on the roofs, and controlling the discharge flow into the storm leaders. Drainage from the open courtyard will be collected and retained in a detention facility equipped with a control flow device to regulate the discharge into the public sewer.

ii) Drainage from the below grade level will be collected and discharge to the public sewer using duplex sump pumps. In the elevator pits a submersible sump pump is provided.

iii) A storm house sewer will connect and combine with the sanitary house sewer at the foundation wall and will flow to the new combined street sewer in Kent Avenue.

iv) The piping material above the floor will be cast iron with no-hub joints or galvanized steel. Piping below the cellar slab will be cast iron. Sump pumps and sewage ejector discharge piping will be galvanized steel pipe.

N. Heating

1. Method

i) The primary heat source for all buildings will be high efficiency, gas fired, low-pressure hot water boilers Two Ray Pak model number H9-2342 with a 3932 mbh capacity. Hot water will be circulated throughout each building to hot water heating coils or to baseboard fin-tube type radiators. The heating system is designed to comply with the NYS Energy Code.

2. Domestic Hot Water

i) Domestic hot water will be provided for the residential units by Genesis Gas Fired domestic hot water heaters and stored in vertical tanks. A.O. Smith will manufacture the heaters and storage tanks. There will be two AO Smith HWH-NL, 400 gallon capacity heaters and one AO Smith HWH-NH, 500 gallon capacity heater.

3. Residential Space Heating

i) The heating system will be designed to maintain a temperature of 72 deg. F. inside when the outside temperature is 15 deg. F. under normal conditions.

ii) Terminal heating in the residences will be provided via the packaged terminal air conditioning unit, which will be fitted with a hot water heating coil. Manufacturer is McQuay Suite. Model numbers and their capacities are described in the table below:

Unit Type	McQuay Model Number	Heating Capacity	Cooling Capacity
A	P-007	13,800-16,300 btuh	7,300 btuh
B	P-009	18,000-21,200 btuh	9,200 btuh
C	P-012	15,500-18,400 btuh	12,100 btuh
D	P-015	15,500-18,400 btuh	14,600 btuh
E	P1016	15,500-18400 btuh	16,000 btuh

The type of Unit to be installed in each apartment can be found in the table below:

Unit	Living Room	Bedroom 1	Bedroom 2	Bedroom 3	Den
1A	D	A	A	-	-
1B	C	A	A	A	-
1C	C	A	A	-	-
1D	B	A	A	-	-
1E	D	A	-	-	-
2A	D	A	A	-	-
2B	C	A	A	A	-
2C	C	A	A	-	-
2D	B	A	A	A	A
2E	C	A	A	-	-
2F	D	A	-	-	-
3A	D	A	A	-	-
3B	C	A	A	A	-
3C	C	A	A	-	-
3D	B	A	A	-	-
3E	C	A	A	-	-
3F	D	A	-	-	-
4A	D	A	A	-	-
4B	C	A	A	A	-
4C	C	A	A	-	-
4D	B	A	A	-	-
4E	C	A	A	-	-
4F	D	A	-	-	-
5A	D	A	A	-	-

5B	C	A	A	A	-
5C	C	A	A	-	-
5D	B	A	A	-	-
5E	C	A	A	-	-
5F	D	A	-	-	-
6A	D	A	A	-	-
6B	C	A	A	A	-
6C	C	A	A	-	-
6D	B	A	A	-	-
6E	C	A	A	-	-
6F	D	A	-	-	-
7A	D	A	A	-	-
7B	C	A	A	A	-
7C	C	A	A	-	-
7D	B	A	A	-	-
7E	C	A	A	-	-
7F	D	A	-	-	-
8A	D	A	A	-	-
8B	C	A	A	A	-
8C	C	A	A	-	-
8D	B	A	A	-	-
8E	C	A	A	-	-
8F	D	A	-	-	-
9A	D	A	A	-	-
9B	C	A	A	A	-
9C	C	A	A	-	-
9D	B	A	A	-	-
9E	C	A	A	-	-
9F	D	A	-	-	-
10A	D	A	A	-	-
10B	C	A	A	A	-
10C	C	A	A	-	-
10D	B	A	A	-	-
10E	C	A	A	-	-
10F	D	A	-	-	-
11A	D	A	A	-	-
11B	C	A	A	A	-
11C	C	A	A	-	-
11D	B	A	A	-	-
11E	C	A	A	-	-
11F	D	A	-	-	-

12A	D	A	A	-	-
12B	C	A	A	A	-
12C	C	A	A	-	-
12D	B	A	A	-	-
12E	C	A	A	-	-
12F	D	A	-	-	-
14A	D	A	A	-	-
14B	C	A	A	A	-
14C	C	A	A	-	-
14D	B	A	A	-	-
14E	C	A	A	-	-
14F	D	A	-	-	-
15A	D	A	A	-	-
15B	C	A	A	A	-
15C	C	A	A	-	-
15D	B	A	A	-	-
15E	C	A	A	-	-
15F	D	A	-	-	-
16A	D	A	A	-	-
16B	C	A	A	A	-
16C	C	A	A	-	-
16D	B	A	A	-	-
16E	C	A	A	-	-
16F	D	A	-	-	-
17A	D	A	A	-	-
17B	C	A	A	A	-
17C	C	A	A	-	-
17D	B	A	A	-	-
17E	C	A	A	-	-
17F	D	A	-	-	-
18A	D	A	A	-	-
18B	C	A	A	A	-
18C	C	A	A	-	-
18D	B	A	A	-	-
18E	C	A	A	-	-
18F	D	A	-	-	-
19A	D	A	A	-	-
19B	C	A	A	A	-
19C	C	A	A	-	-
19D	B	A	A	-	-
19E	C	A	A	-	-
19F	D	A	-	-	-

20A	D	A	A	-	-
20B	C	A	A	A	-
20C	C	A	A	-	-
20D	B	A	A	-	-
20E	C	A	A	-	-
20F	D	A	-	-	-
21A	D	A	A	-	-
21B	C	A	A	A	-
21C	C	A	A	-	-
21D	B	A	A	-	-
21E	C	A	A	-	-
21F	D	A	-	-	-
22A	C	A	A	A	-
22B	D	A	A	A	-
22C	C	A	A	A	-
22D	D	A	A	A	-
PH1A	C	A	A	A	-
PH1B	D	A	A	A	-
PH1C	C	A	A	A	-
PH1D	D	A	A	A	-
PH2A	C	A	A	A	-
PH2D	D	A	A	A	-
PH2C	C	A	A	A	-
PH2D	D	A	A	A	-
PH3A	C	A	A	A	-
PH3B	C	A	A	A	-
PH3C	C	A	A	A	-
PH3D	D	A	A	A	-

iii) Hot water will be distributed to the units via hot water supply and hot water return risers in copper pipe with valves and fittings of suitable pressure.

iv) Occupants shall be able to modify the temperature through individual thermostat controls subject to building systems operations.

4. Number of Boilers and Description

i) Building will be provided with two boilers, located in boiler room at the East Building cellar level adjacent to Kent Avenue. The building will have access through an easement agreement. The boiler room will contain the boiler, hot water circulating pumps, controls, and compression/air

elimination equipment. Boiler room will consist of (2) two gas fired, low pressure, hot water boilers, and (2) two, floor mounted end-suction hot water circulating pumps. Plus, (1) one additional standby pump.

The capacity of the boiler will be (2) Two at 3,932,000 Btu per hour each.

5. Manufacture of Boilers

i) Boilers will be manufactured by Raypack model number H9-2342.

6. Type of Controls

i) The hot water system will be a variable temperature system. An outdoor air sensor will control hot water supply temperature. The terminal heating coils will be fitted with self-contained thermostatic control valves for occupant regulation.

7. Radiators, Piping Insulation, Pumps, etc.

i) The heating of the Residential lobby will be by hot water heating convector floor mounted.
ii) Hot water circulating pumps will be floor mounted, end-suction type pumps similar to Taco model FI.

8. Fuel

i) Natural gas

9. Gas

i) Natural gas at 1000 BTU/cu.ft. Firing rate of boiler at
- Stage 1 = approximately 385.2 MBH

O. Gas Supply

1. Gas is supplied by Keyspan and utilized for cooking, heating boilers and domestic hot water heating.

- Type - natural gas.
- Meter: The gas service to each building will be master metered not individually metered.
- Piping - is black steel Schedule 40.

P. Air Conditioning

1. Air conditioning in each apartment will be provided by a self-contained, through the wall type, terminal packaged air conditioning unit. A minimum of one unit will be provided for each exterior room in the apartment. The units will be fitted with hot water heating coils for space heating.

2. The capacity of each unit will vary according to the room served. The table in Section N3ii on pages 21–24 of this report presents the type of units to be installed in each apartment and their capacities.

3. Air conditioning in the lobby spaces will be provided by through-the-wall, air-cooled PTAC Unit, McQuay Suite System, unit. Hallways will not be air-conditioned.

Q. Ventilation

1. Ventilation air will be introduced into the corridor via a rooftop type, air-cooled unit.
2. Each apartment will be provided with exhaust from the toilets, via a common toilet exhaust system, per code requirements.

R. Electrical

1. Con Edison Co. will provide electrical service to the Residential units at 120/208V, 3 phase, 4 wire to electric service switchboard and distribution panels throughout the building. The service is as follows:

   a) 3000 amp for House and 100-125 amps per Residential units electrical requirements.

   b) Typical apartment unit:
   60 Amp/ 208 V/ 1ph/ 24-circuit panel

   c) Units shall individually metered and charged.

2. Residential Units

   a. The service to each residential unit will be single phase, 3 wire, 60 Hz. 120/208V AC. Electric service will be supplied to each residential unit via tenants distribution closets at hallway Electric Rooms.

   b. The main service equipment shall be fuseable switches as required by code: 1200 or larger ampere switches shall be bolted pressure switches for service use. Main fuses vary in rating. The size of fuses shall be to suit the loads served.

   c. All residential units are designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by the NYC Electrical Code.

   d. Switches lighting fixtures are provided in bathrooms, walk-in closets, foyers and kitchens. Switched receptacles are provided in bedrooms. Fixtures are incandescent type in foyers, dining areas, and walk-in

closets. Apartment corridor lights are incandescent. Kitchen lighting is halogen ceiling fixtures and fluorescent fixtures under upper cabinets.

e. 15 amp, 120V circuit have been provided to handle lighting and general purpose receptacles.

f. 20 amp, 120V circuits have been provided in the kitchen area for 120V kitchen appliances. Appliance outlets are on separate circuits.

g. 20 Amp/208 single-phase circuits for each air-cooled condenser on all floors.

i. 20 amp, 120V and 30 amp, 208V single phase circuits have been provided for washer/dryer electric units.

j. Receptacles are provided in all rooms as per NYC electrical standards. Ground fault outlets are provided in bathrooms.

3. Audio Intercom

a. The building will be equipped with an intercom system, talk/listen connected to concierge station.

4. TV Reception Facilities and Telephone Services:

a. Cable TV television service will be available to each tenant on an individual subscription basis (separate charge). Internet access will also be made available at a separate charge.

b. Location of outlets: Living room and in each bedroom.

c. The building will be pre-wired for telephone services. A jack will be located in the living room and bedrooms of each unit.

5. Public Area Lighting

a. All lighting in public areas except the vestibule and lobby will be ceiling and/or wall mounted fixtures. Lighting for the vestibule and lobby will be recessed ceiling mounted fixtures and/or wall mounted decorative lighting sconces.

b. Lighting in mechanical spaces and storage rooms will be fluorescent.

6. Photoelectric type smoke detectors, hard wired, 120 volt will be provided outside and within 15 feet of each bedroom.

7. Inspections

a. Conducted concurrently with construction with final sign-off at the issuance of the Certificate of Occupancy.

- NYC Department of Buildings
- Elevator
- Mechanical and Plumbing
- Boiler
- Department of Air Resources
- Compactor
- Electrical
- Fire Department

S. Violations

1. Any Building Code Violations will be corrected prior to the issuance of the Permanent Certificate of Occupancy.

2. No asbestos will be used in the construction of the building.

Seal



Signature of Architect

May 24, 2005
Date

SCHAEFER DEVELOPMENT HOUSING COMPLEX
CONDOMINIUM APARTMENT BUILDINGS
NEW YORK, NEW YORK 11211
SCHAEFER LANDING HOMEOWNERS ASSOCIATION

May 23, 2005

General: The property described herein contained in the Schaefer Landing Homeowner's Association ("SLHOA"), which is located within a new building located in a complex of three new buildings with a parking garage located in cellar and a private landscaped courtyard/plaza.

A. Location of Property:

1.	Address:	442 Kent Avenue, a/k/a One Schaefer Landing Brooklyn, New York
2.	Block No.:	2134
3.	Lot Number:	38
4.	Zoning District:	R7-3 and C2-4
5.	Permitted Uses:	Use Group 2 (Residential) and Use Group 3 (Community Facility, includes colleges, universities, college or university dormitories, domiciliary care facilities for adults, libraries, museums, non-commercial art galleries, monasteries, non-profit hospital staff dwellings, nursing homes and health-related facilities). Use Group 4 (Community Facility, includes churches, clubs community centers, government operated health centers, medical offices, monasteries, non-commercial recreational centers, non-profit hospital staff dwellings, non-profit or voluntary hospitals, philanthropic or non-profit institutions, proprietary hospitals, seminaries, welfare centers, agricultural uses, cemeteries, golf courses, outdoor tennis courts or ice skating rinks, public parks, playgrounds, private parks, railroad or transit right-of-way).
6.	Landmark Status:	None

B. Status of Construction:

1. SLHOA is located within a New Building currently in the initial stages of construction pursuant to permit # 301545317, dated May 6, 2003. The projected date of substantial completion is on or about June 15, 2005 unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

2. Certificate of Occupancy: After completion of construction, the Sponsor will apply for a Certificate of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). The Sponsor makes no representation as to the exact time of the delivery of the Certificate of Occupancy. The Sponsor will obtain a Temporary Certificate of Occupancy prior to the first unit closing. The Sponsor will obtain a Permanent Certificate of Occupancy within 2 years of the first unit closing.

3. Class of Construction: The Building will be classified as Class IC (Non-Combustible) and will conform to all applicable regulations of the Building code of the City of New York ("Building Code"). The building plans were filed with the New York City Department of Buildings as job #301545317 and were approved by DOB.

C. Site Description:

1. The Site is a series of ground floor accessory spaces located within the South Building, Lot 38, that are outlined below in this report, Section D: Site Distribution. Schaefer Landing Homeowner's Association will be comprised of common areas shared by the North and South Buildings.

D. Site Distribution:

1. Part of South Building, Lot 38

2. Schaefer Landing Homeowner's Association ("SLHOA"): located on the Ground Floor of South Building, Lot 38.

a.	One (1) Private Accessory Health Club Facility:	Approx 1,836 sf
b.	Any Private Accessory Lounge Facilities:	Approx 3,278 sf
c.	One (1) Private Accessory Lobby/Waiting Lounge:	Approx 2,804 sf
d.	One Accessory Lounge 2:	Approx 313 sf
e.	One Accessory Pantry:	Approx 253 sf
f.	Business Center	Approx 294 sf

E. Utilities:

1. Water supply and combined sewer servicing the building units will be provided by the City of New York.

   a. Water supply for the Private Accessory Health Club space shall be sub-metered through a master meter and all usage shall be incorporated into the overall maintenance cost of the SLHOA.
   b. Water supply for the Private Accessory Lounge shall be sub-metered through a master meter and all usage shall be the calculated express expense of the SLHOA.

2. Consolidated Edison (Electric) and KEYSPAN (Gas) shall provide Gas and Electrical service.

   a. Electrical supply for the SLHOA Private Accessory Health Club space shall be sub-metered through a master meter and all usage shall be incorporated into the overall cost of maintenance of the private condominium ownership.
   b. Gas and Electrical supply for the SLHOA Private Accessory Lounge shall be sub-metered through a master meter and all usage shall be the calculated express expense of the SLHOA.

F. Occupancy

1. The Private Accessory Health Club Facility, two Private Accessory Lounges Facilities, and Private Accessory Lobby/Waiting Lounge are residential or accessory residential uses. Use Group2.
2. The South Building is sub-divided into 75 Condominium Apartments. A superintendents apartment unit is located on the Ground Floor to service the building's requirements. Use Group J-2.

G. Construction and Systems

1. The areas of the SLHOA are within the South Building Condominium. The construction and the building systems are described in the South Building Condominium report.

H. Finishes:

1. Private Accessory Health Club:

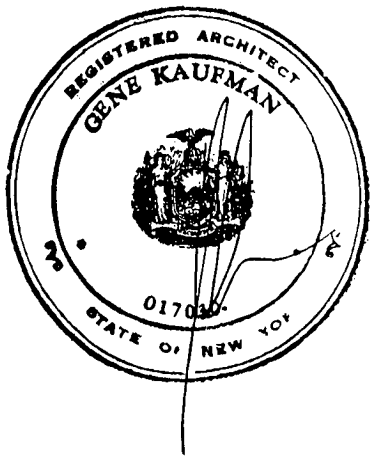
a. The floor shall be finished with rubber flooring.
b. Walls shall be finished with a gypsum wallboard finish with painted wood or vinyl baseboards.
c. Entry doors to aluminum curtain wall storefront framing with clear glass panels.
d. Ceiling shall be painted concrete plank.
e. Heat and air conditioning will be provided by PTAC through the wall units. The units will be manufactured by McQuay, model number P-016. Cooling capacity is 16,000 btuh per unit and heating capacity is 15,500 to 18,400 per unit.
f. The following exercise equipment will be provided for use by sponsor:

Quantity	Equipment
3	Star Trac Treadmill
1	Star Trac Elliptical Trainer w arms
2	Star Trac Elliptical Trainer
2	Star Trac Pro Upright Bike
2	Star Trac Recumbent Bike
2	Star Trac Stair Climber
1	Leg Extension Machine
1	Leg Curl Machine
1	Vertical Chest press machine
1	Lat Pulldown Machine
1	Shoulder Press Machine
1	Tricep Extension Machine
1	Chin/Dip Assist Machine
2	Adjustable Flat/Incline Bench
1	Three Tier Dumbell Rack
1	13-pair Dumbell Set

2. Private Accessory Lounge Club:

Toilet	Toto SC534	Wall Hung
Grab Bars	Bobrick B-5806	Satin
Toilet Tissue Dispenser	Bobrick B-4288	Stainless Steel
Paper Towel Dispenser	Bobrick B-262	Stainless Steel
Mirror	Bobrick B-165	Stainless Steel Frame

Seal



Signature of Architect

May 23, 2005
Date

SCHAEFER DEVELOPMENT HOUSING COMPLEX
CONDOMINIUM APARTMENT BUILDINGS
NEW YORK, NEW YORK 11211
KENT WATERFRONT HOMEOWNERS ASSOCIATION

August 12, 2004

General:

The property described herein will be owned by the Kent Waterfront Homeowner's Association ("KWHOA"). The property is a private landscaped courtyard/plaza with security booth and gate located within a complex of three new buildings, a parking garage and mechanical rooms located in the combined cellars, a vehicular driveway access from Kent Avenue to the cellar. The homeowners association will have certain obligations with respect to public waterfront esplanade and upland connection that are part of the zoning lot.

A. Location of Property:

1.	Address:	446 Kent Avenue, a/k/a One Schaefer Landing Brooklyn, New York
2.	Block No.:	2134
3.	Lot Numbers:	39
4.	Zoning District:	R7-3 and C2-4
5.	Permitted Uses:	Use Group 2 (Residential) and Use Group 3 (Community Facility, includes colleges, universities, college or university dormitories, domiciliary care facilities for adults, libraries, museums, non-commercial art galleries, monasteries, non-profit hospital staff dwellings, nursing homes and health-related facilities). Use Group 4 (Community Facility, includes churches, clubs community centers, government operated health centers, medical offices, monasteries, non-commercial recreational centers, non-profit hospital staff dwellings, non-profit or voluntary hospitals, philanthropic or non-profit institutions, proprietary hospitals, seminaries, welfare centers, agricultural uses, cemeteries, golf courses, outdoor tennis courts or ice skating rinks, public parks, playgrounds, private parks, railroad or transit right-of-way).
6.	Landmark Status:	None

B. Status of Construction:

1. KWHOA is located within a complex of three New Building currently in the initial stages of construction pursuant to permits 30154521, 301545317 and 301545308, dated May 6, 2003.# 301545317, dated May 6, 2003. The projected date of substantial completion will follow completion of North Building unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

2. Certificate of Occupancy: After completion of construction, the Sponsor will apply for Certificates of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). The Sponsor makes no representation as to the exact time of the delivery of the Certificate of Occupancy.

C. Site Description:

1. The Site is comprised of a Waterfront Lot totaling 107,525 S.F. and has been sub-divided into two (2) separate lots and re-zoned according to its distinct uses. The property is bounded to east by Kent Avenue, to the north by Lots #'s 48 & 50, to the south by Lots #'s 1 and 150 and to the east the East River Lots #'s 125 and 126. Adjacent to Kent Properties is a community access way (Upland Connection) from the boundary street to a new public esplanade along the riverfront (Shore Public Walkway), owned by the City of New York (lot #36). The current site is composed of an open lot, devoid of buildings, trees and plantings that gradually slopes from the sidewalk along Kent Avenue to the shores edge at the East River. This drop in elevation approximates a height of +/- 10'-0" front to back. A vehicular driveway provides access to the site from Kent Avenue. A security booth at the vehicular driveway entrance from Kent Avenue is being provided.

D. Site Distribution:

1. Kent Waterfront Homeowner's Association ("KWHOA")
   a. The interior courtyard/plaza level (Tax Lot 39), which serves as a:
      1. Private access way to enter each building.
      2. Access driveway for vehicular drop-off of passengers.
      3. Fire department emergency roadway to service the buildings complex.

2. Upland Connection/Shoreline Public Walkway, Tax Lot # 36: pursuant to a restrictive declaration dated July 3, 2003 the owner will be required to maintain Lot # 36 the Upland Connection and Shoreline Public Walkway.

E. Walkways:

1. The new walkway and curbs adjacent to the South building will be constructed of concrete unit pavers.

   a. The walkway pitches to the service driveway.
   b. Site drainage is retained and distributed to existing sewer piping beneath the street surface and are fully monitored by the City of New York's D.O.T. and Department of Sanitation.
   c. New curb cuts provide a smooth and graded access for vehicles to enter and exit from the site by means of a monitored control flow of vehicular traffic and are in full conformity with local fire district, town and municipal codes.

2. The City of New York Department of Transportation provides street lighting and sidewalk illumination. Additionally, sidewalk illumination shall be provided by means of ambient lighting from the building complex and Retail Storefront.

F. Utilities:

1. Water supply and combined sewer servicing the building units will be provided by the City of New York.

   a. Water supply for the landscaped Courtyard/Plaza shall be sub-metered through a master meter and all expenses shall be distributed equally amongst the residents of the complex, thru the KWHOA.
   b. Water service shall be provided for the Security Control Booth at the entrance driveway and all expenses incurred shall be equally distributed amongst the residents and included in maintenance costs through the KWHOA.

2. Consolidated Edison (Electric) and KEYSPAN (Gas) shall provide Gas and Electrical service.

   a. Electrical supply for the KWHOA landscaped Courtyard/Plaza shall be sub-metered through a master meter and all expenses shall be — to the members of the KWHOA and included in the maintenance cost.
   b. Electrical supply shall be provided for the KWHOA Security Control Booth at the entrance driveway and all expenses incurred shall be included in maintenance costs.
   c. Electrical supply shall be submetered to Accessory Parking Garage and the Parking Garage owner shall incur all expenses.

3. Telephone
   a. Telephone service to the security booth shall be provided and paid for by KWHOA.

G. Sub-soil Conditions

1. The interior courtyard is constructed on a new reinforced concrete slab and foundation walls that enclose the subterranean Parking Structure and Mechanical Rooms.

2. The building complex is located in Zone B (500 year Flood Zone based upon 1986 FIRM map).

H. Landscape & Enclosure – refer to site plan for planting areas.

1. Grass/Ground cover- Provided at interior courtyard in walled-in planter beds adjacent to Shore Public Walkway, including hosta lily turf and/or winter creeper.

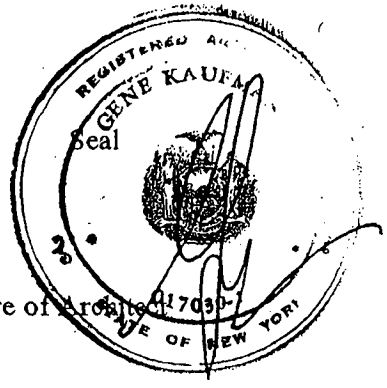
2. Plantings - Provided at interior courtyard in walled-in planter beds. These areas are not accessible by the residents or the public. Shrubs include dwarf Japanese Holly and compact Inkberry.

3.	Trees	-	Provided at interior courtyard in walled-in planter beds, including ginkgo, honey locust, sourgum and /or Japanese Zelkoa.
4.	Fencing	-	Metal privacy screens shall be constructed to divide the residential gardens and along boundary northern-most property line. Fencing shall also be provided as a security screen between the Upland Connection to the south and the 2-story open arcade located to the east of the South Building-Lot 38 and west of East Building-Lot 37.
5.	Gates	-	Provided at site entrances along Upland Connection and Shore Public Walkway.
6.	Retaining Wall	-	Provided on all sides of the property, concrete and masonry.
7.	Display Pools & Fountains	-	No display pools or fountains shall be provided at interior courtyard/plaza area.
8.	Open Recreation Space & Cooking areas	-	Passive recreational area will be provided. No outdoor cooking allowed.
9.	Open Recreation Space & Sitting areas	-	Seating shall be provided at open courtyard/plaza area along central winding pathway linking the vehicular service driveway to Shore Public Walkway.
10.	Walks		Paved pedestrian walks shall be provided within the landscaped courtyard.
11.	Driveway		Paved asphalt driveway and concrete curbs. The driveway shall enter the property at South 9th Street and Kent Avenue, lead past the Security Control Booth, continue onto the adjacent property to the north, and then re-enter the property at the subterranean level along the north boundary of Tax Lot 8041.
12.	Temporary Egress	-	An 8'-0" wide temporary pedestrian egress pathway for Shore Public Walkway shall be provided upon completion of the North Tower along the northernmost property boundary lines extending from the Shore Public Walkway affronting the East Rivers edge to the sidewalk bordering along Kent Avenue.
13.	Irrigation	-	All landscape areas shall be provided with concealed irrigation and sprinkler system connected to water supply. Hose bibs shall be provided at all private gardens and at different intervals along open courtyard.

14. Lighting - There shall be wall be wall mounted walkway lights recessed in walkway planter walls. Wall mounted decorative up lights shall be provided along the perimeter wall separating the Shore Public Walkway with the Interior Courtyard. In addition, there shall be 14'-0" high pole mounted lighting illuminating the service driveway.

I. Construction and Systems

1. The areas of the KWHOA construction and the building systems are described in the South Building Condominium report.
2. The plaza/courtyard is concrete construction with concrete columns below.



Seal

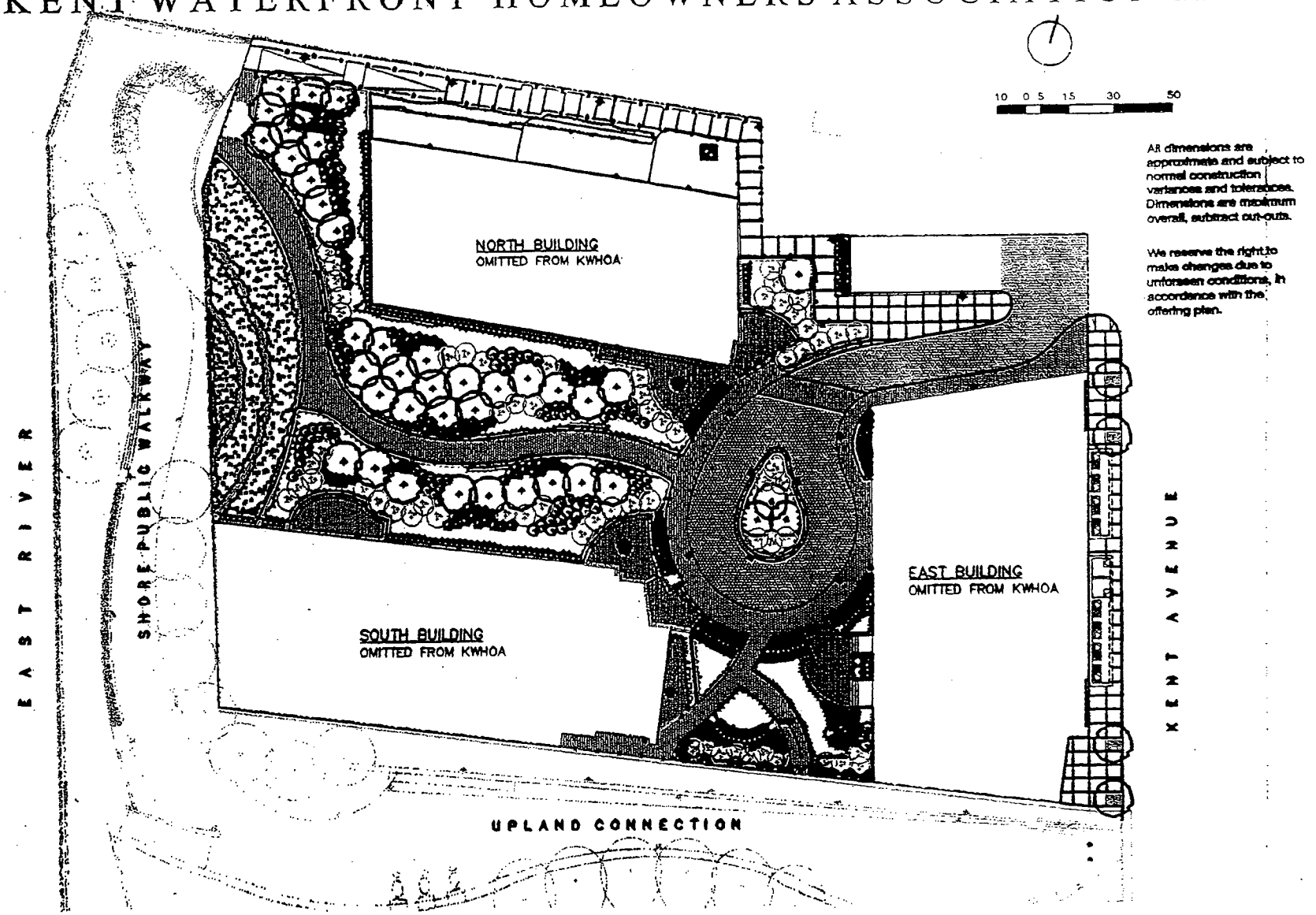
Signature of Architect

August 12, 2004
Date

SITE PLAN

SCHAEFER LANDING CONDOMINIUMS

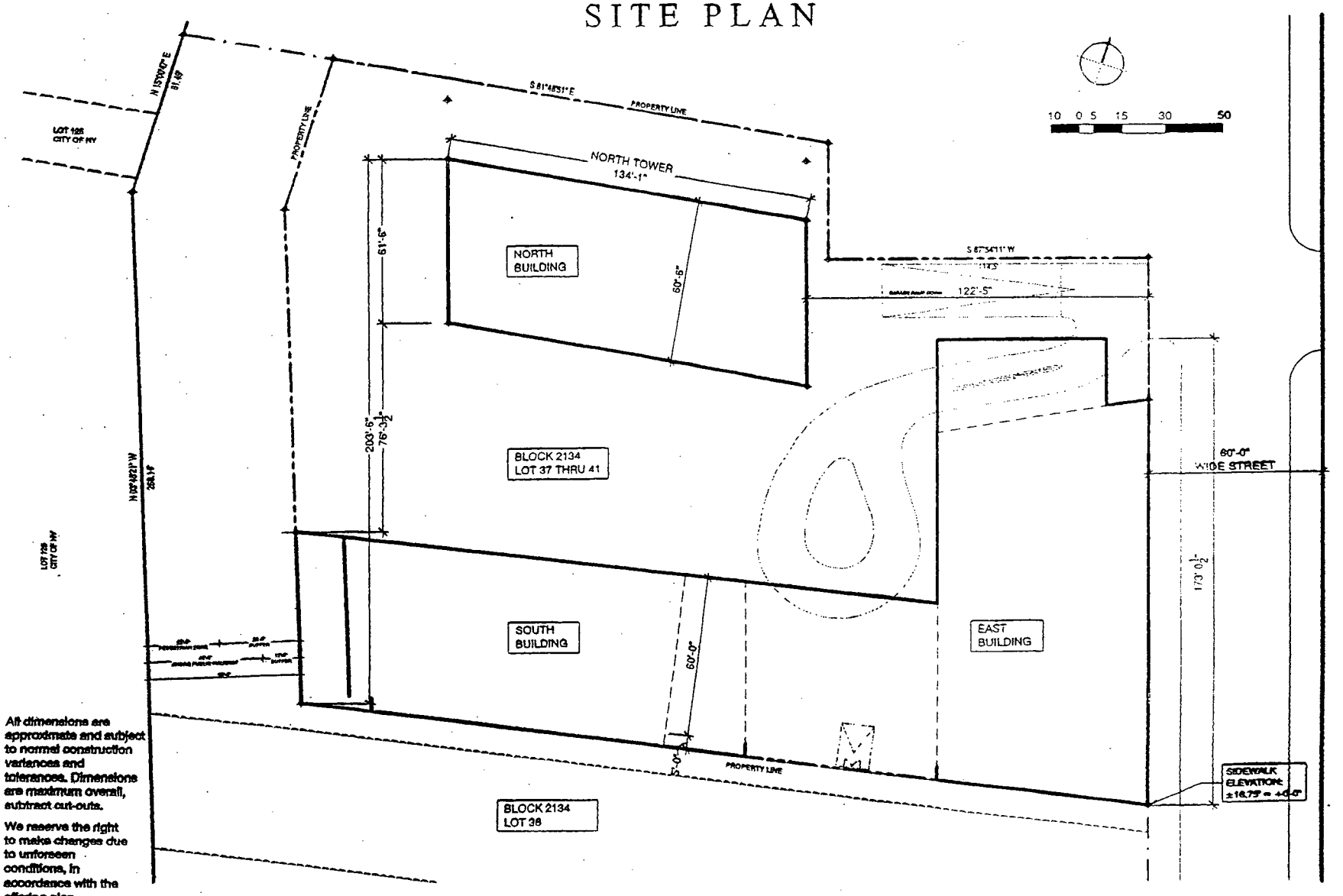
KENT WATERFRONT HOMEOWNERS ASSOCIATION INC.



KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER DEVELOPMENT

SITE PLAN



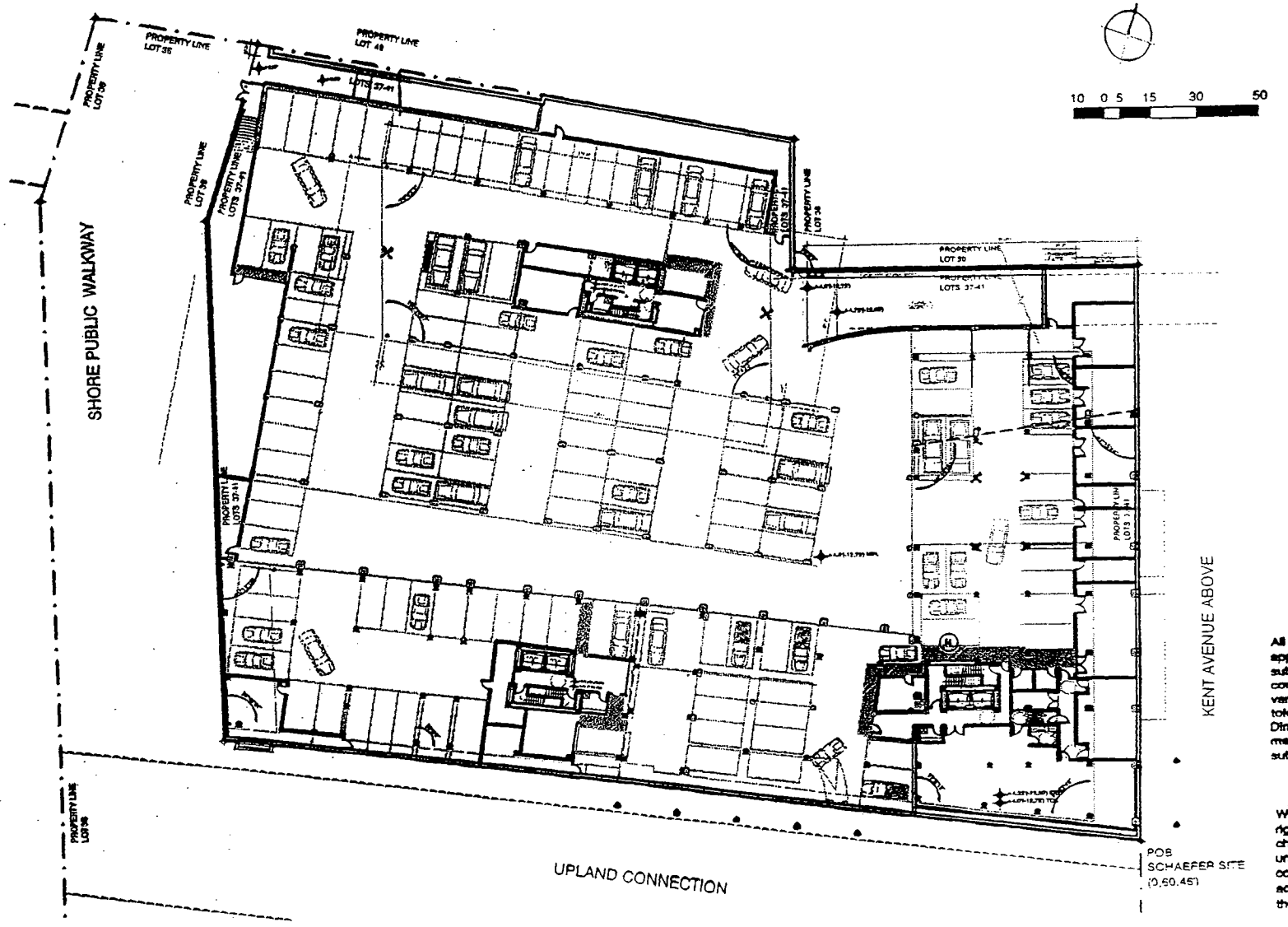
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforseen conditions, in accordance with the offering plan.

KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER DEVELOPMENT

CELLAR PLAN



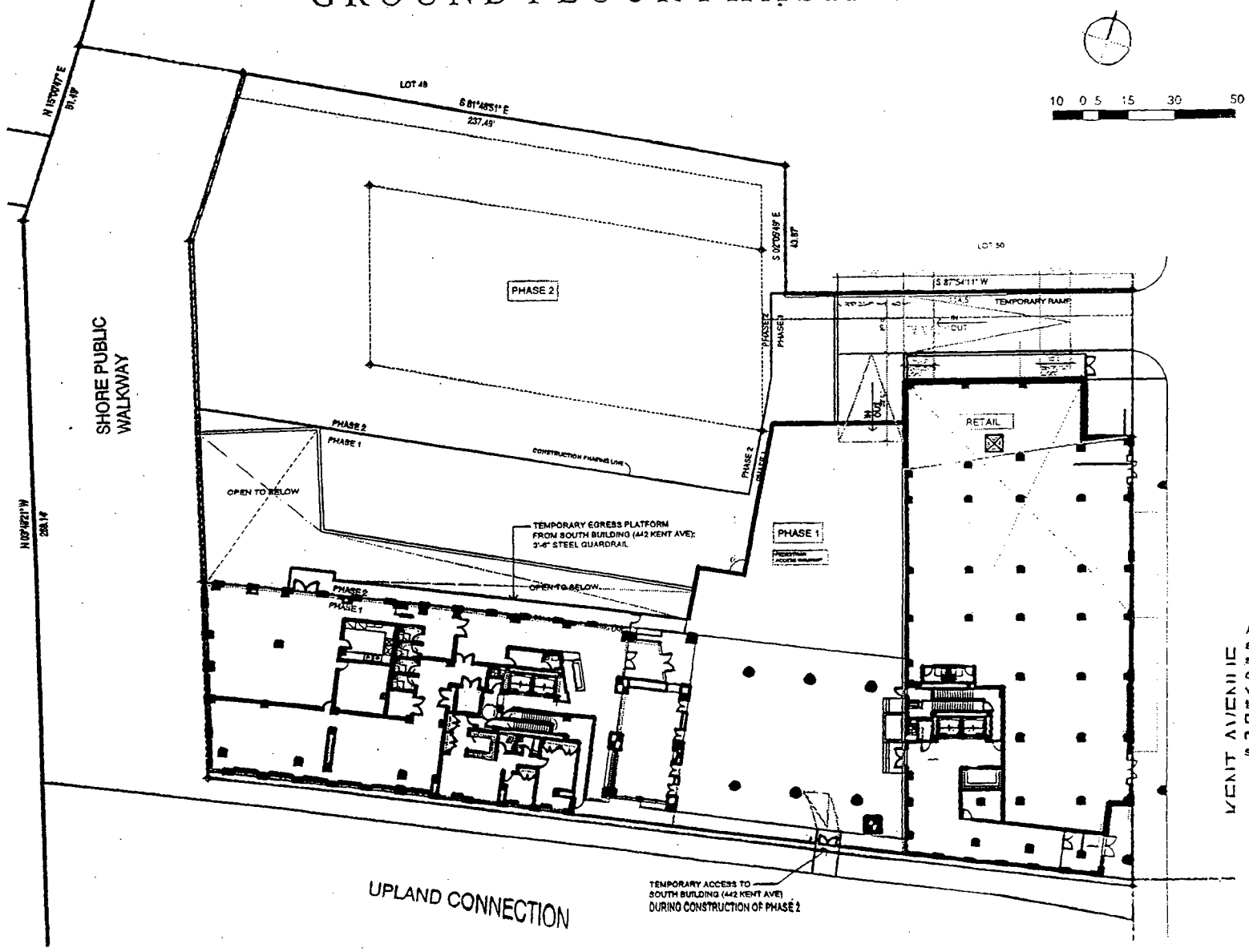
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KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS

GROUND FLOOR PHASING PLAN



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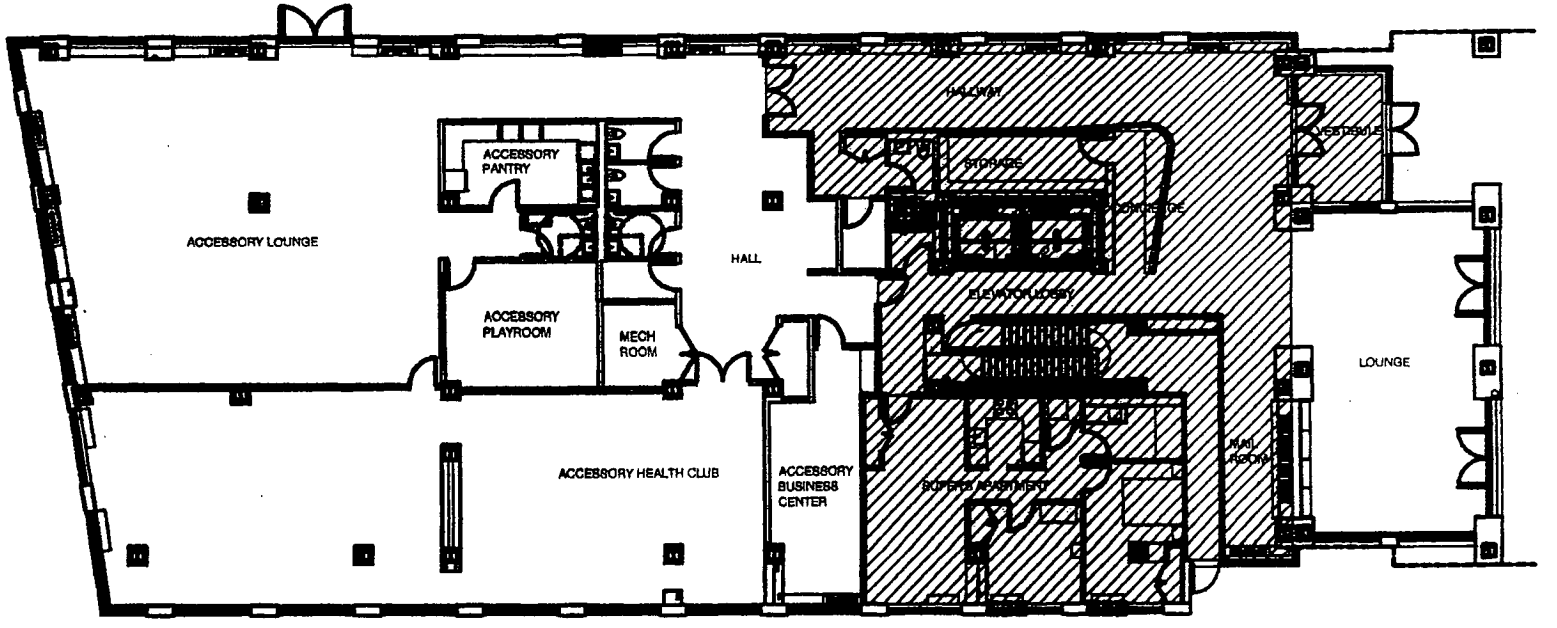
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KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS

NORTH BUILDING

COMMUNITY UNIT - LOCATED ON THE GROUND FLOOR OF THE SOUTH BUILDING - 446 KENT AVENUE



GROUND FLOOR

OMITTED FROM COMMUNITY UNIT

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5 0 2 4 10 20

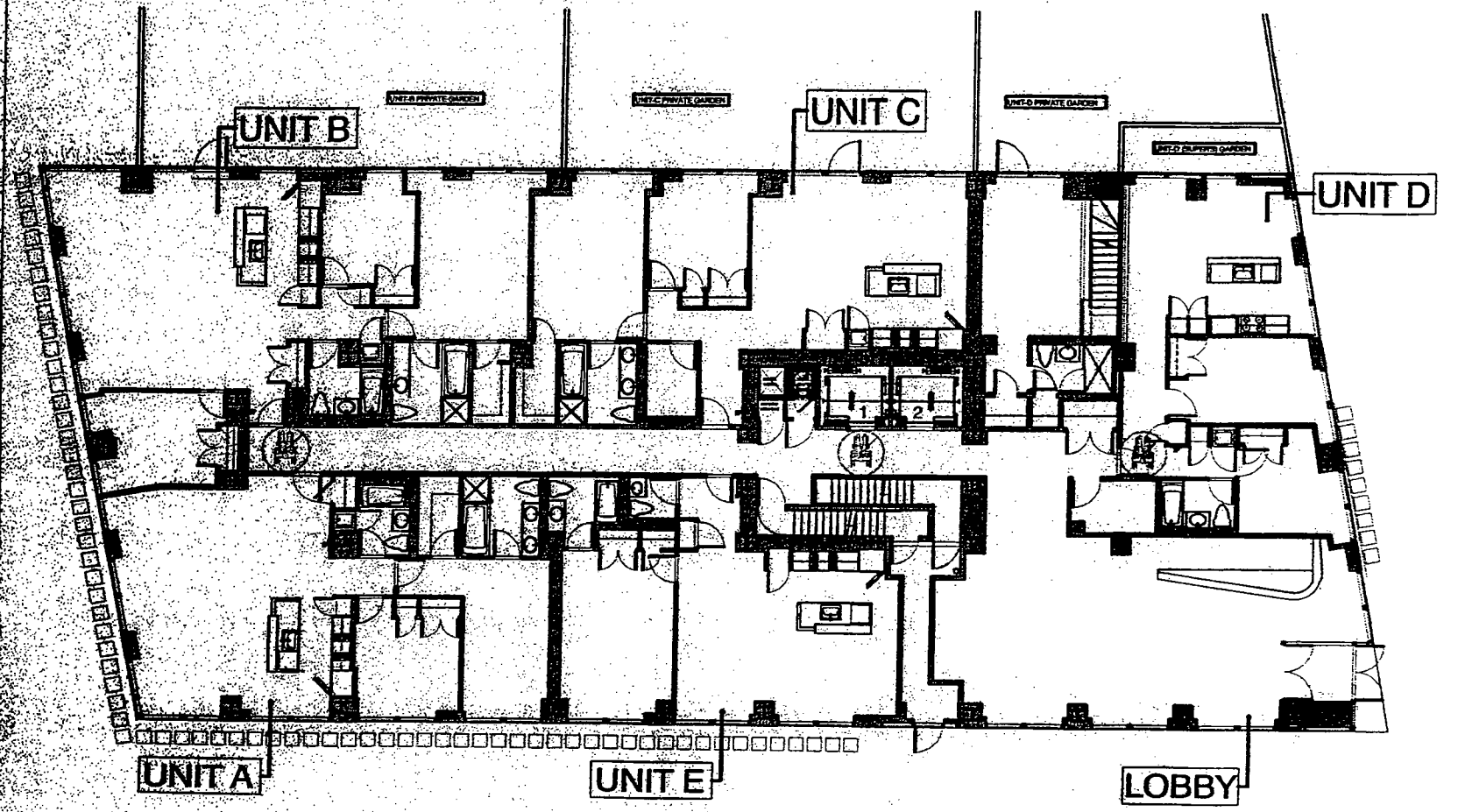
440 KENT AVENUE, BROOKLYN, NEW YORK

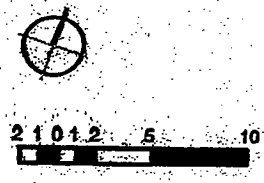
FLOOR PLANS OF UNITS

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

GROUND FLOOR

GROSS FLOOR AREA
8081.4 SQ.FT.





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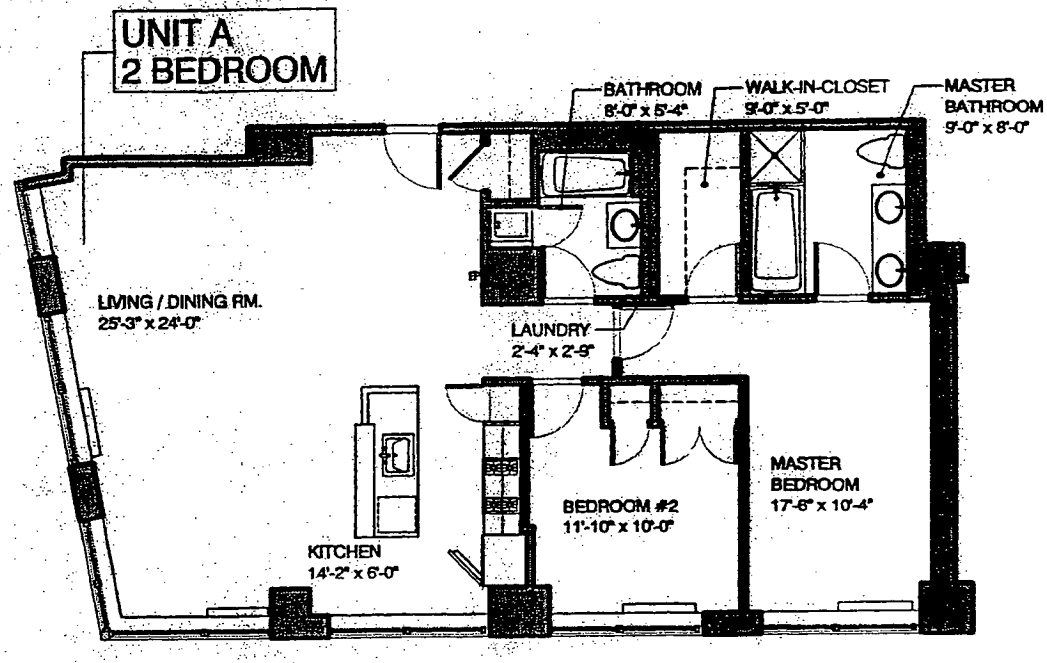
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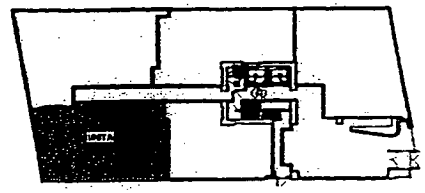
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

GROUND FLOOR

APARTMENT AREA
1270 SQ.FT.

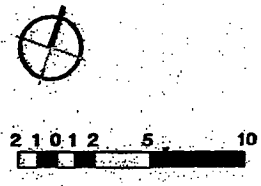




KEY PLAN

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440 KENT AVENUE, BROOKLYN, NEW YORK

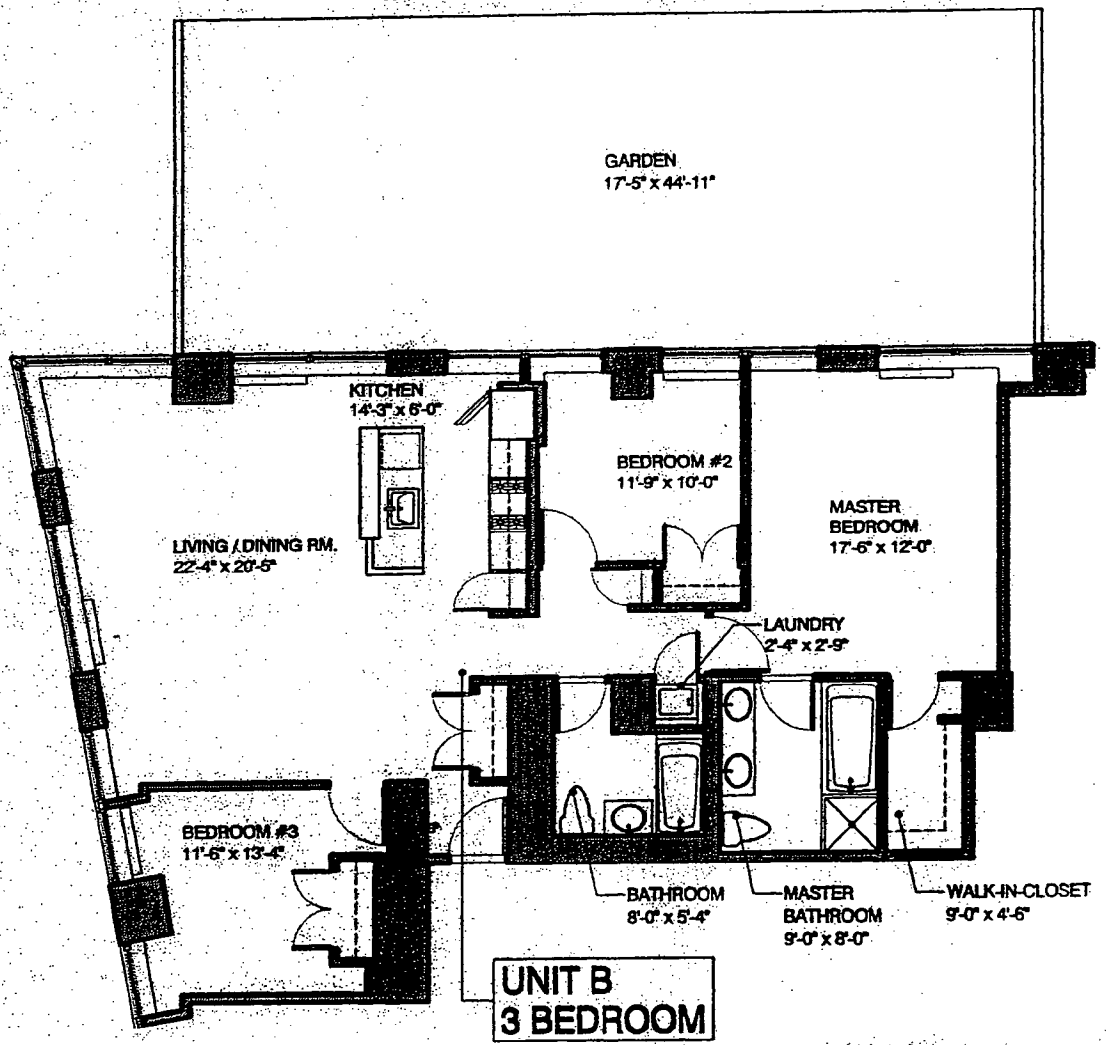
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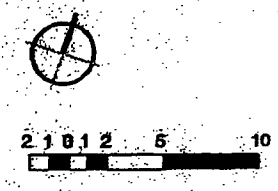
NORTH BUILDING

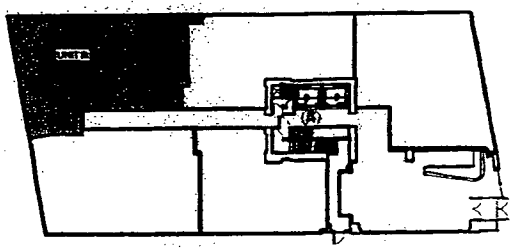
GROUND FLOOR

APARTMENT AREA
1460 SQ.FT.

GARDEN AREA
785 SQ.FT.







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KEY PLAN

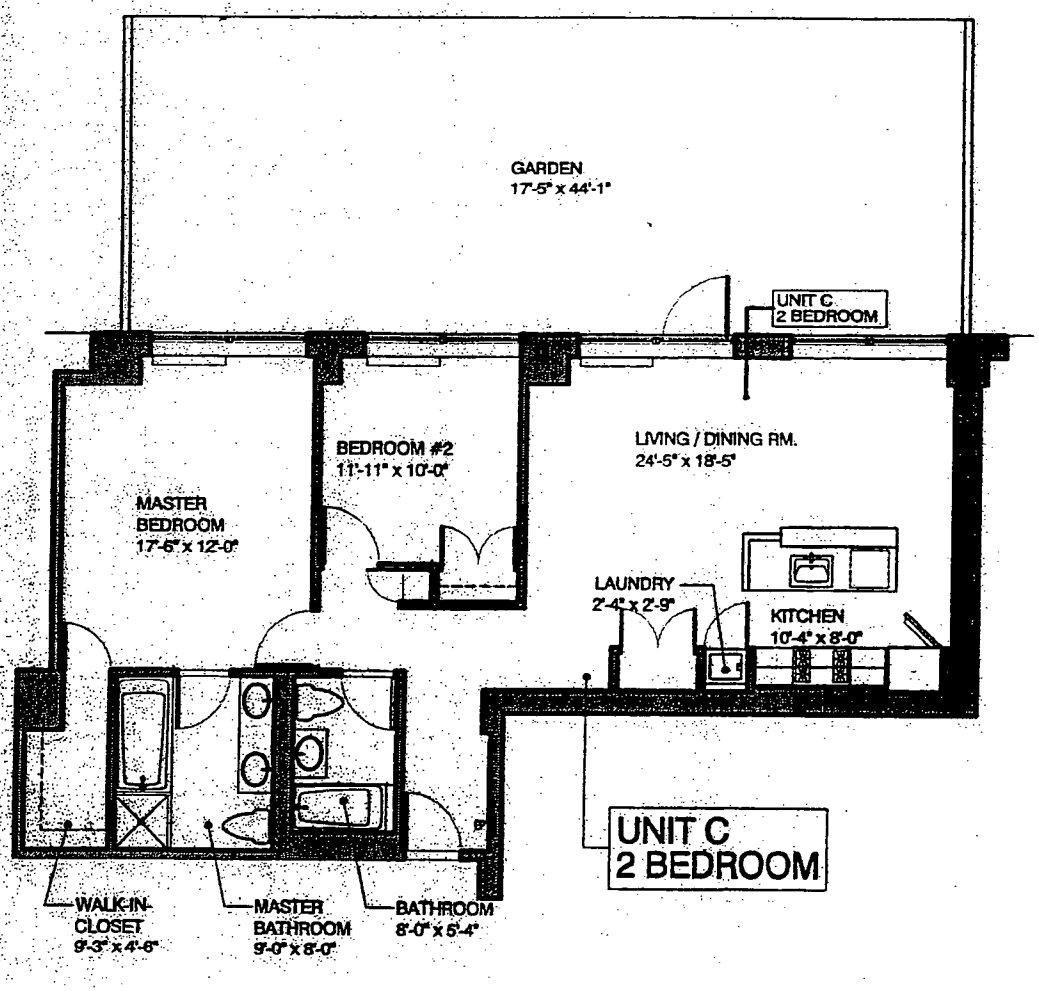
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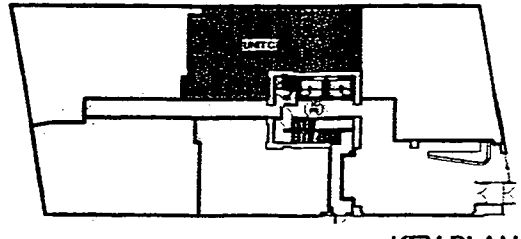
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

GROUND FLOOR

APARTMENT AREA
1175 SQ.FT.

GARDEN AREA
771 SQ.FT.

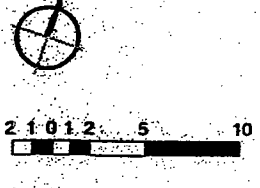




KEY PLAN

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-237-

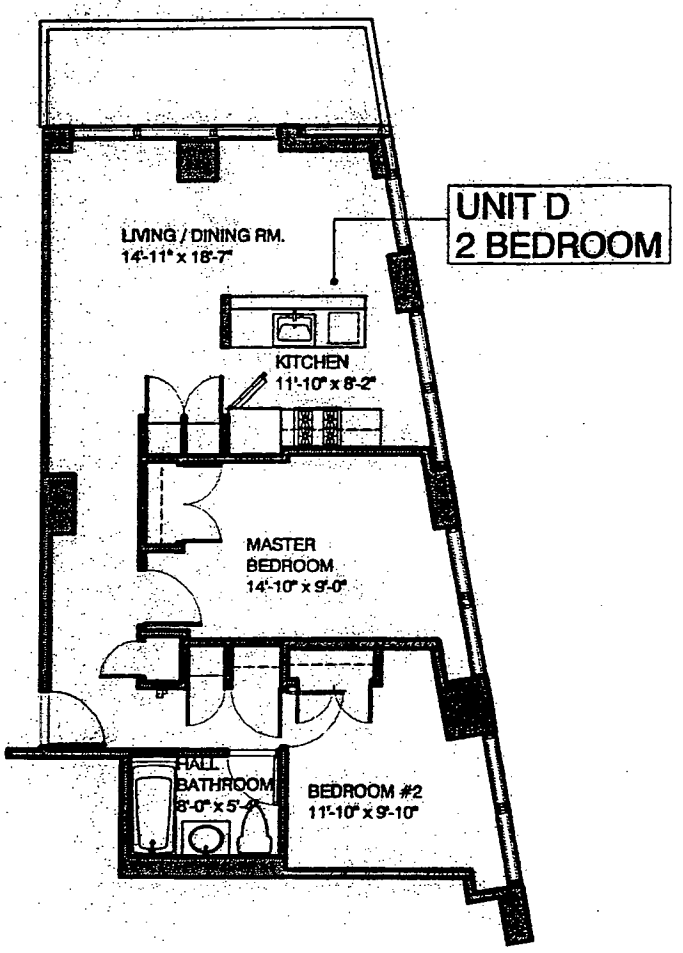
440 KENT AVENUE, BROOKLYN, NEW YORK

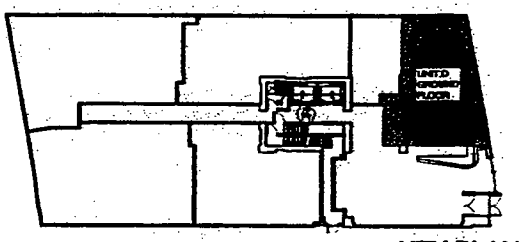
SCHAEFER LANDING CONDOMINIUMS

NORTH BUILDING

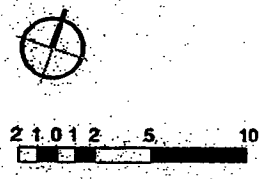
GROUND FLOOR

APARTMENT AREA
836 SQ.FT.





KEY PLAN



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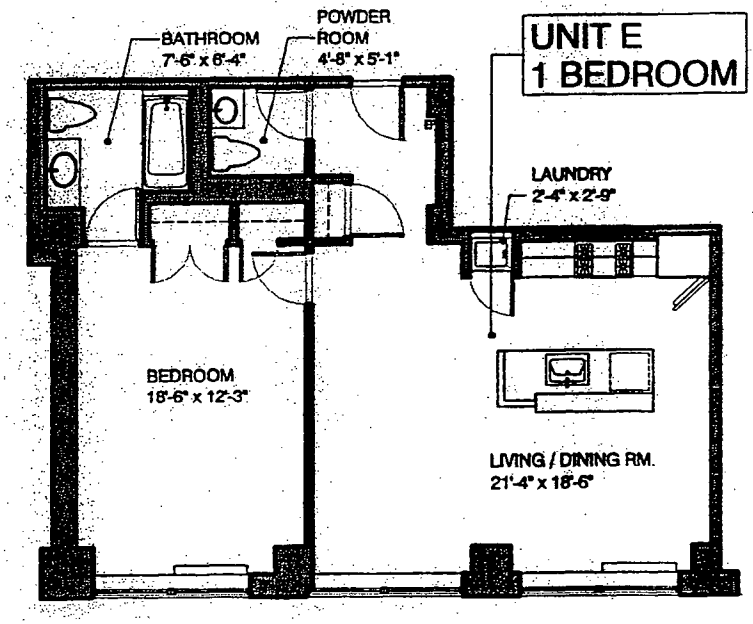
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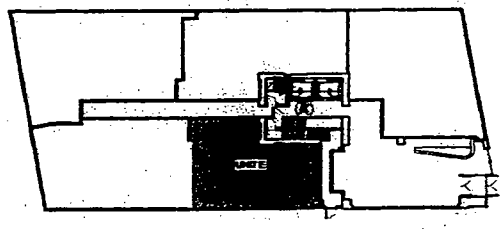
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

GROUND FLOOR

APARTMENT AREA
890 SQ.FT.

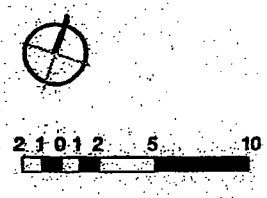




KEY PLAN

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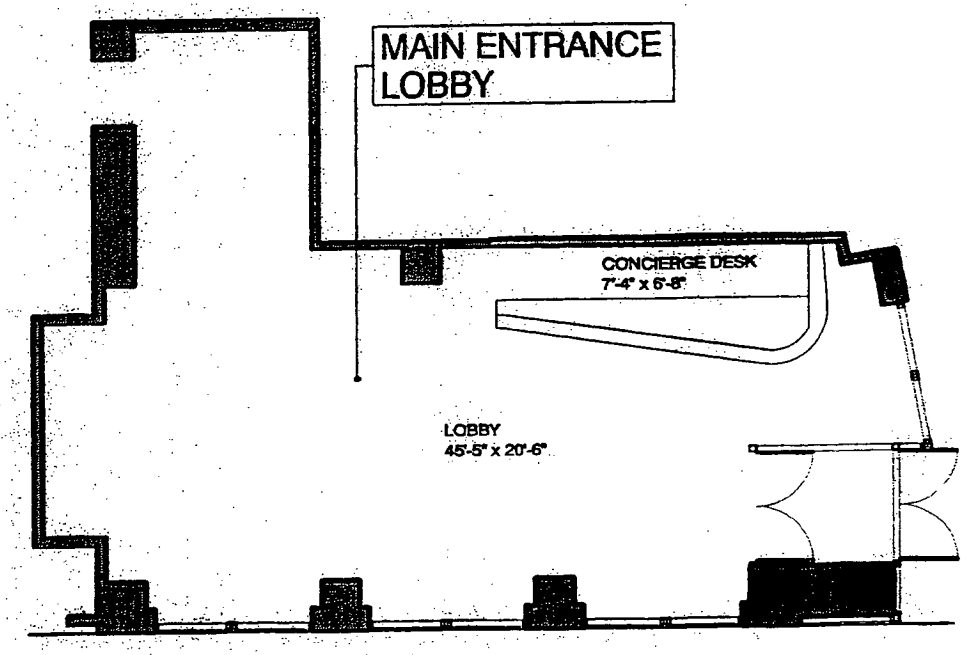


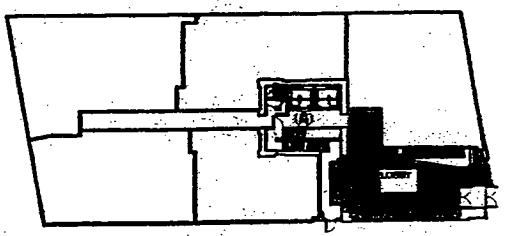
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

GROUND FLOOR

LOBBY
AREA
925 SQ.FT.

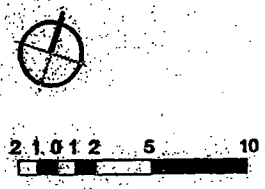




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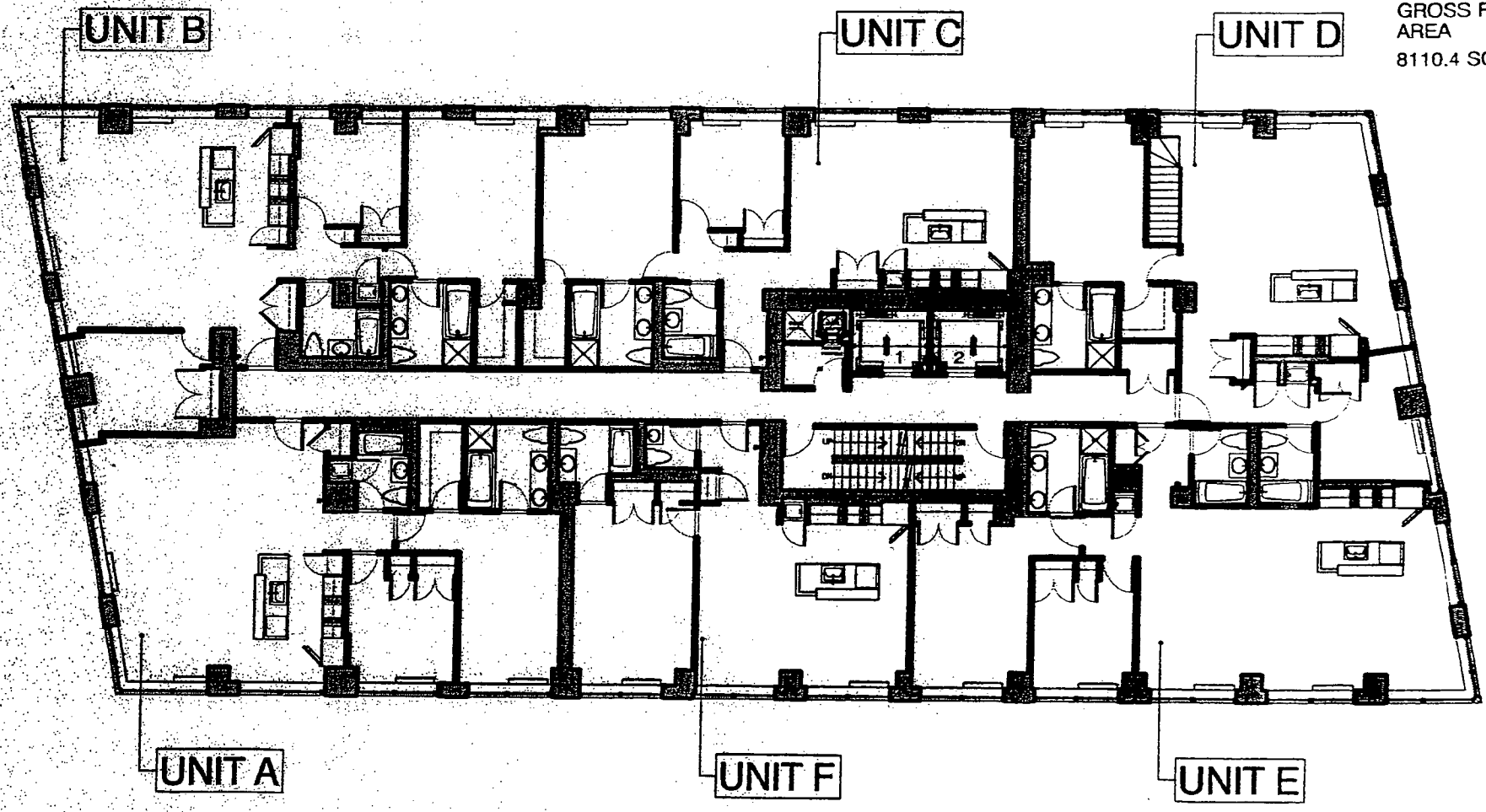


440 KENT AVENUE BROOKLYN NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

2nd FLOOR

GROSS FLOOR AREA
8110.4 SQ.FT.



2 1 0 1 2 5 10

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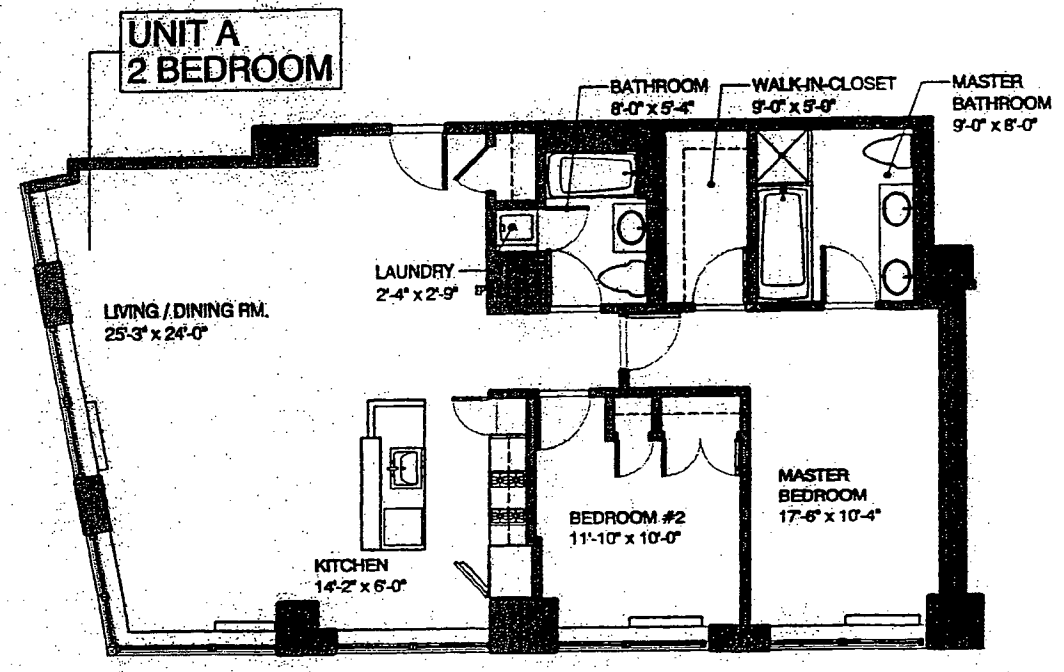
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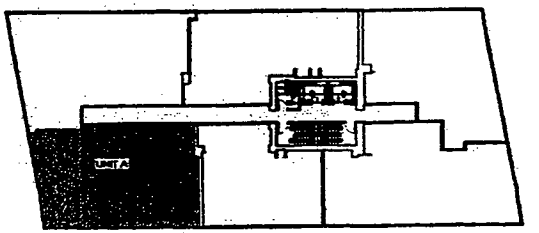
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

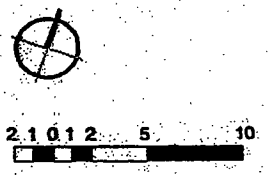
2nd FLOOR

APARTMENT AREA
1270 SQ.FT.





KEY PLAN



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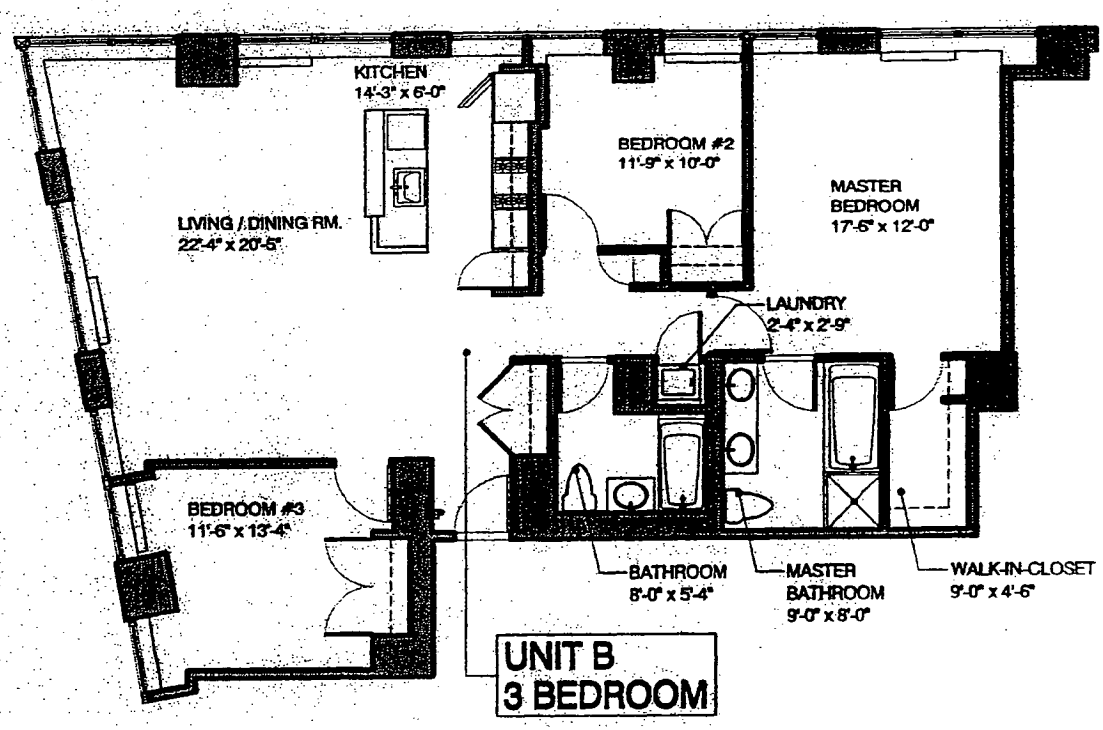
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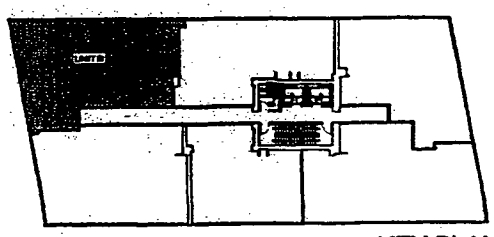
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

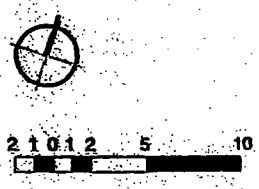
2nd FLOOR

APARTMENT AREA
1460 SQ.FT.





KEY PLAN



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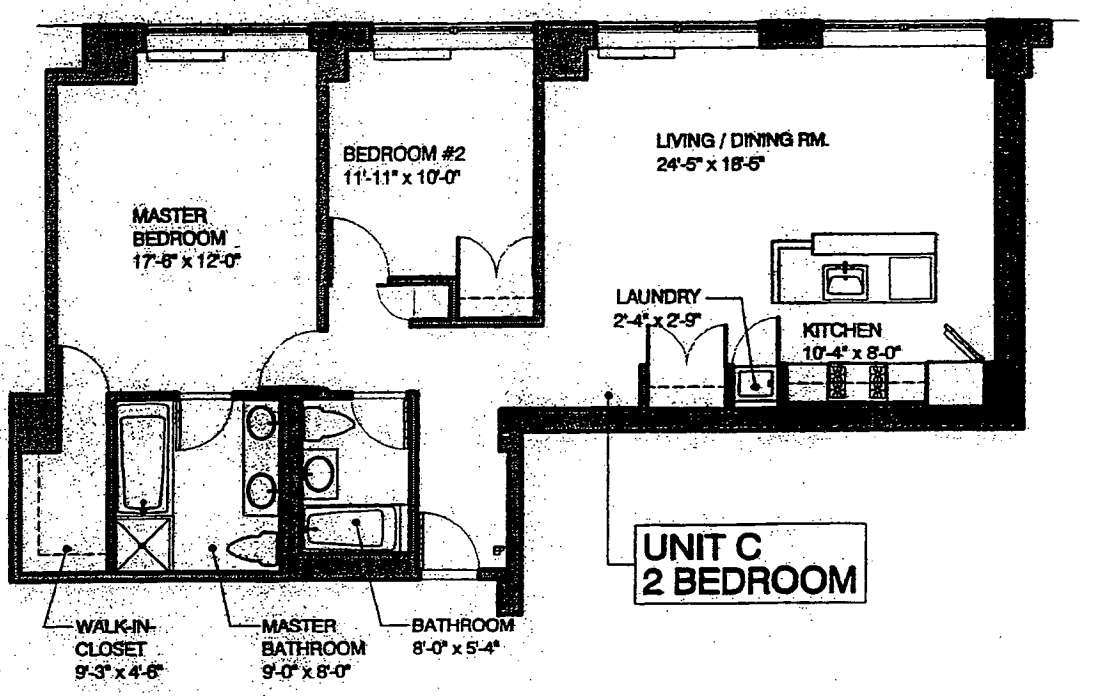
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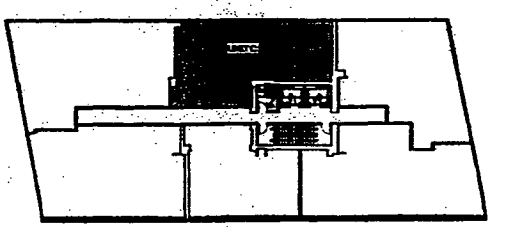
440 KENT AVENUE. BROOKLYN . NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

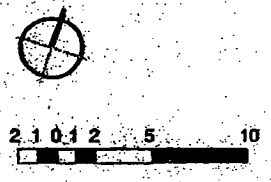
2nd FLOOR

APARTMENT AREA
1175 SQ.FT.





KEY PLAN



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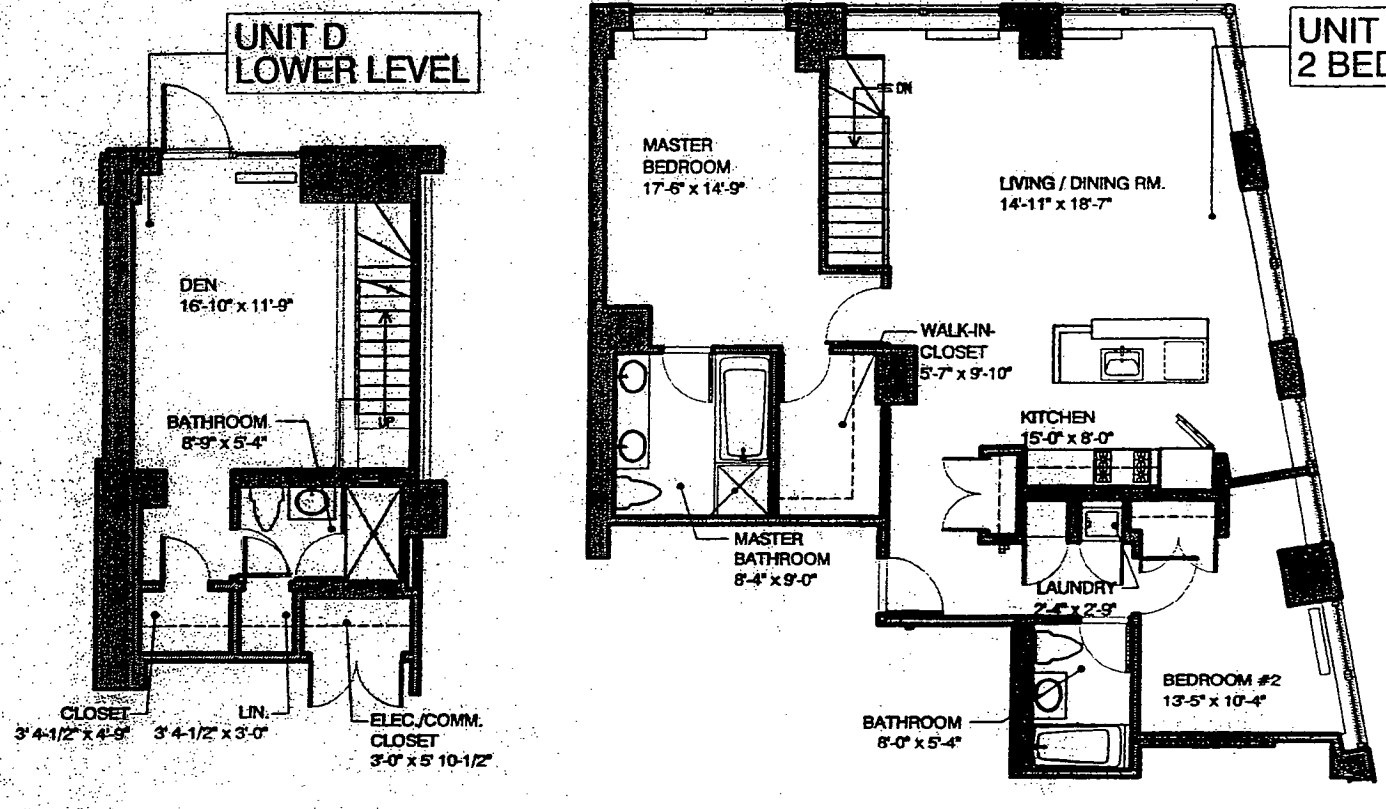
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-244-

440 KENT AVENUE, BROOKLYN, NEW YORK

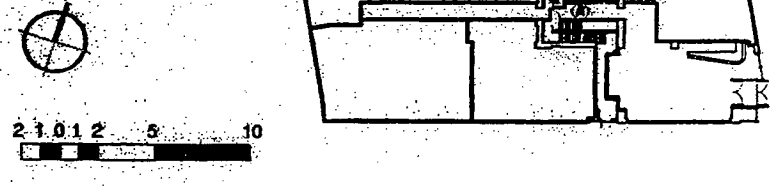
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

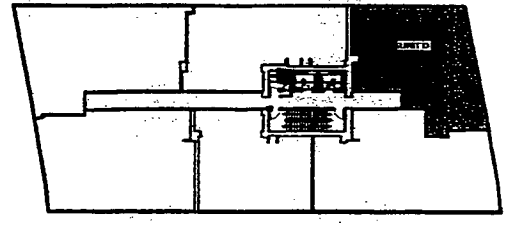
2nd FLOOR DUPLEX UNIT



APARTMENT
UPPER AREA
1248 SQ.FT.

LOWER LEVEL
AREA
410 SQ.FT.





KEY PLAN

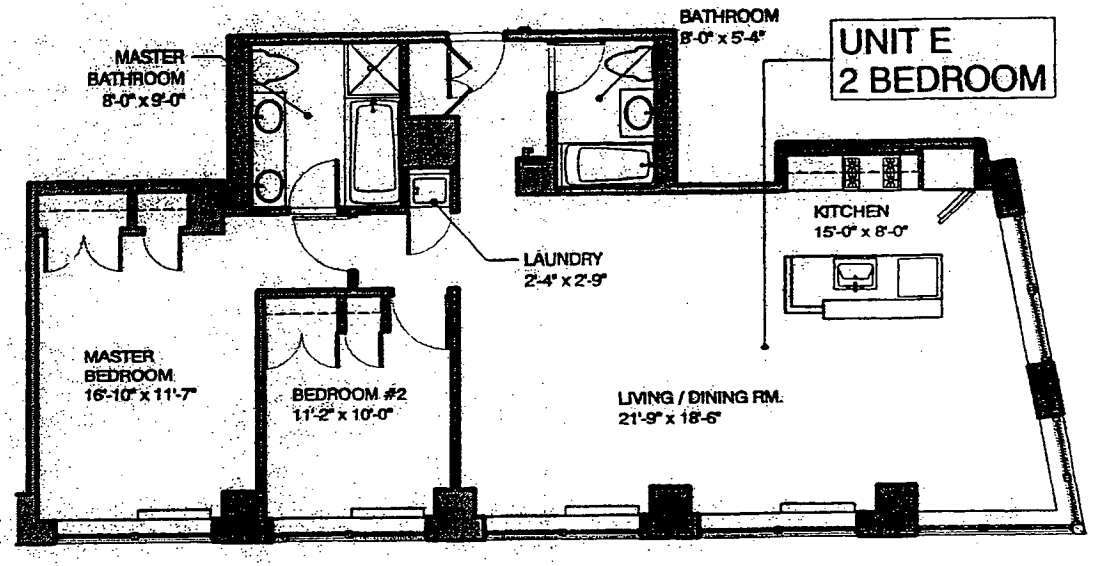
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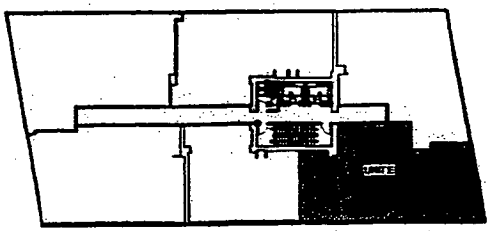
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

2nd FLOOR

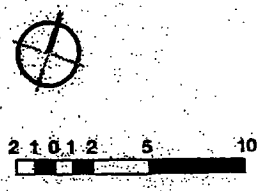
APARTMENT AREA
1246 SQ.FT.





KEY PLAN

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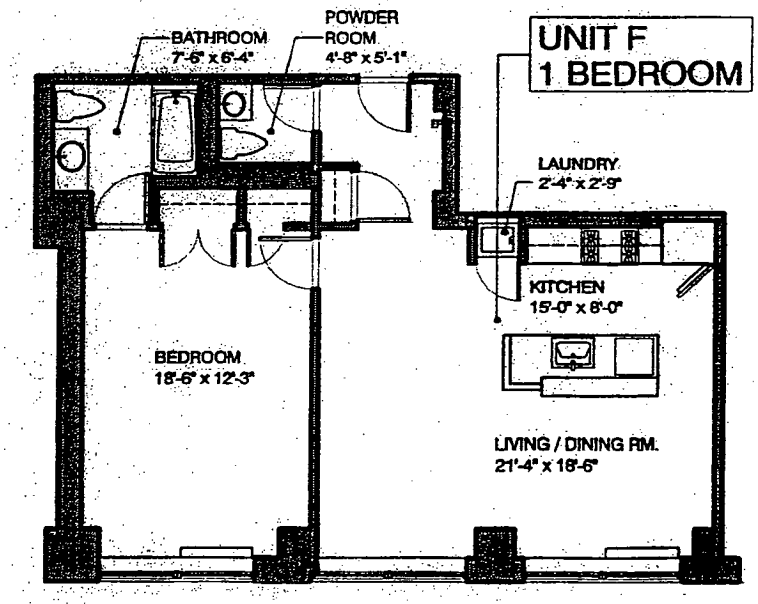


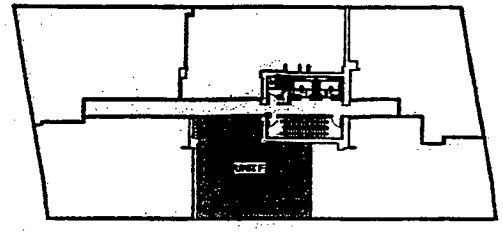
440 KENT AVENUE BROOKLYN NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

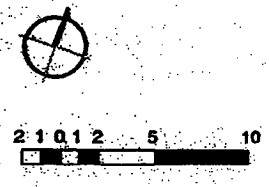
2nd FLOOR

APARTMENT AREA
860 SQ.FT.





KEY PLAN



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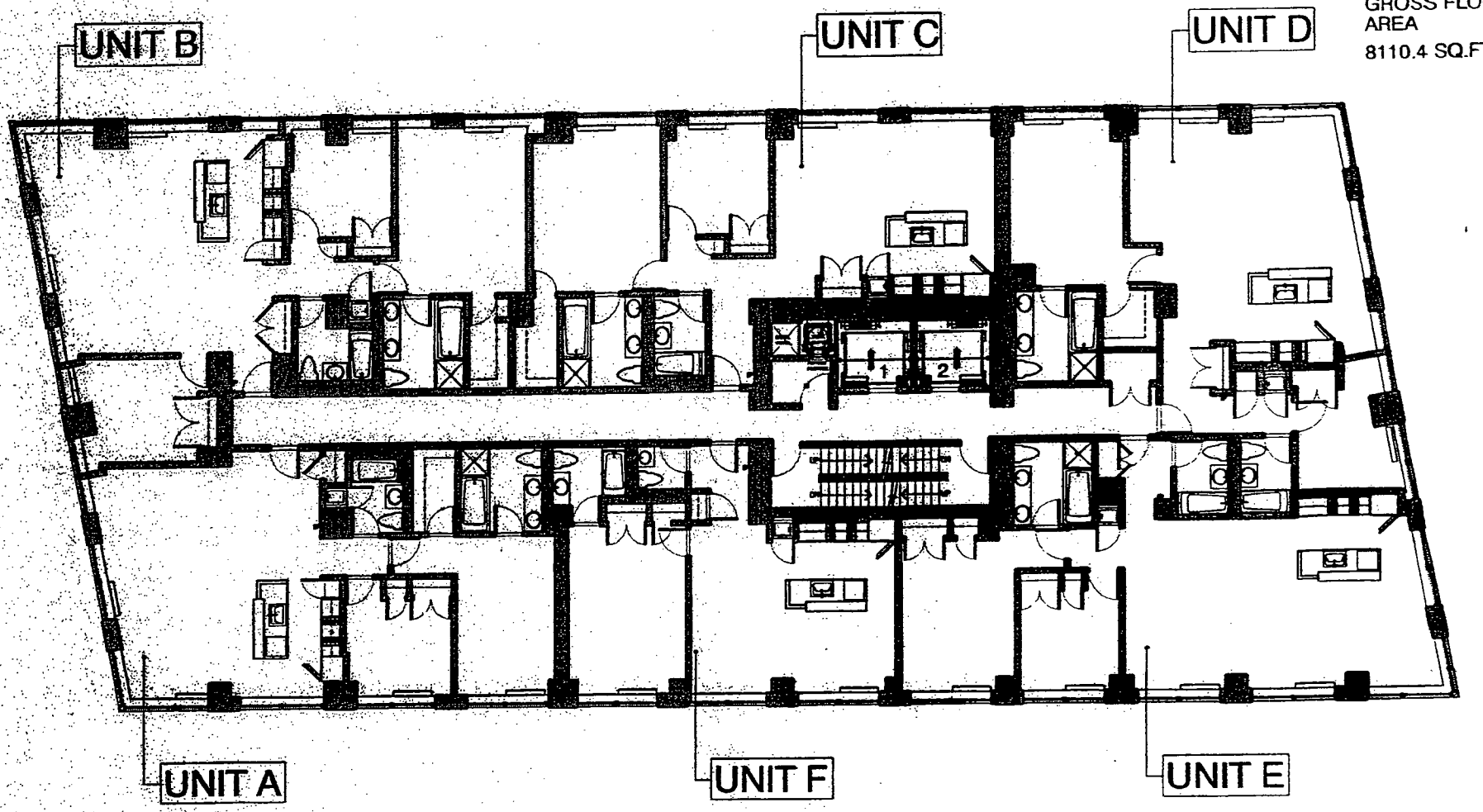
-247-

440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

3rd FLOOR

GROSS FLOOR AREA
8110.4 SQ.FT.



2 1 0 1 2 5 10

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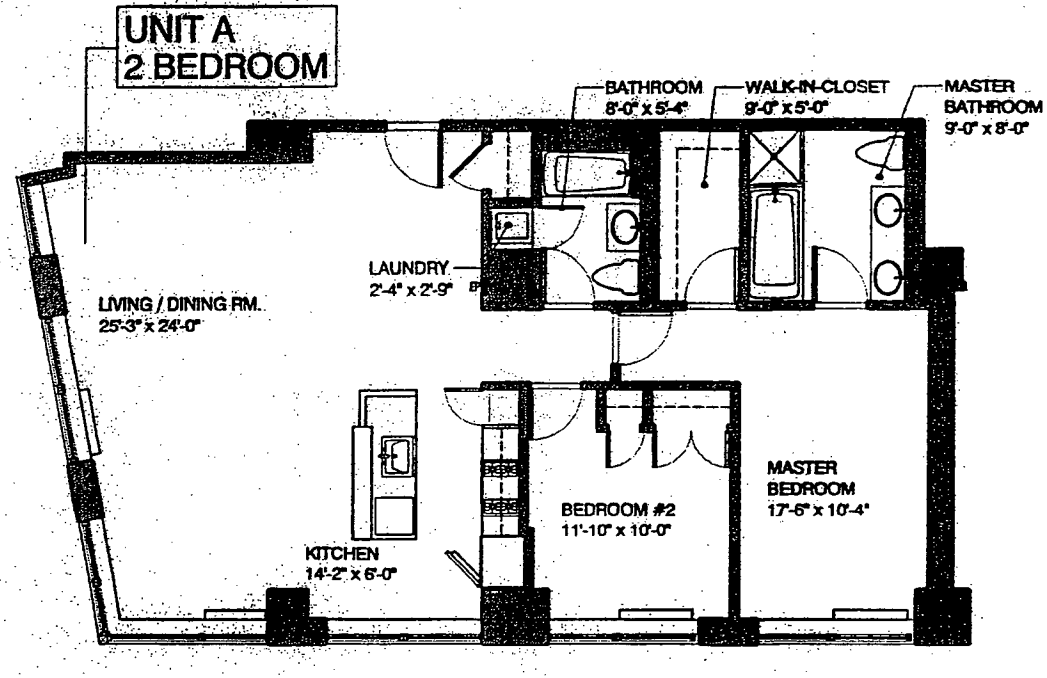
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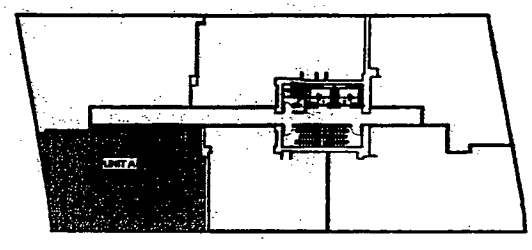
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

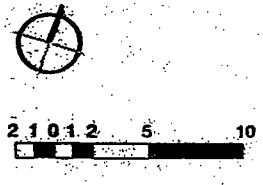
3rd FLOOR

APARTMENT AREA
1270 SQ.FT.





KEY PLAN



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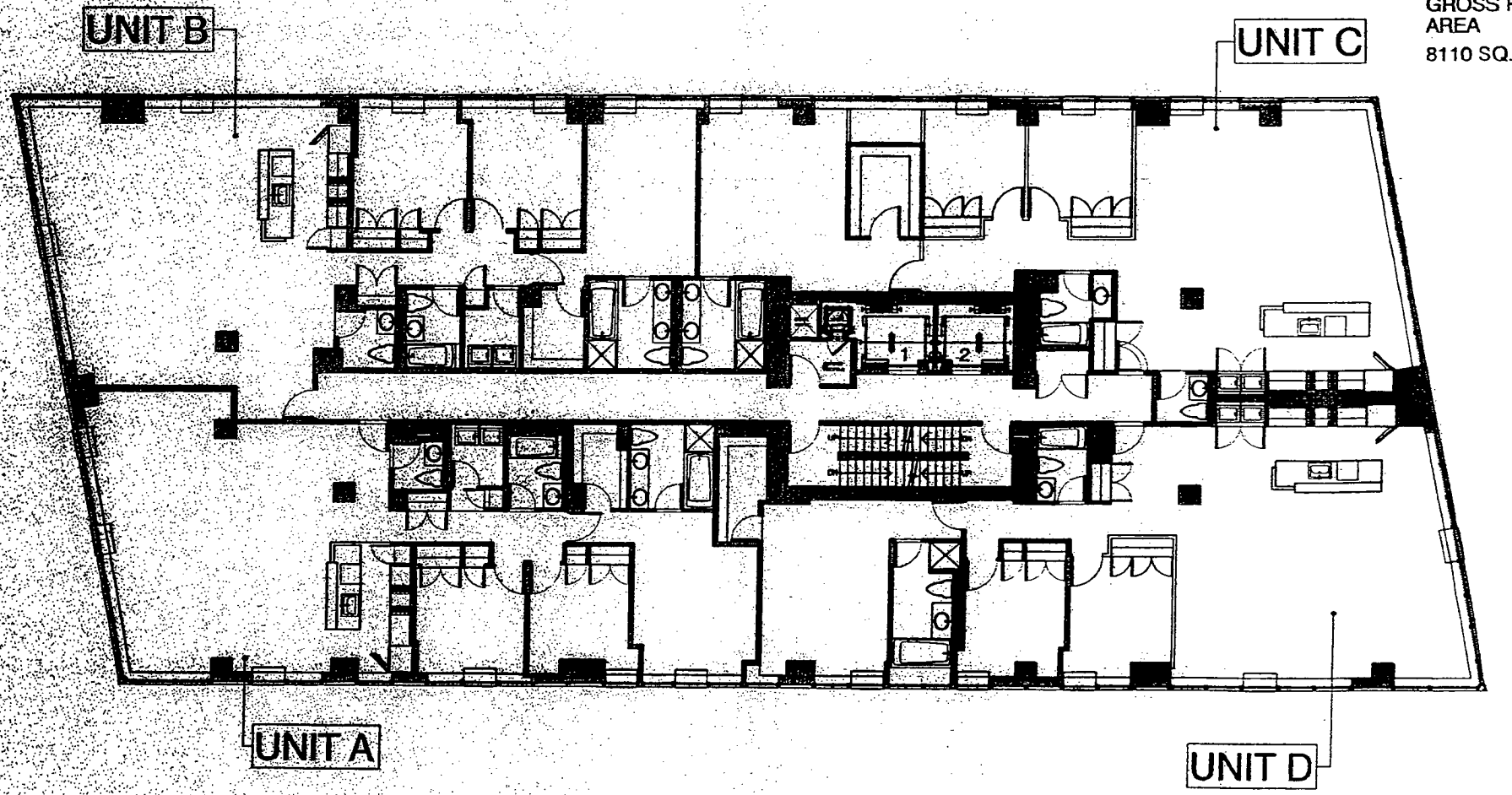
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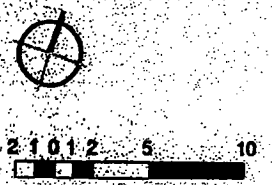
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

22nd FLOOR

GROSS FLOOR AREA
8110 SQ.FT.





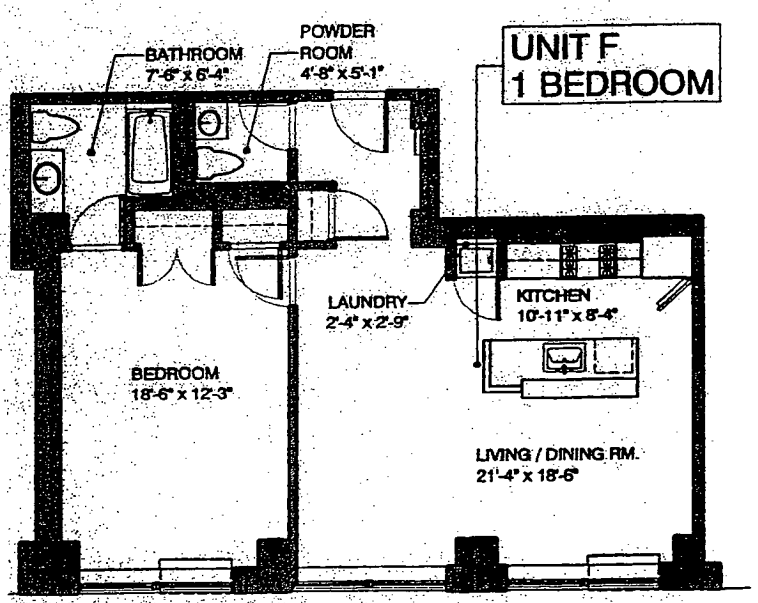
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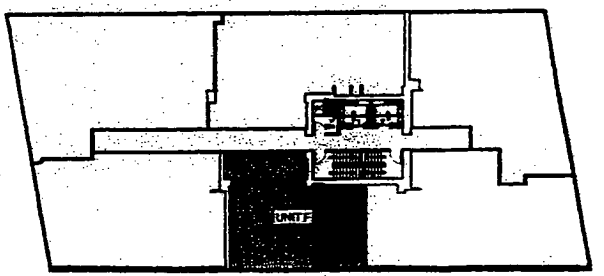
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

5-21ST FLOOR

APARTMENT AREA
860 SQ.FT.





KEY PLAN

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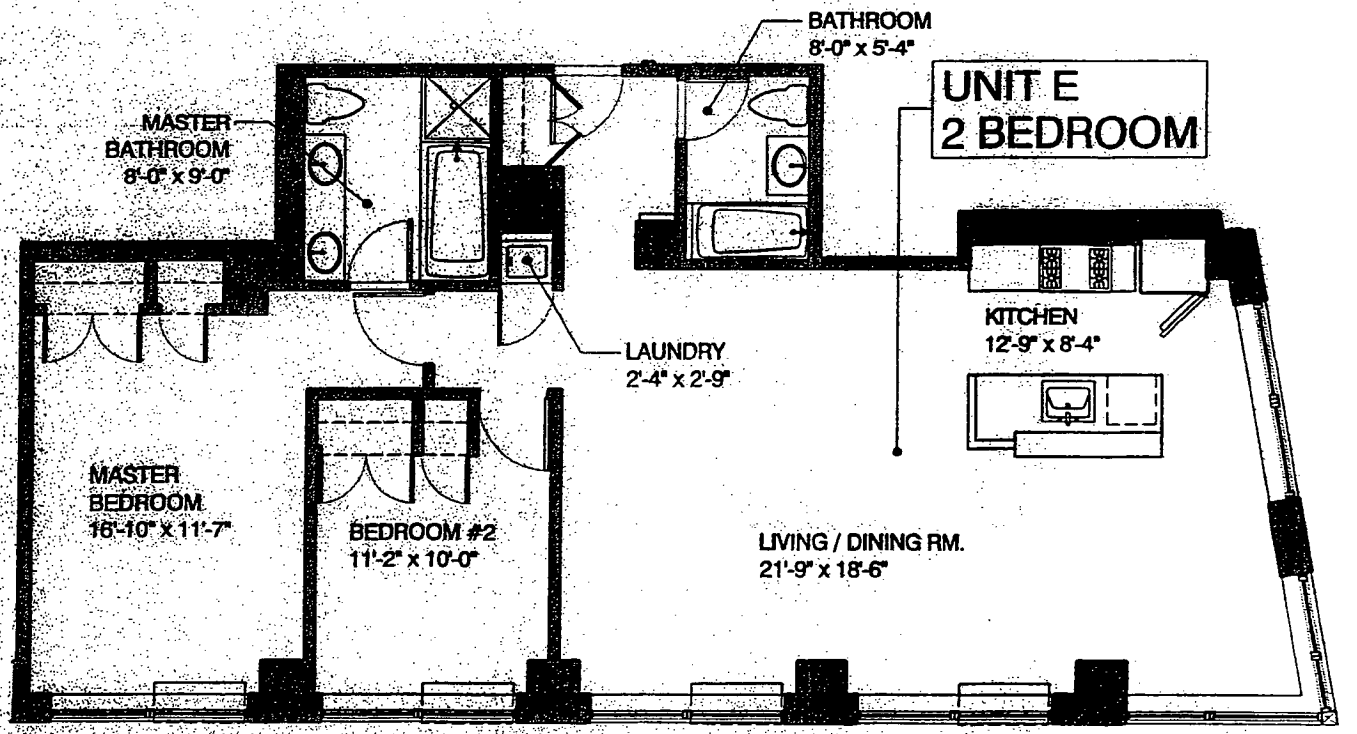
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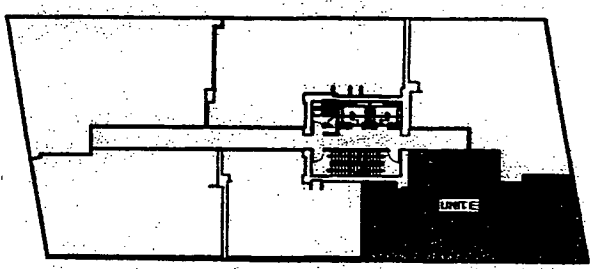
440 KENT AVENUE. BROOKLYN. NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

5-21ST FLOOR

APARTMENT AREA
1246 SQ.FT.





KEY PLAN

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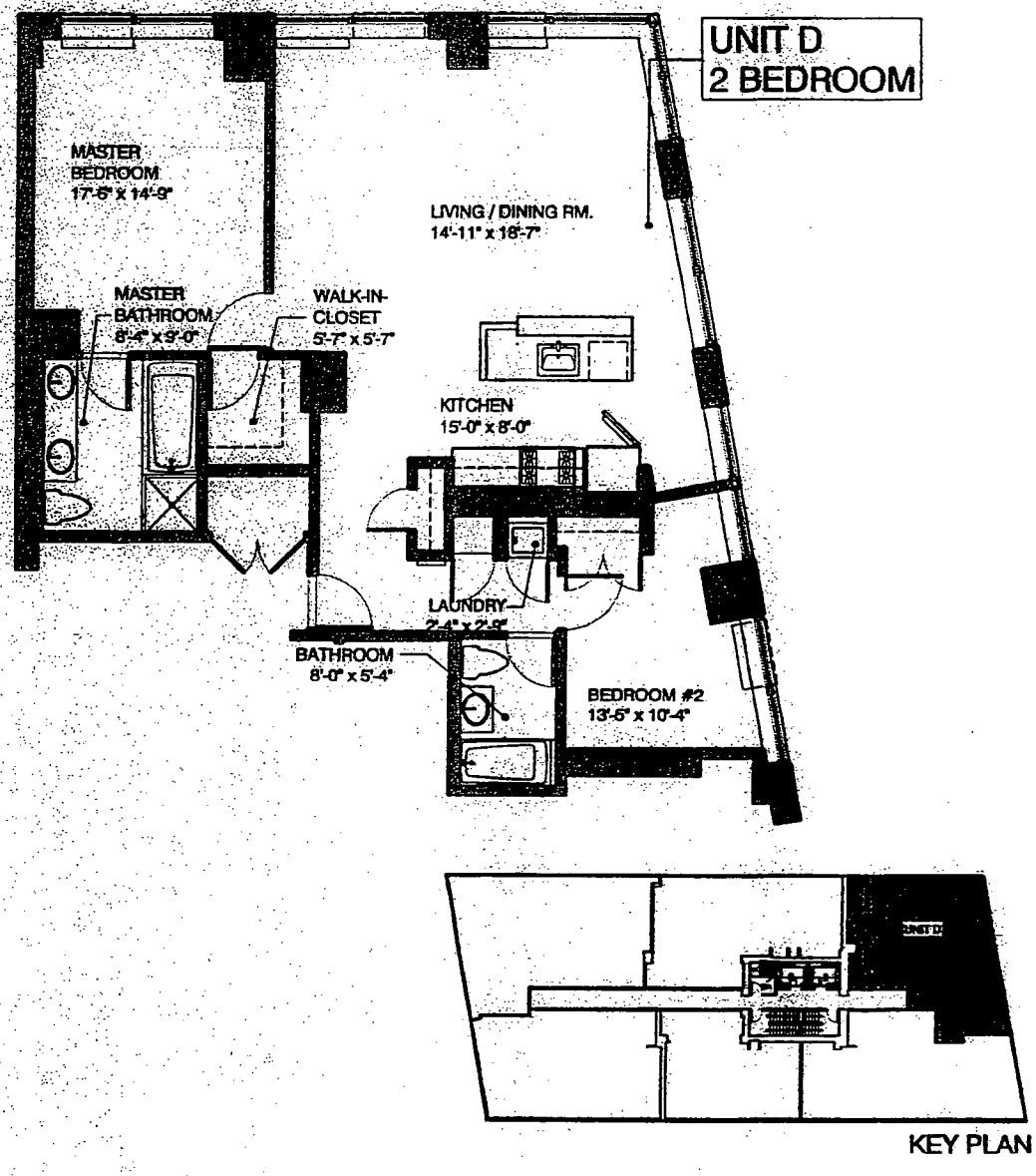
2 1 0 1 2 5 10

440 KENT AVENUE, BROOKLYN, NEW YORK

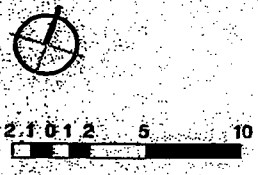
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

5-21ST FLOOR

APARTMENT AREA
1222 SQ.FT.



KEY PLAN



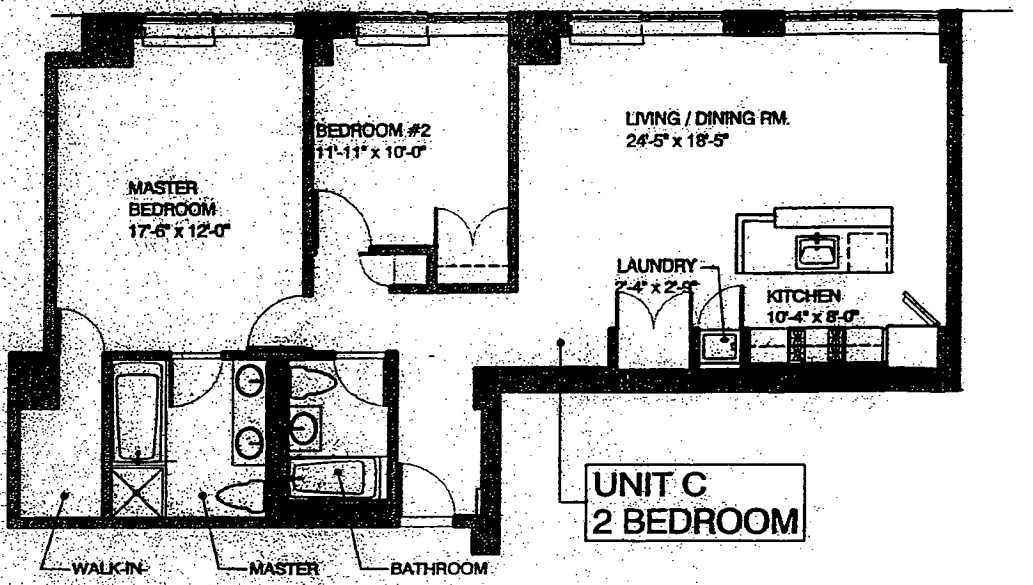
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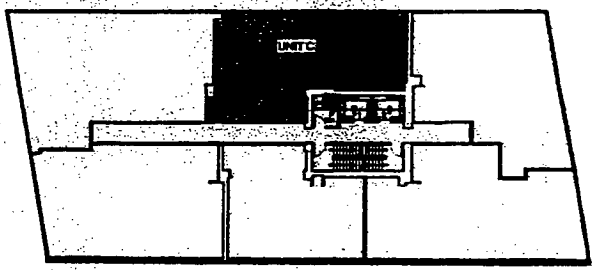
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

5-21ST FLOOR

APARTMENT
AREA
1175 SQ.FT.





KEY PLAN



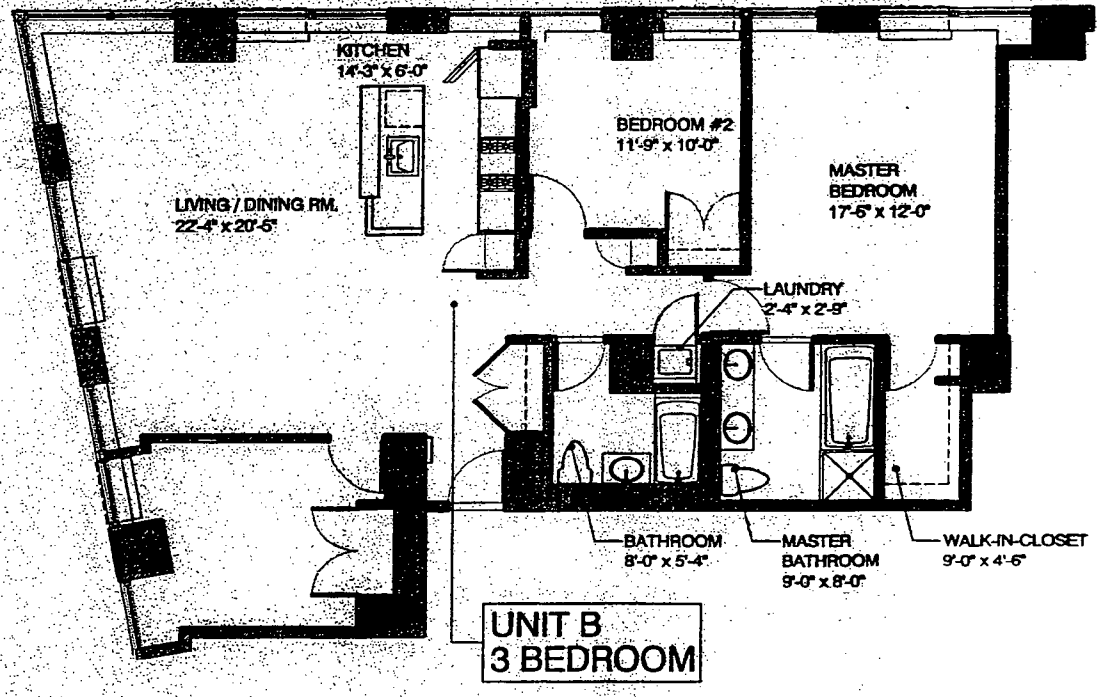
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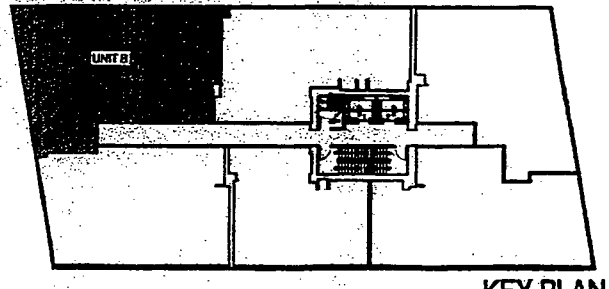
440 KENT AVENUE BROOKLYN NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

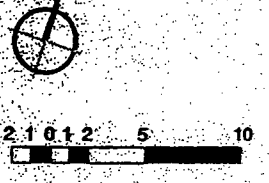
5-21ST FLOOR

APARTMENT AREA
1460 SQ.FT.





KEY PLAN



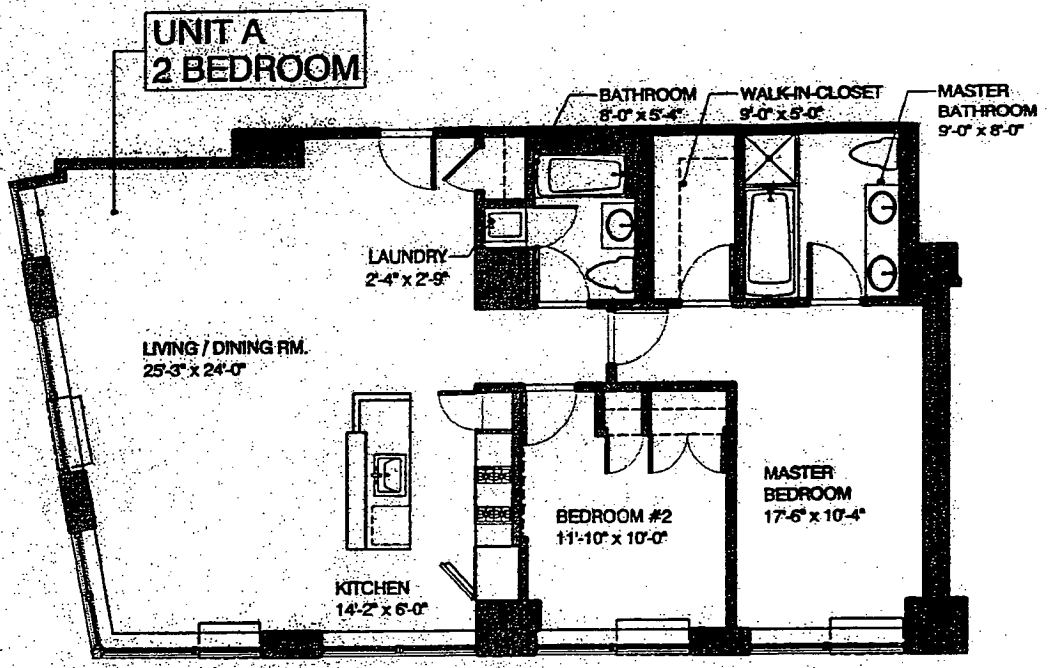
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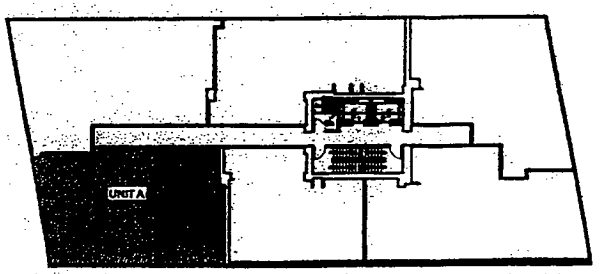
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

5-21ST FLOOR

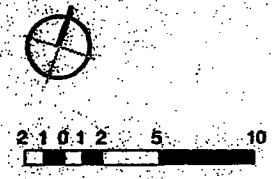
APARTMENT AREA
1270 SQ.FT.





KEY PLAN

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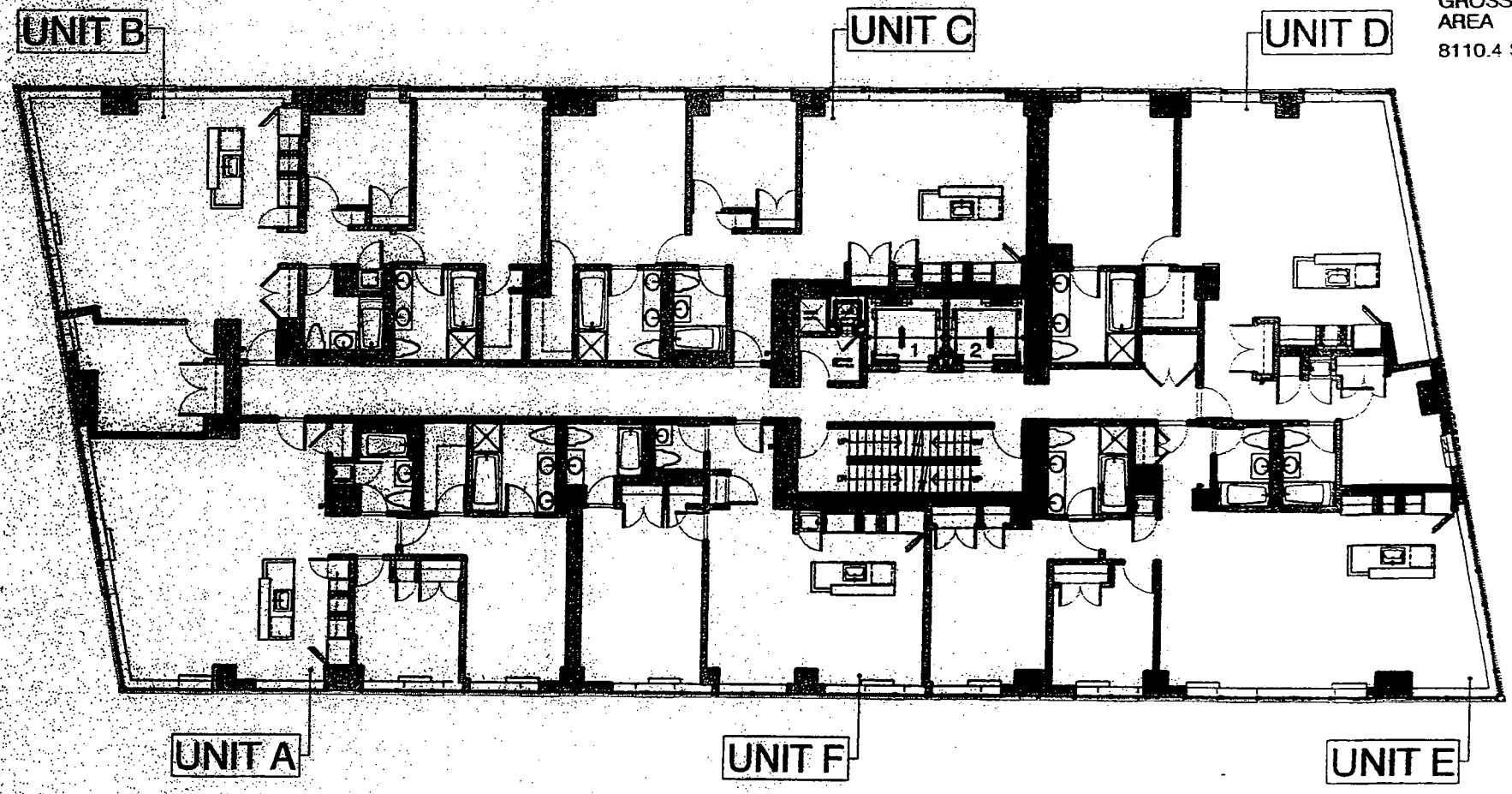


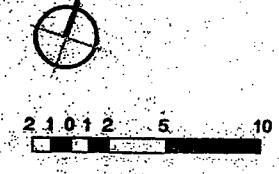
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

5-21ST FLOOR

GROSS FLOOR AREA
8110.4 SQ.FT.





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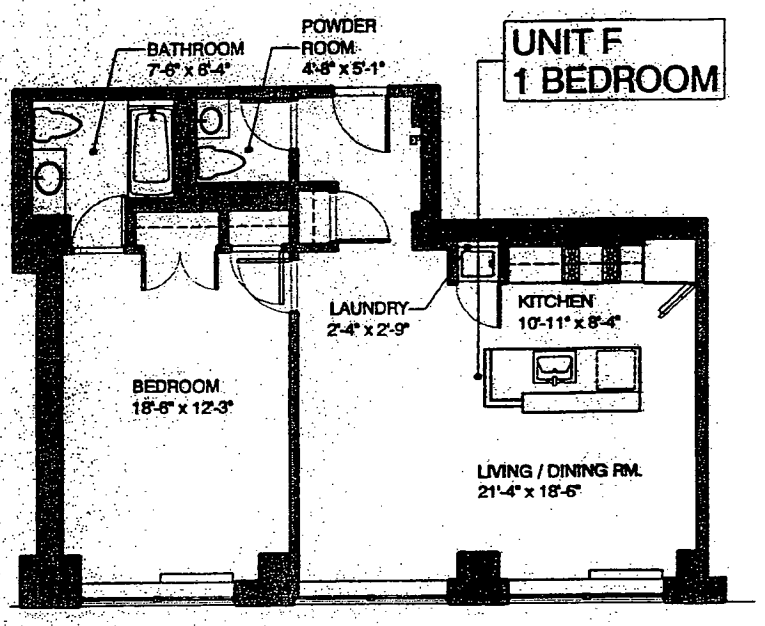
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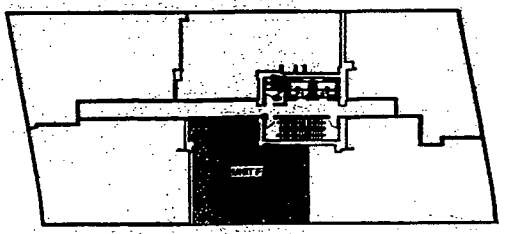
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

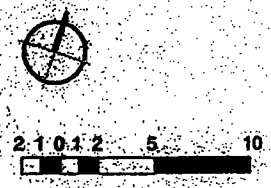
4th FLOOR

APARTMENT AREA
860 SQ.FT.





KEY PLAN



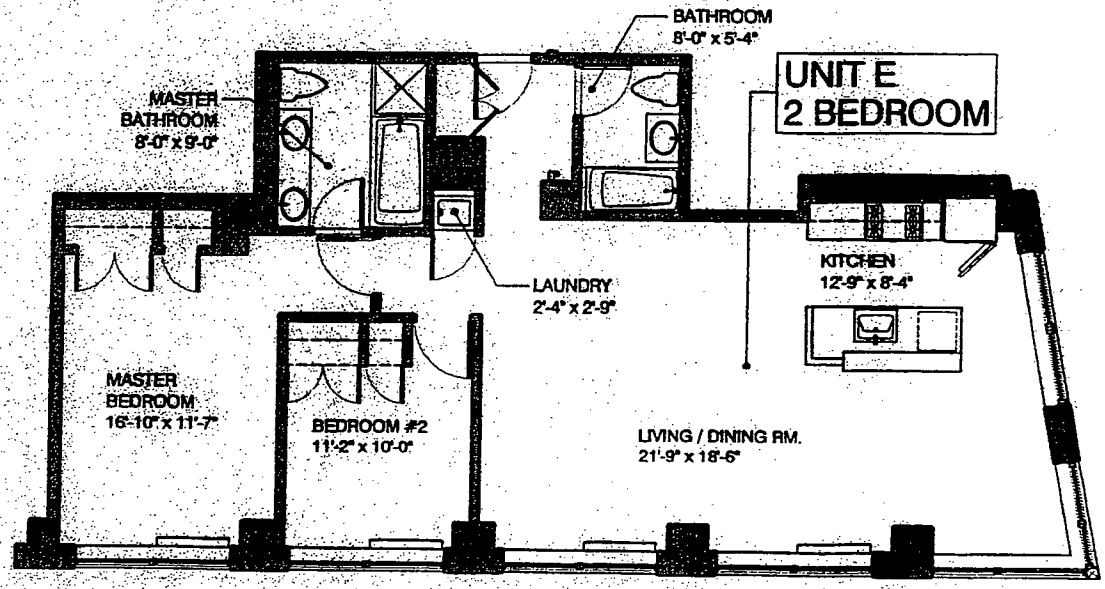
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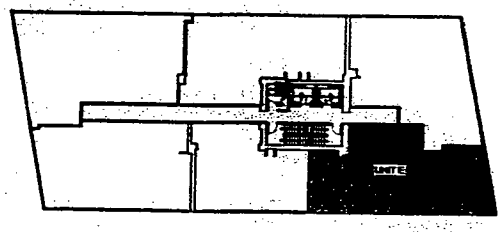
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

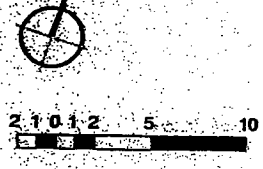
4th FLOOR

APARTMENT AREA
1246 SQ.FT.





KEY PLAN



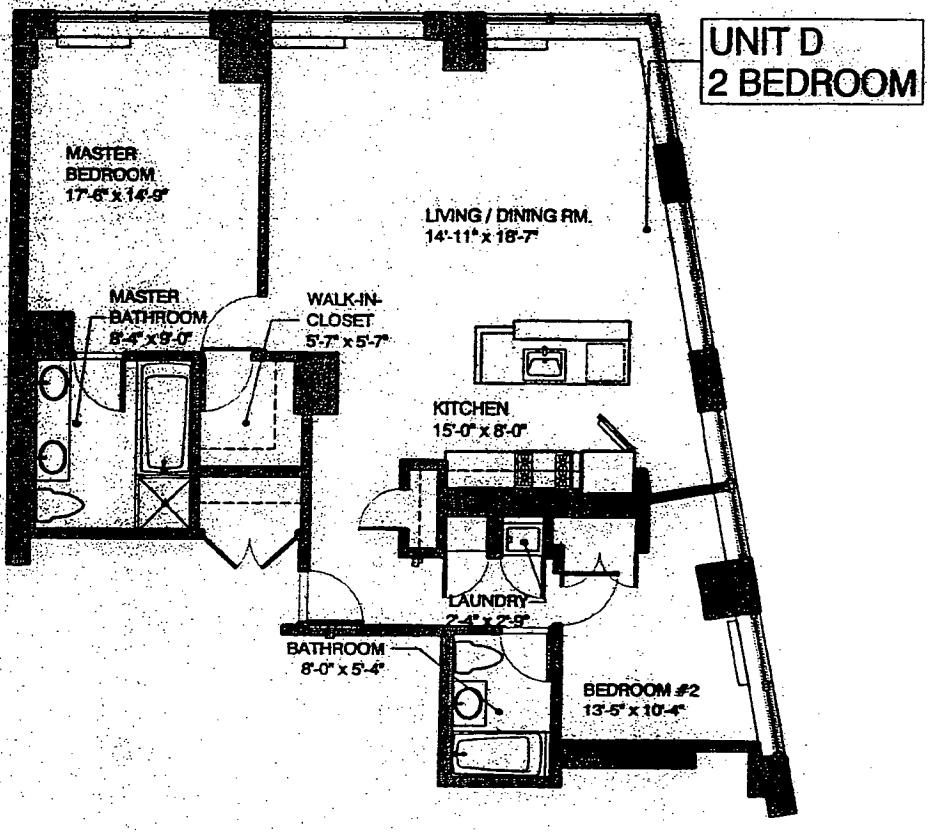
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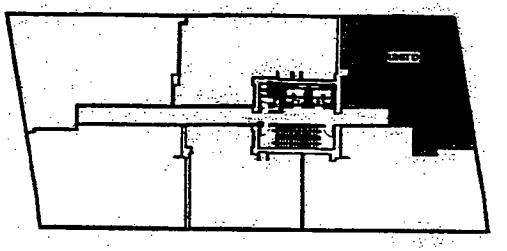
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

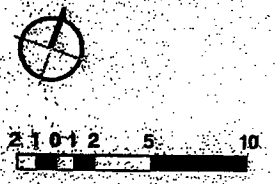
4th FLOOR

APARTMENT AREA
1222 SQ.FT.





KEY PLAN



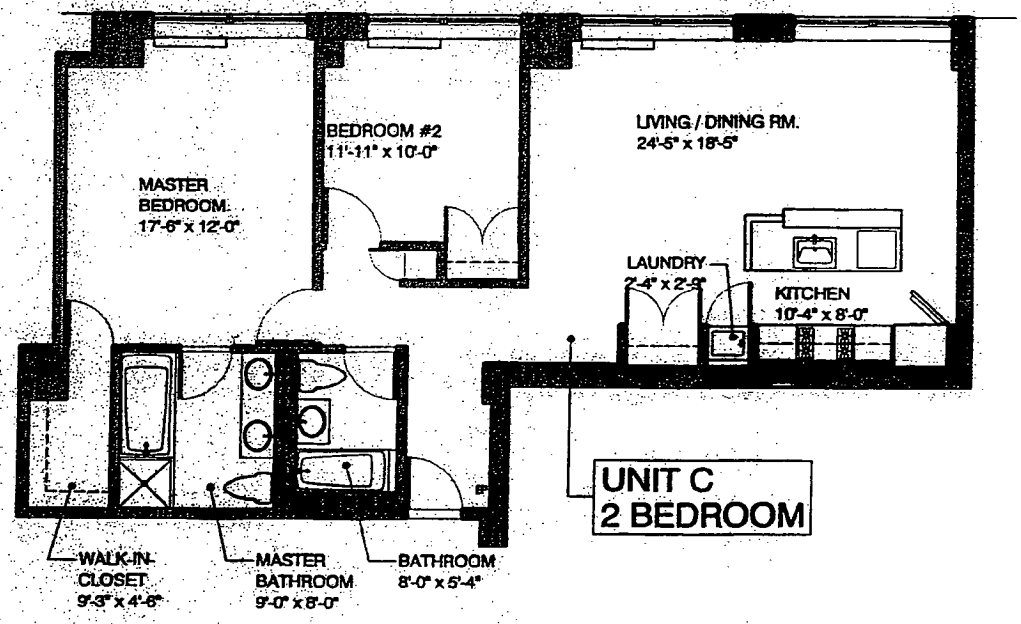
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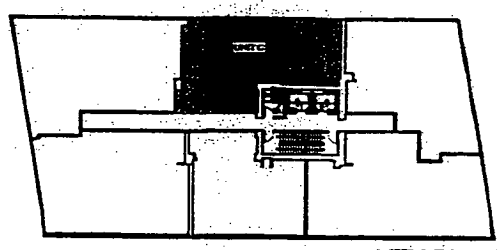
440 KENT AVENUE, BROOKLYN, NEW YORK

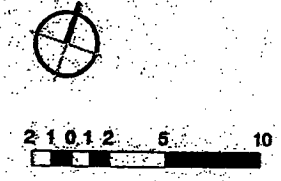
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

4th FLOOR

APARTMENT AREA
1175 SQ.FT.




KEY PLAN



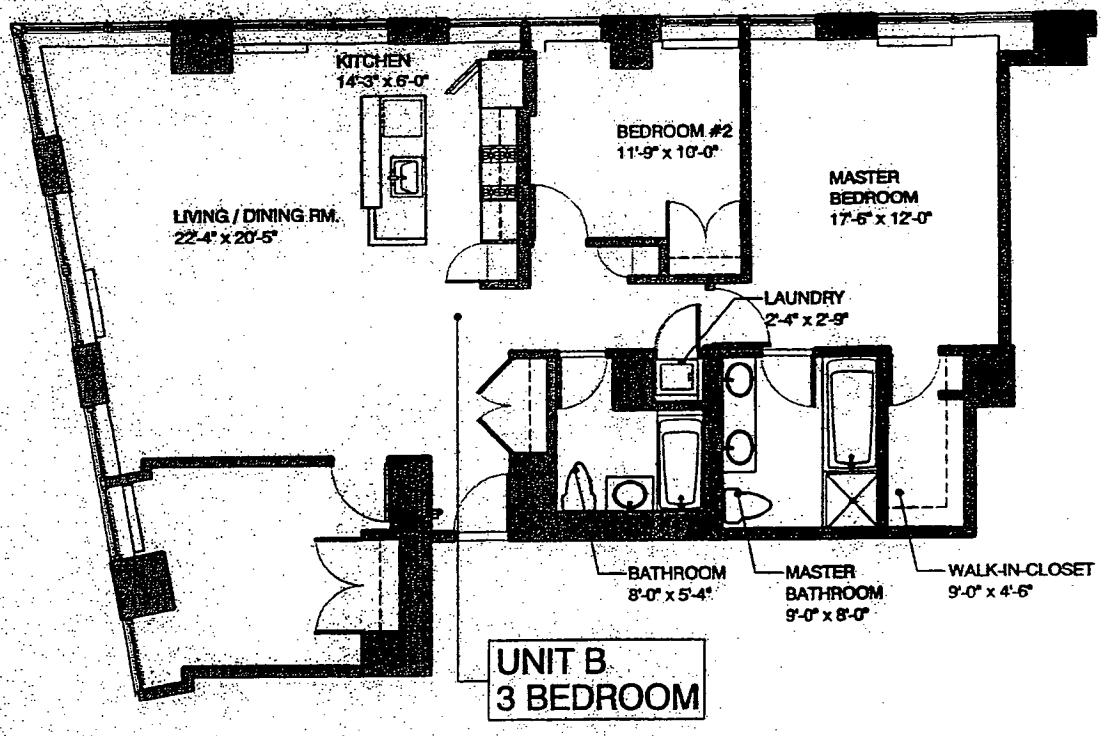
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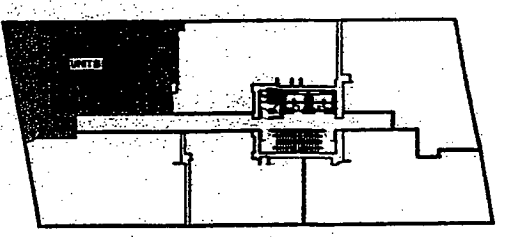
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

4th FLOOR

APARTMENT AREA
1460 SQ.FT.





KEY PLAN

2 1 0 1 2 5 10

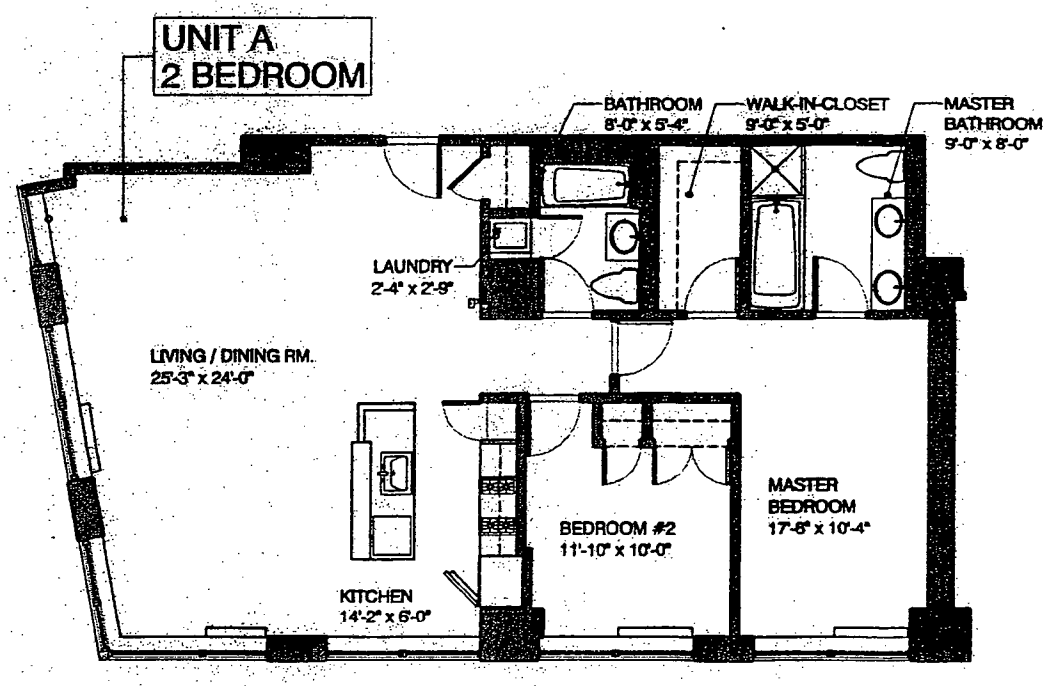
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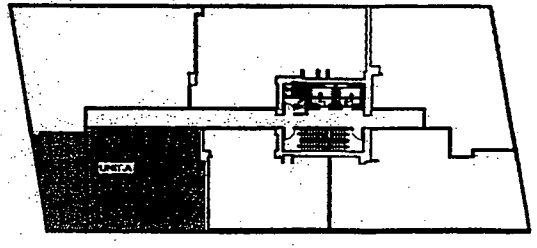
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

4th FLOOR

APARTMENT AREA
1270 SQ.FT.





KEY PLAN

2 1 0 1 2 5 10

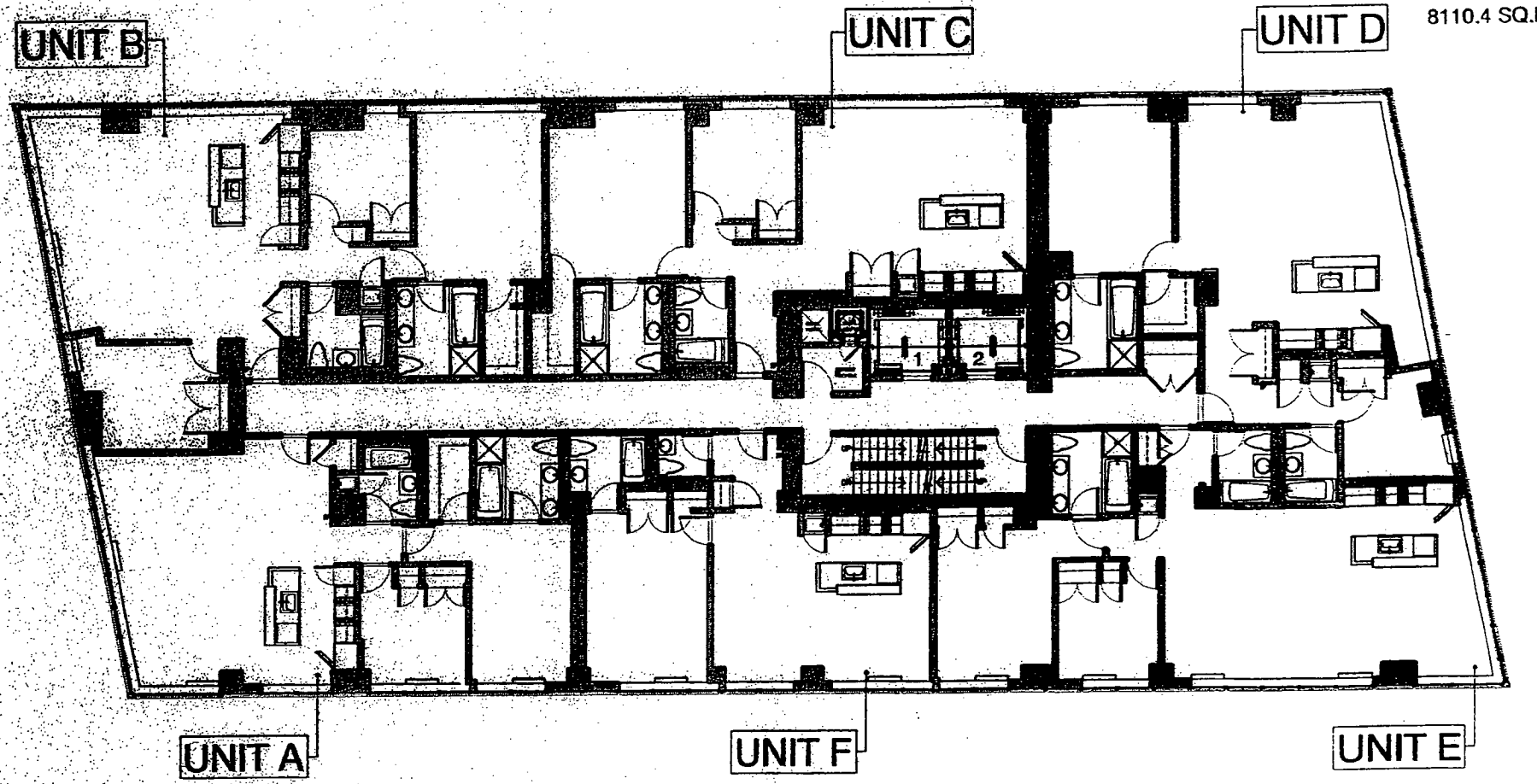
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.
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440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

4th FLOOR

GROSS FLOOR AREA
8110.4 SQ.FT.



2 1 0 1 2 5 10

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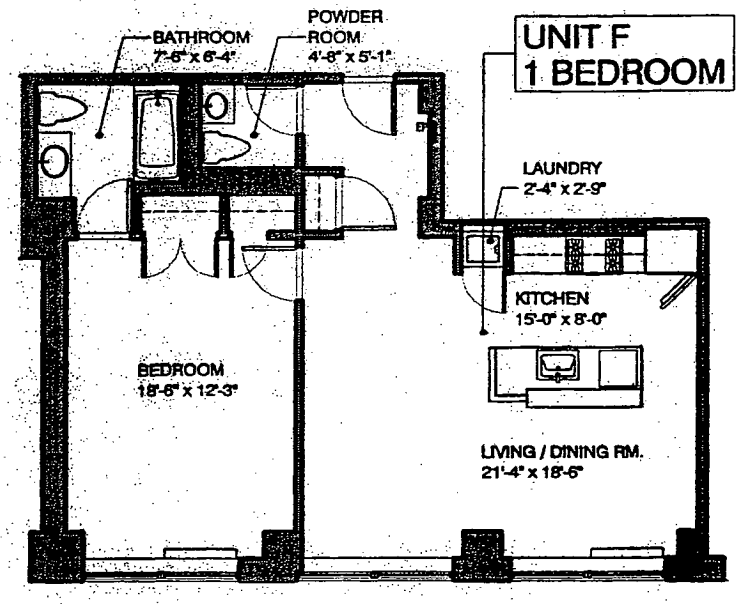
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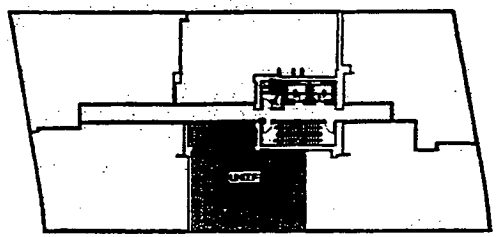
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

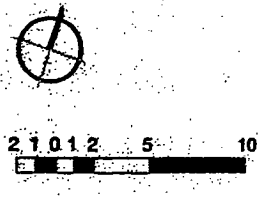
3rd FLOOR

APARTMENT AREA
860 SQ.FT.





KEY PLAN



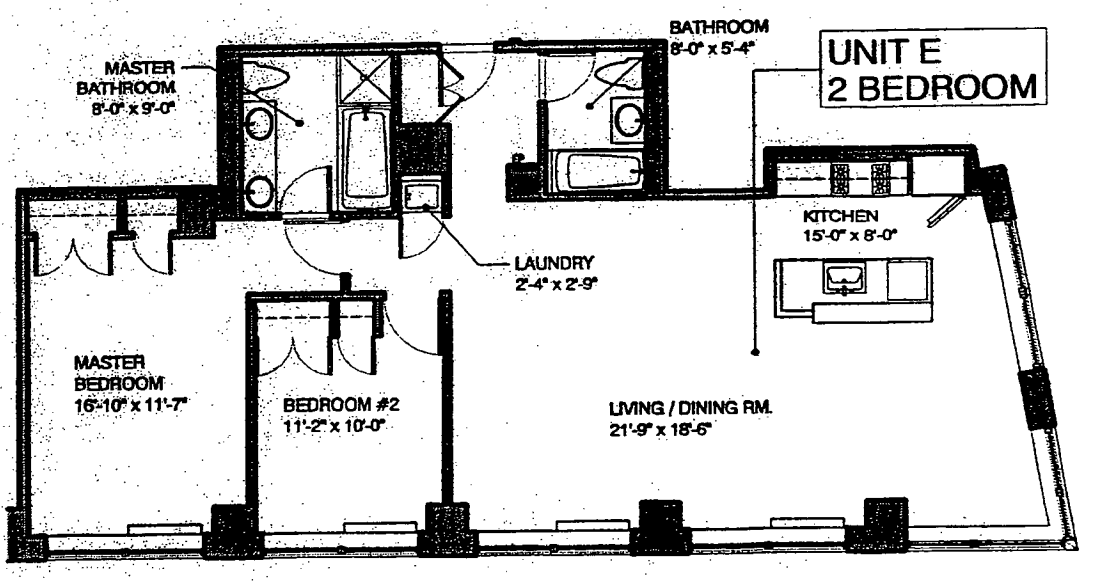
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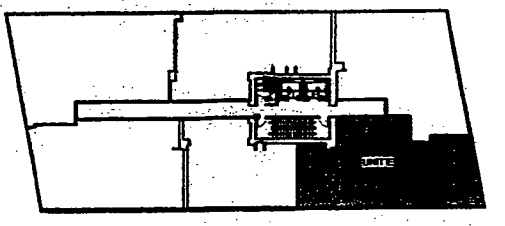
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

3rd FLOOR

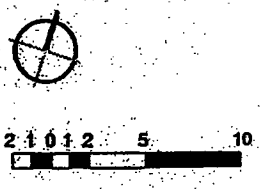
APARTMENT
AREA
1246 SQ.FT.





KEY PLAN

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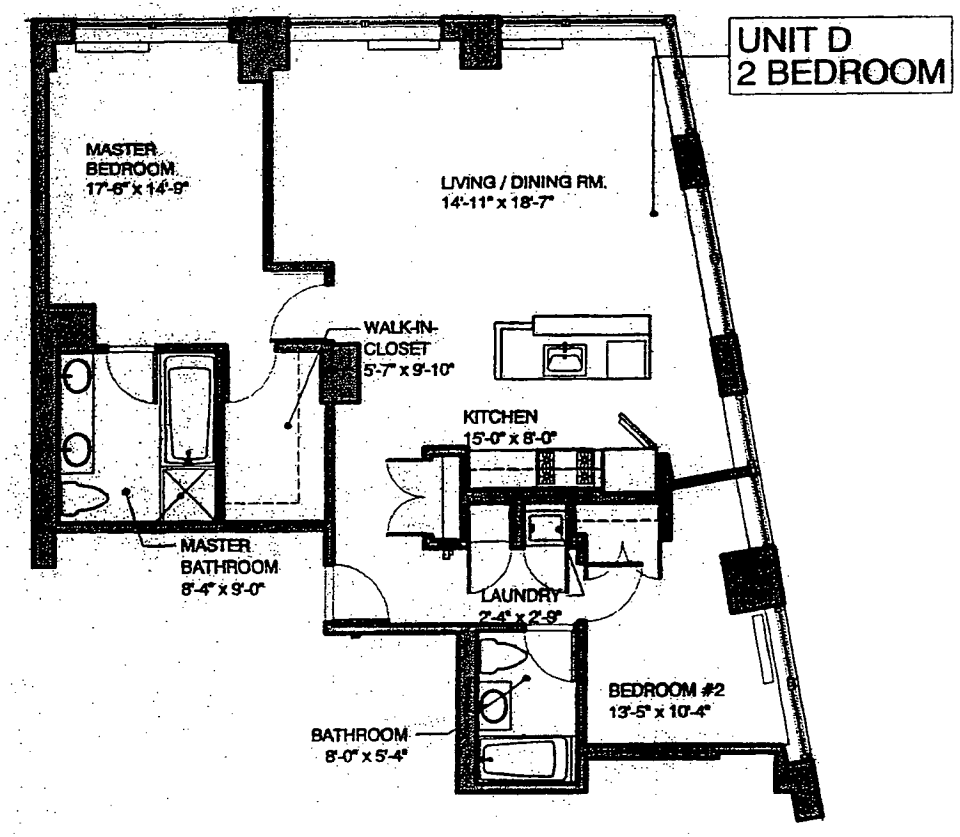


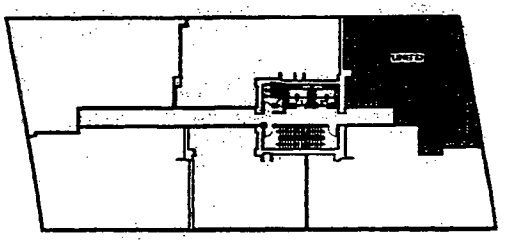
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

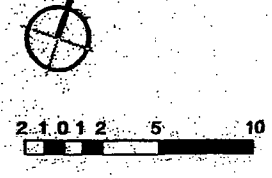
3rd FLOOR

APARTMENT AREA
1222 SQ.FT.





KEY PLAN



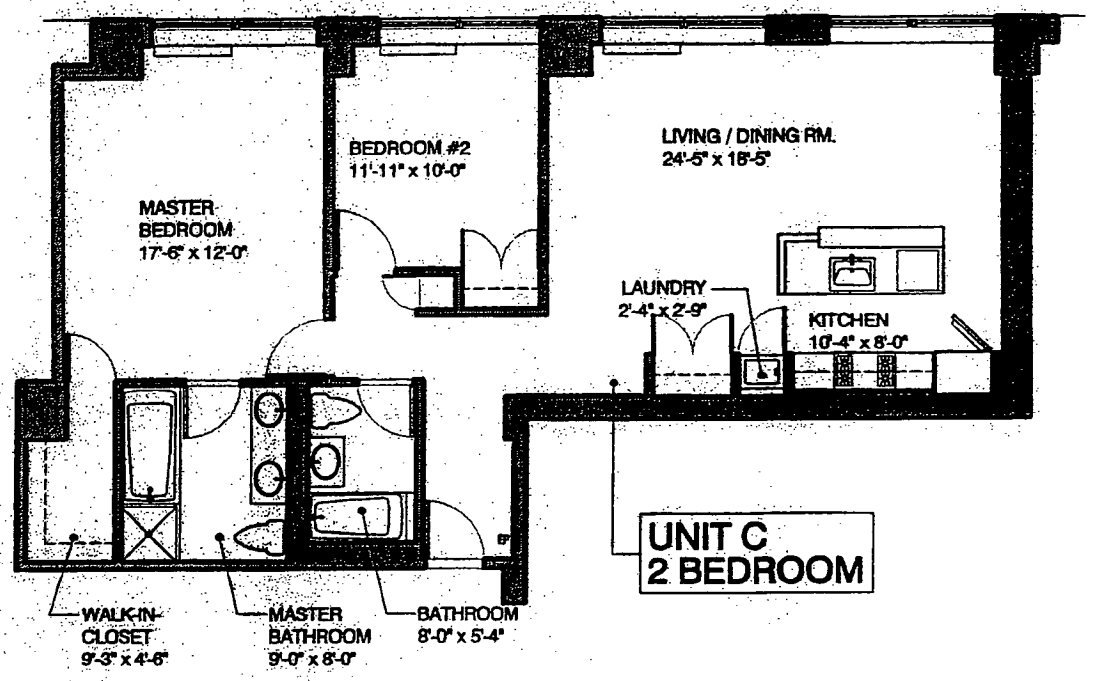
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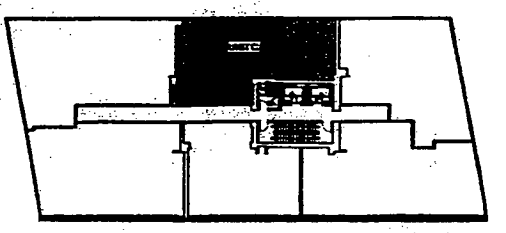
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

3rd FLOOR

APARTMENT AREA
1175 SQ.FT.





KEY PLAN



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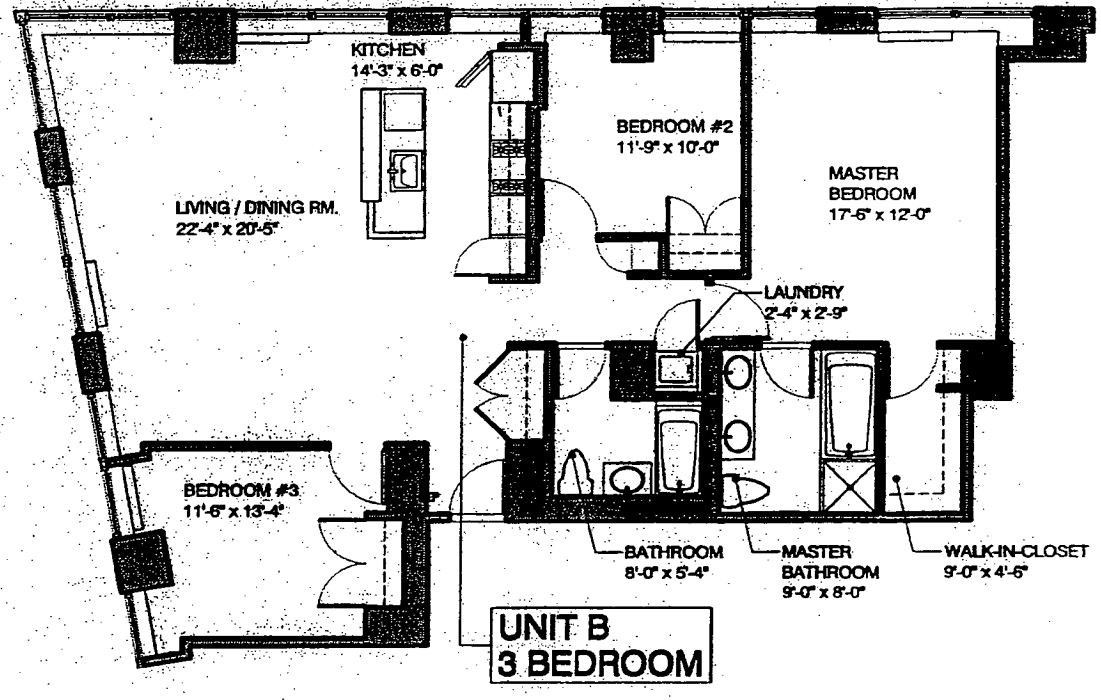
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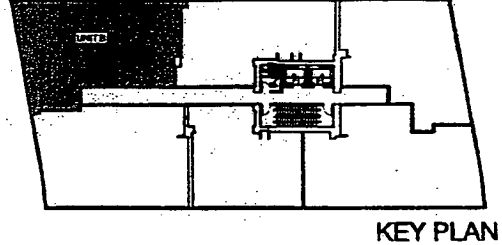
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

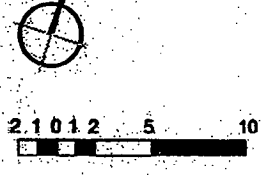
3rd FLOOR

APARTMENT AREA
1460 SQ.FT.





KEY PLAN



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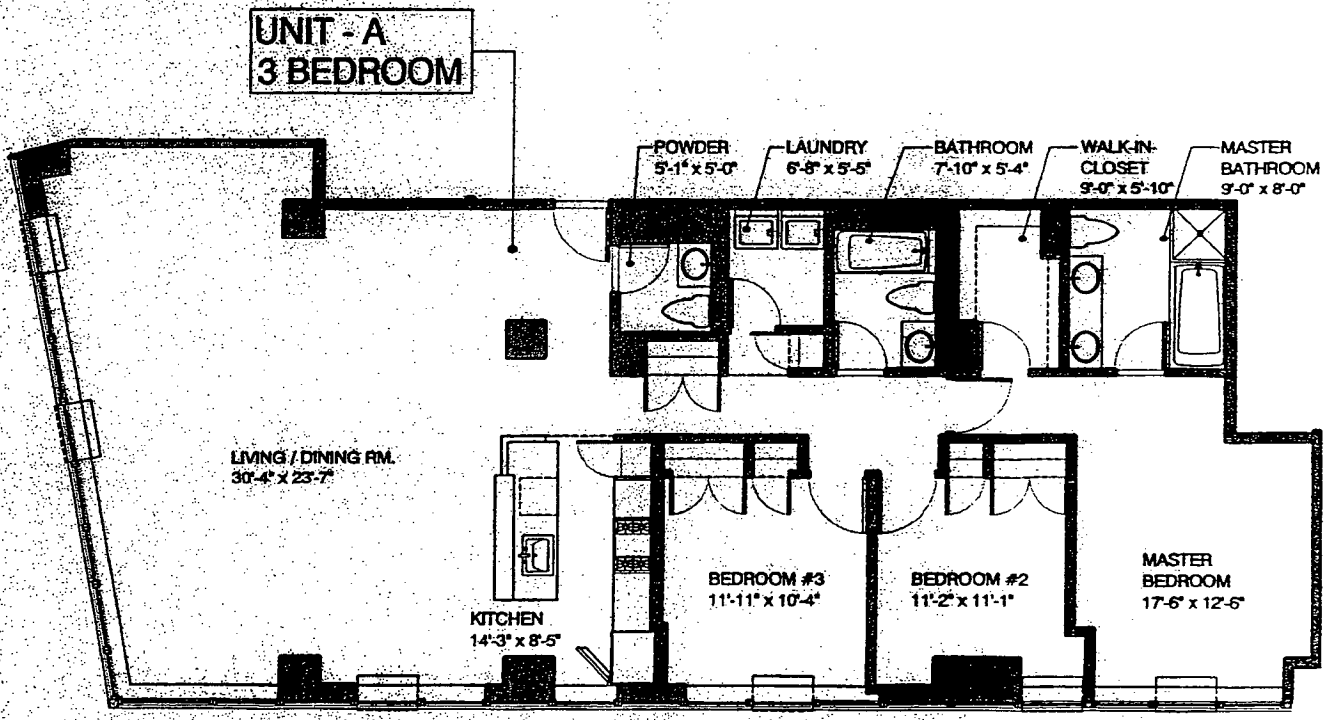
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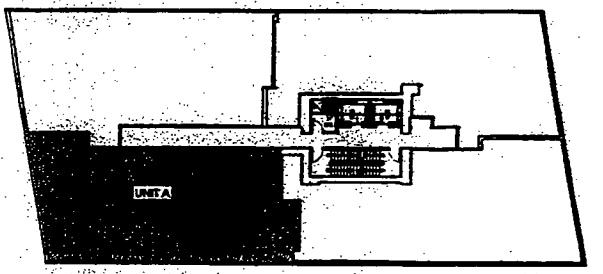
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

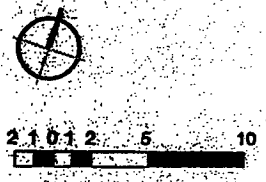
22nd FLOOR

APARTMENT
AREA
1790 SQ.FT.





KEY PLAN



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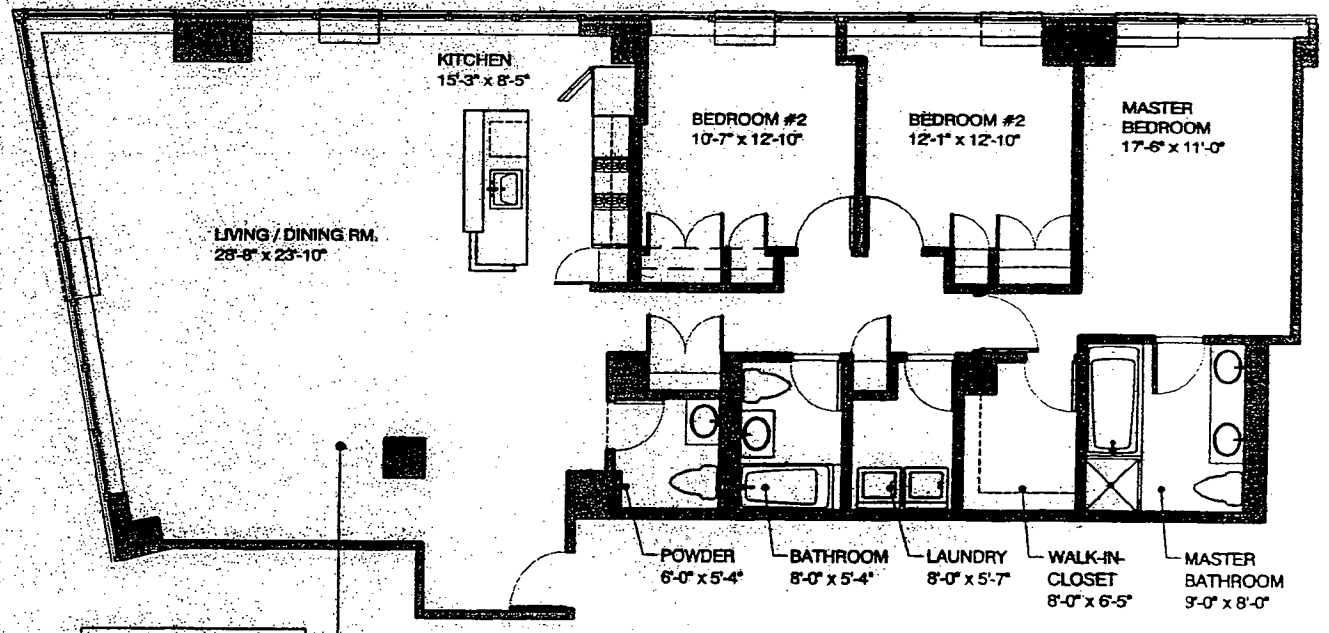
-270-

440 KENT AVENUE, BROOKLYN, NEW YORK

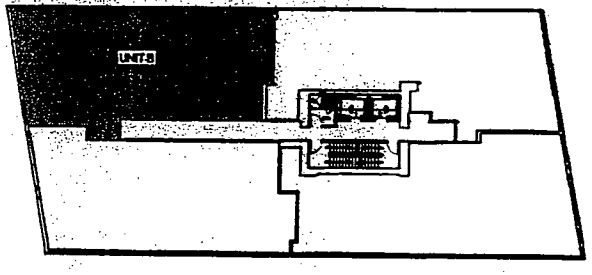
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

22nd FLOOR

APARTMENT AREA
1850 SQ.FT.



UNIT - B
3 BEDROOM



KEY PLAN

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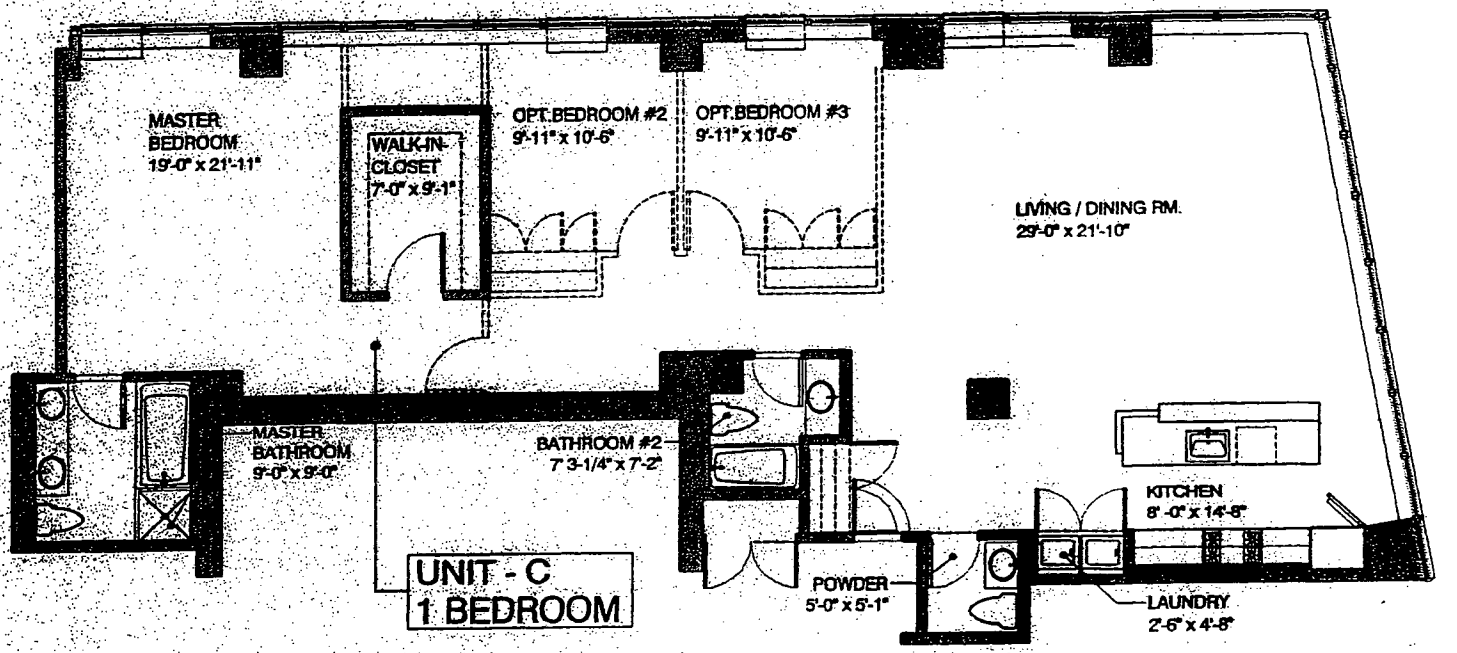
2 1 0 1 2 5 10

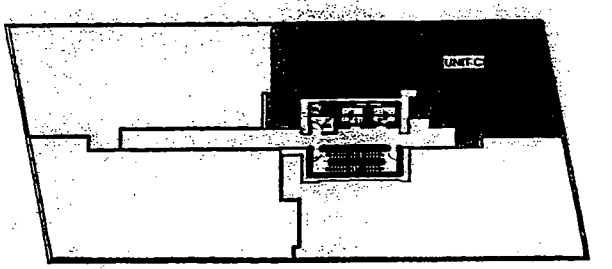
440 KENT AVENUE BROOKLYN NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

22nd FLOOR

APARTMENT AREA
1780 SQ.FT.





KEY PLAN

2 1 0 1 2 5 10

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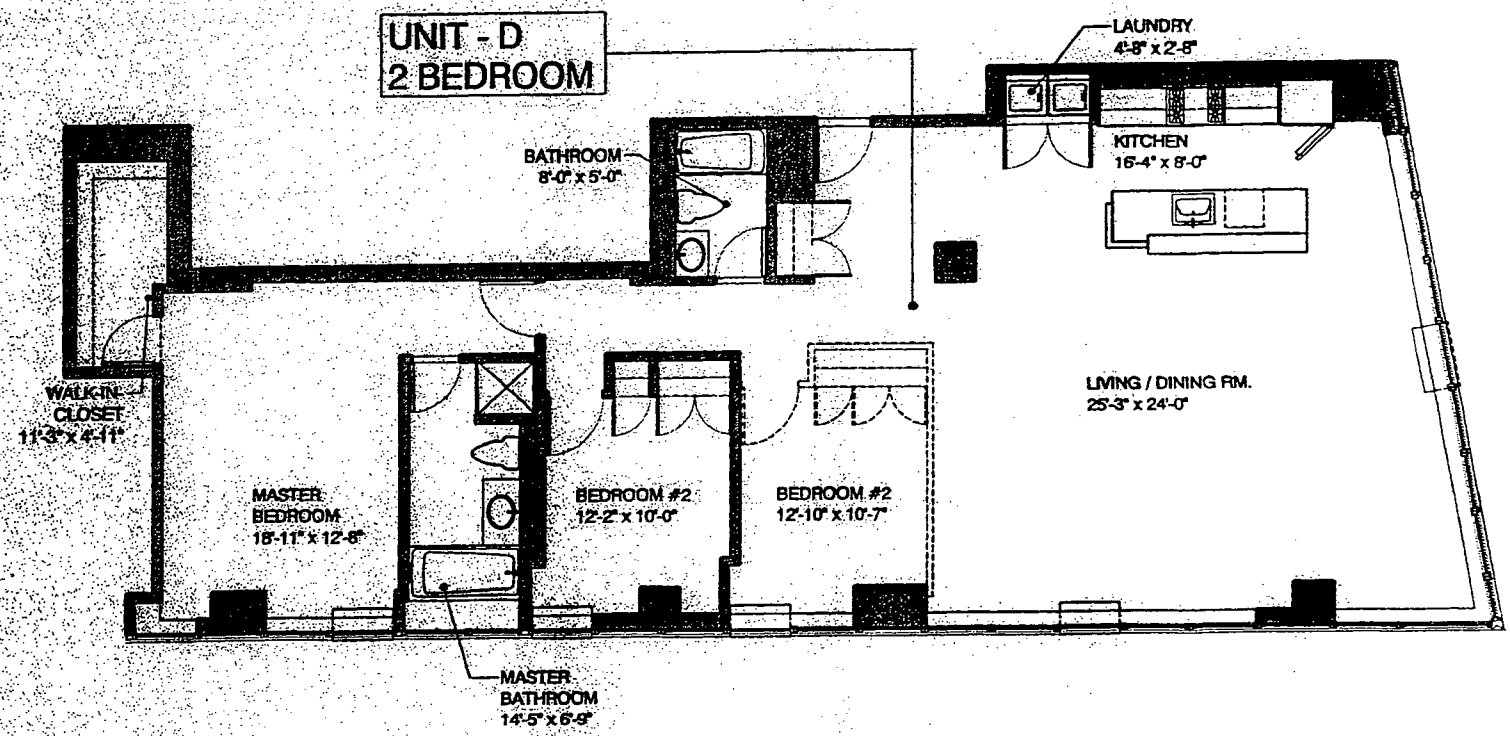
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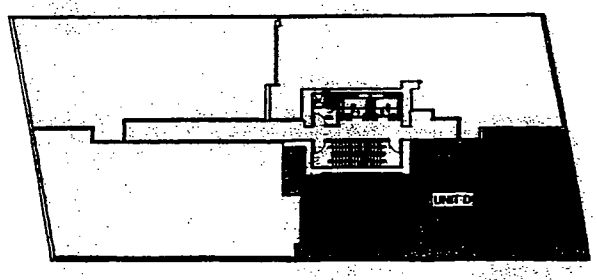
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

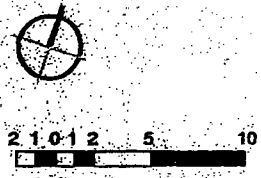
22nd FLOOR

APARTMENT AREA
1790 SQ.FT.





KEY PLAN



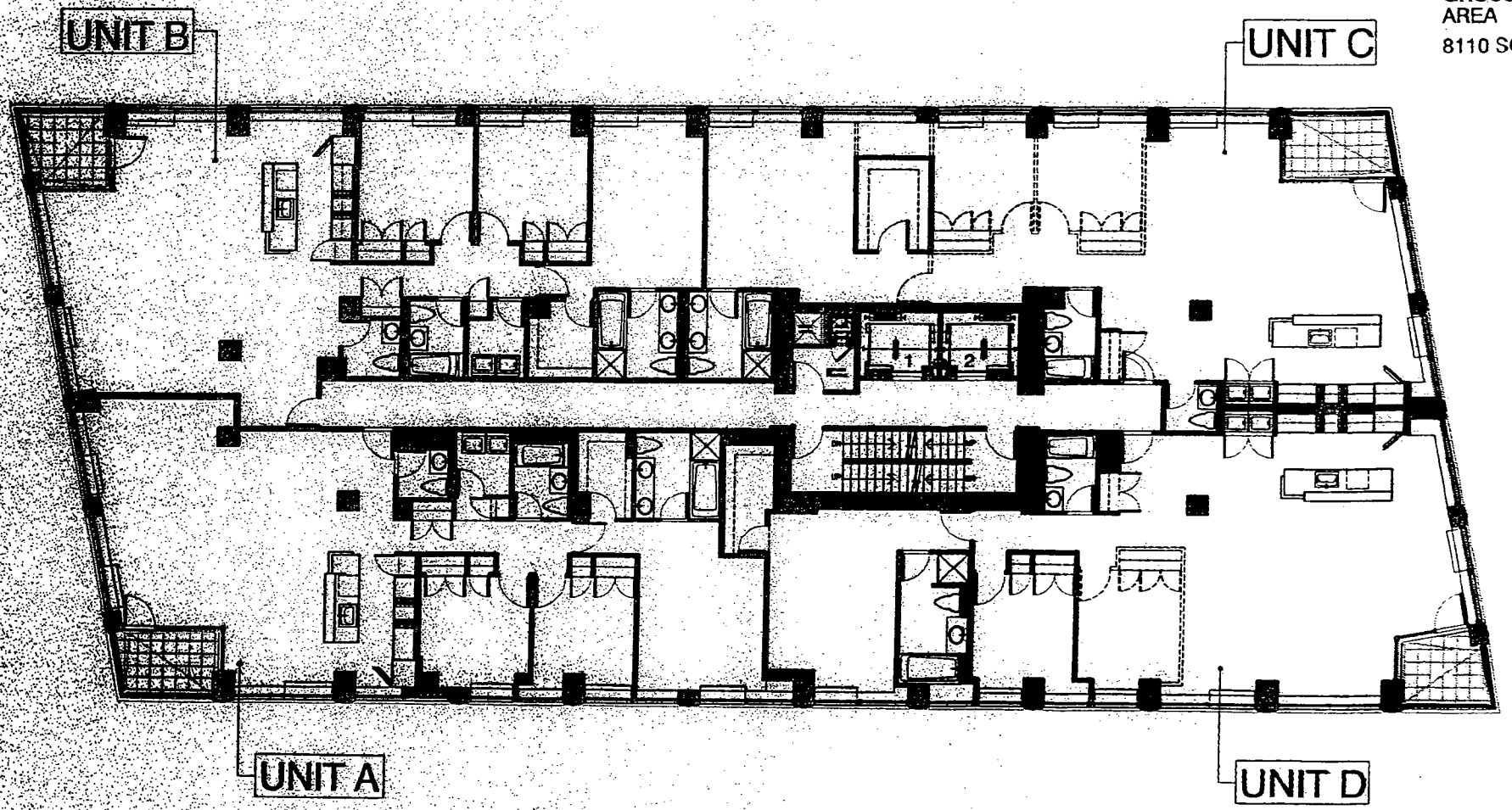
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440 KENT AVENUE, BROOKLYN NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-1 & PH-2

GROSS FLOOR AREA
8110 SQ.FT.



2 1 0 1 2 5 10

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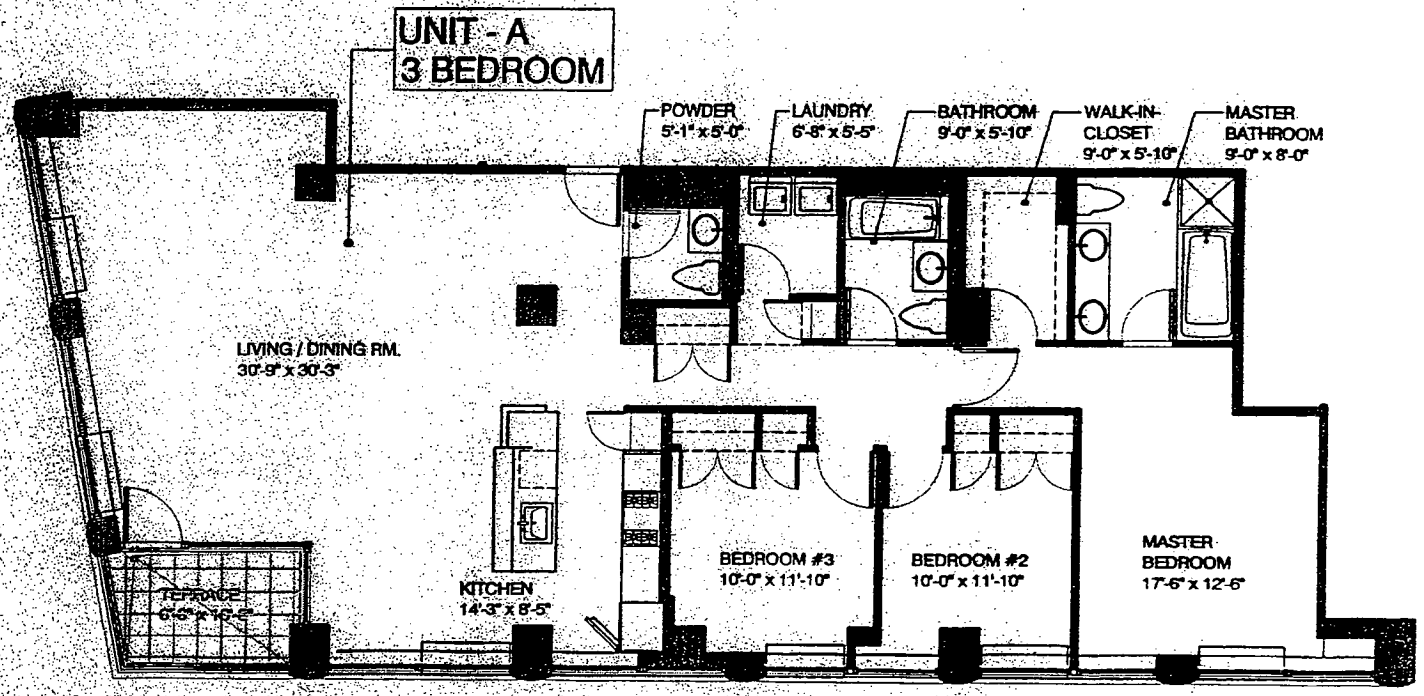
440 KENT AVENUE, BROOKLYN, NEW YORK

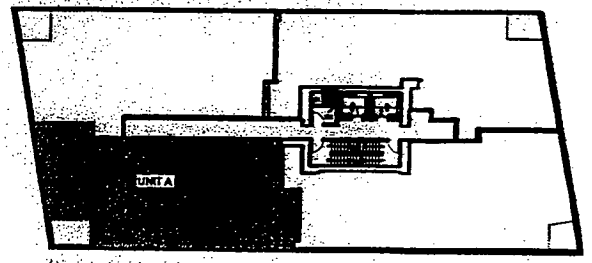
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-1 & PH-2

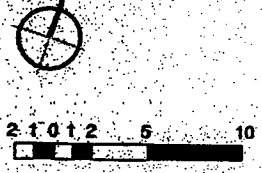
APARTMENT AREA
1740 SQ.FT.

TERRACE AREA
62 SQ.FT.





KEY PLAN



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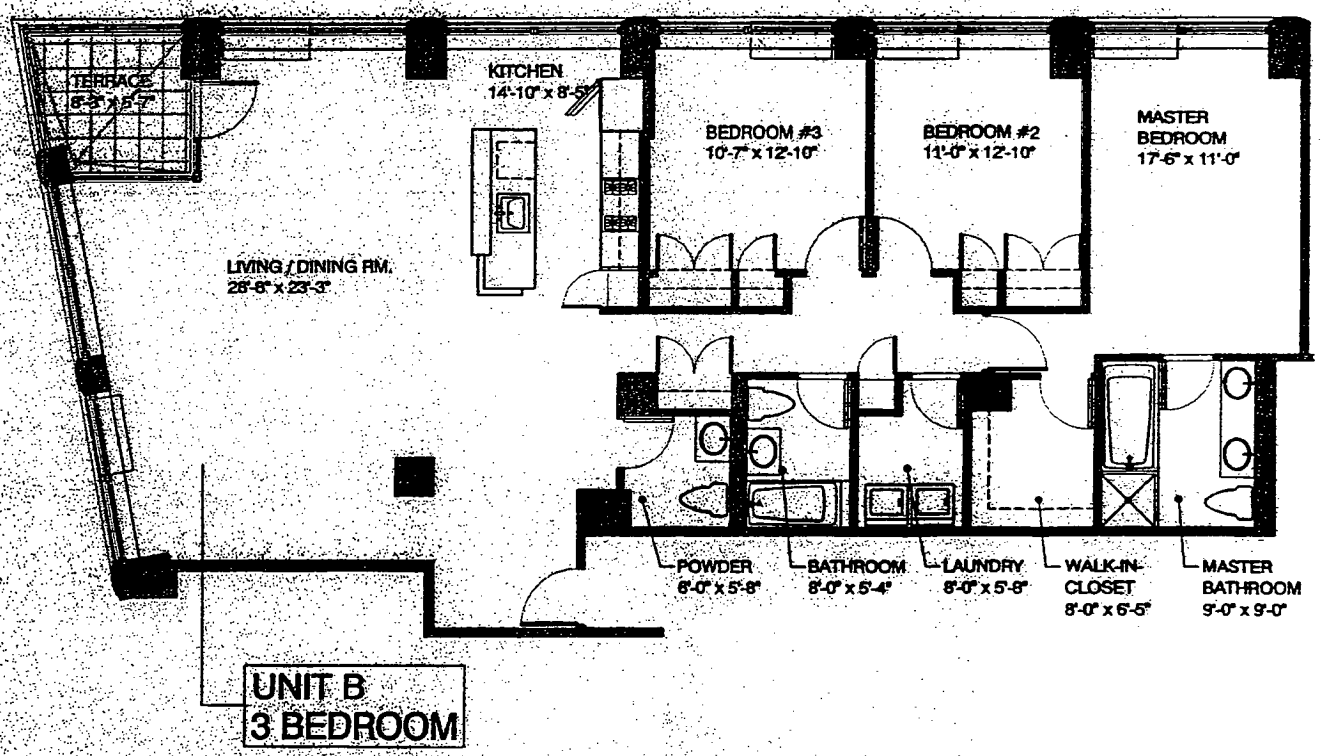
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

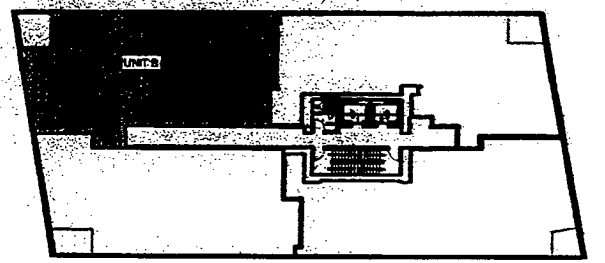
PH-1 & PH-2

APARTMENT AREA
1800 SQ.FT.

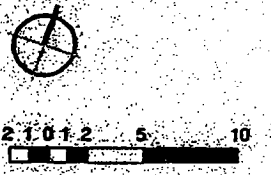
TERRACE AREA
58 SQ.FT.



UNIT B
3 BEDROOM



KEY PLAN



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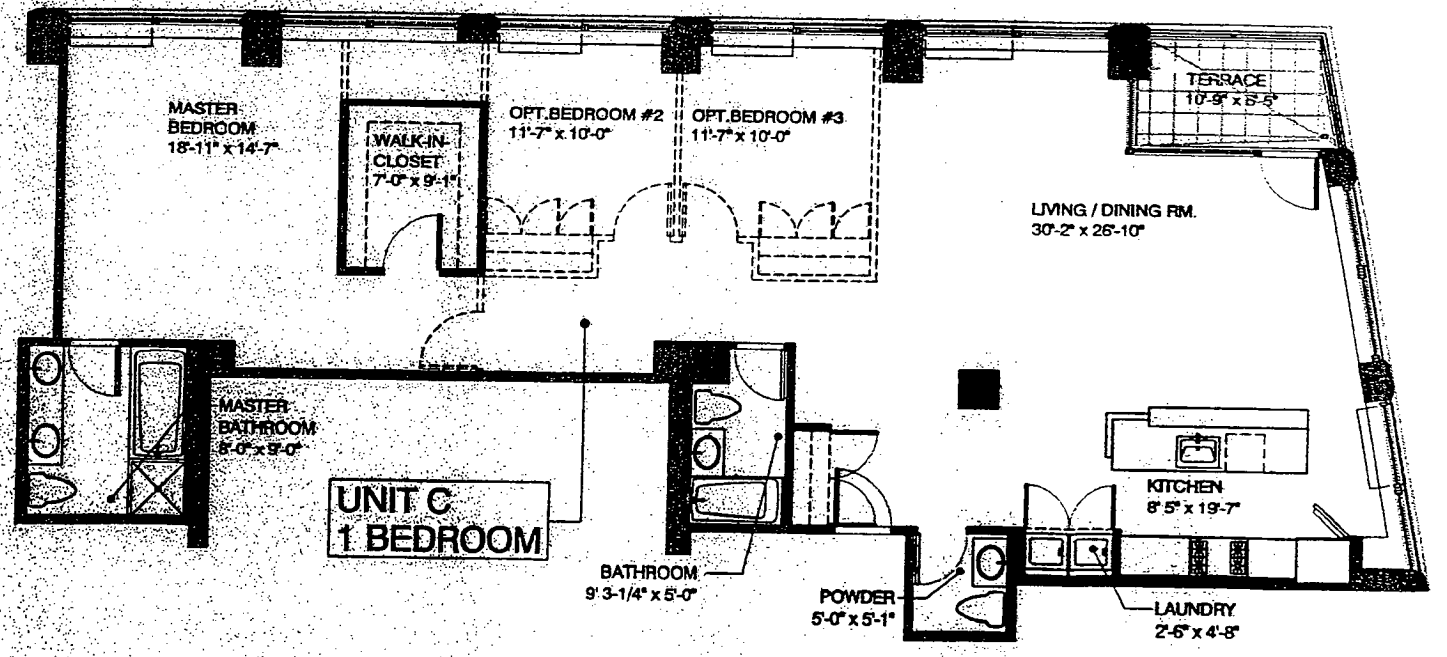
440 KENT AVENUE BROOKLYN NEW YORK

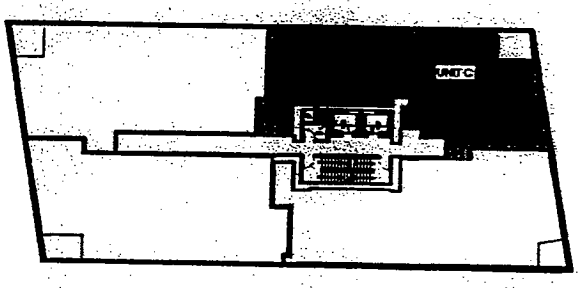
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-1 & PH-2

APARTMENT AREA
1690 SQ.FT.

TERRACE AREA
61 SQ.FT.





KEY PLAN

2 1 0 1 2 5 10

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-277-

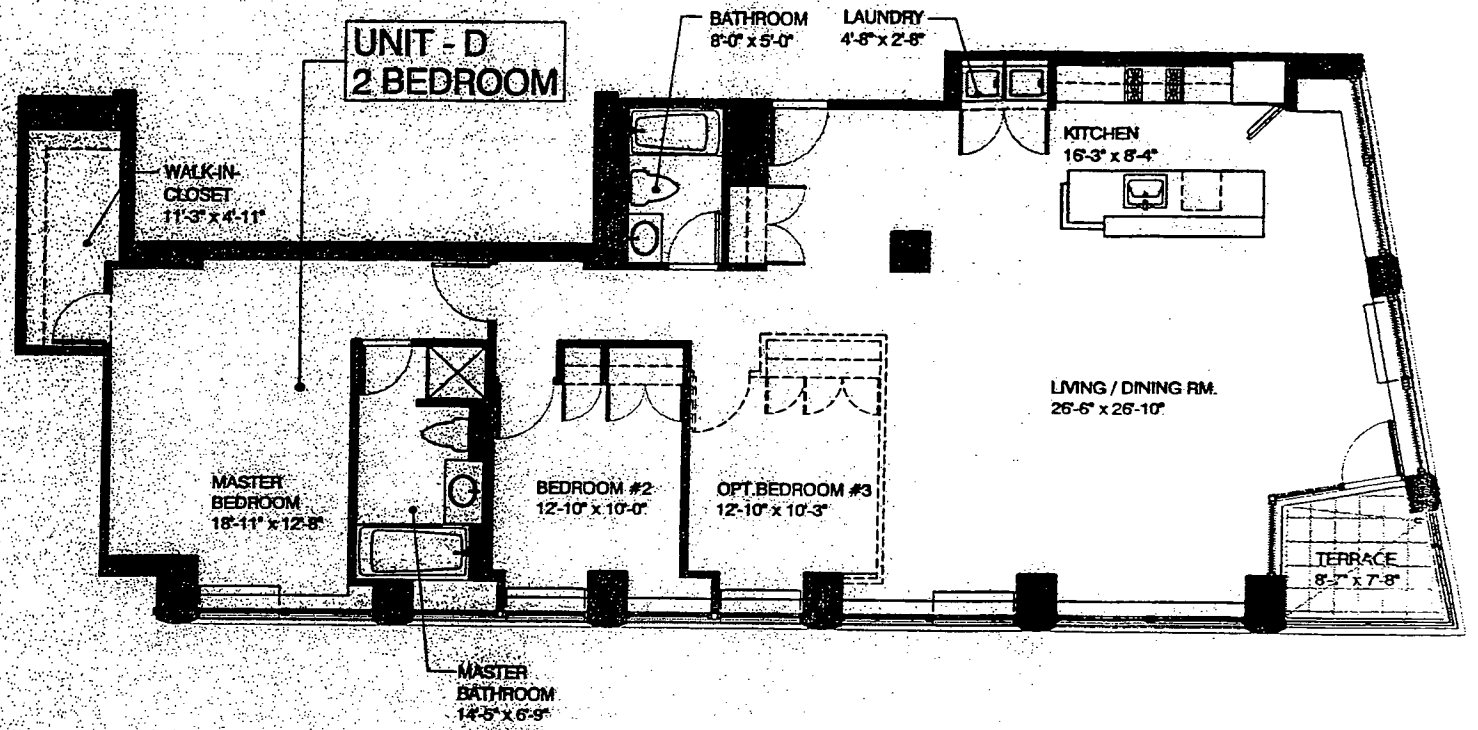
440 KENT AVENUE, BROOKLYN, NEW YORK

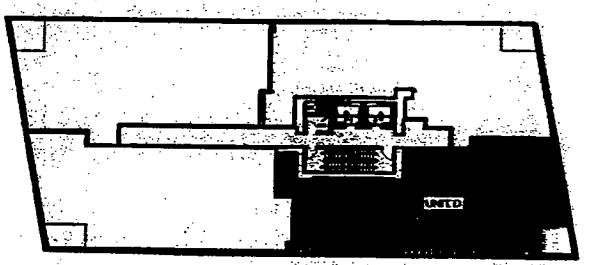
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-1 & PH-2 FLOOR

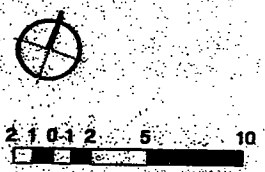
APARTMENT AREA
1740 SQ.FT.

TERRACE AREA
55 SQ.FT.





KEY PLAN

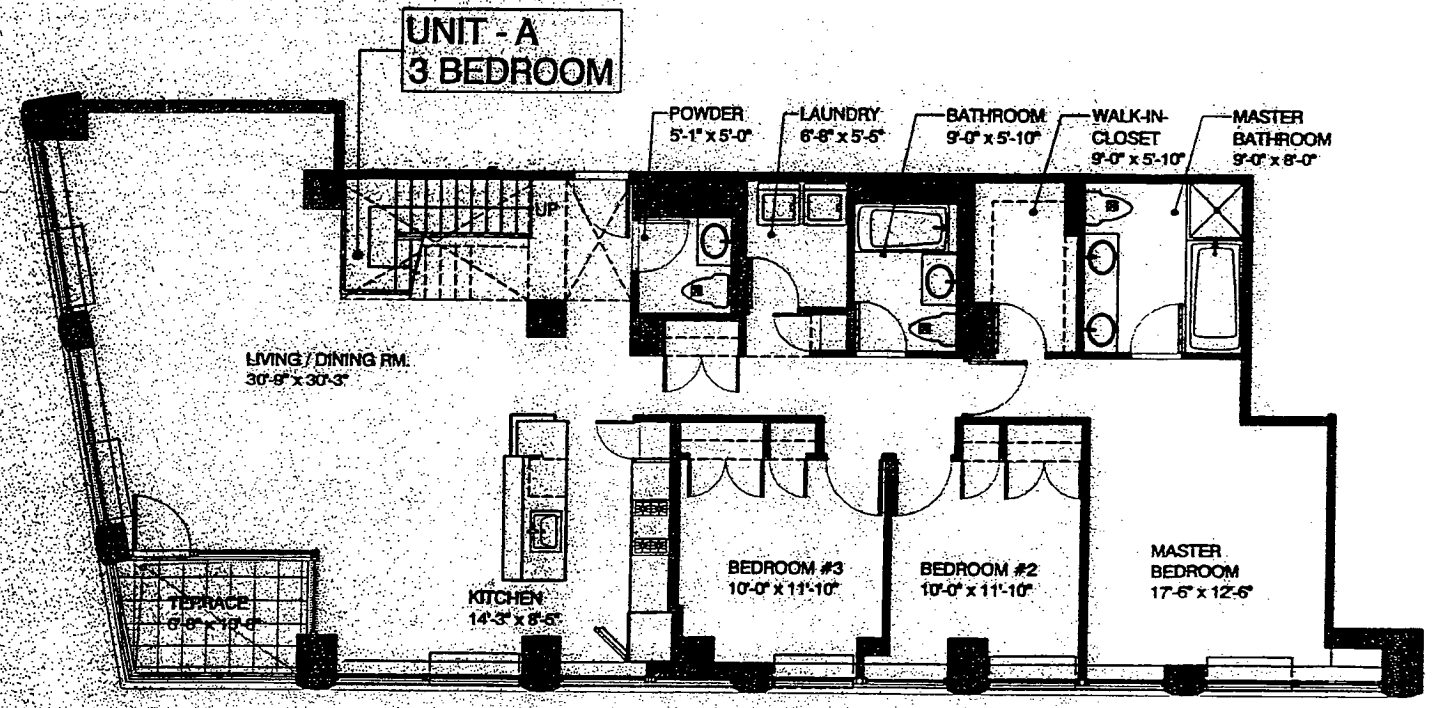


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440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-3 FLOOR

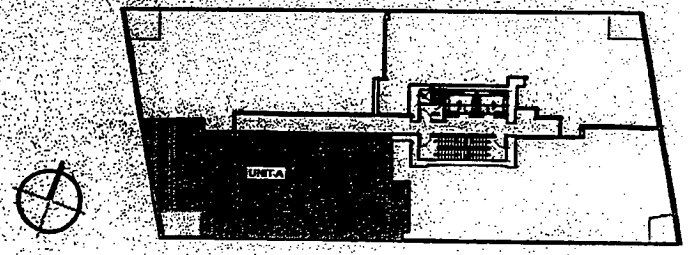


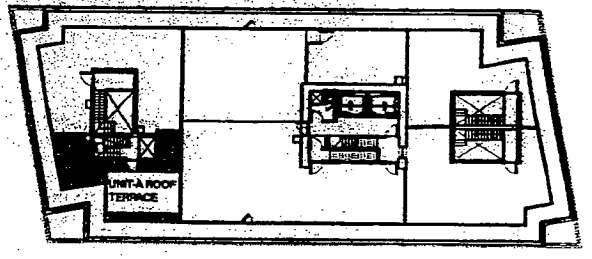
APARTMENT AREA
1740 SQ.FT.

TERRACE AREA
62 SQ.FT.

BULKHEAD AREA
130 SQ.FT.

ROOFTERRACE AREA
480 SQ.FT.





KEY PLAN

2 1 0 1 2 5 10

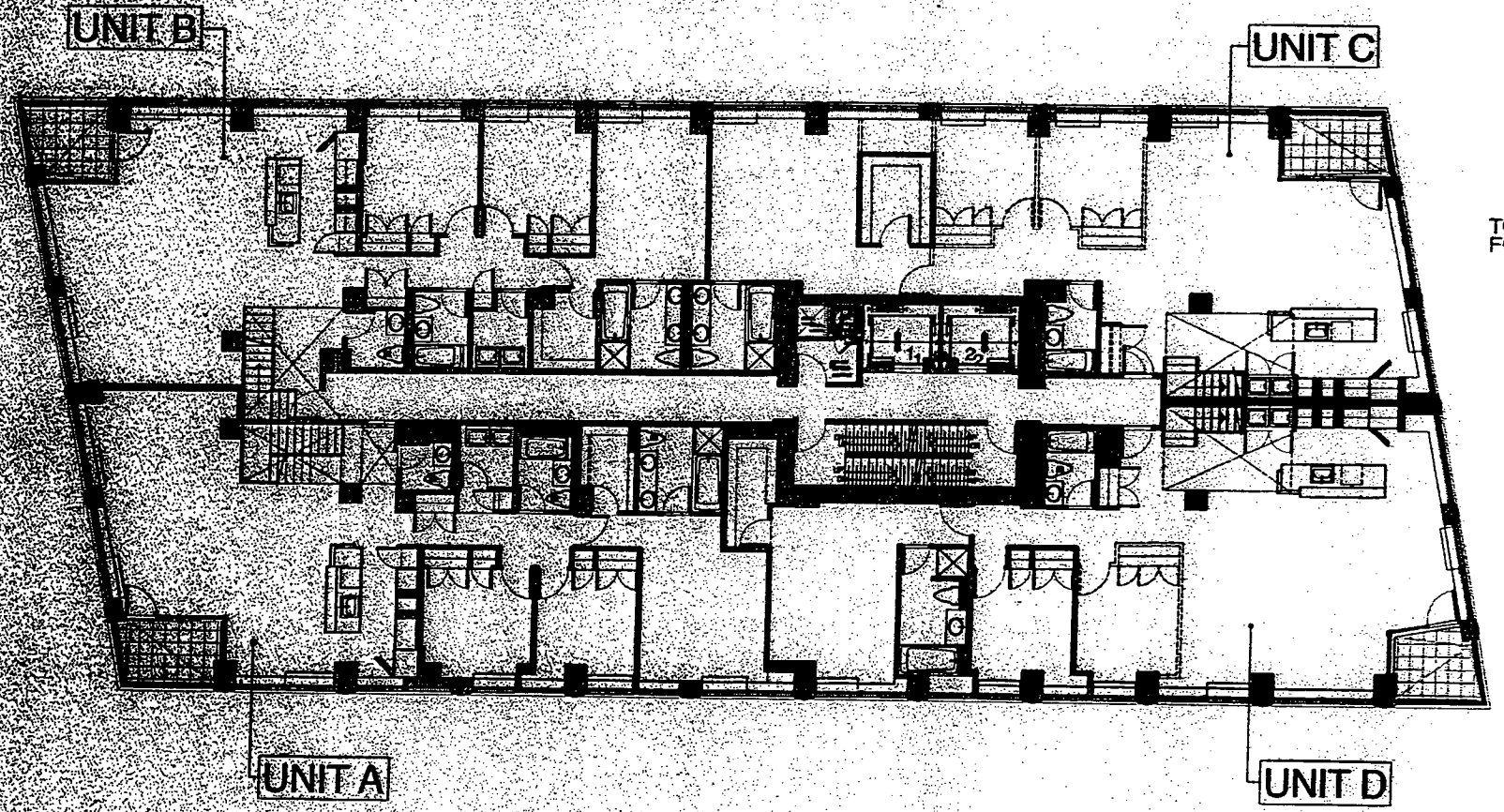
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440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH3 FLOOR



GROSS FLOOR AREA
8110.4 SQ.FT.

TERRACES SQUARE FOOTAGE:
TERRACE UNIT A: 67 SQ FT
TERRACE UNIT B: 64 SQ FT
TERRACE UNIT C: 65 SQ FT
TERRACE UNIT D: 62 SQ FT

TOTAL SQUARE FOOTAGE TERRACES: 258 SQ FT



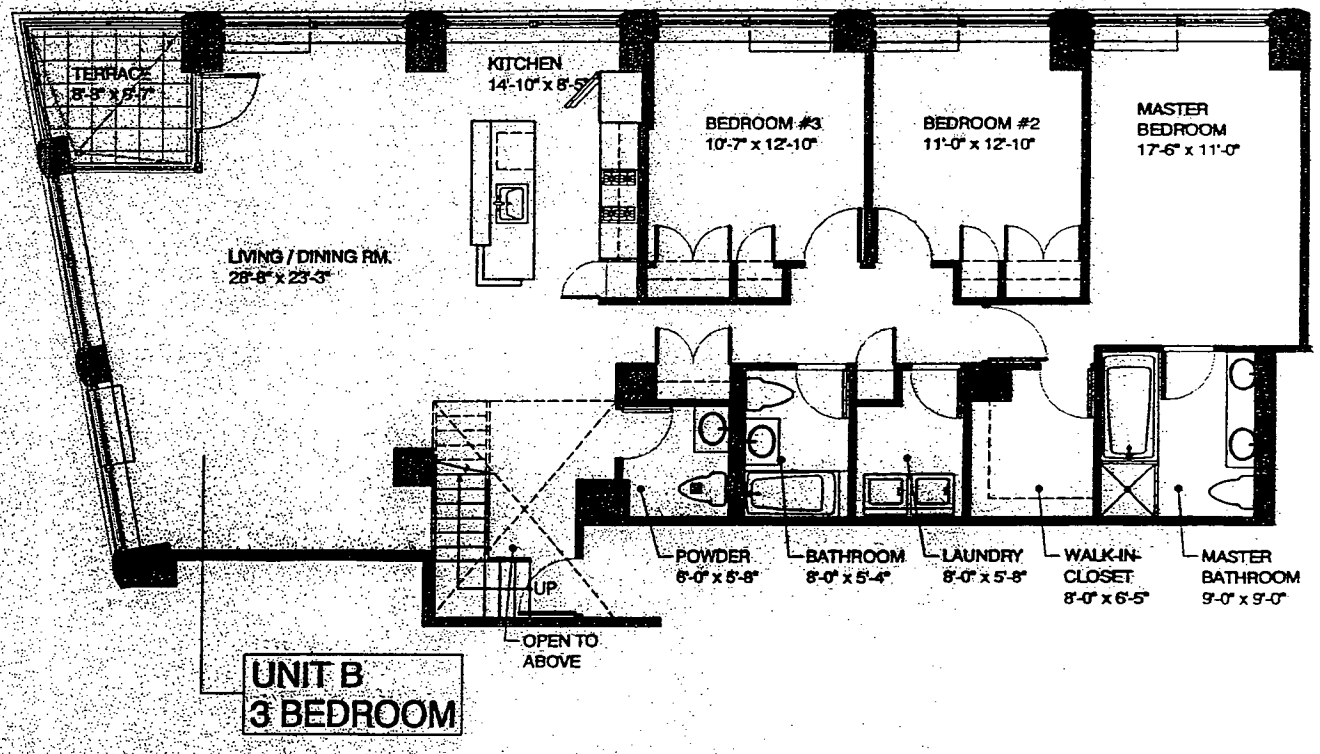
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440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-3 FLOOR

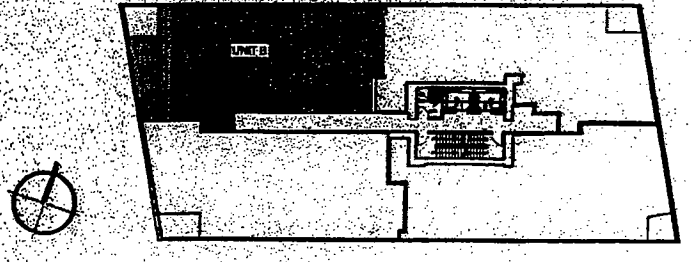


APARTMENT AREA
1800 SQ.FT.

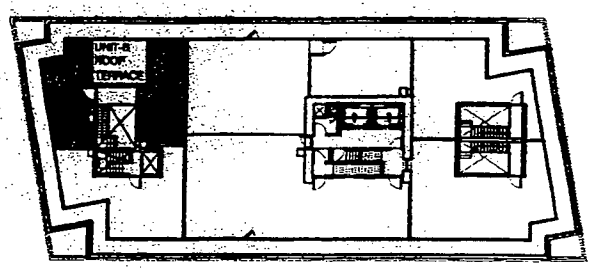
TERRACE AREA
58 SQ.FT.

BULKHEAD AREA
195 SQ.FT.

ROOFTERRACE AREA
731 SQ.FT.



2 1 0 1 2 5 10



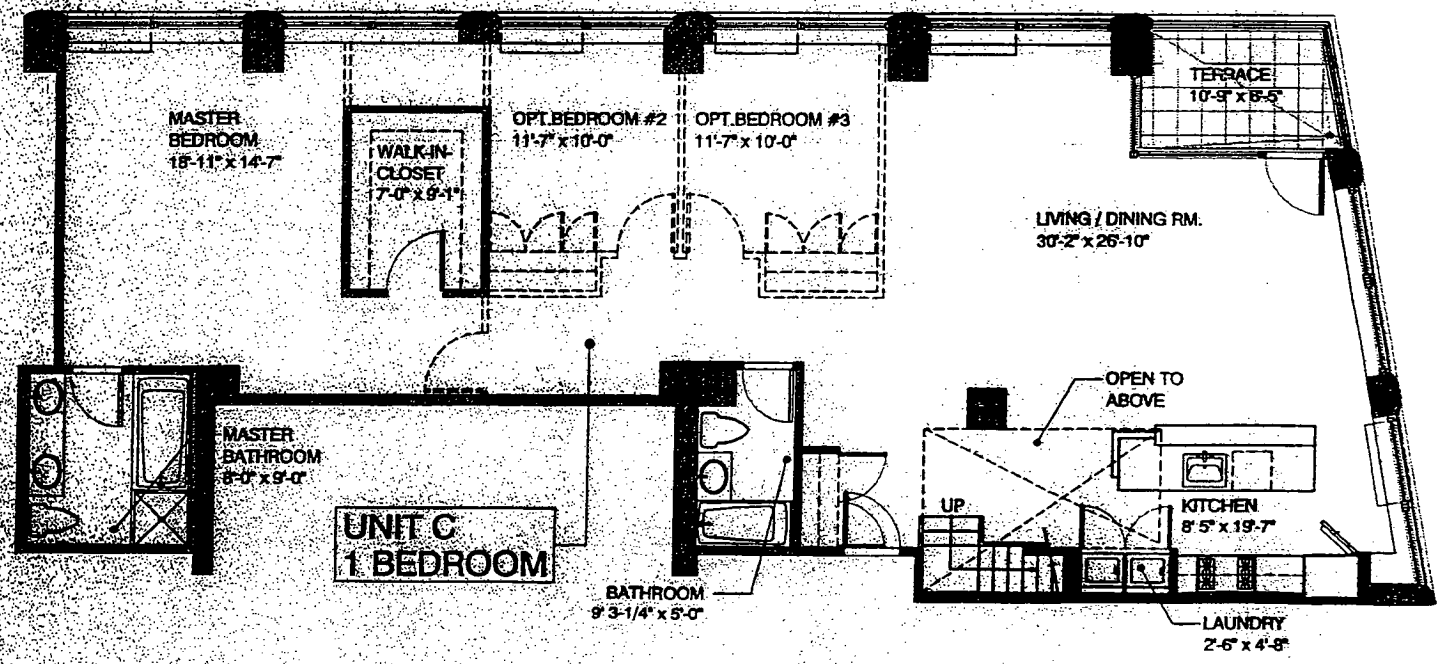
KEY PLAN

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-3 FLOOR

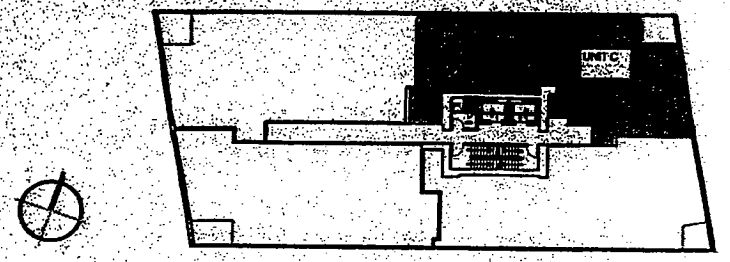


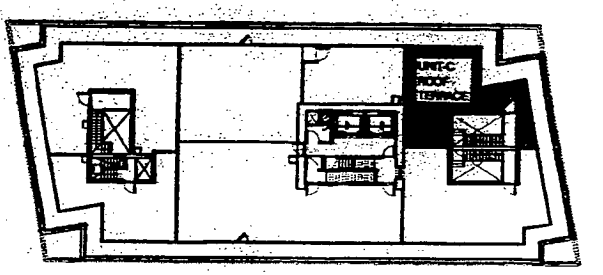
APARTMENT AREA
1690 SQ.FT.

TERRACE AREA
61 SQ.FT.

BULKHEAD AREA
169 SQ.FT.

ROOFTERRACE AREA
499 SQ.FT.





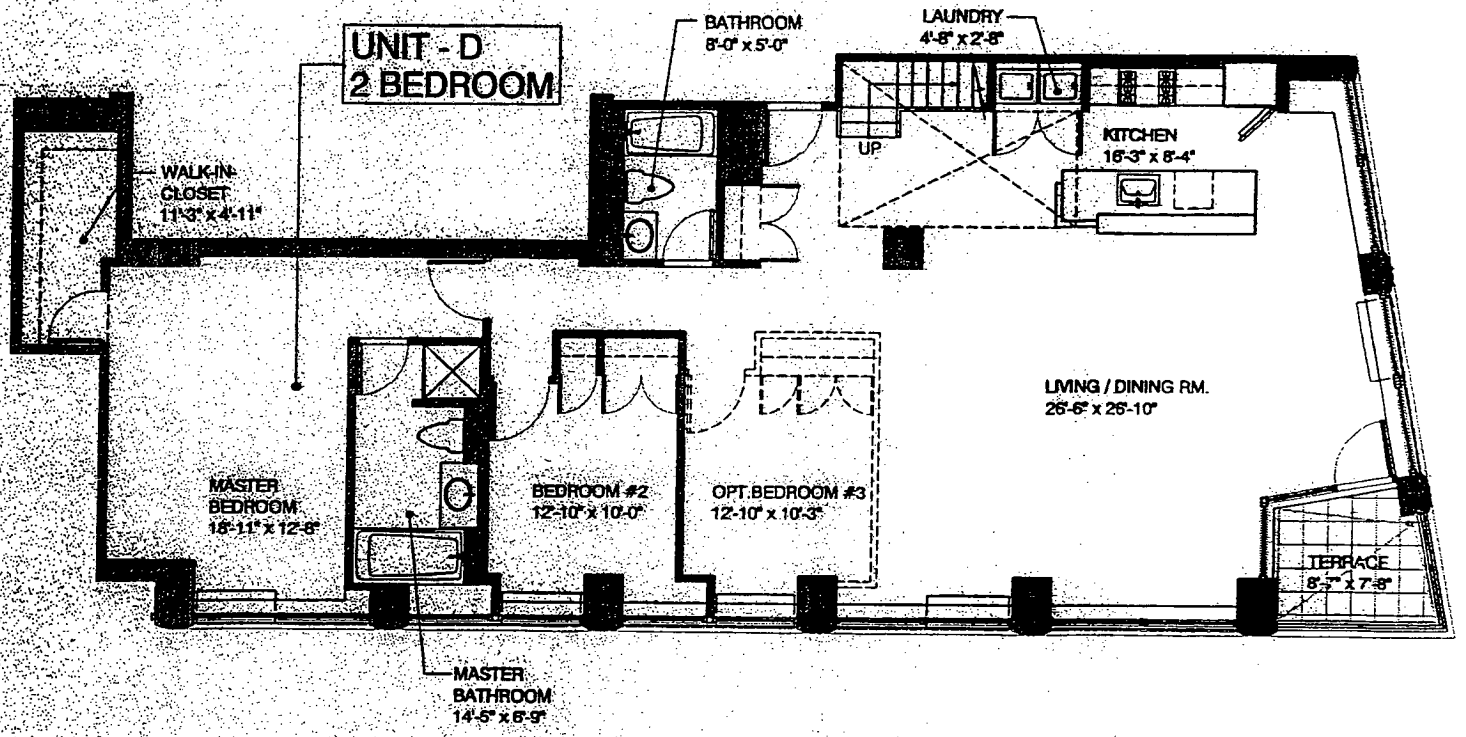
KEY PLAN

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440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

PH-3 FLOOR

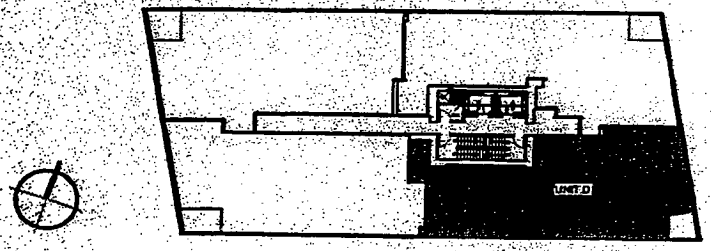


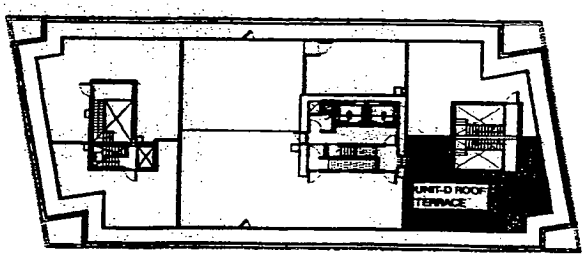
APARTMENT AREA
1740 SQ.FT.

TERRACE AREA
55 SQ.FT.

BULKHEAD AREA
170 SQ.FT.

ROOFTERRACE AREA
681 SQ.FT.





KEY PLAN

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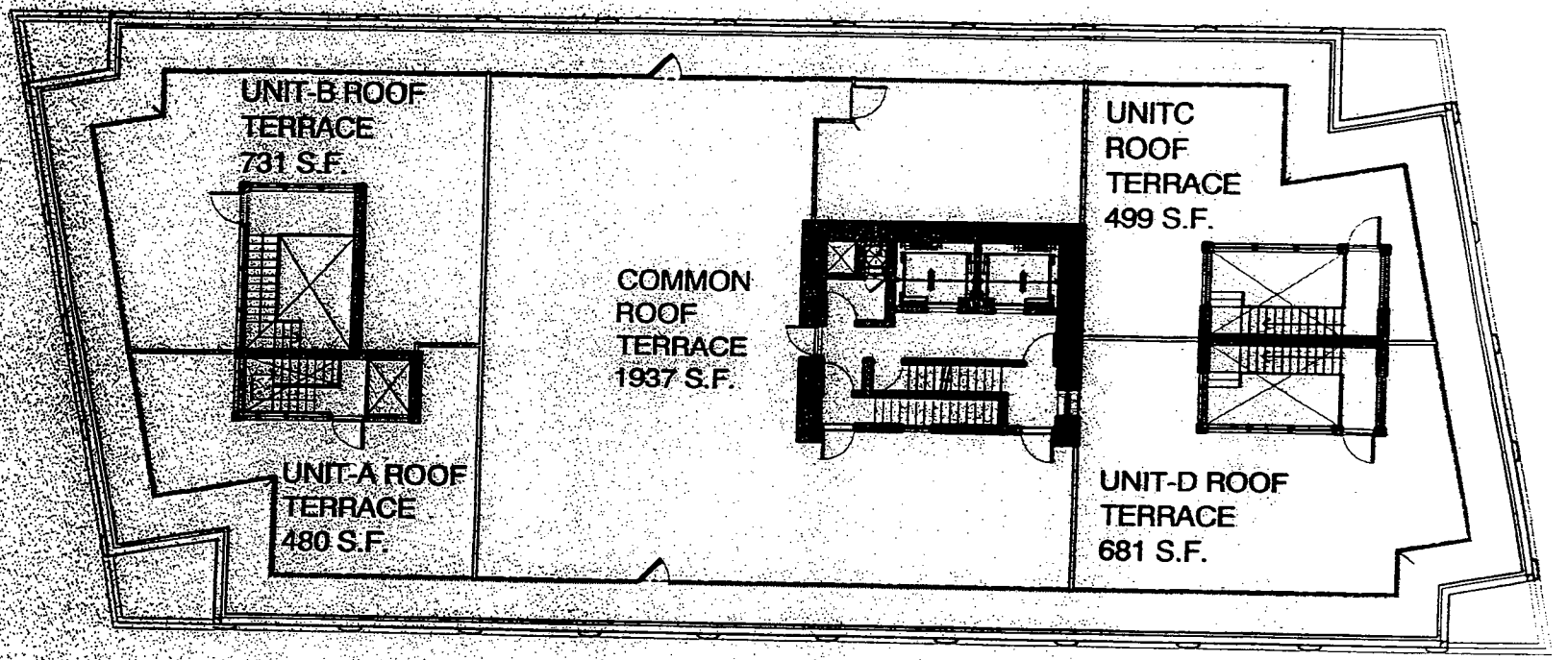
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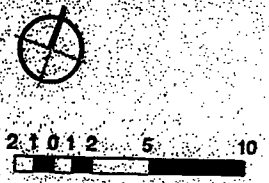
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

ROOF

GROSS FLOOR AREA
7484 SQ.FT.





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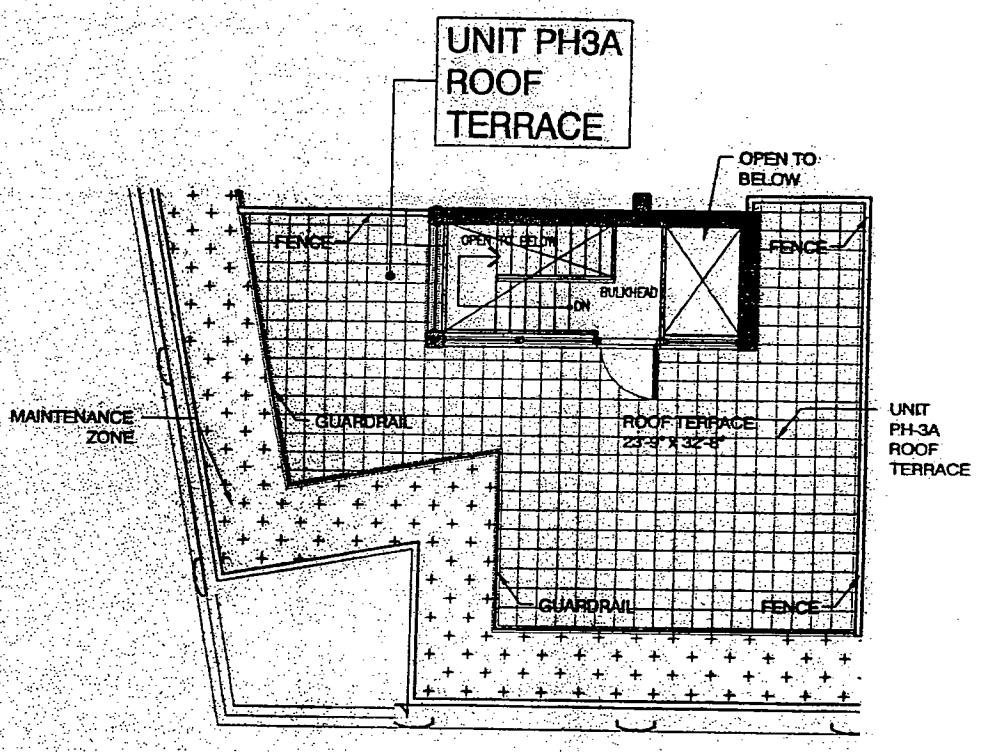
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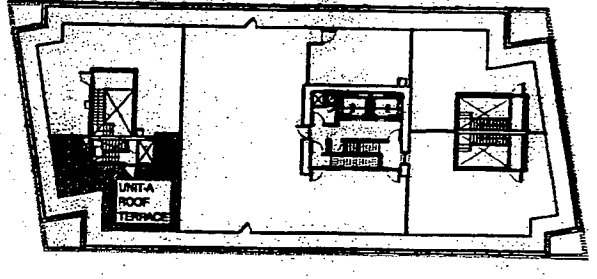
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

ROOF A

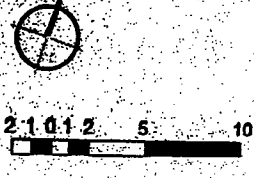
ROOF TERRACE AREA
480 SQ.FT.

BULKHEAD AREA
130 SQ.FT.





KEY PLAN



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-285-

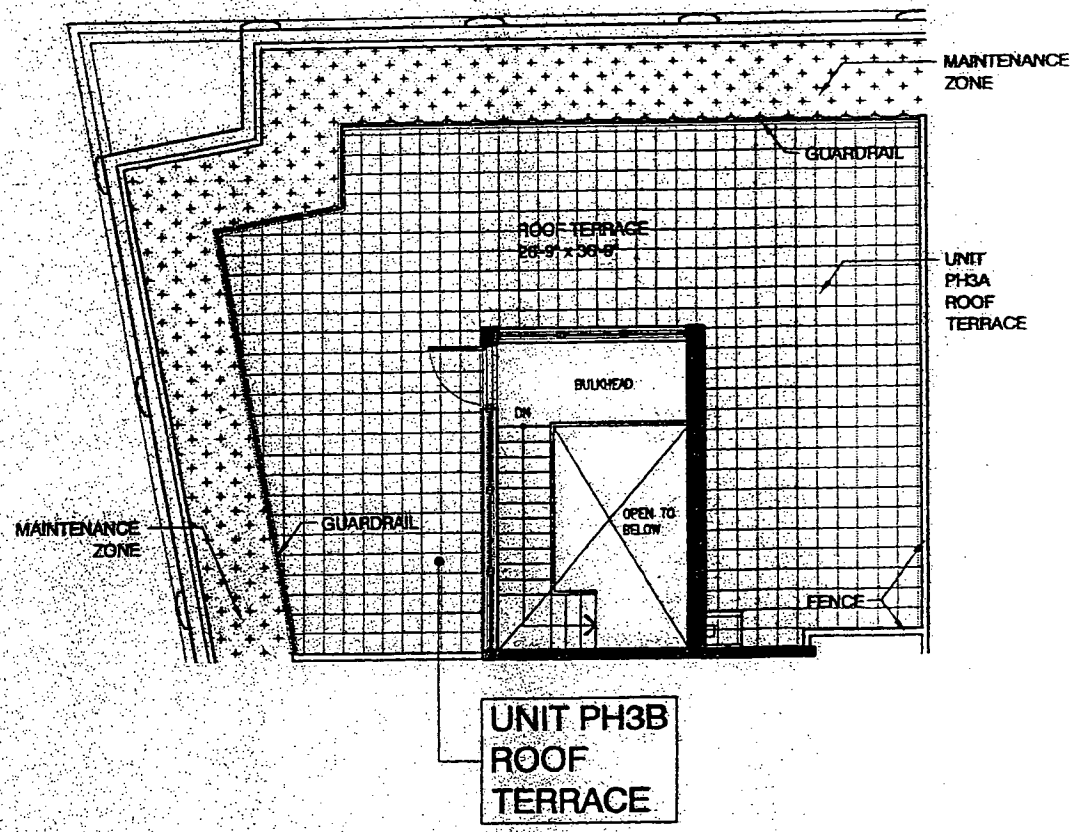
440 KENT AVENUE, BROOKLYN, NEW YORK

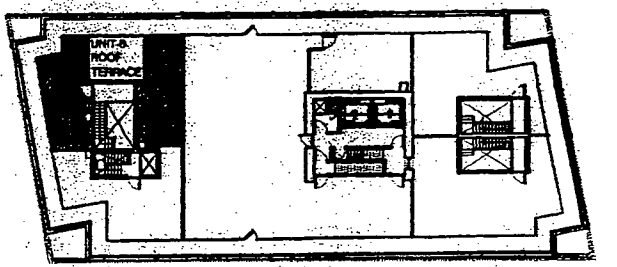
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

ROOF B

ROOF TERRACE AREA
730 SQ.FT.

BULKHEAD AREA
195 SQ.FT.





KEY PLAN

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2 1 0 1 2 5 10

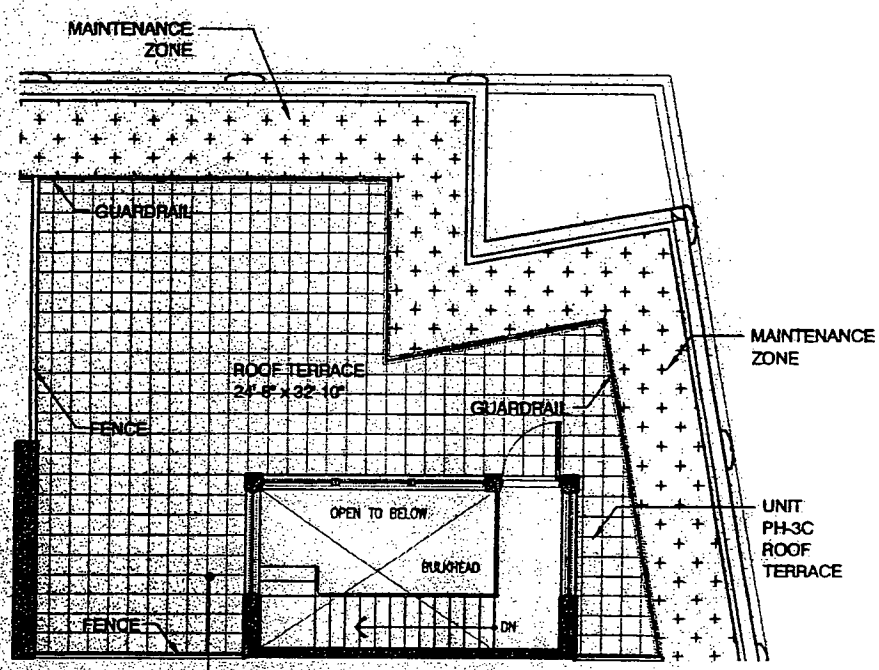
440 KENT AVENUE, BROOKLYN, NEW YORK

SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

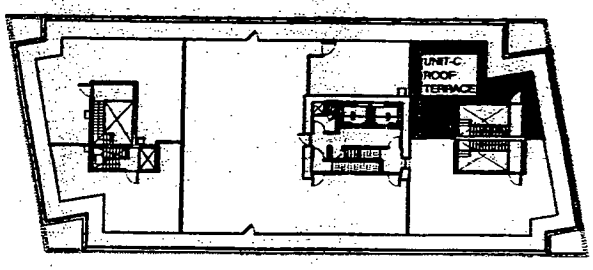
ROOF C

ROOF TERRACE AREA
499 SQ.FT.

BULKHEAD AREA
169 SQ.FT.



UNIT PH3C ROOF TERRACE



KEY PLAN

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2 1 0 1 2 5 10

-287-

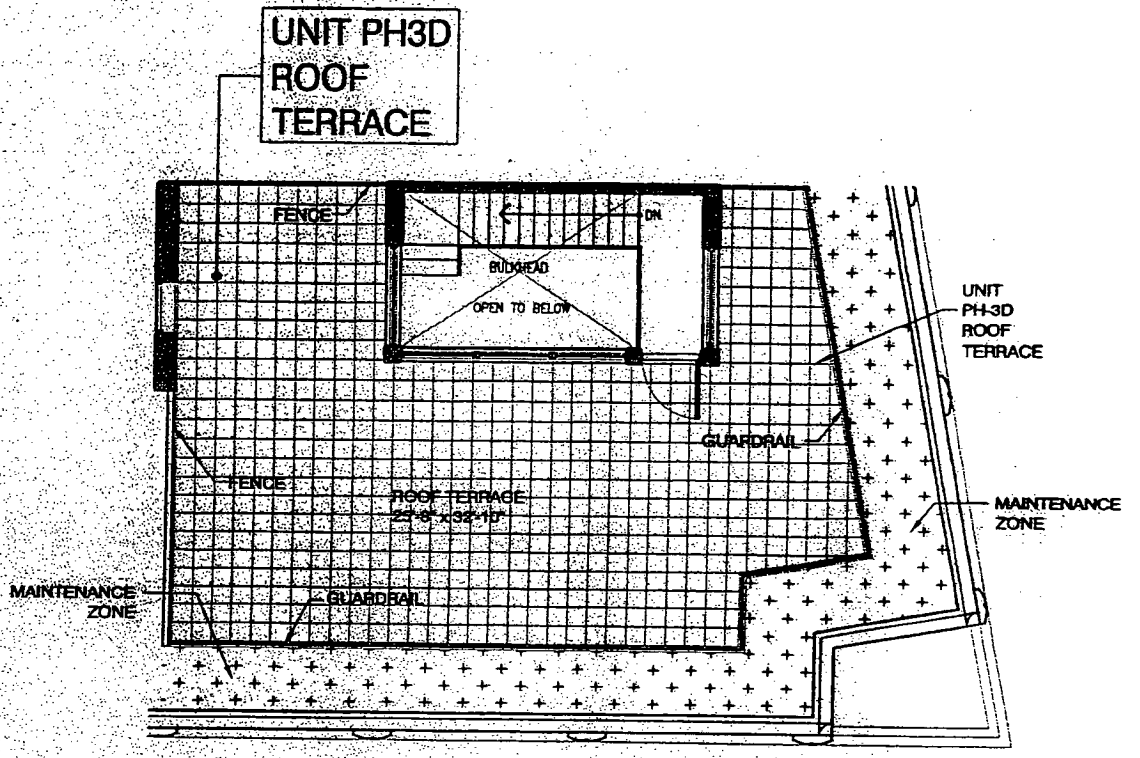
440 KENT AVENUE, BROOKLYN, NEW YORK

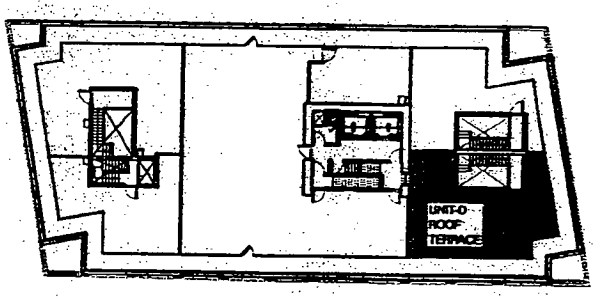
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

ROOF D

ROOF TERRACE AREA
682 SQ.FT.

BULKHEAD AREA
170 SQ.FT.





KEY PLAN

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We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



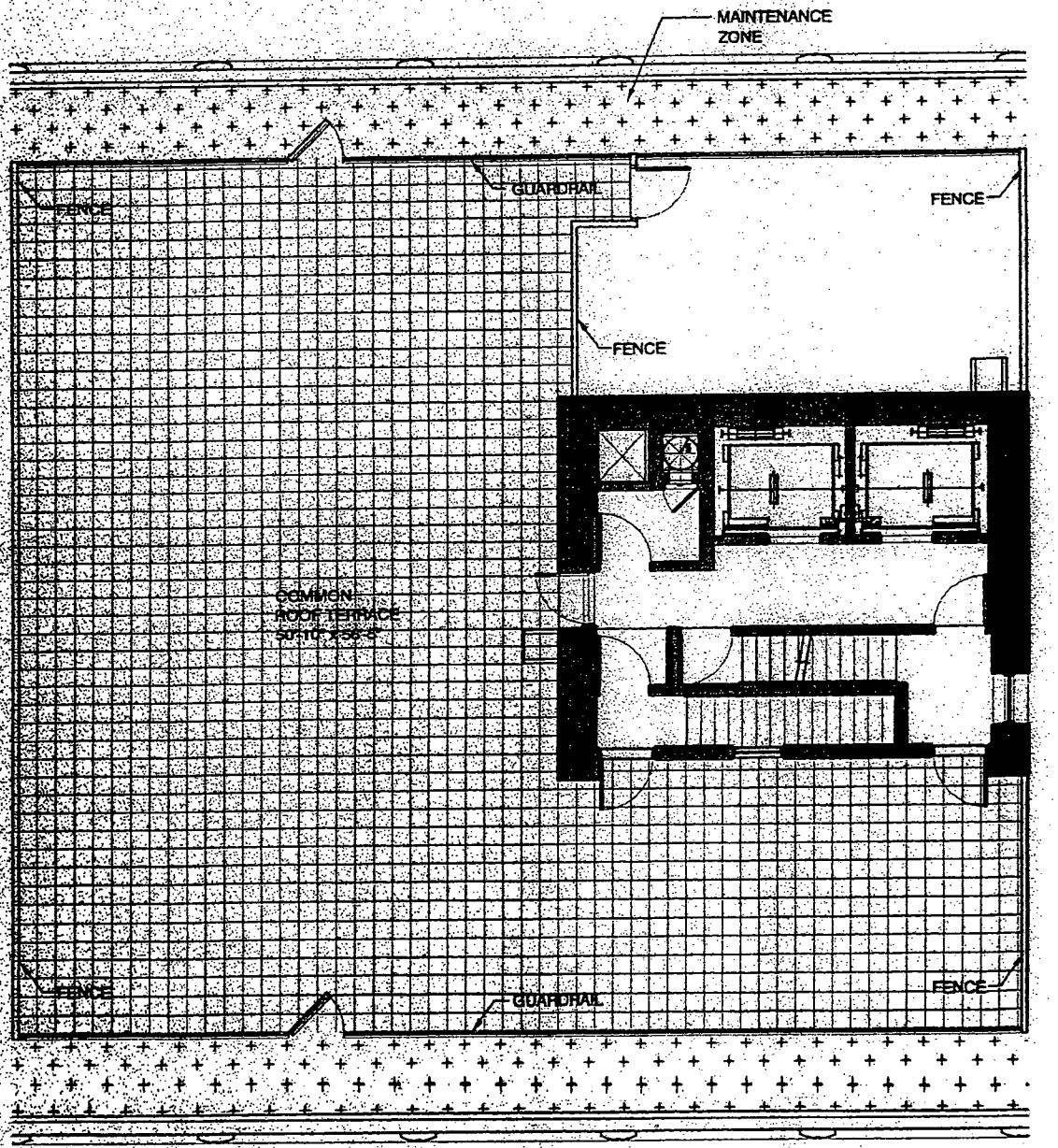
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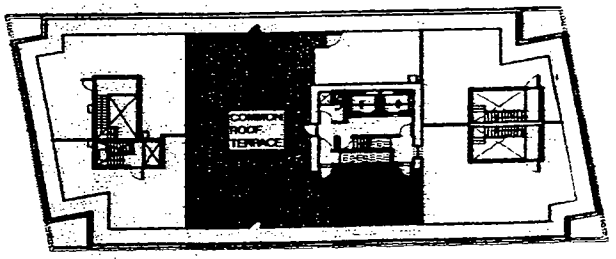
SCHAEFER LANDING CONDOMINIUMS
NORTH BUILDING

ROOF E

ROOF TERRACE AREA
2868 SQ.FT.

BULKHEAD AREA
572 SQ.FT.





KEY PLAN

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We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

2 1 0 1 2 5 10

440 KENT AVENUE, BROOKLYN, NEW YORK

DECLARATION OF CONDOMINIUM

Establishing a Plan for Condominium Ownership of Premises located at 440 Kent Avenue a/k/a Two Schaefer Landing, County of Kings, City and State of New York Pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: **THE SCHAEFER LANDING NORTH CONDOMINIUM**

DECLARANT: **Kent North Associates LLC**
2226 First Avenue
New York, New York

DATE OF DECLARATION: **_____, 2004**

The land affected by the within instrument lies in Section ____ Tax Block 2134, Tax Lot formerly known as Lot 38 and now known as Lots ____-_____ inclusive on the Tax Map of the Borough of Brooklyn, in the County of Kings, City and State of New York.

Record and Return to:

SEIDEN & SCHEIN, P.C.
Attorneys for Declarant
570 Lexington Avenue
New York, New York 10022
(212) 935-1400

DECLARATION OF CONDOMINIUM
FOR
THE SCHAEFER LANDING NORTH CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

Kent North Associates LLC a New York limited liability company, having an office at 2226 First Avenue, New York, New York ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in **Exhibit C** annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), and pursuant thereto does hereby establish a condominium to be known as "THE SCHAEFER LANDING NORTH CONDOMINIUM" (the "Condominium").

2.2 Attached to this Declaration and made a part hereof are the Bylaws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said Bylaws, as they may be amended from time to time, are hereinafter referred to as the "Bylaws"). All capitalized terms which are not separately defined herein or in the Bylaws shall have the meanings given to those terms in **Exhibit C** annexed hereto.

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 County of Kings, City and State of New York, commonly known as 440 Kent Avenue a/k/a Two Schaefer Landing, 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 8,112 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the "Building") consisting of one hundred and thirty five (135) residential units (collectively, the "Units" and individually, a "Unit"). The owner of a Unit is herein called a "Unit Owner" and all the owners of the Units are herein collectively called the "Unit Owners".

ARTICLE 5

THE BUILDING

The Building is a single structure consisting of a cellar, and twenty four (24) floors above. The exterior walls of the Building will be insulated curtain wall with pre-cast glass fiber reinforced concrete panels ("GFRC") and operable windows.

ARTICLE 6

THE UNITS

6.1 **Exhibit B** annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area; (v) number of rooms; and (vi) the percentage interest in the 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 Gene Kaufman Architect PC, 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 County of Kings, City of New York(the "Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, entrance doors to the Unit, the interior sheetrocked walls and partitions, non-structural flooring, floor coverings and plastered or sheetrocked ceilings affixed, attached or appurtenant to such Unit, smoke detectors, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, heating equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but 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 Declarant, to the extent located within a Unit from the panel and serving or benefitting only that Unit including, but not limited to, any delivery entrances servicing a Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable

at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 As of the date of the filing of this Declaration with the 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 consists of the area measured horizontally from the exterior side of the glass or the line of the exterior face of the exterior walls (perimeter columns and perimeter mechanical pipes are not deducted) to the centerline of the wall separating one Unit from another Unit, corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements (as hereinafter defined) as indicated in the condominium plans and from lot line at party walls separating the Building from the adjoining building. Each Unit will consist of the area measured vertically from the top of the concrete floor to the underside of the ceiling.

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 Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements. The 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, switchboard, circuit breaker, transformer, fitting,

siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, 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 Bylaws.

8.4 The Common Elements consist of the following:

8.4.1 The Land (as more particularly described in **Exhibit A** attached to this Declaration), together with all easements, rights and privileges appurtenant thereto;

8.4.2 Any of the following: all foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.5 or 8.7 hereof), together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed structural members of those walls;

8.4.3 The rooms and Facilities located as follows: the boiler room, electric service room, water and gas service, meter rooms located in the cellar, the entrance vestibules and lobbies located on the first floor;

8.4.4 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 Building are not a part of any Unit, Common Elements or any Limited Common Element;

8.4.5 Electric meters and panels, electric closets, feeders, risers and Facilities, gas meter, and cables;

8.4.6 Kitchen, bathroom and dryer exhaust ducts, corridor and supply air ducts, if any, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings;

8.4.7 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Units or Limited Common Elements;

8.4.9 The windows;

8.4.10 The membership interest in The Schaefer Landing Homeowners Association Inc.;

8.4.11 The membership interest in The Kent Waterfront Homeowners Association Inc.; and

8.4.12 The areas of the roof of the Building, with the exception of the areas of the roof of the Building to which certain Units have exclusive access. (Please refer to Section 8.5.1).

Notwithstanding anything to the contrary contained in this Article 8, if a Common Element benefits only certain Unit Owners, then the Building's costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Unit Owners who benefit from the Common Element in the proportion that the Common Interest of each benefitting Unit Owner bears to the Common Interests of all benefitting Unit Owners. In addition, except as otherwise provided in Subsection 6.9.2.1 of the Bylaws, such Unit Owners shall be responsible for the normal operation, maintenance and repair of any such Common Element at their sole cost and expense.

8.5 The Limited Common Elements consist of the following:

8.5.1 The roof of the Building, to which the owner's of certain Units shall have exclusive access as set forth in **Exhibit B** annexed hereto. Notwithstanding anything to the contrary contained in the Bylaws or this Declaration, (i) the owner of such Units shall have the exclusive right to use such Limited Common Element (subject to compliance with the House Rules of the Condominium) and shall be responsible for the normal operation, maintenance and repair thereof at such Unit Owner's sole cost and expense, and (ii) the owner of such Units shall not have any right to erect any structure on the roof of the Building or to make any structural changes to the roof of the Building without first obtaining the unanimous written consent of all of the Unit Owners;

8.5.2 That portion of equipment, fixtures or Facilities serving or benefitting one Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Unit. Notwithstanding anything to the contrary contained in the Bylaws or this Declaration, the Unit Owner who is so served or benefitted by such Limited Common Element shall have the exclusive right to use such Limited Common Element and shall be responsible for the normal operation, maintenance and repair thereof at such Unit Owner's sole cost and expense;

8.5.3 All other Facilities exclusively serving one or more but not all Units, excluding the Units and the Common Elements, which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of one or more but not all of the Units.

ARTICLE 9

USE OF BUILDING AND UNITS

9.1 As more particularly set forth in the Bylaws, residential Units may be used only for residential purposes and to the extent permitted under applicable zoning law and ordinances and other applicable governmental laws and regulations. A Unit may also be used for any other lawful purposes

(but not for retail use), subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for the Building, (2) applicable governmental laws and regulations, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes, (4) compliance with the Bylaws, and (5) the prior written permission of the Condominium Board, which permission shall in no event be granted unless such Board affirmatively finds that the conditions in (1) through (5) above have not been met.

9.2 Notwithstanding the foregoing or anything contained in the Bylaws or the House Rules to the contrary, Declarant may, without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Unit (as defined in **Exhibit C**) owned by it for any purpose, provided such use is permitted by law, and does not violate the then existing certificate of occupancy for such Unit or any other governmental regulations, and (2) use any Unsold Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable governmental laws and regulations.

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 Condominium Board, other Unit Owners, or the Mortgage Representatives (as such term is defined in the Bylaws), 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 such 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 Common Element or a Limited Common Element, as part of a newly created Unit or Limited Common Element, or designate all or part of a Unit as a newly created Common Element; and (e) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (ii) Declarant or 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 Condominium 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 Condominium Board, which permission shall not be unreasonably withheld, any other Unit Owner may be given, with respect to his Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Units. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the

Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Unit, and (ii) by either the managing agent of the Condominium, or any other person reasonably acceptable to the Condominium Board in the case of any other Unit.

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

12.1 The percentage interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

ARTICLE 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 Bylaws) of the Condominium Board, or made by Declarant or its designee, in accordance with this Declaration or the Bylaws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 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 and steam. 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 or its agents, to the extent it is permitted to act by the Bylaws for such purposes, 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 14 shall be exercised in such a manner, to the extent practicable, as will not unreasonably interfere with the use of the 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 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 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Building, and for the use of any Common Element, to the extent necessitated by an emergency.

15.3 The Condominium Board shall have, and each Unit shall be subject to, an easement: (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements 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 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 use of the 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.

15.4 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.

15.5 Declarant or its designee and its 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, and (ii) the operation of any business of a tenant or occupant of any Unsold Units.

15.6 Declarant has an easement to use the sidewalks and walkways surrounding portions of the Building for purposes permitted by law.

15.7 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, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's 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 use of the Units for their permitted purposes.

15.8 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 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 Common Elements or 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 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 use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice is necessary in the case of an emergency.

15.9 The Condominium and the Building shall be designated and known as **"The Schaefer Landing North Condominium"**. For so long as Declarant owns any Units in the Building, Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities,

appurtenant to the name of the Condominium and/or the Building. For so long as Declarant owns any Units in the Building, only Declarant shall have the right to change or assign the name of the Condominium and/or the Building.

ARTICLE 16

POWER OF ATTORNEY

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Unit Owners (a) to acquire or lease any Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired, or to sublease any Unit so leased, without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the Condominium which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Condominium 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 THE BOARD

If (a) any Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Common Elements and Limited Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the Bylaws, acquires or leases a Unit, together with the Appurtenant Interests, or (c) the Condominium

Board purchases, at a foreclosure or other similar sale, a Unit, together with the Appurtenant Interests, then, in any such event, title to any such Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interest in the Common Elements.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the Bylaws and the House Rules 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 Bylaws and the House Rules, 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 Bylaws and the House Rules, 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 Bylaws is invalid under, or would cause this Declaration and the Bylaws 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 Bylaws, 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 Bylaws, 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 Bylaws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the Bylaws, then such provision shall be deemed included as part of this Declaration or the Bylaws, 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 Bylaws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the Bylaws 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 Bylaws, 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 Bylaws 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 Bylaws. Subject to the provisions contained herein or in the Bylaws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, no amendment, modification, addition or deletion pursuant to the provisions of the immediately preceding sentence shall be effective without (a) the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (b) 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 addition, no such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the Bylaws 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 Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the use, size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Board, the Unit Owners or the Mortgage Representatives, if any. In addition, if any Unit Owner other than Declarant or its designee causing such changes is given

the right by the Condominium Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Unit or Units, all in accordance with Article 10 hereof, then such Unit Owner shall have the right to require the Condominium Board to execute, and record in the Register's Office and elsewhere, if required by law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Unit Owner, all without the approval of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

19.3 The provisions of Sections 19.1 and 19.2 hereof may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee.

19.4 Amendments, modifications, additions or deletions of or to this Declaration are subject in all respects to Section 13.2 of the Bylaws, which is incorporated herein by reference.

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 Bylaws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and 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", "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 hereof, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

ARTICLE 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 a Unit Owner, the Condominium 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 the Condominium Board, Unit Owner or party is required

to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board which represents such Unit Owner, Condominium Board or other party is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Condominium Board or other party.

25.3 If a Unit Owner, the Condominium 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, Condominium 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, Condominium Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Condominium Board or other party and such document or action shall be binding on such Unit Owner, Condominium Board or other party, as the case may be.

ARTICLE 26

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the Bylaws 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. Subject to the foregoing, Declarant or its designee, 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 Bylaws, 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 Bylaws 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 _____, 2004.

Kent North Associates LLC

By:_____
_____, Managing Member

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

On the __ day of _____ in the year 200___, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, 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

Exhibit A

Description of the Land

Title No. **823165**

SCHEDULE A

PARCEL I

Parcel A (North Building)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 15.25 feet above the Datum Level in use by the Department of Highways, Borough of Brooklyn, which Datum Level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea Level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:

BEGINNING at a point common to Tentative Lot 36 and Tentative Lot 40, Block 2134, said point being distant the following three (3) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide):

A) North 02 degrees 05 minutes 49 seconds West, a distance of 814.88 feet to a PK Nail with washer; THENCE

B) Along the dividing line between Tentative Lot 39 and Lot 48, Block 2134 (lands now or formerly of Royal Wine Corporation), South 87 degrees 54 minutes 11 seconds west, a distance of 114.50 feet to a PK Nail with washer; THENCE

C) Along a line running through Tentative Lot 39, Block 2134, South 07 degrees 37 minutes 58 seconds West, a distance of 47.34 feet to the point and place of beginning and from said point of beginning;

RUNNING THENCE the following four (4) courses along the tentative line between Tentative Lot 40 and Tentative Lot 39, Block 2134:

1. North 81 degrees 48 minutes 51 seconds West, a distance of 134.08 feet to a point; THENCE

2. North 02 degrees 05 minutes 49 seconds West, a distance of 83.85 feet to a point; THENCE

3. South 81 degrees 48 minutes 51 seconds East, a distance of 134.08 feet to a point; THENCE

continued.....

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

Title No.: 823165

SCHEDULE A
(continued - page 2)

PARCEL I - continued

4. South 02 degrees 05 minutes 49 seconds East, a distance of 83.85 feet to the point and place of BEGINNING.

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, above ground tax lot plan, Drawing No. A-131A", prepared by Gene Kaufman Architect, P.C. dated 6/20/2003, Revision Number 7.

This description is also prepared with reference to a map entitled, "Boundary & Topographic Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City & State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 8/1/2003 as Revision Number 7.

For information only: Said premises are designated as Block 2134 Lot 40 on the Tax Map of the City of New York, County of Kings.

Parcel B

Subterranean North Building lot part of Lot 40 and Block 2134 (Part of Tentative Subterranean Lot 8041 Block 2134)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 15.25 feet above the Datum Level in use by the Department of Highways, Borough of Brooklyn, which Datum Level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea Level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically downward from such horizontal plane the boundaries of all that plot or parcel described as follows:

BEGINNING at a point in the interior of Tentative Lot 8041, Block 2134, said point being distant the following three (3) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide):

continued.....

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

Title No.: 823165

SCHEDULE A
(continued - page 3)

PARCEL I - continued

A) along said sideline of Kent Avenue, North 02 degrees 05 minutes 49 seconds west, a distance of 814.88 feet to a point; THENCE

B) along the dividing line between Tentative Lot 8041 and Lot 48, Block 2134 (Lands now or formerly of Royal Wine Corporation), South 87 degrees 54 minutes 11 seconds West, a distance of 114.50 feet to a point; THENCE

C) along a line running through the interior of Tentative Lot 8041, Block 2134, South 51 degrees 09 minutes 06 seconds west, a distance of 39.93 feet to the point and place of beginning and from said point of beginning;

RUNNING THENCE the following six (6) courses through Tentative Lot 8041, Block 2134:

1. North 81 degrees 48 minutes 51 seconds West, a distance of 65.24 feet to a point; THENCE

2. North 08 degrees 11 minutes 09 seconds East, a distance of 23.51 feet to a point; THENCE

3. South 81 degrees 48 minutes 51 seconds East, a distance of 49.25 feet to a point; THENCE

4. South 08 degrees 11 minutes 09 seconds West, a distance of 9.47 feet to a point; THENCE

5. South 81 degrees 48 minutes 51 seconds East, a distance of 16.00 feet to a point; THENCE

6. South 08 degrees 11 minutes 09 seconds West, a distance of 14.02 feet to the point and place of BEGINNING.

continued.....

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

Title No.: 823165

SCHEDULE A
(continued - page 4)

PARCEL I - continued

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, Cellar Floor Parking Level Plan", prepared by Gene Kaufman Architect, P.C., last revised 7/1/03 as revision number 8.

This description is also prepared with reference to a map entitled, "ALTA/ACSM Land Title Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City and State of New York", prepared by Control Point Associates, Inc. dated 1/30/03, last revised 8/1/03 as revision number 7.

As to Parcels A and B
Together with and subject to the benefits and burdens of Declaration of Easements made by 460 Kent Avenue Housing Development Fund Company Inc. dated as of 8/6/03 and to be recorded.

For conveyancing only, if intended to be conveyed: Together with all rights, title and interest of, in and to any streets and roads abutting the above described premises, to the center line thereof.

EXHIBIT B

THE SCHAEFER LANDING NORTH CONDOMINIUM

Unit No.	Approx. Interior Sq. Ft. (2)	Percent Common Interest (4)
1A	1,270	0.6709%
1B	1,460	0.8475%
1C	1,175	0.6821%
1D	836	0.4368%
1E	890	0.4650%
2A	1,270	0.6709%
2B	1,460	0.7712%
2C	1,175	0.6207%
2D	1,650	0.9578%
2E	1,246	0.6582%
2F	860	0.4543%
3A	1,270	0.6782%
3B	1,460	0.7797%
3C	1,175	0.6275%
3D	1,222	0.6526%
3E	1,246	0.6654%
3F	860	0.4593%
4A	1,270	0.6856%
4B	1,460	0.7882%
4C	1,175	0.6343%
4D	1,222	0.6597%
4E	1,246	0.6727%
4F	860	0.4643%
5A	1,270	0.6930%
5B	1,460	0.7967%
5C	1,175	0.6411%
5D	1,222	0.6668%
5E	1,246	0.6799%
5F	860	0.4693%

EXHIBIT B

THE SCHAEFER LANDING NORTH CONDOMINIUM

Unit No.	Approx. Interior Sq. Ft. (2)	Percent Common Interest (4)
6A	1,270	0.7004%
6B	1,460	0.8051%
6C	1,175	0.6480%
6D	1,222	0.6739%
6E	1,246	0.6871%
6F	860	0.4743%
7A	1,270	0.7077%
7B	1,460	0.8136%
7C	1,175	0.6548%
7D	1,222	0.6810%
7E	1,246	0.6944%
7F	860	0.4792%
8A	1,270	0.7151%
8B	1,460	0.8221%
8C	1,175	0.6616%
8D	1,222	0.6881%
8E	1,246	0.7016%
8F	860	0.4842%
9A	1,270	0.7225%
9B	1,460	0.8306%
9C	1,175	0.6684%
9D	1,222	0.6952%
9E	1,246	0.7088%
9F	860	0.4892%
10A	1,270	0.7298%
10B	1,460	0.8390%
10C	1,175	0.6752%
10D	1,222	0.7023%
10E	1,246	0.7161%
10F	860	0.4942%

EXHIBIT B

THE SCHAEFER LANDING NORTH CONDOMINIUM

Unit No.	Approx. Interior Sq. Ft. (2)	Percent Common Interest (4)
11A	1,270	0.7372%
11B	1,460	0.8475%
11C	1,175	0.6821%
11D	1,222	0.7094%
11E	1,246	0.7233%
11F	860	0.4992%
12A	1,270	0.7372%
12B	1,460	0.8475%
12C	1,175	0.6821%
12D	1,222	0.7094%
12E	1,246	0.7233%
12F	860	0.4992%
14A	1,270	0.7372%
14B	1,460	0.8475%
14C	1,175	0.6821%
14D	1,222	0.7094%
14E	1,246	0.7233%
14F	860	0.4992%
15A	1,270	0.7446%
15B	1,460	0.8560%
15C	1,175	0.6889%
15D	1,222	0.7164%
15E	1,246	0.7305%
15F	860	0.5042%
16A	1,270	0.7446%
16B	1,460	0.8560%
16C	1,175	0.6889%
16D	1,222	0.7164%
16E	1,246	0.7305%
16F	860	0.5042%

EXHIBIT B

THE SCHAEFER LANDING NORTH CONDOMINIUM

Unit No.	Approx. Interior Sq. Ft. (2)	Percent Common Interest (4)
17A	1,270	0.7520%
17B	1,460	0.8645%
17C	1,175	0.6957%
17D	1,222	0.7235%
17E	1,246	0.7377%
17F	860	0.5092%
18A	1,270	0.7593%
18B	1,460	0.8729%
18C	1,175	0.7025%
18D	1,222	0.7306%
18E	1,246	0.7450%
18F	860	0.5142%
19A	1,270	0.7667%
19B	1,460	0.8814%
19C	1,175	0.7094%
19D	1,222	0.7377%
19E	1,246	0.7522%
19F	860	0.5192%
20A	1,270	0.7741%
20B	1,460	0.8899%
20C	1,175	0.7162%
20D	1,222	0.7448%
20E	1,246	0.7594%
20F	860	0.5242%
21A	1,270	0.7814%
21B	1,460	0.8984%
21C	1,175	0.7230%
21D	1,222	0.7519%
21E	1,246	0.7667%
21F	860	0.5292%
22A	1,790	1.1118%
22B	1,850	1.1491%
22C	1,780	1.1056%
22D	1,790	1.1118%

EXHIBIT B

THE SCHAEFER LANDING NORTH CONDOMINIUM

Unit No.	Approx. Interior Sq. Ft. (2)	Percent Common Interest (4)
PH1A	1,740	1.1009%
PH1B	1,800	1.1389%
PH1C	1,690	1.0693%
PH1D	1,740	1.1009%
PH2A	1,740	1.1110%
PH2B	1,800	1.1494%
PH2C	1,690	1.0791%
PH2D	1,740	1.1110%
PH3A	1,870	1.0871%
PH3B	1,995	1.1598%
PH3C	1,859	1.0807%
PH3D	1,910	1.1104%
Total:	**172,270**	**100.0000%**

DEFINITIONS

"Appurtenant Interest"	With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, 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 Interests (except as otherwise provided in the Declaration or in the Bylaws).
"Board", "Board of Managers" or "Condominium Board"	The Board of Managers of the Condominium.
"Building"	The structure located at 440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York.
"Closing"	The time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.
"Common Charges"	Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.
"Common Elements"	The Land and all parts of the Building, including the foundations, roofs, and support, other than Units.
"Common Expenses"	Costs and expenses incurred or projected in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.
"Common Interest"	The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as expressed in the Declaration.
"Condominium"	A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Declaration, the

	term "Condominium" specifically refers to The Schaefer Landing North 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.
"Declarant"	The promoter of the project and/or Offering Plan to convert a particular parcel of property to Cooperative or Condominium Ownership. The Declarant under the declaration of Condominium for the Property (i.e., Kent North Associates LLC) is the Sponsor of this Offering Plan.
"Declarant's Designee"	Any Person designated by the Declarant to hold title to any Unit. Declarant's statement in writing that a Person is a Declarant's designee shall be conclusive evidence of such status so as to entitle such Person to all the rights of a Declarant designee under the Offering Plan. A Declarant designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a "Declarant Designee" or a "Sponsor-designee".
"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 Bylaws.
"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.
"House Rules"	The rules and regulations of the Condominium, which are annexed as an addendum to the Bylaws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the Bylaws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the Bylaws.
"Insurance Trustee"	A bank, a trust company or savings and loan association, having an office in the City of New York, from time to time appointed to serve as such by the Condominium Board.
"Interior Court Yard or Open Space Area"	The open court yard area owned by the Kent Waterfront

Homeowners Association Inc.

"Land"	All that certain tract, plot, piece and parcel of land situate, lying and being in the City, County and State of New York, as more particularly described in Exhibit 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 roof terraces.
"Majority"	Majority of Unit Owners means more than sixty-six and two-thirds percent (66+2/3rds %) in Common Interest in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters. Any specified percentage of Unit Owners means such percentage in Common Interest in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters, provided, however, that different percentages in interest and in number of Units may be so specified.
"Managing Agent"	A person employed by the Condominium Board pursuant to Article II, Section 3 of the Bylaws, 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 Bylaws.
"Passages"	Public Access Area, Interior Court Yard, Site sidewalks, and driveways of Kent Waterfront.
"Permitted Mortgage"	A mortgage placed on a Unit made to a bank, a trust company, an insurance company, a federal savings and loan association, a pension fund or other institutional lender, the Sponsor, a Sponsor-designee, or the Seller of the Unit.
"Permitted Mortgagee"	The holder of a Permitted Mortgage.

"Public Access Area"	Public shore walkway constructed by the New York City Economic Development Corporation.
"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.
"Person"	A natural person, corporation, partnership, limited liability company, association, trustee, or other legal entity.
"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 that the Unit Owner of which wishes to sell or abandon, together with the Appurtenant Interest thereto, and to deal with any such Units so acquired as they may determine; and (ii) the Sponsor, as attorney-in-fact, to amend the Declaration, the Bylaws, and the Rules and Regulations of the Condominium, or any of said documents under certain conditions set forth in the Power of Attorney.
"Property"	Means and includes the Land, the Building and all other improvements thereon, owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act.
"Purchase Agreement"	The agreement to purchase a Unit pursuant to the Offering Plan.
"Purchaser"	Any Person who has entered into an agreement with Sponsor to purchase a Unit and is not in default thereunder.
"Recording officer", "recording" and "recorded"	The meanings stated in section two hundred ninety of the New York State Real Property Law.
"Site"	Kent Waterfront includes all space within 440-460 Kent Avenue, Brooklyn, New York.
"Unit Owner"	The person or persons, or entity owning a Unit in fee simple absolute, and all such owners are collectively referred to as the "Unit Owners".

"Unit Deed"	The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.
"Unit Designation"	The number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the unit in the Declaration and on the Floor Plans.
"Unsold Units"	Any Unit owned by Declarant or its designee at the time in question.

BYLAWS OF

THE SCHAEFER LANDING NORTH CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these Bylaws is to set forth the rules and procedures concerning the conduct of the affairs of **THE SCHAEFER LANDING NORTH CONDOMINIUM** (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 8, 112 square feet of land (the "Land") which forms a part of Block 2134 Lot 40 of Section ____ on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York (the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be, are hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the Kings County Office of the Register of The City of New York ("City Register's Office"), together with these Bylaws. All terms used herein including, but not limited to, "Declarant or its designee" and "Declarant or a designee of Declarant", which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 Applicability of Bylaws. These Bylaws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these Bylaws and the House Rules (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 Bylaws, the House Rules 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 City of New York

reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2

CONDOMINIUM BOARD

2.1 Number, Term and Qualification.

2.1.1 As more particularly set forth in Section 2.2 hereof, the affairs of the Condominium shall be governed by a board of managers of the Condominium (hereinafter referred to as either the "Condominium Board", the "Board of Managers", or the "Board"). From and after the first annual meetings of Unit Owners as provided in Section 3.1 hereof, the Condominium Board shall consist of five (5) persons elected by the Unit Owners, subject to Declarant's rights under Subsection 3.9.3 hereof.

2.1.2 Each member of the Board, except for the first Board as provided in Section 2.4 hereof, and except as otherwise provided herein, shall be elected at the annual meetings of Unit Owners and shall serve until the next annual meeting thereof or 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 (hereinafter defined), 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 (a "Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon pursuant to these Bylaws.

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 Bylaws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of Subsection 2.2.1 hereof, and without limiting the generality thereof, the Board shall have all powers and duties expressly set forth elsewhere in the Declaration and Bylaws 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 Bylaws.

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operating, caring for, keeping up, maintaining, repairing and replacing of the Common Elements, including contracts for utilities, services and supplies;

2.2.2.1(b) Determining the amount of Common Charges (as hereinafter defined);

2.2.2.1(c) Collecting Common Charges from Unit Owners;

2.2.2.1(d) Employing and dismissing personnel necessary for the maintenance and operation of the Common Elements;

2.2.2.1(e) Adopting, amending or adding to, the House Rules (as hereinafter defined);

2.2.2.1(f) Making additions and improvements to, or alterations of, the Common Elements;

2.2.2.1(g) Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings;

2.2.2.1(h) Enforcing obligations of Unit Owners;

2.2.2.1(i) Levying fines against Unit Owners for violations of the House Rules (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied);

2.2.2.1(j) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these Bylaws) and designating signatories therefor;

2.2.2.1 (k) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves the Common Elements, as set forth in Section 6.2 hereof;

2.2.2.1(l) 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 Common Elements; provided, however, that (i) the consent of Unit Owners owning at least 66 + 2/3% in Common Interest of all Unit Owners shall be required for any borrowing in excess of the aggregate amount of $50,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years, except for the purpose of purchasing the Superintendent's Unit), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this Subparagraph 2.2.2.1(l) is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit;

2.2.2.1(m) Bringing actions on behalf of the Unit Owners, as their interests may appear, with respect to any cause of action relating to the Common Elements, as the Condominium Board deems advisable;

2.2.2.1(n) Organizing corporations or limited liability companies to act as designees of the Condominium Board with respect to such matters as the Board may determine, including without limitation, in connection with the acquisition of title to or the leasing or subleasing of Units by the Board on behalf of Unit Owners;

2.2.2.1(o) Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate;

2.2.2.1(p) 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 Bylaws whenever in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these Bylaws;

2.2.2.1(q) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.2 hereof;

2.2.2.1(r) Leasing or purchasing an apartment for use as the residence of the building superintendent, and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment;

2.2.2.1(s) Subject to Section 8.2. hereof, 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;

2.2.2.1(t) Purchasing Units at foreclosure or other similar sales, in the name of the Board or its designee, on behalf of all Unit Owners;

2.2.2.1(u) 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;

2.2.2.1(v) Executing, acknowledging and delivering any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units 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;

2.2.2.1(w) Purchasing or leasing, in the name of the Board, space for the storage of personal property of Unit Owners, and in connection therewith the promulgation of conditions, rules and regulations for the operation and supervision thereof;

2.2.2.1(x) Imposition of move in fees and charges, and transfer fees in connection with the sale or lease of a Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant;

2.2.3 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 the 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 Bylaws, so long as Declarant or its designee shall continue to own Condominium Units equaling at least fifty (50%) percent of the total Common Interest of the Condominium, but in no event later than five years from the First Unit Closing of a sale made under the Offering Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the Common Elements, the Limited Common Elements or to any Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium, or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, or (vi) exercise a right of first refusal to lease or purchase a Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium.

2.3 Managing Agents and Managers. With respect to matters the determinations concerning which the Board is entitled to make, the Board may employ a managing agent and/or a manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to such managing agent or manager other powers granted to the Board by these Bylaws, except the powers set forth in Subsections 2.2.2.1(b), (e), (g), (h), (m), (n), (o), (p) and (r) hereof.

2.4 First Board. The Condominium Board shall initially consist of the three (3) persons designated by Declarant to initially comprise the Board. The Board members shall be deemed to have been "elected" as members of the Board for the purposes of these Bylaws. Within 180 days after the date of the First Unit Closing, 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 hereof. The terms of each such member of the Board shall expire annually.

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. 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 hereof, any Board member may be removed, with or without cause, by the vote of a Majority of Unit Owners, present in person or by proxy at a regular or special meeting of Unit Owners, at which a quorum is present. Any Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be

removed with cause and replaced as described in Section 2.6 hereof. In addition, any member of either Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 Vacancies. Subject to the provisions of Section 3.9.3 hereof, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Unit Owners, when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these Bylaws, in the case of a vacancy on the Board created by the resignation, removal or any other cause which results in the Board member designated by Declarant or its designee ceasing to be a member of the Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 Organizational Meeting of the Board. The first meetings of the Board following each annual meeting of the Unit Owners shall be held immediately following each 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 City of New York as shall be determined from time to time by a majority of the members thereof, provided that at least two (2) 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 email, 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 the Board by personal delivery, mail, facsimile or email, which notice shall state the time, place 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 Waiver of Notice. Any Board member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Board; Quorums.

2.11.1 Except as otherwise set forth in Subsection 2.13.4 hereof, all determinations by the Board shall be made at a meeting of the Board at which a quorum thereof is present. At the Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 When the Board, acting in accordance with the provisions of this Article 2, has made the same determination as to any matter which is required or permitted to be determined by the Condominium Board, such determination shall constitute the determination of the Condominium Board. No meeting of the Condominium Board as such shall be necessary for any determination by it to be made. However, in the event any meeting of the Condominium Board is held, a majority of the members of the Condominium Board shall constitute a quorum for the transaction of business and a majority of the votes cast at any meeting at which a quorum is present shall constitute the decision of the Board.

2.11.3 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.

2.11.4 Members of the 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.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of Board and Unit Owners.

2.13.1 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, any Common Element 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 the Board, managing agent or manager only as agent for all Unit Owners, that the 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, and, unless expressly stated to the contrary in such contract (as determined by the relevant Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the 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 the 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 Condominium 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.

2.13.2 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 the Board or any member thereof or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any Common Element or Limited Common Element.

2.14 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 Common Expenses.

2.15 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. 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.

2.16 Principal Office of the Board. The principal offices of the Board shall located within the City of New York as may be designated from time to time by the Board.

2.17 Status of the 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 2.18, the provisions of this Section 2.18 shall no longer be applicable to the Board.

2.18 Incorporation of the 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 Bylaws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these Bylaws and the provisions of the Declaration and these Bylaws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and Bylaws.

2.19 Board as Agent of Unit Owners. In exercising their power and performing their duties under the Declaration and these Bylaws, the Board shall act in good faith as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these Bylaws.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners shall be called no more than 180 days after the First Unit Closing. Such meeting shall be held not less than 10 days nor more than thirty (30) days after such date. At such meeting, the incumbent Board shall resign and the Unit Owners shall elect (in accordance with the provisions of Section 2.1 hereof and as otherwise provided in these Bylaws) a Board consisting of five (5) members. Thereafter, annual meetings of Unit Owners shall be held within approximately thirty (30) days of each anniversary of the first annual meeting. At such meetings, the incumbent Board members shall resign and the members of the Board shall be elected and there shall also be transacted such other business as may properly come before such meetings.

3.2 Place of Meetings. Meetings of all or any Unit Owners shall be held at the principal office of the Condominium or, at such other suitable and convenient place in the City of New York, 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 of the Board by the Unit Owners owning not less than 25% in Common Interest of all Unit Owners.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting shall be given by the 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 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 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 Bylaws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a Majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

3.6 Order of Business. The order of business at all meetings of Unit Owners shall be as follows:

(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, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Board and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to such Unit Owner's Unit.

3.9 Election of Board Members; Rights of Declarant.

3.9.1 All elections of Board members shall be determined by plurality vote.

2.8.2 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, the percentage of Common Interests owned by such Unit Owner, and, if applicable, 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 hereof for each member to be elected by the Unit Owners. Nothing contained in these Bylaws shall be deemed to permit cumulative voting.

2.8.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these Bylaws to the contrary, commencing with the first annual meeting of Unit Owners (a) 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 (b) Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it and therefore may hold a majority of seats on the Board until the earlier to occur of (i) five (5) years from the date of the First Unit Closing or (ii) the date upon which Declarant shall own Unsold Units having an aggregate interest in the Common Elements of less than fifty (50%), percent; (c) for so long as Declarant owns Unsold Units having a percentage of Common Interest in the aggregate of at least ten (10%) percent as the case may be, (a) Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it to designate at least one (1) member of the Board or one less than a majority of the Board; (d) for so long as Declarant owns at least one of the Unsold Units, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it to designate at least one member of the Board and for so long as Declarant owns at least one of the Unsold Units, the number of members of the Board may not be increased without the consent of Declarant.

3.10 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these Bylaws, the term "Majority of Unit Owners" means those Unit Owners having more than 66+2/3rds% 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 Bylaws, the presence in person or by proxy of Unit Owners owning more than 66+2/3rds% 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 Bylaws, 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, two (2) Vice Presidents, Secretary and Treasurer thereof, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in the Board's 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 and Vice Presidents of the Board must be members of the Board.

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 members and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice to the Board delivered or sent by certified mail, return receipt requested. 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 Presidents. A Vice President of the Condominium 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 Presidents of the Condominium are unable to act, the Board shall appoint some member of the Board to act in the place of the President and Vice Presidents on an interim basis. Each of the Vice Presidents shall serve as the Condominium's representative on either the Schaefer Landing Homeowners Association, Inc. or the Kent Waterfront Homeowners Association Inc. 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 Condominium 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 (or in the name of the managing agent appointed by 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, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever notice is required to be given by law, the Declaration or these Bylaws, 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 Common Elements or the Limited Common Elements ("Common Expenses") shall be determined by the Condominium Board as set forth below. Common Expenses shall also include all such other items provided for in the Declaration or these Bylaws to be Common Expenses. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with the aggregate respective Common Interests of the Unit Owners (except as otherwise provided in the Declaration or these Bylaws or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation, as set forth in the Plan) charges ("Common Charges") to meet Common Expenses. In addition to basing Common Charges on Common Interests, the Condominium 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 Condominium Board shall allocate costs based upon metered or submetered usage.

6.1.2 Except as otherwise provided herein, all Common Expenses shall be determined exclusively by the Board and shall be borne solely by the Unit Owners in proportion to their respective Common Interests. Notwithstanding anything to the contrary in this Subsection 6.1.2 hereof, if a Common Element or Limited Common Element benefits only certain Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation) shall be borne solely by those Unit Owners who benefit from the Common Element or Limited Common Element in the proportion that the Common Interest of each benefitting Unit Owner bears to the Common Interest of all benefitting Unit Owners. In addition, except as otherwise provided in these Bylaws, 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 Common Element or Limited Common Element at their sole cost and expense. Common Expenses shall include, without limitation, 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 Common Elements or the Limited Common Elements and the rental or purchase of an apartment to be used as the residence of the Building superintendent and all costs and expenses associated therewith. Common Expenses shall also include all such other items provided for in the Declaration or these Bylaws to be Common Expenses. The Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these Bylaws), Common Charges to meet Common Expenses. From time to time, the Board may increase or decrease the amount of Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Common Expenses for such fiscal year or any portion thereof. During the Condominium's initial two fiscal years but not thereafter, the Board's authority shall include the right to base the amount of Common Charges on actual costs and expenditures and/or to make retroactive adjustments to the amount of Common Charges payable by Unit Owners for any period to reflect actual operating costs for such period. In addition to basing charges on Common Interests, the Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of law. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each annual budget to all Unit Owners and Permitted Mortgagees thereof.

6.1.3 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. Notwithstanding any provision contained in these Bylaws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.4 Common Expenses shall include real estate taxes and other taxes and assessments on the Property until the Units are separately assessed.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earnings of the Condominium may inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any Unit Owner or individual.

6.2 Insurance.

6.2.1 The Condominium Board shall be required to obtain and maintain, to the extent obtainable, the following insurance: (a) 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; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (h) directors and officers liability insurance; and (i) such other insurance as the Condominium Board may determine. For so long as the Unsold Units are owned by Declarant, the Condominium Board shall also maintain war risk insurance (to the extent obtainable from the United States of America or any agency thereof at reasonable rates), flood insurance and insurance against loss or damages from leakage of sprinkler systems, steam boilers, air conditioning equipment, pressure vessels or similar apparatus or such other insurance as may be required by a Permitted Mortgagee holding a mortgage on the Unsold Units. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in proportion to their respective Common Interests.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board. Insurance proceeds with respect to any loss shall be payable to the Board, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000.00, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as defined in Section 12.5 hereof) pursuant to the provisions of Section 12.5 hereof.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Condominium Board shall provide copies of insurance certificates to any Permitted Mortgagee upon request.

6.2.4 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Board may from time to time determine, covering (i) the Board, the managing agent thereof, each Board member, and

each officer and employee of the Condominium, (ii) Declarant and its members and the officers of its members, and (iii) Unit Owners, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.5 Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Board determines.

6.2.6 The Condominium 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 $1,000,000.00 for bodily injury or death arising out of any one occurrence including $1,000,000.00 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 Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent either 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 Condominium Board with respect to any damage to or destruction of the Common Elements, will arrange for the prompt repair and restoration thereof and the Board or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any deficit or surplus in insurance proceeds shall be borne as a Common Expense or profit, respectively, as provided in Section 6.1.1 hereof, or shared 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 hereof, 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 Unit Owner of the affected Unit(s) where such repair or reconstruction does not involve the Common Elements for which the repair or reconstruction is the obligation of the Condominium Board, as provided in Subsection 6.3.1 hereof. 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 phrase "promptly resolve" means 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 The Unit Owners shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Board pursuant to the provisions of Section 6.1 of these Bylaws 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 Bylaws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these Bylaws 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 Bylaws or the House Rules then exists with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to

the Condominium Board or their designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges, thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit.

6.4.3 All liens provided for in Subsection 6.4.2 hereof, to the extent permitted by applicable law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding Subsection 6.4.2 hereof, 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.

6.4.5 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 $50.00 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 any 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, the Board 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 plaintiff in such foreclosure action 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 (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 Bylaws, 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 Bylaws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the Common Elements or Limited Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 In the event that any 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 Condominium Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and 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 terrace shall be made by the Unit Owner having access to such terrace at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such terrace (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 shall be charged to all Unit Owners as a Common Expense. The Board may require a Unit Owner to remove plants and other installations placed on terraces or balconies by said Unit Owners if the Board determines, in its reasonable discretion, that such plants and other installations adversely affect the integrity of the roof. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and the Condominium Board may establish such rules and regulations as it deems necessary to protect the health and safety of the occupants.

6.9.2.3 If so determined by the Board, the Board shall cause the exterior surface of all windows in the Building to be washed and cleaned and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Building shall be washed or cleaned at the cost and expense of the Unit Owners. The interior glass surfaces of all windows located in any Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Condominium Board and the other Unit Owners, and their respective 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 It shall be the obligation of the Condominium Board to clean the sidewalks and walkways surrounding the Building and to remove the snow therefrom. The cost of such cleaning and snow removal, and the cost of repairing and replacing the sidewalks and walkways, shall be a 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 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. In addition, the

public areas of the Building and the Common Elements shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be maintained by it, and (b) each Unit Owner with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit.

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 Bylaws, 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. A change in the number of rooms in a Unit shall be deemed to be a structural alteration. The Board shall have the obligation to answer any written request by their respective Unit Owners 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 the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. The 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 the Board for any structural alteration, addition, improvement or repair in or to Unsold Units, to the extent permitted by law and applicable governmental regulations, or to enter into any alteration agreement with respect thereto.

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 not 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 Bylaws 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 Bylaws, all alterations, additions, improvements or repairs in or to any Common Element or Limited Common Element shall be made by the Board or the Unit Owner(s) required to maintain such Common Element or Limited Common Element and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense, or to the Unit Owner(s) responsible therefor, as the case may be. Whenever in the judgment of the Board, the cost of any alteration, addition, improvement or repair would exceed $50,000 in the aggregate in any calendar year (except if such alteration, addition, improvement or repair is provided for in a duly approved budget), then such proposed alteration, addition, improvement or repair shall not be made unless first approved by a Majority of Unit Owners, who shall be required to bear the cost and expense thereof as aforesaid and by the Mortgage Representatives (as hereinafter defined), if any, with respect to alterations, additions, improvements or repairs made by the Board. Except as otherwise provided in the Declaration or these Bylaws, all such alterations, additions, improvements or repairs costing in the aggregate $50,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 Alterations of Certain Common Elements.

6.13.1 In the event that pursuant to any of the provisions of these Bylaws, 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 any 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 hereof 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 Bylaws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 Restrictions on Use of Units.

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Unit shall be used only for purposes to the extent permitted under applicable zoning law and ordinances and other applicable governmental laws and regulations but not for retail use and not otherwise herein expressly provided.

6.14.1.1 The Board, may, in its discretion, grant permission for the use of a Unit for any other purpose (but not for retail use), provided such use (1) is permitted by law, (2) does not violate the then existing certificate of occupancy for such Unit, (3) does not adversely affect the use and enjoyment of neighboring or adjacent Units for purposes, and (4) complies with all applicable governmental regulations. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than stated in Subsection 6.14.1 hereof.

6.14.1.2 No portion of a 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.

6.14.1.3 Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Managing Agent. Please see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" in Part I of the Plan for further details.

6.14.2 Notwithstanding the provisions of Subsection 6.14.1 hereof, Declarant or its designee may, without the permission of the Board, (a) grant permission for the use of any Unsold Unit for any purpose, provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations, and (b) use any Unsold Units as models and sales, administration 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 Bylaws 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. For the purposes hereof, "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 or any other parts of the Common Elements or Limited Common Elements other than in (a) Limited Common Elements for the exclusive use of a particular Unit Owner or (b) in the areas designated as Storage Bins, without the prior consent of the Board as to the Common Elements. The lobbies, vestibules, public halls and stairways shall be used only for normal passage through them.

6.15.3 Unit Owners shall require their tradesmen to utilize exclusively the service entrance for transporting packages, merchandise or other objects.

6.15.4 The owner of any two or more Units, which Units are serviced or benefitted by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys its Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 Other Provisions as to Use. No nuisance shall be allowed in the Building nor shall any use or practice be allowed in the Building which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No nuisance, immoral, improper or offensive use (whether or not unlawful) and no unlawful use shall be allowed in the Building or any

portion thereof. All valid 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.

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, managers, superintendents and/or any other person authorized by any of the foregoing. The Unit Owners grant a right of access to their respective Units to the Board, the managing agent, managers, superintendents and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or House Rules 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 Common Elements 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 Common Elements 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 Common Elements or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than three (3) days in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In case of an emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.18 House Rules. Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "House Rules") concerning the use of the Common Elements and the Limited Common Elements. The Board may, from time to time, modify, amend or add to the House Rules except that a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition. The Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Unit Owners. Copies of any newly adopted House Rules, or any modifications, amendments or additions thereto, shall be furnished by the Board responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof.

6.19 Real Estate Taxes, Water Charges and Sewer Rents. Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom,

promptly after the bills for the same shall have been rendered. The costs for water and sewer services for the Building will be paid by the Unit Owners and included in Common Charges. Until the Units are separately assessed for real estate tax purposes, the Unit Owners shall pay their respective pro rata share of all real estate taxes with respect to the Property (in the proportion that the Common Interest of each Unit, bears to the Common Interests of all Units) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event 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 the Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20 Gas. Gas for the Building will be supplied by the utility company servicing the gas distribution system and charges therefor shall be paid by the Board. The cost of gas consumed in the Building will be borne by the Unit Owners as a Common Charge.

6.21 Electricity. Electricity for each Unit shall be separately submetered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by the Board except that in the event that the Units are submetered, such Unit Owner shall be required to pay bills for electricity consumed or used in such Unit Owner's Unit either to the Board or to the utility company or company engaged by the Board to perform such services as directed by the Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Board shall be obligated therefor and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner for which the Board shall have a lien as provided in Section 6.6. hereof. Electricity for the Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Board and will be borne by the Unit Owners as Common Charges.

6.22 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 benefitting any Common Element shall be (a) considered part of the expense of maintaining such Common Element, (b) determined by the Condominium Board, and (c) charged to the Unit Owners as a Common Expense. Any dispute as to the amount of such cost or expense shall be determined by Arbitration.

6.23 Abatement and Enjoinment of Violations by Unit Owners.

6.23.1 The violation of any of the House Rules or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board, the right, in addition to such other rights set forth in these Bylaws, (i) to enter any Unit or Common Element 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.

6.23.2 The violation or breach of any of the provisions of these Bylaws, any of the House Rules 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 Bylaws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

ARTICLE 7

MORTGAGES

7.1 Notice to Board. A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Board in the case of a Unit, 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 so requested in writing by a Permitted Mortgagee, the Board with respect to Permitted Mortgagees of Units, shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges, or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these Bylaws 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. Any Permitted Mortgagee holding a mortgage on an Unsold Unit shall be deemed to have requested the notice referenced in the first sentence of this Section.

7.3 Performance by Permitted Mortgagees. The Board, shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these Bylaws or the House Rules, 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 Condominium 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 Representatives of Mortgagees.

7.5.1 In the manner more particularly set forth in Subsection 7.5.2 hereof, the holders of Institutional Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these Bylaws. If any Mortgage Representatives are so designated and notice thereof is given to the Board, the act of any such Representative (or a majority of such Mortgage Representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages. As used herein, the terms "Institutional Mortgage" and "Permitted Mortgage" each mean any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, investment or finance company, mortgage trust or entity which is in the business of providing loans secured by condominium units, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Mortgage Representative made by the holders of Institutional Mortgages, constituting a majority in principal amount of all Institutional Mortgages shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board. Unless otherwise required by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these Bylaws.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of any Board, officer or Unit Owner; provided, however, that nothing

contained herein shall be deemed to limit or affect the rights of any mortgagee against such Unit Owner's mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Selling and Leasing. No Unit Owner, other than Declarant or its designee may sell or lease such Unit Owner's Unit except by complying with the following provisions.

8.1.1 Any Unit Owner who receives a bona fide offer to (a) purchase such Unit Owner's Unit together with its appurtenant Common Interest, or (b) lease such Unit Owner's Unit (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer"), the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which the Offeree Unit Owner intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Board and the Declarant 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 the Board and Declarant may reasonably require. The giving of such notice to the Board, on behalf of all the Unit Owners represented by the Board and the Declarant, 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 or the Declarant, 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 and Declarant acting on behalf of all Unit Owners that the Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board and/or Declarant 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 represented by the Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2 In the event the Board shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close

at the office of the attorneys for the Board, 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 hereof 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 shall not elect to purchase or lease a Unit together with its appurtenant Common Interest within twenty (20) days of the receipt of notice, the Declarant shall have the exclusive right to elect within five (5) days, from the expiration of such twentieth day, to elect to purchase or lease the Unit on the same terms as set forth in the notice. In the event the Declarant shall timely elect to purchase a Unit together with its appurtenant Common Interest or to lease such Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Declarant, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Declarant 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 Declarant 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 Declarant of its election to accept the aforesaid offer, the Declarant 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 Declarant referred to in Subsection 8.1.1 hereof 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 Declarant 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 Declarant, 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 Declarant, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Declarant, a lease between the Offeree Unit Owner, as landlord, and the Declarant, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

8.1.4 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, or the Declarant shall fail to accept such offer within five (5) days of the expiration of the twentieth day after receipt of notice, 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.

8.1.5 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 Bylaws and the House Rules, as the same may be amended from time to time.

8.1.6 Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall be consistent with these Bylaws 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 its interest in such lease or sublet the Unit or any part thereof without the prior consent in writing of the Board and that the Board, if permitted by applicable law, shall

have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder (i.e., the Unit Owner), 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.

8.1.7 Except as hereinbefore set forth, the form of any such lease executed by the Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Board. Any lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the Unit without the consent of the Unit Owner.

8.1.8 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units (including the lease of a Unit to Declarant or its designee) or to Units acquired by a Permitted Mortgagee in foreclosure or by deed in lieu of foreclosure. Declarant or its designee and any Permitted Mortgagee who has acquired Units by foreclosure or by deed in lieu of foreclosure, shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Units, without having to first offer the same for sale or lease to the Board.

8.1.9 Declarant or its designee shall not be required to pay any transfer fees to the Condominium upon the sale of any Unsold Units.

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 Unit Owners. However, the Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by 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 hereof. 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 hereof, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3 hereof.

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 hereof 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 hereof), 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 hereof have, in fact, terminated.

8.6 Financing of Purchase of Units by 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 hereof 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. 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 hereof; 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 hereof 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 case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the Bylaws, 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 respective designees, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.14 Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Unit unless and until the Unit Owner

shall have paid in full to the Board all unpaid Common Charges theretofore assessed by said 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 hereof, 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 appropriate 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 Common Elements 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 Common Elements or Limited Common Elements so taken which, pursuant to the provisions of these Bylaws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit Owners with respect to any taking of the Common Elements pro rata, as follows: first, to the Unit Owners in accordance with their respective Common Interests; thereafter, the 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; and (b) borne and shared by all Unit Owners having exclusive access to the Limited Common Elements pro rata in accordance with their respective interest in such Limited 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 their respective Limited Common Elements, or (2) 80% or more of all Unit Owners do not duly and promptly resolve to proceed with such repair and restoration of the Common Elements, then such repairs or restorations of the Limited Common Elements and/or 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 the same manner as is set forth in (a), (b)and (c) above, 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 phrase "promptly resolve" means 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 for the Board, 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 for whom the Board serves 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 all Unit Owners, and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Board, shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these Bylaws, the House Rules and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Any arbitration provided for in these Bylaws 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 Condominium Board, in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes".

ARTICLE 12

MISCELLANEOUS

12.1 Waiver. No provision contained in these Bylaws or the House Rules 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 Bylaws nor the intent of any provision hereof.

12.3 Certain References.

12.3.1 A reference in these Bylaws 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 Bylaws refer to these entire Bylaws 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 Bylaws.

12.4 Severability. Subject to the provisions of the Declaration, if any provision of these Bylaws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these Bylaws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these Bylaws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these Bylaws or the House Rules conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Insurance Trustee. The "Insurance Trustee" shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 Successors and Assigns. Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Units then owned by Declarant or its designee, as the case may be (but not to Purchasers of Units pursuant to the Plan). Subject to the foregoing, Declarant or its designee, shall have the right, at any time in its sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 Covenant of Further Assurances.

12.7.1 Any party which is subject to the terms of these Bylaws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the 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 Bylaws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner, the Board or any other party which is subject to the terms of these Bylaws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these Bylaws, 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, the Board 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, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party.

12.7.3 If any Unit Owner, the Board or other party which is subject to the terms of these Bylaws fails, within ten days after request therefor to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these Bylaws at the request of Declarant or its designee, then Declarant or its designees, are hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party as the case may be.

ARTICLE 13

AMENDMENT TO BYLAWS

13.1 Amendments by Unit Owners. Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Units, any provision of these Bylaws 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 Bylaws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Board, as attorney-in-fact for the Unit Owners, coupled with an interest, which Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee, any Unsold Units, (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be

effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, (ii) no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the respective Mortgage Representatives, and (iii) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives), 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 Amendments Affecting Declarant or its Designee. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these Bylaws, the Declaration or the House Rules shall be effective in any way (a) without the prior written consent of the affected Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to these Bylaws, the Declaration or the House Rules modifying the permitted uses of any Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Unit Owner, (b) 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 Bylaws, the Declaration or the House Rules modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Unit, as the case may be, or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Unit, with respect to any amendment, modification, addition or deletion of or to these Bylaws, the Declaration, or the House Rules modifying the permitted uses of such Unsold Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Unit. Further for so long as the Declarant or any Declarant's designee shall continue to own Units having in the aggregate at least ten (10%) percent of the total Common Interest of the Condominium, 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 Declarant's or Declarant's 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 Declarant 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 purchase the Superintendent's Unit or to perform work required by law to the extent that existing reserves are insufficient). As long as the Declarant or any Declarant's designee shall continue to own a Unit, the Board of Managers may not, without the Declarant's or Declarant designee's prior written consent, (i) amend the Declaration or these By-Laws so as to in any way adversely affect the Declarant or its designees or (ii) interfere with: the offer and sale or leasing of Units 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 Declarant or Declarant's designee. The Declarant or Declarant's designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding these restrictions, the Declarant or Declarant's 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.

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, 6.4.2, 6.4.3, 8.7(d) or (e), or 8.10 hereof 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.

HOUSE RULES

1. The Public Access Area, Interior Court Yard, Site, sidewalks, passages, (together referred to as "Passages") entrances, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the Passages, public halls, vestibules, corridors, stairways or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Building.

3. Neither occupants nor their guests shall play in the passages, entrances, public halls, elevators, vestibules, corridors, stairways or fire towers of the Building.

4. No passages, public hall, public elevator or vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner.

5. Each Unit Owner shall keep such Unit Owner's Unit and any Limited Common Elements appurtenant thereto (including the surface and drains of any Terrace appurtenant to a Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Terrace shall be within the sole but reasonable discretion of the Board.

6. No window guards, window shades or window decorations shall be used in or about any Unit, unless otherwise required by law, except such as shall have been approved in writing by the Board or the managing agent of the Building. No clothes, sheets, blankets, laundry or other articles of any kind shall be hung on or out of a Unit or its appurtenant Limited Common Elements. No window frames or mullions may be removed, altered or replaced without the written consent of the Board.

7. No radio, television aerial, satellite dish or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Building or Passages except such as are permitted pursuant to the Declaration or the

By-Laws or shall have been approved in writing by the Board or the managing agent, nor shall anything be projected from any door or window of the Building without similar approval, except as may otherwise be required by law.

8. No heat, ventilator or air conditioning device or window fan shall be installed in any Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

9. All radio, television, computer or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

10. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Board or the managing agent of the Building for that purpose, and no baby carriages or any of the above-mentioned vehicles or other equipment, furniture or other personal articles shall be allowed to stand in the Passages, public halls, vestibules, corridors or other public areas of the Building.

11. No Unit Owner shall make or permit any disturbing noises or activity 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 or the tenants or occupants of the Building. No Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a radio, television, computer, stereo or other device that contains or is connected to a loud speaker or otherwise generates sound in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Board. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by Declarant.

12. Not more than one domestic animal, other than tropical fish, shall be kept or harbored by a Unit Owner or Tenant in the Building, unless the Unit Owner or Tenant, for each additional animal, shall be expressly permitted in writing by the Board to do so and such permission shall be revocable by the Board at any time. In no event shall "pit bulls" or similar dogs or other dangerous animals or non-domestic animals be permitted in the Building. In no event shall dogs be permitted in any of the public portions of the Building unless carried or on leash. No birds or other animals shall be fed from the window sills, terraces, balconies or on the sidewalk or street adjacent to the Building.

No aquarium exceeding 50 gallons of water may be kept in any Unit. Unit Owners will be responsible to cleanup after their pets in common areas of the Building. Individual Unit Owners who keep an animal in the Building shall indemnify and hold harmless against any loss, liability, or damage of any kind or character whatever arising from or as a result of having an animal in the Building.

13. Servants, messengers and tradespeople visiting or residing in the Building may be required to use the elevators designated by the Board or the managing agent of the Building for that purpose, for ingress and egress. and shall not use any of the other elevators for any purpose, except that nurses in the employ of Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Unit Owner may use any of the elevators freely, if authorized by such Unit.

14. All service and delivery persons may be required to use the service entrance unless otherwise directed. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Unit Owners. Deliveries, if made, will be made from the package room to individual Units only by building personnel or as otherwise directed by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Units after such service or delivery persons have received approval for such delivery from the Unit Owner.

15. Trunks and heavy baggage shall be taken in or out of the Building by the elevators designated by the Board or the managing agent of the Building for that purpose, and through a designated entrance only.

16. No Unit Owner or any visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in the heating, electrical or mechanical equipment areas without the express permission of the Board of Managers.

17. 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.

18. No refuse from the Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Board or the managing agent of the Building may direct.

19. Toilets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, sanitary napkins, diapers, rags or any other foreign object or article be thrown into the same. Any damage to the Building resulting from misuse of any toilets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

20. No occupant of the Building shall send any employee of the Building or of the managing agent thereof out of the Building on any private business.

21. The agents of the Board or the managing agent, and any contractor or worker authorized by the Board or the managing agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior written notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

22. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

23. The Board or the managing agent of the Building may retain a passkey to each Unit. If any lock is altered or a new lock is installed, the Board or the managing agent of the Building shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to such Unit Owner's Unit at any time when an entry therein is necessary or permissible under these House Rules or under the By-Laws and has not furnished a key to such Board or such managing agent, then the Board or such managing agent or their agents (but, except in an emergency, only when specifically authorized by an officer of such Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

24. No vehicle belonging to a Unit Owner or to a member of the family guest, tenant or employee of a Unit Owner shall be parked in such manner as to or prevent ready access to any entrance to or exit from the Building by another vehicle.

25. Complaints regarding the services of the Building shall be writing to the Board or to the managing agent.

26. Any consent or approval given under these House Rules may be granted,

refused, added to, amended or repealed, in the sole discretion of the Board at any time by resolution of the Board. Further, any such consent or approval of the discretion of the Board, may be conditional.

27. Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding recycling of refuse then imposed by governmental agencies having jurisdiction there over and (h) observe any additional recycling rules established by the Condominium Board.

28. Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

29. Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.

30. No Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

31. If any key or keys are entrusted by a Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Board or the managing agent, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the managing agent of the Building shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

32. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the Common Elements which will

result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

33. The Board shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

34. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the prior consent of Board or the managing agent.

35. In the event that any Unit is used for home occupation purposes which are permitted by law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

36. Unless expressly authorized by the Board in each case, at least 80% of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material. At least 80% of the floor area of kitchens shall be covered with rugs, carpeting or equally effective noise reducing material, except for within eight feet of any stove.

37. There will be no barbecuing in the Units or in their Common Elements (including Terraces),except for those areas (if any) specifically designated for barbecuing by the Board.

38. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the reasonable judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Building or the preservation of good order therein, or the operation or maintenance of the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Property. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

39. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces, other than furniture of the kind usually maintained in outdoor areas.

40. Plantings on any terrace or roof area 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 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 directly upon the surface of such Terrace, but shall stand on supports at least two inches above the 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.

41. 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 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 Common Elements.

42. Clothes Dryers purchased by Unit Owners must be ventless, since exhaust ducts will not be installed.

DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS

THE SCHAEFER LANDING HOMEOWNERS ASSOCIATION INC.

Declaration of Covenants, Restrictions, Easements, Charges and Liens (the "Declaration") made as of _____ by Kent South Associates LLC, a New York Limited Liability Company, with offices at 2226 First Avenue, New York , New York ("South Owner") and Kent North Associates LLC, a New York limited liability company with offices at 2226 First Avenue, New York, New York ("North Owner").

WITNESSETH:

WHEREAS, South Owner is the fee owner of the property known as 446 Kent Avenue, a/k/a One Schaefer Landing, Brooklyn, New York ("South Building") including a Community Unit described in Article II of this Declaration ("Community Unit"). North Owner is the fee owner of the property known as 440 Kent Avenue, Brooklyn, New York ("North Building"). The Community Unit is also sometimes referred to as the "Property". South Owner will transfer the Community Unit to Schaefer Landing Homeowners Association Inc. to be used by the Residents of the South Building and the North Building. The Community Unit shall include a fitness center, two (2) accessory lounges and outdoor space.

WHEREAS, South Owner and North Owner desire to provide for the preservation of the values and amenities of the Property and to this end, desire to subject the Property described in Article II hereof to the covenants, restrictions, easements, hereinafter set forth, each and all of which is and are for the benefit of the Members and the Property.

WHEREAS, South Owner and North Owner have deemed it desirable for the efficient preservation of such Community Unit, to create an association to which should be delegated and assigned the powers of maintaining and administering such facilities and improvements and services ("Services" as hereinafter defined) and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created.

WHEREAS, South Owner has incorporated the Schaefer Landing Homeowners Association Inc. under the Not-For-Profit Corporation laws of the State of New York for the purpose of exercising the aforesaid functions.

NOW, THEREFORE, South Owner and North Owner have for themselves and their successors and assigns, declared that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as the "covenants and restrictions") hereinafter set forth.

ARTICLE I. DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration shall, unless the context otherwise prohibits, have the meaning set forth below:

"Association" shall mean and refer to Schaefer Landing Homeowners Association Inc., a New York Not-for-Profit Corporation.

"By- Laws" means the By-Laws of the Association as the same may be amended from time to time by the Members of the Association.

"Board of Directors or Board" means the board of directors of the Association.

"Building" shall mean and refer to the North Building and South Building.

"Community Unit " or "Property" shall mean and refer to the Community Unit located in 446 Kent Avenue, a/k/a One Schaefer Landing, Brooklyn, New York, Block: 2134 Lot: _____ , which includes a fitness center, two (2) accessory lounges, and outdoor space. The Community Unit is only intended to be devoted to the common use and enjoyment of the Residents of the South Building and North Building and any permitted guests and is not intended for use by the general public.

"Member" shall mean and refer to each holder of a membership interest in the Association, as such interest is set forth in Article III.

" North Building" located at 440 Kent Avenue, Brooklyn, New York, Block: 2134 Lot: 40, being more particularly bounded and described in **Schedule A** annexed hereto.

"North Owner" shall mean Kent North Associates LLC.

"Residents " shall mean the residents of the Units in the Schaefer Landing South Condominium and the Schaefer Landing North Condominium.

"Services" shall mean any service provided by the Association.

"South Building", located at 446 Kent Avenue, a/k/a One Schaefer Landing, Brooklyn, New York, Block: 2134 Lot: 38, being more particularly bounded and described in **Schedule B** annexed hereto.

"South Owner" shall mean Kent South Associates LLC.

"Unit" shall mean and refer to all of the residential units located in Schaefer Landing South Condominium or the Schaefer Landing North Condominium.

ARTICLE II. SUBJECT TO THIS DECLARATION

Section 1. The North Building and the South Building shall be held, transferred, sold, conveyed and occupied subject to this Declaration.

Section 2. Additions to the Property by the Association. In the event that additional property becomes available which may be beneficial to the Association, the annexation of such additional property shall require the assent of one hundred percent (100%) of the Members, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty days nor more than sixty days in advance of the meeting setting forth the purpose of the meeting. Members not present may give their written assent to the action taken thereat.

Section 3. Mergers. In the event of a merger or consolidation of the Association with another association, the Association's Community Unit, Property, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, alternatively, the Community Unit, the

Property, rights and obligations or another association may, by operation of law, be added to the Community Unit, the Property, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration on the community Unit, the Property, together with covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants established by this Declaration on the Community Unit and the Property, except as hereinafter provided.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

The Association shall have one class of Members. The Schaefer Landing South Condominium and The Schaefer Landing North Condominium shall, immediately upon filing a declaration of condominium, each automatically become a Member in the Association.

There shall be three (3) Directors of the Home Owners Association. The Schaefer Landing South Condominium shall be entitled to designate one (1) Director. The Schaefer Landing North Condominium shall be entitled to designate two (2) Directors. Each Director shall be entitled to one (1) vote.

ARTICLE IV. PROPERTY RIGHTS IN THE COMMUNITY UNIT

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3, each Member and its Residents (and such Resident's guests, licensees, tenants and invitees) shall have a right and easement of enjoyment with all other Residents in and to the Community Unit.

Section 2. Preservation. In order to preserve and enhance the value of the Community Unit, and all facilities now or hereafter built or installed thereon, shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. The maintenance and repair of the Community Unit shall include, but not be limited to, the repair, replacement and maintenance.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to dedicate or transfer all or any part of the Community Unit to any other homeowners association for such purposes and subject to such conditions as maybe agreed to by the Members.

(b) The right of the South Owner and of the Association to grant and reserve easements and rights-of-way, in, through, under, over and across the Community Unit.

(c) The right of the Association to take such steps as are reasonably necessary to protect the Community Unit against foreclosure.

ARTICLE V. PROPERTY DEVELOPMENT AND THE COMMUNITY UNIT

Section 1. Development of Property. Kent South Associates LLC intends to build on Block: 2134 Lot: 38 a 15 story building containing seventy- five (75) residential units and one (1) community unit. Kent North Associates LLC intends to build on Block: 2134 Lot: 40 a 25 story building containing one hundred and thirty-five (135) residential units.

Section 2. Encroachments on Lots. In the event that any portion of the Community Unit as constructed by Kent Avenue South Associates LLC extends onto any Unit or onto any other Lot, it shall be deemed that the Owner of such Unit has granted a perpetual easement to the for continuing maintenance and use of the Community Unit. The foregoing shall also apply to any replacements of the Community Unit. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

ARTICLE VI. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien. The South Owner and the North Owner, hereby covenant, and each owner whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association such assessments as are fixed by the Associations' Board of Directors and assessed to the Members as hereinafter provided. All sums assessed by the Association but unpaid, together with such interest thereon as is determined by the Board of Directors provided, shall be a charge and a continuing lien upon the South Building and the North Building owned by such Member against which each sum assessment is made. Each such assessment, together with interest thereon and cost of collection thereof, as hereinafter provided shall also be an obligation of the owner of the North Building or South Building at the time when the assessment fell due.

Section 2. Purpose of the Assessment. The assessments levied by the Association shall be used exclusively for the maintenance, repair and replacement of the Property including the payment of taxes (if any), and providing Services and the costs of operating the Association.

Section 3. Assessments. The Association's Board of Directors shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Association and shall send a copy of the budget and any supplement to the budget to each Member prior to assessing the Members thereon. The Board shall determine the total amount required as well as charges to cover any deficits from prior years. The total annual requirements and any supplemental requirements shall be allocated between, assessed to and paid by the Members as follows:

Each Member shall pay a portion of said requirement the numerator of which shall be equal to the number of residential Units within the Member's Building and the denominator of which shall be equal to the sum of the number of residential Units in the South Building plus the North Building. The sum due the Association from the South Building Owner and the North Building Owner shall constitute an assessment of the Board of Directors and unpaid assessments shall constitute liens on the South Building or North Building.

Section 4. Due Dates; Duties of the Board of Directors. All Assessments shall be payable annually in advance or in installments as ordered by the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Member and shall prepare a roster of the Members and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member. Upon the written request of a Member, the Board shall promptly furnish such Member a written statement of the unpaid charges due from such Member.

Section 5. Effect of Non-Payment of Assessment; The Obligation of the Member; The Lien; Remedies of the Association. If an assessment is not paid on the date when due, as fixed by the Board of Directors, then such assessment shall become delinquent and shall, together with late charges and with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on theBuilding which shall bind such Building in the hands of the Member, and its assigns. Such lien shall be prior to all other liens except (a) tax or assessment liens on the Building by the taxing

subdivision of any governmental authority, including but not limited to State and City taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering the Building.

If the assessment is not paid within fifteen (15) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the maximum permissible rate in the State of New York and shall be subject to late charges as set in the manner provided for in the Association's By-Laws and the Association may bring an action at law against the Member obligated to pay the same. There shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fees to be fixed by the court together with the cost of the action.

In the event that a Member defaults under this Declaration, sixty (60) days after the Members receipt of notice, the Association shall have the option of taking any and all administrative, legal and equitable remedies including but not limited to injunction compelling a Member to perform its obligation. In the event that a Member does not perform its obligation, each and every Resident shall be jointly and severally liable and their Unit subject to levy and execution or other enforcement procedure for the satisfaction of any monetary remedies of the Association, provided that such enforcement procedures shall be taken against all of the Units simultaneously, rather than against individual Units.

ARTICLE VII. ARCHITECTURAL CONTROL

No fence, wall or other structure of any kind, or change in landscaping, shall be commenced, erected or maintained upon or in the Property, nor shall any addition to or change, including painting, antennas, satellite dishes and air conditioners, or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, locations of the same shall have been submitted to and approved in writing by the Board of Directors, of the Association, or by an architectural committee composed of three or more representatives appointed by the Board. In the event said Board, or its designated committee fails to approve such design within thirty (30) days after said plans and specification have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VIII. MAINTENANCE

Section 1. Maintenance. The Association shall be responsible for maintaining the Property.

Section 2. Access at Reasonable Hours. For the purpose solely of performing the maintenance required by this Article, or to perform maintenance or make repairs to the Property, the Association, through its duly authorized agents and employees, shall have the right on reasonable notice to enter upon any Unit at reasonable hours, on any day except Sundays and holidays (except that in an emergency situation such notice need not be given and such work may be performed on such days.

Section 3. Abatement of Nuisance. The Association, shall be responsible for the abatement of any nuisance due to the use of the Property that would have an adverse effect on the health, safety and welfare of any adjoining Unit Owners.

ARTICLE IX. INSURANCE

Section 1. Insurance. The Board of Directors shall maintain public liability insurance, which

may include officers and directors liability coverage to the extent obtainable, covering the Association, each Member, and occupants and the managing agent, if any, against liability for any negligent act of commission or omission attributable to them which occurs on or in the Property. All insurance premiums for such coverage shall be paid for by the Association. The Association shall maintain adequate insurance of the Property, for full replacement value, against loss by fire or other hazards.

ARTICLE X. USE OF THE PROPERTY

The use of the Property shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Directors and the following covenants and restrictions:

1. No part of the Property shall be used for other than for the purposes for which the Property was designed.

2. No industry, business, trade, occupation, or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploration or otherwise shall be conducted, maintained, or permitted in any part of the Property except for such ancillary uses as permitted by the New York City Zoning Resolution.

3. No immoral, improper, offensive, or unlawful use shall be made of the Property nor any part thereof and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

4. The maintenance assessments shall be paid when due. A late fee as determined by the Board of Directors will be imposed for late maintenance assessment payments.

ARTICLE XI. GENERAL PROVISIONS

Section 1. Beneficiaries of Easements, Rights and Privileges. The easements, licenses, rights and privileges established, created and granted by this Declaration shall be for the benefit of, and restricted solely to, the Association; and any Member may also grant the benefit of such easement, license, right or privilege to such Member's Residents and guests for the duration of their tenancies or visits, subject to the Rules and Regulations of the Board of Directors, but the same is not intended nor shall it be construed as creating any rights in or for the benefit of the general public.

Section 2. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land of the South Building Owner and the North Building Owner, and shall inure to the benefit of and be enforceable by the Association, or any Member, their respective legal representatives, heirs, successors and assigns, until December 31, 2053, unless otherwise expressly limited or extended herein, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years upon the vote of one hundred percent (100%) of the Members. Any amendment must be properly recorded to be effective.

Section 3. Disposition of Assets upon Dissolution of Association. Upon dissolution of the Association, its real and personal assets, including the Property shall be dedicated to another homeowners association devoted to purposes, as nearly as practicable, the same as those to which they were required to be devoted by the Association. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to

be devoted to purposes, as nearly as practicable, the same as those to which they were required to be devoted by the Association.

Section 4. Notices. Any notice required to be sent to any Member under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the Member on the records of the Association at the time of such mailing.

Section 5. Administration. The administration of the Association shall be in accordance with the provisions of the Association By-Laws which are made a part of this Declaration and attached hereto as **Schedule C**.

Section 6. Severability. Invalidation of any of the covenants, limitations or provisions of this Declaration by judgment or court order shall in no way affect any of the remaining provisions hereof and the same shall continue in full force and effect.

Section 7. Enforcement. The Association or any Member shall have the right to enforce these covenants and restrictions by any proceeding at law or in equity, against any Member violating or attempting to violate any covenant or restriction, to restrain violation, to require specific performance and/or to recover damages; and against the Building and to enforce any lien created by these covenants; and failure by the Association or any Member to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The expense of enforcement by the Association shall be chargeable to the Member violating these covenants and restrictions, and shall constitute a lien on the Building, collectible in the same manner as assessment hereunder.

IN WITNESS WHEREOF, South Owner and North Owner have duly executed this Declaration as of the day and year first above written.

SCHAEFER LANDING SOUTH CONDOMINIUM

By: _____
Name:
Title:

SCHAEFER LANDING NORTH CONDOMINIUM

By: _____
Name:
Title:

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

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

_____
Notary Public

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

On the __ day of _____ in the year 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

SCHEDULE B

BY-LAWS OF THE SCHAEFER LANDING HOMEOWNERS ASSOCIATION INC.

BY-LAWS

OF

THE SCHAEFER LANDING HOMEOWNERS ASSOCIATION INC.,

A New York Not-for-Profit Corporation

ARTICLE I. NAME, LOCATION AND PRINCIPAL OFFICE

These are the By-Laws of The Schaefer Landing Home Owners Association Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 446 Kent Avenue a/k/a One Schaefer Landing, New York, New York.

ARTICLE II. DEFINITIONS

The following words when used in these By-laws shall, unless the context otherwise prohibits, have the meanings set forth below:

"Association" shall mean and refer to Schaefer Landing Homeowners Association Inc., a New York Not-for-Profit Corporation.

"By- Laws" means the By-Laws of the Association as the same may be amended from time to time by the Members of the Association.

"**Board of Directors or Board**" means the board of directors of the Association.

"**Building**" shall mean and refer to the North Building and South Building.

"**Community Unit** " or "**Property**" shall mean and refer to the Community Unit located in 446 Kent Avenue a/k/a One Schaefer Landing, Brooklyn, New York, Block: 2134 Lot: _____ , which includes a fitness center, two (2) accessory lounges, outdoor space. The Community Unit is only intended to be devoted to the common use and enjoyment of the Residents of the South Building and North Building and their permitted guests and is not intended for use by the general public.

"**Member**" shall mean and refer to each holder of a membership interest in the Association, as such interest is set forth in Article III.

"North Building" located at 440 Kent Avenue, Brooklyn, New York, Block: 2134 Lot: 40, being more particularly bounded and described in Schedule A annexed hereto.

"North Owner" shall mean Kent North Associates LLC.

"**Residents**" shall mean the residents of the Units in the Schaefer Landing South Condominium and the Schaefer Landing North Condominium.

"**Services**" shall mean any service provided by the Association.

"**South Building**", located at 446 Kent Avenue a/k/a One Schaefer Landing, Brooklyn, New York, Block: 2134 Lot: 38, being more particularly bounded and described in Schedule B annexed hereto.

"**South Owner**" shall mean Kent South Associates LLC.

"**Unit**" shall mean and refer to all of the residential units located in Schaefer Landing South Condominium or the Schaefer Landing North Condominium.

ARTICLE III. PURPOSE

This Association is formed to own, operate and maintain the Property and Services for the benefit of the Members of the Association.

ARTICLE IV. APPLICABILITY

All present and future Members shall be subject to these By-Laws and to the rules and regulations issued by the Association to govern the conduct of its Members.

ARTICLE V. USE OF FACILITIES

The Property and Services shall be limited to the use of the Residents and their guests. However, in the event that a Resident shall lease or permit another to occupy his Unit, the lessee(s) or occupant(s) shall be permitted to enjoy the use of the Property and Services Services in lieu of and subject to the same restrictions and limitations as said Resident.

ARTICLE VI. MEMBERSHIP AND VOTING RIGHTS

Section I. Membership. The Association shall have one class of members. The Schaefer Landing South Condominium and The Schaefer Landing North Condominium shall each immediately upon filing a declaration of condominium, automatically become a Member in the Association.

There shall be three (3) Directors of the Home Owners Association. The Schaefer Landing South Condominium shall be entitled to designate one (1) Director. The Schaefer Landing North Condominium shall be entitled to designate two (2) Directors. Each Director shall be entitled to one vote.

Section 2. **Suspension of Membership**. The rights of membership are subject to the payment of periodic assessments levied by the Board of Directors, the obligation of which assessment is imposed against each Member and becomes a lien upon the Property of the Member pursuant to the terms of the "Declaration". During any period in which a Member shall be in default in the payment of any assessment levied by the Association, the Member's rights (and therefore the Residents who derive their rights through said Member) to use the Property and Services may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Member may be suspended, after notice and a hearing, for a period not to exceed thirty (30) days, for violation of any rules and regulations.

ARTICLE VII. QUORUM, PROXIES AND WAIVERS

Section 1. **Quorum**. So many Members as shall represent one hundred percent (100%) of the total authorized votes of all Members present in person or represented by written proxy shall be requisite to and shall constitute a quorum at all meetings of the Association for the transaction of business, except as otherwise provided by Statute, by the Declaration, the Certificate of Incorporation of the Association or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Association, the Members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting. At least five (5) days written notice of such adjourned meeting shall be given to all Members. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. At such adjourned meeting, so many members as shall represent at least fifty percent (50%) of the total authorized votes of all Members shall constitute a quorum.

Section 2. **Vote Required to Transact Business.** When a quorum is present at any meeting, the vote of a majority of the Members present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Members, unless the question is one upon which by express provision of the Statute, the Declaration, the Certificate of Incorporation of the Association or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 3. **Right to Vote.** Members shall be entitled to vote either in person or by proxy at any meeting of the Association. Any such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 4. **Proxies**. All proxies shall be in writing and shall be filed with the Secretary of the Association prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 5. **Waiver and Consent**. Wherever the vote of the membership at a meeting is required or permitted by Statute or by any provision of the Declaration, the Certificate of Incorporation of the Association or of these By-Laws to be taken in connection with any action

of the Association, the meeting and vote of the membership may be dispensed with if all Members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 6. Place of Meetings. Meetings shall be held at any suitable place convenient to the Members as may be designated by the Board of Directors and designated in the notices of such meetings.

Section 7. Annual Meetings. The annual meeting of the membership of the Association shall be held on such date as is fixed by the Board of Directors. At such meeting there shall be elected by ballot of the membership a Board of Directors in accordance with the requirements of Article VIII of these By-Laws. The Members may also transact such other business as may properly come before the meeting.

Section 8. Special Meetings. It shall be the duty of the President of the Association to call a special meeting of the Association, if so directed by the Board of Directors, or upon the presentation to the Secretary of the Association of a petition signed by a majority of the Members.

Section 9. Notice of Meetings. It shall be the duty of the Secretary of the Association to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 10. Order of Business. The order of business at all meetings shall be as follows:

(a) Roll call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of officers
(e) Report of committees
(f) Appointment of inspectors of election (in the event there is an election)
(g) Election of Directors (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE VIII. BOARD OF DIRECTORS

Section 1. Number and Term. The number of Directors which shall constitute the whole Board shall be three (3). An initial Board consisting of three (3) Directors shall be designated by the South Owner to serve until the first annual meeting of the Association. At the

first annual meeting and at all subsequent annual meetings the Members shall designate three (3) Directors to serve for one year terms and until their successors have been duly designated and qualified. As required by law, each Director shall be at least eighteen years of age.

Section 2. Designation of Directors. The Schaefer Landing South Condominium shall be entitled to designate one (1) Director. The Schaefer Landing North Condominium shall be entitled to designate two (2) Directors.

Section 3. Vacancy and Replacement. If the office of any Director becomes vacant by reasons of death, resignation, retirement, disqualification, removal from office or otherwise, the designating member may designate a replacement.

Section 4. Removal. Directors may be removed for cause by an affirmative vote of a majority of the Members.

Section 5. Powers.

(a) The property and business of the Association shall be managed by its Board of Directors, which may exercise all such powers of the Association and do all such lawful acts and things as are not by Statute, Declaration, Certificate of Incorporation or by these By-Laws, directed or required to be exercised or done by the Members or Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy annual assessments (**"Association Assessments"**) to cover the cost of operating and maintaining the Community Unit and Services payable in advance annually or in installments as the Board shall determine. The Board of Directors may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses;

2. To collect, use and expend the assessments to maintain, care for, preserve, repair and replace the Property and Services;

3. To make repairs, restore or alter the Community Unit after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

4. To open bank accounts and borrow money on behalf of the Association and to designate the signatories to such bank accounts;

5. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from Members for violations of the rules and regulations herein referred to;

6. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the Members when the Board has approved them in writing and delivered a copy of such rules and all amendments to each Member. Such rules and regulations may without limiting the foregoing include reasonable limitations on the use of the Community Unit and Services by guests of the Residents as well as reasonable admission and other fees for such use;

7. To employ workmen, contractors and supervisory personnel, and to purchase supplies and equipment, to enter into contracts to provide maintenance and other services and generally to have the power of Directors in connection with the matters hereinabove set forth;

8. To bring and defend actions by or against one or more Members and pertinent to the operation of the Association and to assess special assessments to pay the cost of such litigation; and

9. To hire a Managing Agent to perform and exercise the powers of the Board of Directors in the management of the Community Unit and Services.

(b) The Board of Directors may, by resolution or resolutions, passed by a majority of the Board of Directors, designate one or more committees, each of such committee to consist of at least three (3) persons to exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may have power to sign all papers which may be required, provided that the resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Committees established by resolution of the Board of Directors shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, the Board of Directors may not, without the prior written consent of one hundred percent (100%) of the Members: (i) make any addition, alteration or improvement to the Community Unit, or (ii) assess any Association charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, or (iii) enter into any contract to add Services, or (iv) borrow money on behalf of the Association, or (v) purchase any materials, equipment or other goods costing in excess of $1,000.00.

Section 6. Compensation. Directors and officers, as such, shall receive no compensation for their services, but shall be entitled to be reimbursed for reasonable expenses incurred in their performance of their duties, as approved by the Board.

Section 7. Meetings.

(a) The first meeting of each Board which has been newly designated by the Members shall be held immediately upon adjournment of the meeting at which they were

designated, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the annual meeting of Association Members and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without specific notice.

(c) Special meetings of the Board may be called by the President of the Association on two (2) days' notice to each Director either personally, by mail, by telefax or telegram. Special meetings shall be called by the President or the Secretary of the Association in a like manner and on like notice on the written request of at least two (2) Directors.

(d) At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specially provided by Statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum is present.

(e) Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by the Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 8. **Annual Statement**. The Board shall furnish to all Members and shall present annually (at the annual meeting) and when called for by a vote of the members at any special meeting of the members, a full and clear statement of the business conditions and affairs of the Association, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Members and a notice of the holding of the annual meeting of the Association members.

Section 9. **Fidelity Bonds**. The Board shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be an expense of the Association.

ARTICLE IX. OFFICERS

Section 1. **Officers.** The officers of the Association shall be chosen by the Board of Directors and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be members of the Board of Directors.

Section 2. **Election**. The Board of Directors, at its first meeting after each annual meeting of Association Member, shall elect a President, a Vice President, a Secretary and a Treasurer.

Section 3. **Appointive Officers**. The Board may appoint such other officers and agents as the Board shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined form time to time by the Board.

Section 4. **Term.** The officers shall hold office for a period of one year or until their successors are chosen and qualify in their stead. All officers may hold office for multiple successive terms. Any officer elected or appointed by the Board of Directors may be removed with or without cause, at any time, by the affirmative vote of a majority of the Board of Directors present at such meeting, provided prior notice was given to all Board members that this item was on the agenda for such meeting. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. **The President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association Members and the Board of Directors, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Association, shall see that all orders and resolutions of the Board are carried into effect, and shall have such other powers and duties as are usually vested in the office of President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 6. **The Vice President**. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act, and shall have such powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 7. **The Secretary / Treasure.** The Secretary / Treasurer shall attend all sessions of the Board and all meetings of Association Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary / Treasurer shall give, or cause to be given, notice of all meetings of Association Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or by the President. The Secretary / Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Association including the vouchers for such disbursements, and shall deposit all monies, and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. These duties may also be exercised by the Managing Agent, if any. However, such Management Agent shall not replace the Secretary / Treasurer.

The Secretary / Treasurer shall disburse the funds of the Association as the Secretary / Treasurer may be ordered by the Board, making proper vouchers for such disbursements, and shall render to the President and the Directors, at the regular meeting of the Board or whenever they may require it, an account of all the Secretary / Treasurer's transactions as Secretary / Treasurer and of the financial condition of the Association.

The Secretary / Treasurer shall keep detailed financial records and books of account of the Association, including a separate account for each Member, which among other things, shall contain the amount of each assessment, the date when due, the amount paid thereon and the balance remaining unpaid.

Section 8. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Directors.

ARTICLE X. NOTICES

Section 1. Definitions. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Directors or to any Director or Association Member, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Directors, such Director, or such Member, at such address as appears on the books of the Association.

Section 2. Service of Notice - Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or by 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 XI. FINANCES

Section 1. **Checks.** All checks or demands for money and notes of the Association shall be signed by the President and Secretary / Treasurer, or by such other officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 2. **Operating Account.** There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all members. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, betterments, maintenance and other expenses of the Association.

Section 3. **Other Accounts.** The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

ARTICLE XII. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called meeting of Association Members provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment and (2) that the amendment shall be approved by vote of one hundred percent (100%) percent of the Members.

ARTICLE XIII. GENERAL PROVISIONS

Section 1. **Fiscal Year.** The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

Section 2. **Seal.** The Association seal shall have inscribed thereon the name of the Association and the year of its incorporation under the laws of the State of New York. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 3. **Architectural Control.** No building, fence, wall or other structure, or change in landscaping shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to and approved in writing with reference to their having no negative effect on the Property by the Board of Directors of the Association, or by an architectural committee appointed by the Board. In the event the Board, or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Section will be deemed to have been duly complied with.

Section 4. **Examination of Books and Records.** Each Member, or their respective(s), shall be entitled to a reasonable examination of the books and records of the Association at any time upon reasonable notice to its Board of Directors. The Declaration, Certification of Incorporation and the By-Laws of the Association may be examined by each Member at the principal office of the Association.

Section 5. **Construction.** Whenever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so required.

Section 6. Conflict. In the case of any conflict between the Certificate of Incorporation of the Association and these By-Laws, the Certificate of Incorporation of the Association shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 7. Severability. Should any of the covenants, terms or provisions herein imposed be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

DECLARATION OF COVENANTS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS

THE KENT WATERFRONT HOMEOWNERS ASSOCIATION INC.

Declaration of Covenants, Restrictions, Easements, Charges and Liens (the "Declaration") made as of _____ by Kent South Associates LLC, a New York Limited Liability Company, with offices at 2226 First Avenue, New York , New York ("South Owner") and Kent North Associates LLC, a New York limited liability company with offices at 2226 First Avenue, New York, New York ("North Owner"), Kent Affordable Housing LLC, 2226 First Avenue,New York, NY 10029 ("East Residential Unit Owner"), Kent Commercial Owners LLC, 2226 First Avenue, New York, NY 10029 ("Commercial Owners LLC") Kent Parking Owners LLC 2226 First Avenue, New York, NY 10029 ("Parking Owners LLC"), and Kent Waterfront Associates LLC, with offices at 2226 First Avenue, New York, New York ("Property Owner ").

WITNESSETH:

WHERESAS South Owner is the fee owner of the south building, located at 446 Kent Avenue, Brooklyn, New York, Block 2134 f/k/a Lot: 38 now known as lots ____ ("South Building"), North Owner is the fee owner of the north building, located at 440 Kent Avenue, Brooklyn, New York, Block 2134 f/k/a Lot: 40 now known as lots ____ ("North Building"), East Building Residential Owner is the fee owner of the residential condominium unit at 450 Kent Avenue, Brooklyn, New York Block 2134 f/k/a Lot: 37 now known as lot ____ ("East Building Residential Unit"), Kent Commercial Owners LLC is the fee owner of the commercial condominium unit at 460 Kent Avenue, Brooklyn, New York Block 2134 f/k/a Lot: 37 now known as lot ____ ("East Building Commercial Unit"), Kent Parking Owners LLC is the fee owner of the subterranean parking at _____Kent Avenue, Brooklyn, New York Block 2134 Lot: 8041 ("Parking Lot"). The owners of the South Building, North Building, East Building Residential Unit, East Building Commercial Unit, and Parking Lot are together known as "Owners".

WHEREAS, Property Owner is the fee owner of Block 2134 Lot 39("Property"). The Property Owner will transfer the Property to Kent Waterfront Homeowners Association Inc. to be used by the Occupants and Guests of the South Building, North Building, East Building Residential Unit, East Building Commercial Unit and Parking Lot.

WHEREAS, in consideration for the Property Owner transferring the Property to The Kent Waterfront Homeowners Association, Inc. (the "Association"), the Association will be obligated to maintain the public access area ("Public Access Area" or "PAA") pursuant to an Assignment and Assumption Agreement executed by the Property Owner and the Association, whereby the Association has assumed all obligations of Property Owner under a certain Restrictive Declaration, dated July 3, 2003, recorded on July 30, 2003 at ACRIS # 200307180095001E28E7.

WHEREAS, the Owners desire to provide for the preservation of the values and amenities of the Property and to this end, desire to subject the Property described in Article II hereof to the

covenants, restrictions, easements, hereinafter set forth, each and all of which is and are for the benefit of the Members and the Property.

WHEREAS, the Owners have deemed it desirable for the efficient preservation of such Property, to create an association to which should be delegated and assigned the powers of maintaining and administering such facilities and improvements and services ("Services" as hereinafter defined) and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created.

WHEREAS, South Owner has incorporated the Kent Waterfront Homeowners Association Inc. under the Not-For-Profit Corporation laws of the State of New York for the purpose of exercising the aforesaid functions.

NOW, THEREFORE, the Owners have for themselves and their successors and assigns, declared that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as the "covenants and restrictions") hereinafter set forth.

ARTICLE I. DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration shall, unless the context otherwise prohibits, have the meaning set forth below:

"**Association**" shall mean and refer to Kent Waterfront Homeowners Association Inc., a New York Not-for-Profit Corporation.

"**By- Laws**" means the By-Laws of the Association as the same may be amended from time to time by the Members of the Association.

"**Board of Directors or Board**" means the board of directors of the Association.

"East Building Commercial Unit" means the commercial condominium unit at 450 Kent Avenue, Brooklyn, New York Block 2134 f/k/a Lot: 37 now known as lot ____ , being more particularly bounded and described in Schedule A annexed hereto.

"Commercial Unit Owner" shall mean Kent Commercial Owners.

"East Building Residential Unit" the residential condominium unit at 450 Kent Avenue, Brooklyn, New York Block 2134 f/k/a Lot: 37 now known as lot ____, being more particularly bounded and described in Schedule B annexed hereto

"East Building Residential Unit Owner" shall mean Kent Affordable Housing LLC

"Maintenance and Operations Agreement" – shall mean the agreement, dated as of July 3, 2003, between 460 Kent Avenue Development Fund Company, Inc. with the City of New York acting by and through the City of New York Department of Parks and Recreation, as recorded as Exhibit C to

the Restrictive Declaration, dated July 3, 2003, by 460 Kent Avenue Housing Development Fund Company, Inc., recorded on July 30, 2003 at ACRIS # 200307180095001E28E7.

"Member" shall mean and refer to each holder of a membership interest in the Association, as such interest is set forth in Article III.

"**North Building**" located at 440 Kent Avenue, Brooklyn, New York, Block: 2134 Lot: 40, being more particularly bounded and described in Schedule C annexed hereto.

"**North Owner**" shall mean Kent North Associates LLC.

"Parking Lot" shall mean the subterranean parking at _____Kent Avenue, Brooklyn, New York Block 2134 Lot: 8041, being more particularly bounded and described in Schedule D annexed hereto.

"Occupants"- shall mean the residents of the South Building, North Building, East Residential Unit, and the employees, and licensees of the Commercial Unit and Parking Lot.

"Parking Lot Owner" shall mean Kent Parking Owners LLC.

"Property" shall mean and refer to the property known as 2134 Lot:39, being more particularly bounded and described in Schedule E annexed hereto. The Property includes a court yard, driveways, sidewalks, public access area, and security booth. The Property is only intended to be devoted to the common use and enjoyment of the Residents and any permitted guests of the Owners and is not intended for use by the general public.

"Public Access Area" or "PAA" – shall mean the public shore walkway that will be constructed by the New York Economic Development Corporation.

"**Restrictive Declaration** " – shall mean, the declaration dated July 3, 2003, by 460 Kent Avenue Housing Development Fund Company, Inc., recorded on July 30, 2003 at ACRIS # 200307180095001E28E7, and any amendments thereto, as assigned to the Association.

"**Services**" services shall mean any commuter van service provided by the Association.

"South Building", located at 446 Kent Avenue a/k/a One Schaefer Landing, Brooklyn, New York, Block: 2134 Lot: 38, being more particularly bounded and described in Schedule F annexed hereto.

"**South Owner**" shall mean Kent South Associates LLC.

ARTICLE II. SUBJECT TO THIS DECLARATION

Section 1. Each of the Owners' properties shall be conveyed and occupied subject to this Declaration.

Section 2. Additions to the Property by the Association. In the event that additional property becomes available which may be beneficial to the Association, the annexation of such additional property shall require the assent of one hundred percent (100%) of the Members, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty days nor more than sixty days in advance of the meeting setting forth the purpose of the meeting. Members not present may give their written assent to the action taken thereat.

Section 3. Mergers. In the event of a merger or consolidation of the Association with another association, the Association's Property, rights and obligations may, by operation of law, may be transferred to another surviving or consolidated association, or, alternatively, the Property, rights and obligations of another association may, by operation of law, be added to the Property.The surviving or consolidated association may administer the covenants and restrictions established by this Declaration on the Property, together with covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants established by this Declaration on the Property except as hereinafter provided.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

The Association shall have one class of Members. Each of the Owners upon the filing of this Declaration of Covenants and Restrictions, Easements Charges and Liens , with the NYC Registers Office in the County of Kings, City and State of New York shall each automatically become a Member in the Association.

There shall be five (5) Directors of the Home Owners Association. The South Owner, the North Owner, the East Building Residential Unit Owner, the Commercial Unit Owner and the Parking Unit Owner shall each be entitled to designate one (1) Director. Each Director shall be entitled to one (1) vote.

ARTICLE IV. PROPERTY RIGHTS IN THE PROPERTY

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3, each Member and its Occupants (and such Occupant's guests, licensees, tenants and invitees) shall have a right and easement of enjoyment with all other Occupants in and to the Property.

Section 2. Preservation. In order to preserve and enhance the value of the Property, and all facilities now or hereafter built or installed thereon, it shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. The maintenance and repair of the Property shall include, but not be limited to, the repair, replacement and maintenance, including the maintenance and repair of the slab and columns under the Property. Each Member shall be responsible for the repair and maintenance of the slab and columns under their own building. Additionally, the Association shall maintain, repair and replace the PAA in accordance with the terms of the

Maintenance and Operations Agreement, and shall have primary responsibility to comply with the terms of the Restrictive Declaration.

Section 3. **Extent of Members' Easements.** The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to dedicate or transfer all or any part of the Property to any other homeowners association for such purposes and subject to such conditions as maybe agreed to by the Members.

(b) The right of the Property Owner and of the Association to grant and reserve easements and rights-of-way, in, through, under, over and across the Property.

(c) The right of the Association to take such steps as are reasonably necessary to protect the Property against foreclosure.

ARTICLE V. PROPERTY DEVELOPMENT AND THE PROPERTY

Encroachments on Lots. In the event that any portion of the Property extends onto any other tax lot it shall be deemed that the Owner of such tax lot has granted a perpetual easement to the for continuing maintenance and use of the Property. The foregoing shall also apply to any replacements of the Property. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

ARTICLE VI. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. **Creation of the Lien**. Each Owner, whether or not it shall be expressed in a deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association such assessments as are fixed by the Associations' Board of Directors and assessed to the Members as hereinafter provided. All sums assessed by the Association but unpaid, together with such interest thereon as is determined by the Board of Directors provided, shall be a charge and a continuing lien upon the Owner's property against which each sum assessment is made. Each such assessment, together with interest thereon and cost of collection thereof, as hereinafter provided shall also be an obligation of the Owner at the time when the assessment fell due.

Section 2. **Purpose of the Assessment.** The assessments levied by the Association shall be used exclusively for the maintenance, repair and replacement of the Property including the payment of taxes (if any), and providing Services and the costs of operating the Association.

Section 3. **Assessments.** The Association's Board of Directors shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Association and shall send a copy of the budget and any supplement to the budget to each Member prior to assessing the Members thereon. The Board shall determine the total amount required as well as charges to cover any deficits from prior years. The total annual requirements and any supplemental requirements shall be allocated between, assessed to and paid by the Members as follows:

Each Member shall pay its portion of said requirement. The sum due the Association from the Members shall constitute an assessment of the Board of Directors and unpaid assessments shall constitute liens on the Member's property.

Section 4. **Due Dates; Duties of the Board of Directors.** All Assessments shall be payable annually in advance or in installments as ordered by the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Member and shall prepare a roster of the Members and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member. Upon the written request of a Member, the Board shall promptly furnish such Member a written statement of the unpaid charges due from such Member.

Section 5. **Effect of Non-Payment of Assessment;** The Obligation of the Member; The Lien; Remedies of the Association. If an assessment is not paid on the date when due, as fixed by the Board of Directors, then such assessment shall become delinquent and shall, together with late charges and with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property in the hands of the Member, and its assigns. Such lien shall be prior to all other liens except (a)tax or assessment liens on the property by the taxing subdivision of any governmental authority, including but not limited to State and City taxing agencies; and (b)all sums unpaid on any first mortgage of record encumbering the property.

If the assessment is not paid within fifteen (15) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the maximum permissible rate in the State of New York and shall be subject to late charges as set in the manner provided for in the Association's By-Laws and the Association may bring an action at law against the Member obligated to pay the same. There shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fees to be fixed by the court together with the cost of the action.

In the event that a Member defaults under this Declaration, sixty (60) days after the Members receipt of notice, the Association shall have the option of taking any and all administrative, legal and equitable remedies including but not limited to injunction compelling a Member to perform its obligation. In the event that a Member does not perform its obligation, each and every unit owner, if the members property is a condominium, shall be jointly and severally liable and their unit subject to levy and execution or other enforcement procedure for the satisfaction of any monetary remedies of the Association, provided that such enforcement procedures shall be taken against all of the units simultaneously, rather than against individual units.

ARTICLE VII. ARCHITECTURAL CONTROL

No fence, wall or other structure of any kind, or change in landscaping, shall be commenced, erected or maintained upon or in the Property, nor shall any addition to or change, including painting, antennas, satellite dishes and air conditioners, or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, locations of the same shall have been submitted to and approved in writing by the Board of Directors, of the Association, or by an

architectural committee composed of three or more representatives appointed by the Board. In the event said Board, or its designated committee fails to approve such design within thirty (30) days after said plans and specification have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VIII. MAINTENANCE

Section 1. **Maintenance**. The Association shall be responsible for maintaining the Property.

Section 2. **Access at Reasonable Hours.** For the purpose solely of performing the maintenance required by this Article, or to perform maintenance or make repairs to the Property, the Association, through its duly authorized agents and employees, shall have the right on reasonable notice to enter upon any Unit at reasonable hours, on any day except Sundays and holidays (except that in an emergency situation such notice need not be given and such work may be performed on such days.

Section 3. **Abatement of Nuisance.** The Association, shall be responsible for the abatement of any nuisance due to the use of the Property that would have an adverse effect on the health, safety and welfare of any adjoining Unit Owners.

ARTICLE IX. INSURANCE

Section 1. **Insurance**. The Board of Directors shall maintain public liability insurance, which may include officers and directors liability coverage to the extent obtainable, covering the Association, each Member, and occupants and the managing agent, if any, against liability for any negligent act of commission or omission attributable to them which occurs on or in the Property. All insurance premiums for such coverage shall be paid for by the Association. The Association shall maintain adequate insurance of the Property, for full replacement value, against loss by fire or other hazards.

ARTICLE X. USE OF THE PROPERTY

The use of the Property shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Directors and the following covenants and restrictions:

1. No part of the Property shall be used for other than for the purposes for which the Property was designed.

2. No industry, business, trade, occupation, or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploration or otherwise shall

be conducted, maintained, or permitted in any part of the Property except for such ancillary uses as permitted by the New York City Zoning Resolution.

3. No immoral, improper, offensive, or unlawful use shall be made of the Property nor any part thereof and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.

4. The maintenance assessments shall be paid when due. A late fee as determined by the Board of Directors will be imposed for late maintenance assessment payments.

ARTICLE XI. GENERAL PROVISIONS

Section 1. Beneficiaries of Easements, Rights and Privileges. The easements, licenses, rights and privileges established, created and granted by this Declaration shall be for the benefit of, and restricted solely to, the Association; and any Member may also grant the benefit of such easement, license, right or privilege to such Member's Residents and guests for the duration of their tenancies or visits, subject to the Rules and Regulations of the Board of Directors, but the same is not intended nor shall it be construed as creating any rights in or for the benefit of the general public.

Section 2. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land of the Owners, and shall inure to the benefit of and be enforceable by the Association, or any Member, their respective legal representatives, heirs, successors and assigns, until December31, 2053, unless otherwise expressly limited or extended herein, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years upon the vote of one hundred percent (100%) of the Members. Any amendment must be properly recorded to be effective.

Section 3. Disposition of Assets upon Dissolution of Association. Upon dissolution of the Association, its real and personal assets, including the Property shall be dedicated to another homeowners association devoted to purposes, as nearly as practicable, the same as those to which they were required to be devoted by the Association. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes, as nearly as practicable, the same as those to which they were required to be devoted by the Association.

Section 4. Notices. Any notice required to be sent to any Member under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the Member on the records of the Association at the time of such mailing.

Section 5. Administration. The administration of the Association shall be in accordance with the provisions of the Association By-Laws which are made a part of this Declaration and attached hereto as Schedule B.

Section 6. Severability. Invalidation of any of the covenants, limitations or provisions of this Declaration by judgment or court order shall in no way affect any of the remaining provisions hereof and the same shall continue in full force and effect.

Section 7. Enforcement. The Association or any Member shall have the right to enforce these covenants and restrictions by any proceeding at law or in equity, against any Member violating or attempting to violate any covenant or restriction, to restrain violation, to require specific performance and/or to recover damages; and against the Building and to enforce any lien created by these covenants; and failure by the Association or any Member to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The expense of enforcement by the Association shall be chargeable to the Member violating these covenants and restrictions, and shall constitute a lien on the property of the Owner, collectible in the same manner as assessment hereunder.

IN WITNESS WHEREOF, the Owners and the Property Owner have duly executed this Declaration as of the day and year first above written.

KENT SOUTH ASSOCIATES LLC

By: _____
Name:
Title:

KENT NORTH ASSOCIATES LLC,

By: _____
Name:
Title:

KENT AFFORDABLE HOUSING LLC

By: _____
Name:
Title:

KENT COMMERCIAL OWNERS LLC

By: _____
Name:
Title:

KENT PARKING OWNERS LLC

By: _____
Name:
Title:

KENT WATERFRONT ASSOCIATES LLC

By: _____
Name:
Title:

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

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

_____
Notary Public

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

On the __ day of _____in the year 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 _____)

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

_____
Notary Public

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

On the __ day of _____in the year 2003 before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

On the __ day of _____in the year 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 _____)

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

_____
Notary Public

SCHEDULE A

PROPERTY DESCRIPTION

BY-LAWS

OF

THE KENT WATERFRONT HOMEOWNERS ASSOCIATION INC.,

A New York Not-for-Profit Corporation

ARTICLE I. NAME, LOCATION AND PRINCIPAL OFFICE

These are the By-Laws of The Kent Waterfront Homeowners Association Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 446 Kent Avenue a/k/a One Schaefer Landing, Brooklyn, New York.

ARTICLE II. DEFINITIONS

The following words when used in these By-laws shall, unless the context otherwise prohibits, have the meanings set forth below:

"Association" shall mean and refer to Kent Waterfront Homeowners Association Inc., a New York Not-for-Profit Corporation.

"**By- Laws**" means the By-Laws of the Association as the same may be amended from time to time by the Members of the Association.

"**Board of Directors or Board**" means the board of directors of the Association.

"Commercial Unit" means the commercial condominium unit at 450 Kent Avenue, Brooklyn, New York Block 2134 f/k/a Lot: 37 now known as lot ____ , being more particularly bounded and described in Schedule A annexed hereto.

"Commercial Unit Owner" shall mean Kent Commercial Owners.

"East Residential Unit" the residential condominium unit at 450 Kent Avenue, Brooklyn, New York Block 2134 f/k/a Lot: 37 now known as lot ____, being more particularly bounded and described in Schedule B annexed hereto

"East Residential Unit Owner" shall mean Kent Affordable Housing LLC

"**Member**" shall mean and refer to each holder of a membership interest in the Association,

as such interest is set forth in Article III.

"**North Building**" located at 440 Kent Avenue, Brooklyn, New York, Block: 2134 Lot: 40, being more particularly bounded and described in Schedule C annexed hereto.

"**North Owner**" shall mean Kent North Associates LLC.

"Parking Lot" shall mean the subterranean parking at _____Kent Avenue, Brooklyn, New York Block 2134 Lot: 8041, being more particularly bounded and described in Schedule D annexed hereto.

"Public Access Area" or "PAA"- Public Shore walkway which will be constructed by the New York City Economic Development Corporation.

"Occupants"- shall mean the residents of the South Building, North Building, East Residential Unit, and the employees, and licensees of the Commercial Unit and Parking Lot.

"Parking Lot Owner" shall mean Kent Parking Owners LLC.

"**Property**" shall mean and refer to the property known as 2134 Lot:39, being more particularly bounded and described in Schedule E annexed hereto. The Property includes a court yard, driveways, sidewalks, public access area, and security booth. The Property is only intended to be devoted to the common use and enjoyment of the Residents and any permitted guests of the Owners and is not intended for use by the general public.

"**Services**" services shall mean any commuter van service provided by the Association.

"**South Building**", located at 446 Kent Avenue, Brooklyn, New York, Block: 2134 Lot: 38, being more particularly bounded and described in Schedule F annexed hereto.

"**South Owner**" shall mean Kent South Associates LLC.

ARTICLE IV. APPLICABILITY

All present and future Members shall be subject to these By-Laws and to the rules and regulations issued by the Association to govern the conduct of its Members.

ARTICLE V. USE OF FACILITIES

The Property and Services shall be limited to the use of the Occupants and their guests. However, in the event that a Occupant shall lease or permit another to occupy his unit, the lessee(s)

or occupant(s) shall be permitted to enjoy the use of the Property and Services Services in lieu of and subject to the same restrictions and limitations as said Occupant.

ARTICLE VI. MEMBERSHIP AND VOTING RIGHTS

Section 1. **Membership**. The Association shall have one class of members. The South Building, the North Building, the Parking Lot, the Commercial Unit and the East Residential Unit shall each immediately and automatically become a Member upon the closing of title to the first unit in the South Building.

There shall be five (5) Directors of the Home Owners Association. The South Building, the North Building, the Parking Lot, the East Residential Unit and the Commercial Unit shall each be entitled to designate one (1) Director. Each Director shall be entitled to one vote.

Section 2. **Suspension of Membership**. The rights of membership are subject to the payment of periodic assessments levied by the Board of Directors, the obligation of which assessment is imposed against each Member and becomes a lien upon the Property of the Member pursuant to the terms of the "Declaration". During any period in which a Member shall be in default in the payment of any assessment levied by the Association, the Member's rights (and therefore the Occupants who derive their rights through said Member) to use the Property and Services may be suspended by the Board of Directors until such assessment has been paid. Such rights of a Member may be suspended, after notice and a hearing, for a period not to exceed thirty (30) days, for violation of any rules and regulations.

ARTICLE VII. QUORUM, PROXIES AND WAIVERS

Section 1. **Quorum**. So many Members as shall represent one hundred percent (100%) of the total authorized votes of all Members present in person or represented by written proxy shall be requisite to and shall constitute a quorum at all meetings of the Association for the transaction of business, except as otherwise provided by Statute, by the Declaration, the Certificate of Incorporation of the Association or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Association, the Members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting. At least five (5) days written notice of such adjourned meeting shall be given to all Members. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. At such adjourned meeting, so many members as shall represent at least fifty percent (50%) of the total authorized votes of all Members shall constitute a quorum.

Section 2. **Vote Required to Transact Business**. When a quorum is present at any meeting, the vote of a majority of the Members present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Members, unless the question is one upon which by express provision of the Statute, the Declaration,

the Certificate of Incorporation of the Association or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 3. **Right to Vote**. Members shall be entitled to vote either in person or by proxy at any meeting of the Association. Any such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 4. **Proxies**. All proxies shall be in writing and shall be filed with the Secretary of the Association prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 5. **Waiver and Consent**. Wherever the vote of the membership at a meeting is required or permitted by Statute or by any provision of the Declaration, the Certificate of Incorporation of the Association or of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of the membership may be dispensed with if all Members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 6. **Place of Meetings**. Meetings shall be held at any suitable place convenient to the Members as may be designated by the Board of Directors and designated in the notices of such meetings.

Section 7. **Annual Meetings**. The annual meeting of the membership of the Association shall be held on such date as is fixed by the Board of Directors. At such meeting there shall be elected by ballot of the membership a Board of Directors in accordance with the requirements of Article VIII of these By-Laws. The Members may also transact such other business as may properly come before the meeting.

Section 8. **Special Meetings**. It shall be the duty of the President of the Association to call a special meeting of the Association, if so directed by the Board of Directors, or upon the presentation to the Secretary of the Association of a petition signed by a majority of the Members.

Section 9. **Notice of Meetings**. It shall be the duty of the Secretary of the Association to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 10. Order of Business. The order of business at all meetings shall be as follows:

(a) Roll call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of officers
(e) Report of committees

(f) Appointment of inspectors of election (in the event there is an election)
(g) Election of Directors (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE VIII. BOARD OF DIRECTORS

Section 1. Number and Term. The number of Directors which shall constitute the whole Board shall be five (5). An initial Board consisting of three (3) Directors shall be designated by the South Building Owner to serve until the first annual meeting of the Association. At the first annual meeting and at all subsequent annual meetings the Members shall designate five (5) Directors to serve for one year terms and until their successors have been duly designated and qualified. As required by law, each Director shall be at least eighteen years of age.

Section 2. Designation of Directors. There shall be five (5) Directors of the Home Owners Association. The South Building, the North Building, the Parking Lot, the East Residential Unit and the Commercial Unit shall each be entitled to designate one (1) Director.

Section 3. Vacancy and Replacement. If the office of any Director becomes vacant by reasons of death, resignation, retirement, disqualification, removal from office or otherwise, the designating member may designate a replacement.

Section 4. Removal. Directors may be removed for cause by an affirmative vote of a majority of the Members.

Section 5. Powers.

(a) The property and business of the Association shall be managed by its Board of Directors, which may exercise all such powers of the Association and do all such lawful acts and things as are not by Statute, Declaration, Certificate of Incorporation or by these By-Laws, directed or required to be exercised or done by the Members or Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy annual assessments ("Association Assessments") to cover the cost of operating and maintaining the Property and Services payable in advance annually or in installments as the Board shall determine. The Board of Directors may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses;

2. To collect, use and expend the assessments to maintain, care for, preserve, repair and replace the Property and Services;

3. To make repairs, restore or alter the Property after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

4. To open bank accounts and borrow money on behalf of the Association and to designate the signatories to such bank accounts;

5. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from Members for violations of the rules and regulations herein referred to;

6. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the Members when the Board has approved them in writing and delivered a copy of such rules and all amendments to each Member. Such rules and regulations may without limiting the foregoing include reasonable limitations on the use of the Property and Services by guests of the Occupants as well as reasonable admission and other fees for such use;

7. To employ workmen, contractors and supervisory personnel, and to purchase supplies and equipment, to enter into contracts to provide maintenance and other services and generally to have the power of Directors in connection with the matters hereinabove set forth;

8. To bring and defend actions by or against one or more Members and pertinent to the operation of the Association and to assess special assessments to pay the cost of such litigation; and

9. To hire a Managing Agent to perform and exercise the powers of the Board of Directors in the management of the Property and Services.

(b) The Board of Directors may, by resolution or resolutions, passed by a majority of the Board of Directors, designate one or more committees, each of such committee to consist of at least three (3) persons to exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may have power to sign all papers which may be required, provided that the resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Committees established by resolution of the Board of Directors shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, the Board of Directors may not, without the prior written consent of one hundred percent (100%) of the Members: (i) make any addition, alteration or improvement to the Property, or (ii) assess any Association charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, or (iii) enter into any contract to add Services, or (iv) borrow money on behalf of the Association, or (v) purchase any materials, equipment or other goods costing in excess of $1,000.00.

Section 6. **Compensation**. Directors and officers, as such, shall receive no compensation for their services, but shall be entitled to be reimbursed for reasonable expenses incurred in their performance of their duties, as approved by the Board.

Section 7. **Meetings.**

(a) The first meeting of each Board which has been newly designated by the Members shall be held immediately upon adjournment of the meeting at which they were designated, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the annual meeting of Association Members and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without specific notice.

(c) Special meetings of the Board may be called by the President of the Association on two (2) days' notice to each Director either personally, by mail, by telefax or telegram. Special meetings shall be called by the President or the Secretary of the Association in a like manner and on like notice on the written request of at least two (2) Directors.

(d) At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specially provided by Statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum is present.

(e) Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by the Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 8. **Annual Statement**. The Board shall furnish to all Members and shall present annually (at the annual meeting) and when called for by a vote of the members at any special meeting of the members, a full and clear statement of the business conditions and affairs of the Association, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Members and a notice of the holding of the annual meeting of the Association members.

Section 9. **Fidelity Bonds**. The Board shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be an expense of the Association.

ARTICLE IX. OFFICERS

Section 1. **Officers**. The officers of the Association shall be chosen by the Board of Directors and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be members of the Board of Directors.

Section 2. **Election**. The Board of Directors, at its first meeting after each annual meeting of Association Member, shall elect a President, a Vice President, a Secretary and a Treasurer.

Section 3. **Appointive Officers**. The Board may appoint such other officers and agents as the Board shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined form time to time by the Board.

Section 4. **Term**. The officers shall hold office for a period of one year or until their successors are chosen and qualify in their stead. All officers may hold office for multiple successive terms. Any officer elected or appointed by the Board of Directors may be removed with or without cause, at any time, by the affirmative vote of a majority of the Board of Directors present at such meeting, provided prior notice was given to all Board members that this item was on the agenda for such meeting. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. **The President**. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association Members and the Board of Directors, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Association, shall see that all orders and resolutions of the Board are carried into effect, and shall have such other powers and duties as are usually vested in the office of President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 6. **The Vice President**. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act, and shall have such powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 7. **The Secretary**. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all meetings of Association Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of Association Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or by the President, under whose supervision the Secretary shall be.

Section 8. **The Treasurer**. The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Association including the vouchers for such disbursements, and shall deposit all monies, and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. These duties may also be exercised by the Managing Agent, if any. However, such Management Agent shall not replace the Treasurer.

The Treasurer shall disburse the funds of the Association as the Treasurer may be ordered by the Board, making proper vouchers for such disbursements, and shall render to the President and the Directors, at the regular meeting of the Board or whenever they may require it, an account of all the Treasurer's transactions as Treasurer and of the financial condition of the Association.

The Treasurer shall keep detailed financial records and books of account of the Association, including a separate account for each Member, which among other things, shall contain the amount of each assessment, the date when due, the amount paid thereon and the balance remaining unpaid.

Section 9. **Agreements, etc**. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Directors.

ARTICLE X. NOTICES

Section 1. **Definitions**. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Directors or to any Director or Association Member, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Directors, such Director, or such Member, at such address as appears on the books of the Association.

Section 2. **Service of Notice or Waiver**. Whenever any notice is required to be given under the provisions of the Declaration, or by 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 XI. FINANCES

Section 1. **Checks**. All checks or demands for money and notes of the Association shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 2. **Operating Account**. There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all members. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, betterments, maintenance and other expenses of the Association.

Section 3. **Other Accounts**. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

ARTICLE XII. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called meeting of Association Members provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment and (2) that the amendment shall be approved by vote of one hundred percent (100%) percent of the Members.

ARTICLE XIII. GENERAL PROVISIONS

Section 1. **Fiscal Year**. The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

Section 2. **Seal.** The Association seal shall have inscribed thereon the name of the Association and the year of its incorporation under the laws of the State of New York. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 3. **Architectural Control**. No building, fence, wall or other structure, or change in landscaping shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration thereto be made until the plans and specifications showing the nature, kind, shape, height, materials, color and locations of the same shall have been submitted to and approved in writing with reference to their having no negative effect on the Property by the Board of Directors of the Association, or by an architectural committee appointed by the Board. In the event the Board, or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Section will be deemed to have been duly complied with.

Section 4. **Examination of Books and Records**. Each Member, or their respective(s), shall be entitled to a reasonable examination of the books and records of the Association at any time upon reasonable notice to its Board of Directors. The Declaration, Certification of Incorporation and the By-Laws of the Association may be examined by each Member at the principal office of the Association.

Section 5. **Construction**. Whenever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so required.

Section 6. **Conflict**. In the case of any conflict between the Certificate of Incorporation of the Association and these By-Laws, the Certificate of Incorporation of the Association shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 7. Severability. Should any of the covenants, terms or provisions herein imposed be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

METROPOLITAN VALUATION SERVICES

REAL ESTATE CONSULTING AND APPRAISAL

October 22, 2004

Mr. Donald Cappocia
Kent Waterfront Associates
c/o BFC Construction
2226 First Avenue
New York, NY 10029

re: **MVS # 04-0386**
Post-Development Real Estate Tax Assessment
440 Kent Avenue aka Two Schaefer Landing
Block 2134 new lot 40
The Schaefer Landing North Condominium
Brooklyn, New York

Dear Mr. Cappocia:

You have requested us to estimate the prospective real estate tax assessment for 440 Kent Avenue, the Schaefer Landing North Condominium (herein referred to as the 'subject property'), assuming its initial year of operation as residential condominium units during the 2ND quarter of calendar year 2006. The subject property will be developed as part of the 107,525 square foot vacant development site located with frontages along the East River and the west side of Kent Avenue between South Eighth and South Eleventh Streets in the Williamsburg neighborhood of northwest Brooklyn. The subject property is allocated 11,062 square feet of the site area for the construction of its respective improvement.

Upon completion of the proposed construction, the site-wide improvements are scheduled to contain (2) structures completed in (2) phases containing an aggregate of approximately 350 residential units, employee unit(s), a retail unit, a below-grade parking garage, and amenities. Phase I will be comprised of Low-Income Rental units (LI Units) plus the Schaefer Landing South Condominium. Condominium units within Phases I and II will be designed and offered as market-rate condominium units. Amenities are scheduled to include a non-exclusive waterfront esplanade (which will be open to the public), a landscaped courtyard area, a fitness center/resident lounge and a 24-hour security presence.

Phase I will be comprised of an "L" shaped structure separated by an internal party wall. Phase I is to be comprised of a 15-story, 140-unit mixed-use residential structure occupying the southeastern portion of the site with frontage along Kent Avenue; and, a 14-story, 74-unit residential structure plus superintendent apartment and fitness center/lounge unit occupying the southwestern portion of the site with frontage along the East River. Phase II, the subject property, is to consist of a 24-story, 135-unit structure occupying the northwestern portion of the site with frontage along the East River.

The (2) phases are scheduled to contain an aggregate gross building area (GBA) of 545,432 square feet. According to material provided by you, the gross building area for the Schaefer Landing North Condominium is 232,124 square feet, of which the residential units are allocated 172,270 square feet of building area. The balance of the subject property building area is allocated to common area elements. **This analysis provides you with an overall prospective assessed taxable value *only* for the subject property (block 2134 new lot 40).**

It has been the practice of the Real Property Assessment Department of the City of New York to review the assessed valuation of newly constructed buildings for condominium use. While there is a formula, which has been utilized by the Real Property Assessment Department in reassessing such properties in the past, it has not been employed consistently, and it is therefore not possible to estimate or determine the post-conversion assessed valuation of this property with any degree of certainty. However, the estimates presented below are based upon current policies and practices of that department.

All prospective purchasers are advised that although the estimate of assessed valuation upon completion is a good-faith estimate, such assessed valuation, when actually made, may be less or greater than as estimated herein.

You have advised us of the following facts regarding this project:

> The proposed improvements are scheduled to contain a 24-story elevatored residential apartment building that will be operated as a condominium.
>
> The unit mix will include 135 apartments, comprised predominately of 2-bedroom 2-bath apartments plus access to the fitness center/lounge unit in the Phase I building. Amenities will include a laundry room and an exterior courtyard recreation area.
>
> An application for participation in the 421-a partial real estate tax exemption benefits program is being made. Section 421-a of the New York State Real Property Tax Law (the 421-a plan) was originally enacted in 1971 as an incentive for the construction of multiple dwellings by providing real estate tax benefits in the form of partial tax exemptions to the owners of the property. New multiple dwellings, except hotels, are eligible for benefits if construction commenced on or after January 1, 1975 and is commenced no later than December 31, 2007.

It is noted that as of the date of this report the subject building was in the planning stages of developing the offering plan pursuant to the conversion of the premises as condominium. Understanding that occupancy for the entire structure is projected for the 4th quarter of 2006, the subject building may be fully assessed for the tax year 2007/08, at which time the assessed valuation for the entire premises would be established. In the event completion of construction is delayed for any reason, it is possible that the projected 2007/08 assessed valuation may be lower than as estimated herein.

The following analysis addresses the estimate of prospective real estate tax assessment and liability for the apartments within the subject property both assuming participation in the partial real estate tax exemption benefits program ("421-a") and assuming the facility does not receive such 421-a benefit.

The New York City Department of Housing Preservation and Development has determined that the subject property, when completed, would be eligible for a 25-year benefit period. Interested parties should refer to sponsor's counsel's letter in the Real Estate Tax Benefits section of the offering plan for more descriptive text concerning the applicable portion of the Section 421-a of the Real Property Tax Law.

This letter only addresses the prospective tax assessment for the initial year of the subject property's operation as condominium.

Based on public records, the actual assessed value for the land and improvements comprising Lot 40 was $72,519 for the 2003/04 fiscal tax year. Per the rules for 421-a benefit calculation, the 2003/04 tax year assessment noted would form the basis for the post-development tax liability. For purposes of this analysis, the noted assessed value is used as a proxy for the post-development land assessed value as if the 421-a benefit was not awarded.

The subject property will be converted to condominium ownership. Condominium ownership, as defined by the Appraisal Institute in The Dictionary of Real Estate Appraisal, 3rd Edition Chicago, Illinois, is a form of fee ownership of separate units or portions of multi-unit buildings that provides for formal filing and recording of a divided interest in real property, and/or a multiunit structure of property in which persons hold fee simple title to individual units and an undivided interest in common areas.

The subject property will be classified for real estate tax assessment purposes as a Class II category (All residential real property). The Class II tax rate for the 1996/97 tax year was $11.056 per $100.00 of assessed value, demonstrating a 2.3% increase in the tax rate from the previous year. The Class II tax rate for the 1997/1998 tax year was $11.046 per $100.00 of assessed value, displaying a decrease of 0.1%. The tax rate for the 1998/99 tax year was $10.739 per $100.00 of assessed value, illustrating a decrease of 2.8%. The 1999/00 tax rate was $10.851 per $100.00 of assessed value, demonstrating a slight increase of 1.0%. The 2000/01 tax rate is $10.847 per $100.00 of assessed value, demonstrating a decrease of 3.7%. The 2001/02 tax rate was $10.792 per $100.00 of assessed value, demonstrating a nominal decrease of 0.51%. The Class II tax rate for the 2002/03 fiscal year is $12.517 per $100.00 of assessed value, demonstrating a significant 15.98% increase over the previous year. The tax rate for the 2003/04 fiscal year has been recently announced at 12.620%, a nominal 0.8% increase from the 2002/03 fiscal year rate.

The slowing of the tax rate increase for Class II real estate tax rates through the 2001/02 fiscal year comes after numerous attempts by local groups and political leaders to devise a more equitable distribution of the tax burden over the various property classifications. The Class II tax rate for the 2002/03 fiscal year represented a 15.98% increase over the previous year. The sharp increase was a response to the city's prevailing fiscal crisis stemming from the regional and national economic climate. Although the 2003/04 tax rate illustrates only a nominal upward increase, concerns for further rate increase may be mitigated if the local economy improves.

There are three recognized appraisal methods that are employed by the Real Property Assessment Department to determine the full market value of income producing real property. These methods are the original cost method, capitalization of income approach, and the sales price comparison method.

The original cost method is based on the theory that the value of a given property is reflected by its cost of construction plus the acquisition cost of the underlying land. This method of valuation is considered a highly significant indicator of value with respect to new buildings. Relevant data used in the cost method include material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees, construction period taxes ("soft") costs. However, the judgment required

for site acquisition, site remediation and infrastructure construction cost allocations among the 3 phases noted may be deemed speculative.

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in competing investment, yields a close estimate of the market value of the property. This is considered a superior approach for rental investment properties.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. However, the addition of sales price of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation. The standard for assessment for residential cooperative and condominium structures is set forth in Real Property Tax Law 581. In essence, the standard of assessment prescribed by statute for cooperative and condominium structures is that these buildings are to be assessed in the same manner as are rental apartment buildings. Further, the statutes provide that the sale price of a cooperative building as an entity and the sale of a condominium units are not the measure of value for assessment purposes. Additionally, a comparison of prevailing real estate tax assessment for comparable condominiums has been considered.

Since the1982/83 tax year, Real Property Tax Law Section 1805 (3) provides for the creation of a transitional assessment system within the City of New York. Under the transitional assessment system, any increase in the assessed value of a property is phased in over a five-year period in equal annual installments. However, the statute requires the Finance Department to include all physical (new construction, renovation, rehabilitation or addition of square footage to existing structures) changes directly in the taxable assessed valuation without the five-year phase-in. The "actual assessment" is the target value, which will be reached at the end of the five-year period, assuming the assessment is not increased in the interim. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transitional assessed valuation.

In arriving at the assessed valuation, elements germane to traditional valuation methodologies were employed. This process examines development costs and land values; and, extrinsic indicia of value, including local inflation rates, location qualities, square footage, functionality of the improvements, scheduled amenities, net income producing potential and comparability to recently constructed facilities converted to condominium.

Reconciliation of the three approaches to valuation discussed above included review of actual 2002/03 and 2003/04 assessment valuations for comparable conversions of past and recently converted and/or constructed multiple dwelling condominium facilities in the immediate vicinity of the subject, which justifies an overall prospective assessed valuation for the facility of ***$30.00*** per square foot of apartment floor area allocated to the 135-unit total for the 2007/08 tax year. Based on the aggregate residential 172,270 square feet of floor area noted, this equates to approximately $5,168,100 as the aggregate prospective taxable assessed value for the residential apartments within the subject property. The aggregate assessed value is allocated based on the percentage of interest for the condominium elements.

As discussed, the subject property will be classified as a Tax Class II property and subject to the prevailing tax rate. The current Class II rate is $12.620 per $100.00 of assessed value for the tax year 2003/04. It is not possible at this time to predict the tax rate applicable to the tax year 2007/08, except to note that the city's economic crisis which sparked the recent dramatic increase in the tax rate is not expected to ease in the near term. We have assumed, for the purpose of this tax projection that the residential Class II rate will remain as noted through the 2003/04 tax year, with a 2.0% annualized inflation applied to project the 2007/08 tax year rate. This equates to a blended rate of $13.66 per $100.00 of assessed value.

Real property taxes are payable semi-annually, on July 1, and January 1 (the City operates on a fiscal year commencing July 1 and ending June 30). Taxes payable during calendar year 2007 will be comprised of the tax due for the second-half 2006/07 and the first-half 2007/08 tax year. For budgeting purposes for the initial year's operation as condominium, however, taxes payable are estimated as coincident with the stated 2007/08 New York City real property tax year. The tax liability is paid by the individual condominium apartment owners.

Additionally, the condominium association will be responsible, on a pro rata basis, for the real estate taxes allocated to the landscaped courtyard area (new Lot 39), or HOA Recreation Area. Based on the actual $225,264 assessed value for new Lot 39, the pro rata allocation to the subject property equates prospectively to approximately $144,813, which, based on the projected tax rate, equates to $19,781 in annualized taxes for the 2008/07 tax year. The remainder of the taxes on Lot 39 will be the responsibility of Phase I. The pro rata allocation for the HOA Recreation Area real estate taxes is based on the respective number of salable residential units for each phase.

- Prospective purchasers are advised that this valuation estimate assumes that the taxing authority is assessing a post-conversion occupied building and is not intended to reflect any "progress" or interim valuation.

Taxes payable during the initial year of condominium operation for the December 2006 through November 2007 fiscal year is projected in the table on the following pages.

The Schaefer Landing North Condominium
Post-Construction Real Estate Tax Assessment

Unit	Allocated Area (Sq.Ft.)	Projected Assessed Value per Unit	Land	Improvements	Projected RE Tax Liability w/o 421a (Annual)	Projected RE Tax Liability w/ 421a (Annual)	Projected RE Tax Liability w/o 421a (Monthly)	Projected RE Tax Liability w/ 421a (Monthly)
HOA Recreation Area	-	-	-	-	$19,781	$19,781	$1,648	$1,648
1A	1,270	$38,050	$485	$37,565	$5,198	$66	$433	$6
1B	1,460	$43,798	$613	$43,185	$5,983	$84	$499	$7
1C	1,175	$35,248	$493	$34,755	$4,815	$67	$401	$6
1D	836	$25,043	$315	$24,728	$3,421	$43	$285	$4
1E	890	$26,660	$335	$26,325	$3,642	$46	$303	$4
2A	1,270	$38,052	$487	$37,565	$5,198	$67	$433	$6
2B	1,460	$43,744	$559	$43,185	$5,975	$76	$498	$6
2C	1,175	$35,205	$450	$34,755	$4,809	$61	$401	$5
2D	1,650	$49,500	$695	$48,805	$6,762	$95	$563	$8
2E	1,246	$37,332	$477	$36,855	$5,100	$65	$425	$5
2F	860	$25,767	$329	$25,438	$3,520	$45	$293	$4
3A	1,270	$38,057	$492	$37,565	$5,199	$67	$433	$6
3B	1,460	$43,750	$565	$43,185	$5,976	$77	$498	$6
3C	1,175	$35,210	$455	$34,755	$4,810	$62	$401	$5
3D	1,222	$36,619	$473	$36,146	$5,002	$65	$417	$5
3E	1,246	$37,338	$483	$36,855	$5,100	$66	$425	$5
3F	860	$25,771	$333	$25,438	$3,520	$45	$293	$4
4A	1,270	$38,062	$497	$37,565	$5,199	$68	$433	$6
4B	1,460	$43,757	$572	$43,185	$5,977	$78	$498	$7
4C	1,175	$35,215	$460	$34,755	$4,810	$63	$401	$5
4D	1,222	$36,624	$478	$36,146	$5,003	$65	$417	$5
4E	1,246	$37,343	$488	$36,855	$5,101	$67	$425	$6
4F	860	$25,775	$337	$25,438	$3,521	$46	$293	$4
5A	1,270	$38,068	$503	$37,565	$5,200	$69	$433	$6
5B	1,460	$43,763	$578	$43,185	$5,978	$79	$498	$7
5C	1,175	$35,220	$465	$34,755	$4,811	$64	$401	$5
5D	1,222	$36,630	$484	$36,146	$5,004	$66	$417	$6
5E	1,246	$37,348	$493	$36,855	$5,102	$67	$425	$6
5F	860	$25,778	$340	$25,438	$3,521	$46	$293	$4
6A	1,270	$38,073	$508	$37,565	$5,201	$69	$433	$6
6B	1,460	$43,769	$584	$43,185	$5,979	$80	$498	$7
6C	1,175	$35,225	$470	$34,755	$4,812	$64	$401	$5
6D	1,222	$36,635	$489	$36,146	$5,004	$67	$417	$6
6E	1,246	$37,353	$498	$36,855	$5,102	$68	$425	$6
6F	860	$25,782	$344	$25,438	$3,522	$47	$293	$4
7A	1,270	$38,078	$513	$37,565	$5,202	$70	$433	$6
7B	1,460	$43,775	$590	$43,185	$5,980	$81	$498	$7
7C	1,175	$35,230	$475	$34,755	$4,812	$65	$401	$5
7D	1,222	$36,640	$494	$36,146	$5,005	$67	$417	$6
7E	1,246	$37,359	$504	$36,855	$5,103	$69	$425	$6
7F	860	$25,786	$348	$25,438	$3,522	$48	$294	$4
8A	1,270	$38,084	$519	$37,565	$5,202	$71	$434	$6
8B	1,460	$43,781	$596	$43,185	$5,981	$81	$498	$7
8C	1,175	$35,235	$480	$34,755	$4,813	$66	$401	$5
8D	1,222	$36,645	$499	$36,146	$5,006	$68	$417	$6
8E	1,246	$37,364	$509	$36,855	$5,104	$70	$425	$6
8F	860	$25,789	$351	$25,438	$3,523	$48	$294	$4
9A	1,270	$38,089	$524	$37,565	$5,203	$72	$434	$6
9B	1,460	$43,787	$602	$43,185	$5,981	$82	$498	$7
9C	1,175	$35,240	$485	$34,755	$4,814	$66	$401	$6
9D	1,222	$36,650	$504	$36,146	$5,006	$69	$417	$6
9E	1,246	$37,369	$514	$36,855	$5,105	$70	$425	$6
9F	860	$25,793	$355	$25,438	$3,523	$48	$294	$4
10A	1,270	$38,094	$529	$37,565	$5,204	$72	$434	$6
10B	1,460	$43,793	$608	$43,185	$5,982	$83	$499	$7
10C	1,175	$35,245	$490	$34,755	$4,815	$67	$401	$6
10D	1,222	$36,655	$509	$36,146	$5,007	$70	$417	$6
10E	1,246	$37,374	$519	$36,855	$5,105	$71	$425	$6
10F	860	$25,796	$358	$25,438	$3,524	$49	$294	$4
11A	1,270	$38,100	$535	$37,565	$5,205	$73	$434	$6
11B	1,460	$43,800	$615	$43,185	$5,983	$84	$499	$7
11C	1,175	$35,250	$495	$34,755	$4,815	$68	$401	$6
11D	1,222	$36,660	$514	$36,146	$5,008	$70	$417	$6
11E	1,246	$37,380	$525	$36,855	$5,106	$72	$426	$6
11F	860	$25,800	$362	$25,438	$3,524	$49	$294	$4
12A	1,270	$38,100	$535	$37,565	$5,205	$73	$434	$6
12B	1,460	$43,800	$615	$43,185	$5,983	$84	$499	$7
12C	1,175	$35,250	$495	$34,755	$4,815	$68	$401	$6
12D	1,222	$36,660	$514	$36,146	$5,008	$70	$417	$6
12E	1,246	$37,380	$525	$36,855	$5,106	$72	$426	$6
12F	860	$25,800	$362	$25,438	$3,524	$49	$294	$4

The Schaefer Landing North Condominium
Post-Construction Real Estate Tax Assessment

Unit	Allocated Area (Sq.Ft.)	Projected Assessed Value per Unit	Land	Improvements	Projected RE Tax Liability w/o 421a (Annual)	Projected RE Tax Liability w/ 421a (Annual)	Projected RE Tax Liability w/o 421a (Monthly)	Projected RE Tax Liability w/ 421a (Monthly)
14A	1,270	$38,100	$535	$37,565	$5,205	$73	$434	$6
14B	1,460	$43,800	$615	$43,185	$5,983	$84	$499	$7
14C	1,175	$35,250	$495	$34,755	$4,815	$68	$401	$6
14D	1,222	$36,660	$514	$36,146	$5,008	$70	$417	$6
14E	1,246	$37,380	$525	$36,855	$5,106	$72	$426	$6
14F	860	$25,800	$362	$25,438	$3,524	$49	$294	$4
15A	1,270	$38,105	$540	$37,565	$5,205	$74	$434	$6
15B	1,460	$43,806	$621	$43,185	$5,984	$85	$499	$7
15C	1,175	$35,255	$500	$34,755	$4,816	$68	$401	$6
15D	1,222	$36,666	$520	$36,146	$5,009	$71	$417	$6
15E	1,246	$37,385	$530	$36,855	$5,107	$72	$426	$6
15F	860	$25,804	$366	$25,438	$3,525	$50	$294	$4
16A	1,270	$38,105	$540	$37,565	$5,205	$74	$434	$6
16B	1,460	$43,806	$621	$43,185	$5,984	$85	$499	$7
16C	1,175	$35,255	$500	$34,755	$4,816	$68	$401	$6
16D	1,222	$36,666	$520	$36,146	$5,009	$71	$417	$6
16E	1,246	$37,385	$530	$36,855	$5,107	$72	$426	$6
16F	860	$25,804	$366	$25,438	$3,525	$50	$294	$4
17A	1,270	$38,110	$545	$37,565	$5,206	$74	$434	$6
17B	1,460	$43,812	$627	$43,185	$5,985	$86	$499	$7
17C	1,175	$35,260	$505	$34,755	$4,817	$69	$401	$6
17D	1,222	$36,671	$525	$36,146	$5,009	$72	$417	$6
17E	1,246	$37,390	$535	$36,855	$5,108	$73	$426	$6
17F	860	$25,807	$369	$25,438	$3,525	$50	$294	$4
18A	1,270	$38,116	$551	$37,565	$5,207	$75	$434	$6
18B	1,460	$43,818	$633	$43,185	$5,986	$86	$499	$7
18C	1,175	$35,264	$509	$34,755	$4,817	$70	$401	$6
18D	1,222	$36,676	$530	$36,146	$5,010	$72	$417	$6
18E	1,246	$37,395	$540	$36,855	$5,108	$74	$426	$6
18F	860	$25,811	$373	$25,438	$3,526	$51	$294	$4
19A	1,270	$38,121	$556	$37,565	$5,207	$76	$434	$6
19B	1,460	$43,824	$639	$43,185	$5,986	$87	$499	$7
19C	1,175	$35,269	$514	$34,755	$4,818	$70	$401	$6
19D	1,222	$36,681	$535	$36,146	$5,011	$73	$418	$6
19E	1,246	$37,400	$545	$36,855	$5,109	$74	$426	$6
19F	860	$25,815	$377	$25,438	$3,526	$51	$294	$4
20A	1,270	$38,126	$561	$37,565	$5,208	$77	$434	$6
20B	1,460	$43,830	$645	$43,185	$5,987	$88	$499	$7
20C	1,175	$35,274	$519	$34,755	$4,818	$71	$402	$6
20D	1,222	$36,686	$540	$36,146	$5,011	$74	$418	$6
20E	1,246	$37,406	$551	$36,855	$5,110	$75	$426	$6
20F	860	$25,818	$380	$25,438	$3,527	$52	$294	$4
21A	1,270	$38,132	$567	$37,565	$5,209	$77	$434	$6
21B	1,460	$43,836	$651	$43,185	$5,988	$89	$499	$7
21C	1,175	$35,279	$524	$34,755	$4,819	$72	$402	$6
21D	1,222	$36,691	$545	$36,146	$5,012	$74	$418	$6
21E	1,246	$37,411	$556	$36,855	$5,110	$76	$426	$6
21F	860	$25,822	$384	$25,438	$3,527	$52	$294	$4
22A	1,790	$53,752	$806	$52,946	$7,343	$110	$612	$9
22B	1,850	$55,554	$833	$54,721	$7,589	$114	$632	$9
22C	1,780	$53,453	$802	$52,651	$7,302	$110	$608	$9
22D	1,790	$53,752	$806	$52,946	$7,343	$110	$612	$9
PH1A	1,740	$52,266	$798	$51,468	$7,139	$109	$595	$9
PH1B	1,800	$54,068	$826	$53,242	$7,386	$113	$615	$9
PH1C	1,690	$50,764	$775	$49,989	$6,934	$106	$578	$9
PH1D	1,740	$52,266	$798	$51,468	$7,139	$109	$595	$9
PH2A	1,740	$52,274	$806	$51,468	$7,141	$110	$595	$9
PH2B	1,800	$54,076	$834	$53,242	$7,387	$114	$616	$9
PH2C	1,690	$50,772	$783	$49,989	$6,935	$107	$578	$9
PH2D	1,740	$52,274	$806	$51,468	$7,141	$110	$595	$9
PH3A	1,870	$56,101	$788	$55,313	$7,663	$108	$639	$9
PH3B	1,995	$59,852	$842	$59,010	$8,176	$115	$681	$10
PH3C	1,859	$55,773	$786	$54,987	$7,619	$107	$635	$9
PH3D	1,910	$57,303	$807	$56,496	$7,828	$110	$652	$9
Residential	172,270	$5,168,100	$72,519	$5,095,581	$705,963	$9,906	$58,830	$826
Total					$725,744	$29,688	$60,479	$2,474

This letter was prepared at the sponsor's request. Certain figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. We have not passed upon the accuracy of any figures or estimates contained within the Plan, and offer no warranties of the amount of any liability for any period.

The opinions expressed above are based on our interpretations of the RPTL, Administrative Code of the City of New York, and the applicable rules and regulations of the Department of Finance in effect as of the date hereof. While we believe our opinions are well founded, they are not intended, and should not be construed as representations or warranties or as opinions at law.

You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretations of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction.

The foregoing analysis is based upon our experience with the Real Property Assessment Department and the Tax Commission of the City of New York, and their assessment policies regarding non-rehabilitated properties held in cooperative ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. This would necessitate commencement of real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

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

Very truly yours,

METROPOLITAN VALUATION SERVICES, INC.



By: Steven J. Schleider, MAI
President
For the firm

CERTIFICATE OF APPRAISAL

I, Steven J. Schleider, MAI certify that to the best of my knowledge and belief that:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved.

I have no personal interest with respect to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

I am aware of and have complied with The FIRREA and any and all state laws and regulations that apply to appraisals.

Steven J. Schleider has made a personal inspection of the property that is the subject of this report. Steven J. Schleider has extensive experience in the appraisal of similar properties.

No one provided significant professional assistance to the person signing this report.

Steven J. Schleider has been duly certified to transact business as a Real Estate General Appraiser (New York State certification #46000016498).

METROPOLITAN VALUATION SERVICES, INC.



By: Steven J. Schleider, MAI
President

BASIC ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report is subject to the following assumptions and limiting conditions:

- No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
- Responsible ownership and competent property management are assumed.
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
- It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
- It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
- It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
- It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
- It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
- The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

BASIC ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

- Possession of this report, or a copy thereof, does not carry with it the right of publication.

- The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval of the appraisers.

- The appraisers have inspected the subject property with the due diligence expected of a professional real estate appraiser. The appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment.

- The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

- The appraiser is authorized by the client to disclose all or any portion of this report and the related data to appropriate representatives of the Appraisal Institute, or other professional organizations of which the appraiser is a member or affiliate, if such disclosure is required to enable the appraiser to comply with bylaws and regulations of such organizations.

- All values rendered within this report assume marketing times of twelve months or less unless otherwise indicated.

- The American with Disabilities Act (ADA) became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of the subject property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the subject property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect upon the value of the property. Since the appraisers have no direct evidence relating to this issue, they did not consider possible non-compliance with the requirements of ADA in estimating the market value of the subject property.

STEVEN J. SCHLEIDER, MAI

PRESIDENT - METROPOLITAN VALUATION SERVICES

STEVEN J. SCHLEIDER Co-founded Metropolitan Valuation Services, Inc. to serve a broad- base of clients developed over his career in real estate.

As director for a national valuation and due diligence firm, the vast majority of appraisal assignments relating to the post-recession wave of major residential construction, development and re-adaptive use projects in the New York area were conducted under his supervision. Additionally, the significant large-scale multi-family complexes in the region for FannieMae and FreddieMac loan portfolios were appraised by his team.

Mr. Schleider's experience in real estate is broad and his assignments have included development strategies, valuation and/or feasibility studies for market-rate and subsidized rental facilities, nursing home, age-restricted and assisted-living residences, cooperative and condominium apartment buildings, development projects in various stages of approval; and, valuation modeling and consulting for various lower- and moderate-income housing programs involving LIHTCs and low floater rate tax exempt revenue bond financing. Mr. Schleider's experience with HUD-based programs includes numerous section 8 facilities, MAP, and rent comparability surveys. These activities have been conducted on behalf of investment firms, international and domestic pension funds, major industrial corporations, leading foreign and domestic financial institutions, individual investors and leading law firms. Additionally, Mr. Schleider has developed and conducted seminars relating to multi-family valuation issues for the New York State Housing Finance Agency.

Mr. Schleider is a designated member of the Appraisal Institute (MAI) and is certified by the State of New York and State of New Jersey as a real estate General Appraiser. Mr. Schleider received his Bachelor of Arts degree from Berklee College and has completed numerous graduate courses in finance and economics at the Bernard M. Baruch School of Business, City University of New York. He has served as President of the Associate and Affiliate Members Organization of the New York Metropolitan Chapter of the Appraisal Institute, and currently serves on the Chapter's Board of Directors and is the current Education Chair. Mr. Schleider is a member of the Real Estate Board of New York and currently serves on its Housing Committee and its Appraisal Committee.

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2003071800925001001E28E7

RECORDING AND ENDORSEMENT COVER PAGE PAGE 1 OF 113

Document ID: 2003071800925001 Document Date: 07-03-2003 Preparation Date: 07-18-2003
Document Type: DECLARATION
Document Page Count: 112

PRESENTER:
ROYAL ABSTRACT OF NEW YORK LLC
AS AGENT FOR COMMONWEALTH TITLE INS
500 5TH AVENUE- SUITE 1940
NEW YORK, NY 10110
212-376-0900
819930

RETURN TO:
ROYAL ABSTRACT OF NEW YORK LLC
AS AGENT FOR COMMONWEALTH TITLE INS
500 5TH AVENUE- SUITE 1940
NEW YORK, NY 10110
212-376-0900
819930

PROPERTY DATA

Borough	Block	Lot		Unit	Address
BROOKLYN	2134	36	Partial Lot		460 KENT AVENUE

Property Type: OTHER

CROSS REFERENCE DATA

CRFN *or* Document ID *or* Year Reel Page *or* File Number

PARTIES

PARTY 1:
460 KENT AVENUE HOUSING DEVELOPMENT FUND COMPANY,
2226 FIRST AVENUE
NEW YORK, NY 00000

PARTY 2:
460 KENT AVENUE HOUSING DEVELOPMENT FUND COMPANY,
2226 FIRST AVENUE
NEW YORK, NY 00000

FEES AND TAXES

Mortgage
Mortgage Amount: $ 0.00
Taxable Mortgage Amount: $ 0.00
Exemption:
TAXES:
County (Basic): $ 0.00
City (Additional): $ 0.00
Spec (Additional): $ 0.00
TASF: $ 0.00
MTA: $ 0.00
NYCTA: $ 0.00
TOTAL: $ 0.00

Recording Fee: $ 597.00
Affidavit Fee: $ 0.00
NYC Real Property Transfer Tax Filing Fee: $ 0.00
NYS Real Estate Transfer Tax: $ 0.00

RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK
Recorded/Filed 07-30-2003 14:38
City Register File No.(CRFN): **2003000269760**

City Register Official Signature

RESTRICTIVE DECLARATION

DECLARATION made as of the 3rd day of July, 2003 (the "Declaration") by 460 Kent Avenue Housing Development Fund Company, Inc. a New York Corporation organized under the laws of the State of New York, having its principal place of business at 2226 First Avenue, New York, New York ("Declarant").

WHEREAS, Declarant is the fee owner of certain real property located in the Borough of Brooklyn, City and State of New York, known as Block 2134, p/o Lot 36 on the Tax Map of the City of New York (the "Housing Parcel"); and

WHEREAS, the City of New York (the "City") is the fee owner of certain real property located in the Borough of Brooklyn, City and State of New York, known as Block 2134, p/o Lot 36 on the Tax Map of the City of New York (the "City Parcel"); and

WHEREAS, the Housing Parcel and the City Parcel together form a single waterfront zoning lot pursuant to the New York City Zoning Resolution as more particularly described in Exhibit A and made a part hereof (the "Property"); and

WHEREAS, the Housing Parcel portion of the Property will be developed for housing and commercial uses in accordance with that certain Land Disposition Agreement ("LDA") dated December 31, 2001 by and between the City of New York, acting through its Department of Housing Preservation and Development ("HPD"), which development (the "Housing Development") is shown in Exhibit A-1 annexed hereto; and

WHEREAS, the entire waterfront portion and an upland connection comprise the City Parcel as described in Exhibit A-2, annexed hereto; and

WHEREAS, the development of the Housing Development on a waterfront zoning lot is subject to the requirements of Sections 62-41 and 62-42 of the Zoning Resolution of the City of New York (the "Zoning Resolution"); and

WHEREAS, the development of a waterfront public access area (the "Public Access Area") is required pursuant to Sections 62-41 of the Zoning Resolution; and

WHEREAS, the City Parcel will be developed as a Public Access Area by the New York City Economic Development Corporation ("EDC") on behalf of HPD; and

WHEREAS, the development of a shore public walkway ("Shore Public Walkway") is required pursuant to Section 62- 411 of the Zoning Resolution; and

WHEREAS, a portion of the Public Access Area will be developed as a Shore Public Walkway subject to Section 62-632, which portion is described in Exhibit A-3 annexed hereto and made a part hereof; and

WHEREAS, the development of an upland connection (the "Upland Connection") is required pursuant to Section 62-414 of the Zoning Resolution; and

WHEREAS, a portion of the Public Access Area will be developed as an Upland Connection, which portion is described in Exhibit A-4 annexed hereto and made a part hereof, and

WHEREAS, the provision of a visual corridor ("Visual Corridor") is required pursuant to Section 62-42 of the Zoning Resolution; and

WHEREAS, a portion of the Upland Connection will be retained as a visual corridor, which is described in Exhibit A-5 annexed hereto and made a part hereof, and

WHEREAS, the Visual Corridor, Shore Public Walkway and Upland Connection shall be developed in substantial conformity with the following drawings, copies of which are attached hereto as Exhibit D and made a part hereof (the "Drawings"):

Title	Drawing Number	Date
Site Plan	Z2	10-01-2001
Public Access Plan	Z3	10-01-2001
Open Space Plans	Z5	10-01-2001

and

WHEREAS, Royal Abstract of New York, LLC has certified in a certification attached hereto as Exhibit B and made a part hereof, that, as of June 18, 2003, Declarant, and the City, are the only Parties-in-Interest (as such term is defined in subdivision [d] of the definition of "zoning lot" set forth in Section 12-10 of the "Zoning Resolution") in the Property, and

WHEREAS, all parties-in-Interest to the Propertyother than the City have waived their rights to execute this Declaration and have subordinated their interests to this Declaration bywritten instrument annexed hereto as Exhibit B-1 and made a part hereof, which instrument is intended to be recorded simultaneously with this Declaration; and

WHEREAS, HPD, on behalf of the Declarant, has submitted an application designated #N010618ZCK to the chairperson ("Chairperson") ofthe City Planning Commission ("CPC") for the Chairperson to certify that the site plan submitted complies with the provisions for waterfront public access, shore public walkways, visual corridors and upland connections, pursuant to Sections 62-41, 62-411, 62-42, and 62-414 respectively, of the Zoning Resolution ("CPC Certification"); and

WHEREAS, as conditions to the CPC Certification, Declarant must execute and file a Maintenance and Operation Agreement (the "M & O") with the Department of Parks and Recreation (the "DPR"); and

WHEREAS, the M & O, has been incorporated into this Declaration as Exhibit C and made an enforceable part hereof; and

WHEREAS, HPD will provide Declarant with site control over the Public Access Area, for purposes of satisfying its obligation under the M & O, either by permit, license or lease.

NOW, THEREFORE, Declarant, does hereby declare and agree that the Public Access Area shall be maintained, used and occupied subject to the following restrictions, covenants, obligations, liens and agreements which are for the purpose of protecting the value and desirability of the Property and which shall run with the Property, binding the successors and assigns of Declarant so long as they have any right, title or interest in the Property or any part thereof, except as otherwise provided in Paragraph 20 of this Declaration:

1. The Visual Corridor, Upland Connection and Shore Public Walkway shall remain open and unobstructed at all times during the maintenance and operation of the Housing Development.

2. The Declarant shall not apply or accept a temporary certificate of occupancy ("TCO") from the New York City Department of Buildings ("DOB") for any portion of the Housing Development until the earlier of the following to occur: (1) the City has substantially completed the Public Access Area; or (2) six months from the date, as declared in writing by Declarant, upon which the Declarant has vacated the City Parcel for any purpose related to construction of the Housing Development, and removed therefrom any and all equipment, supplies, materials, debris or any other obstruction to construction of the PAA by EDC on behalf of HPD, provided that such declaration shall not be effective if, within ten business days after such declaration is given to EDC, EDC shall determine in writing that Declarant has not vacated the City Parcel in accordance with this paragraph.

3. The Public Access Area shall be opened to the public between the hours of dawn to dusk.

4. During the hours from dusk to dawn the Public Access Area shall be illuminated in accordance with the provisions of Section 62-673 of the Zoning Resolution.

5. (a) The Visual corridors, Shore Public Walkway and Upland Connection shall be maintained substantially in accordance with the Drawings.

   (b) EDC shall provide and Declarant shall maintain a public space signage system including an entry plaque and an information plaque as set forth in Section 62-674 of the Zoning Resolution.

6. (a) The Public Access Area shall be maintained in good condition and repair at all times following the Effective Date of the M & O and during the existence of the Housing Development, pursuant to the terms and conditions of the M & O , including but not limited to the confinement of obstructions to the permitted areas designated on the Drawings, snow removal, litter control, and the care and replacement of vegetation.

   (b) To secure Declarant's obligation to maintain the Public Access Area, Declarant shall post security ("Security") with the DPR in the manner set forth in the M & O and in a form acceptable to DPR. Failure to replace such Security shall constitute a default under this Declaration, the M & O, and the Security.

   (c) In the event Declarant is in default under any provision of this Declaration, the City shall provide Declarant and any Mortgagee notice and opportunity to cure in the same manner as set forth in Section 6.02 of the M & O, and if such a cure is

not effected pursuant to the terms and conditions in Section 6.02 ofthe M & O, Declarant (i) consents to the enforcement by the City of such obligation by any means reasonably deemed appropriate by the City, including but not limited to, drawing down on the Security posted with the DPR and applying such monies to the performance of such obligation, and (ii) agrees that the Cityand the DPR and the CPC shall have the right to exercise any and all of its administrative, legal and equitable remedies including, but not limited to, a mandatoryinjunction compelling the defaulting Declarant to comply with its obligations under this Declaration, and the revocation of the Certificates of Occupancy. Notwithstanding the foregoing and any provision of Section 7.02(b) of the M&O to the contrary, the City shall not seek to revoke any Certificates of Occupancy if a Mortgagee has commenced and diligently prosecuted efforts to effect a cure within ninety (90) days of notice of default. For purposes of this Declaration, "Mortgagee" shall mean : (i) WNC LLC and its affiliates; (ii) a mortgage insurer; and (iii) any person or entity to whom any one of the following is mortgaged : (aa) a plot of land; (bb) a building or other structure; (cc) a condominium unit consisting of more than one residential unit; (dd) ten or more residential condominium units; or (ee) a commercial condominium unit, provided any such Mortgagee has given written notice of its name and address to the CPC. Nothing herein shall limit or restrict the City and the City's agents and employees, from entering upon the Public Access Area for the purpose of enforcing any of the Declarant's obligations under this Declaration. Ifthe City has drawn down on the Security for the purpose of enforcing any of such obligations, Declarant shall, within sixty (60) days of such enforcement by the City, deposit with the DPR additional Security in an amount equal to the amount expended by the City in enforcing Declarant's obligation.

(d) Declarant acknowledges and agrees that if Declarant is in default in the performance of any of its obligations under this Declaration and such default shall not have been corrected prior to the application for amendment or modification of this Declaration, such default shall itself be sufficient grounds for the Chairperson of CPC, to disapprove any proposed amendment or modification of this Declaration.

7. This Declaration shall become effective upon approval by the Chairperson of application #N010618ZCK. Declarant shall record this Declaration together with the M & O in the City Register's office for the county in which the Property is located, indexing it against the Property, within five (5) business days after such approval. Declarant will promptly deliver to the CPC, HPD, and the DPR a duplicate original of this Declaration upon its approval by the Chairperson and a true copy of this Declaration as recorded and certified by the City Register. Pursuant to Section 62-14 of the Zoning Resolution, the filing of this Declaration and M & O in the office of the City Register shall be a precondition for the issuance of a building permit ("Building Permit") for the Housing Development. If Declarant fails to record this Declaration, the Citymay record it, at the sole cost and expense of the Declarant, who shall immediately pay such cost to the City.

8. This Declaration may be modified, or amended with approval of the Chairperson with the consent of the Commissioner of HPD. No other approval or consent by any other

public body or private party shall be required for such modification, amendment or cancellation.

9. Declarant acknowledges that the City is an interested party to this Declaration and consents to the enforcement by the City, administratively or at law or at equity, of the covenants, conditions, restrictions and agreements contained herein.

10. The provisions of this Declaration shall inure to the benefit of and be binding upon the respective heirs, successors, legal representatives and assigns of Declarant, and references to Declarant shall be deemed to include such heirs, successors, legal representatives and assigns as well as the successors to their interests in the Property Reference in this Declaration to agencies or instrumentalities ofthe City shall be deemed to include agencies or instrumentalities succeeding to the jurisdiction thereof pursuant to the laws of the State of New York and the New York City Charter.

11. Notwithstanding anything to the contrary contained in this Declaration:

(a) the restrictions, covenants, obligations and agreements herein shall be binding on Declarant or any Party-in-Interest other than the City, as the case may be, only for the period during which the Declarant or any such Party-in-Interest holds an interest in the Property and subject to the further provisions of this Section;

(b) the City shall look first solely to the interest of the Declarant in the Property for the collection of any judgment recovered against the Declarant or the enforcement of any remedy based upon any breach by the Declarant under this Declaration, and no other property of the Declarant or its principals, disclosed or undisclosed, partners, shareholders, directors, oficers, members or employees shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies of the City under or with respect to this Declaration, and the Declarant shall have no personal liability under this Declaration. In the event that any building constructed on the Housing Development Parcel is converted to condominium form of ownership, every condominium unit (other than any condominium unit that contains affordable housing units developed with the assistance of the Federal Low Income Housing Tax Credit under Section 42 of the Internal Revenue Code of 1986, as amended shall , as successor in interest to Declarant, be jointly and severally liable and subject to levy, execution or other enforcement procedure for the satisfaction of any monetary remedies of the City, provided that such enforcement procedures shall be taken against all the units simultaneously, rather than against individual units; and

(c) the City shall look solely to the interest of any Party-in-Interest in the Property for the collection of any deficiency not collected from Declarant on any judgment recovered against Declarant or the enforcement of any remedy based upon any breach by the Declarant under this Declaration, but only after the City has exhausted all legal and equitable remedies against the Declarant. No other property of any Party-In-Interest or its principals, disclosed or undisclosed, partners, shareholders, directors, oficers, members or employees shall be subject to levy, execution or other enforcement procedure for the satisfaction of

the remedies of the City under or with respect to this Declaration and any Party-In-Interest, disclosed or undisclosed, shall have no personal liability under this Declaration.

12. (a) Pursuant to Section 9.01 ofthe M & O Agreement, the Declarant shall carry paid up insurance in the sum of not less than Three Million Dollars ($3,000,000) per occurrence to protect the Declarant, the CPC, the DPR and the City against all claims for injuries arising on the Public Access Area. Such policy of insurance shall be primary to the City's obligation to indemnify and hold harmless the Declarant, its successors or assigns pursuant to Section 62-624 of the Zoning Resolution.

(b) Subject to the provision of paragraph 12 (a) above, the City shall indemnify and hold harmless the Declarant, its successors or assigns, for any judgment or settlement arising out of a claim or injury to persons who are members of the public [i.e., not employees or agents of Declarant, tenants, shareholders or other residents, or invitees of any of same] as a result of any defect or otherwise dangerous condition in, or on the Public Access Area to the extent such judgment or settlement exceeds the amount of three million dollars ($3,000,000), provided that the City's obligation to indemnify and hold harmless hereunder shall not arise: (i) if the Department of Parks and Recreation determines that the Declarant has not fully complied with the design and maintenance obligations set forth in Sections 62-412, 62-413 and 62-624 ofthe Zoning Resolution and with the M & O; or (ii) the injury is determined to have resulted from intentional wrongdoing or recklessness on the part of Declarant or his or her agents or employees.

(c) The City's obligation to indemnify and hold harmless under this section shall be conditioned upon: (1) Declarant's maintenance of insurance in accordance with the provisions of paragraph 12 (a) herein and the M & O; (2) delivery to the Chief, Torts Division of the Law Department of the City of New York at 100 Church Street, New York, New York 10007 of a copy of any summons, complaint, process, notice, demand or other pleading initiating an action or proceeding, within ten business days after Declarant's receipt thereof; (3) the full cooperation of Declarant in providing the Department of Parks and Recreation with such information as the Department may require in order to determine whether Declarant has fully complied with its design and maintenance obligations set forth in section 62-412, 62-413 and 62-624 of the Zoning Resolution and the M & O; and (4) prompt notification of the Chief, Torts Division of the Law Department of the City of New York of any settlement demand; as well as upon the further condition that no offer of settlement for an amount in excess of three million dollars shall be made or communicated to the claimant, nor shall Declarant or his or her counsel concede liability or waive any material right, including the right to appeal, without first obtaining the consent of the City.

13. (a) Notwithstanding anything to the contrary contained herein, the obligation to comply with the provisions of this Declaration and the M & O, shall be binding only upon the Declarant or any successor.

(b) In the event that cooperative or condominium units are offered for sale in any building in the Housing Development, a summary of the terms of this Declaration shall be included in any offering plan issued in connection therewith. Such offering plan shall clearly identify the rights and obligations pursuant to this Declaration of any cooperative or condominium that may be formed.

(c) In order to guarantee that the Public Access Area will be properly managed and operated consistent with the Drawings and the terms of this Declaration and the M & O, and in order to set forth and establish the duties, rights and obligations of the Declarant, it is hereby agreed that if a cooperative or a condominium is formed with respect to any building in the Housing Development, such cooperative or condominium , acting through its Boards of Directors or Board of Managers (as the case may be), and in association with any other cooperative or condominium or owner of a building or other structure, shall constitute an association (the "Association"), which Association shall be responsible for all costs associated with maintaining and repairing the Public Access Area as required by this Declaration and the M & O. The By-Laws and Charter or Certificate of Incorporation of the Association shall be consistent with the terms of this Declaration and the M & O and shall not allow amendments or changes to the Declaration or the M & O except pursuant to the terms of this Declaration and the M & O. The Association shall be organized with all of the powers that may be necessary or appropriate for the Association to carry out the duties, obligations and requirements of this Declaration and the M & O. The Association all assume all of the obligations of the Declarant relating to the Public Access Area that are contained in this Declaration and the M & O, provided that nothing herein shall be construed to limit the joint and several liability of condominium unit owners as set forth in Section 11(b) of this Declaration.

(d) If an Association is formed, it shall have as its members, all owners of individual condominium units and other lots in the Housing Development.

(e) To the extent permitted by law, the Association shall be established with the power and authority to impose fines or assessments against owners of condominium units and other lots with respect to the Public Access Area for the purpose of collecting funds reasonably necessary for the maintenance and repair of the Public Access Area.

14. All waivers, elections, demands and notices or other communications relating to this Declaration shall be effective only if in writing and mailed to the party for which it is intended by certified or registered mail, return receipt requested, postage prepaid, or personally delivered, addressed as follows, or to such other addresses as the parties hereto may from time to time designate , including with respect to successors in interest or Mortgagees, by notice given as aforesaid:

If 1176X to Declarant:

460 Kent Avenue Development Fund Company, Inc.
2226 First Avenue
New York, NY 10029

With a copy to:
Seiden and Schein, P.C.
570 Lexington Avenue
New York, NY 10022

If to CPC:

The City Planning Commission
22 Reade Street
New York, New York 10007
Att'n: Chairperson
(or its then official address)

If to HPD:

The Department of Housing Preservation and Development
100 Gold Street
New York, NY 10038
Att'n: Commissioner
(or its then official address)

If to DPR:

Department of Parks and Recreation
The Arsenal
Central Park
New York, New York 10021
Att'n: Commissioner
(or its then official address)

All notices shall be deemed given upon hand delivery, or two (2) days after mailing.

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

16. In the event that any provision of this Declaration shall be deemed, decreed, adjudged or determined to be invalid or unlawful by a court of competent jurisdiction after all appeals are exhausted or the time for appeal has expired, such provision shall be severable, and the remainder of this Declaration shall continue to be in full force and effect.

17. Declarant shall include a copy of this Declaration to any governmental agency or department having jurisdiction over the Property including, without limitation, the New York City Department of Buildings, HPD, the New York City Board of Standards and Appeals, the DPR and CPC, as part of any application submitted by Declarant with respect to the operation, maintenance or repair ofthe Public Access Area and as to which the provisions of this Declaration are applicable .

18. (a) If Declarant is found by a court of competent jurisdiction to have been in default in the performance of its obligations under this Declaration, and such finding is upheld on final appeal or the time for further review of such finding or appeal by a court or by other proceedings has lapsed, Declarant shall indemnify and hold harmless the City, the DPR and CPC from an against all reasonable legal and administrative expenses arising out of or in connection with the enforcement of Declarant's obligations under this Declaration.

(b) If any judgment is obtained against Declarant from a court of competent jurisdiction in connection with this Declaration, and such judgment is upheld on final appeal or the time for further review of such judgment or appeal by a court of by other proceeding has lapsed, Declarant shall indemnify and hold harmless the City, the DPR and CPC from and against all reasonable legal and administrative expenses arising out of or in connection with enforcement of said judgment.

19. Declarant shall cause every individual or entity that between the date hereof and the date of recordation of this Declaration becomes a Party-in-Interest to any portion of the Housing Development by reason of any act of Declarant to subordinate its interest in the Housing Development to this Declaration or to waive its right to execution of this Declaration. Such waivers and subordinations shall be attached to this Declaration as Exhibits and recorded in the office of the City Register in the county in which the Property is located.

20. Notwithstanding anything to the contrary herein contained, Declarant shall be released from any further obligations hereunder, except with respect to any uncured defaults by Declarant then declared to be in existence under this Declaration, the M & O or the LDA , upon the occurrence of either of the following events: (i) the City shall have revoked the license granted to Kent pursuant to Section 3.01 of the M & O ; or (ii) upon written notice to Declarant and any Party-in-Interest from the Commissioner of DPR, DPR in the exercise of its sole and absolute discretion, shall have assumed any and all rights and obligations of Declarant hereunder.

In **WITNESS WHEREOF,** Declarant has executed this Declaration as of the day and year first above written.

DECLARANT

460 Kent Avenue Development Fund Company, Inc.

By: _____
DAVID NEIDERMAN

Title: President

ACKNOWLEDGMENT

State of New York
County of ~~Kings~~ New York

On the 3rd day of July in the year 2003 before me, the undersigned, a notary public in and for said state, personally appeared David Neiderman, 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

AVIVA YAKREN
NOTARY PUBLIC, State of New York
No. 02YA6061736
Qualified in Queens County
Commission Expires July 16, 2003


KENT AVENUE
EAST BUILDING
NORTH BUILDING
SOUTH BUILDING
UPLAND CONNECTION
SHORE PUBLIC WALKWAY
EXHIBIT A-1
(HOUSING DEVELOPMENT PARCEL)
EXHIBIT A-1

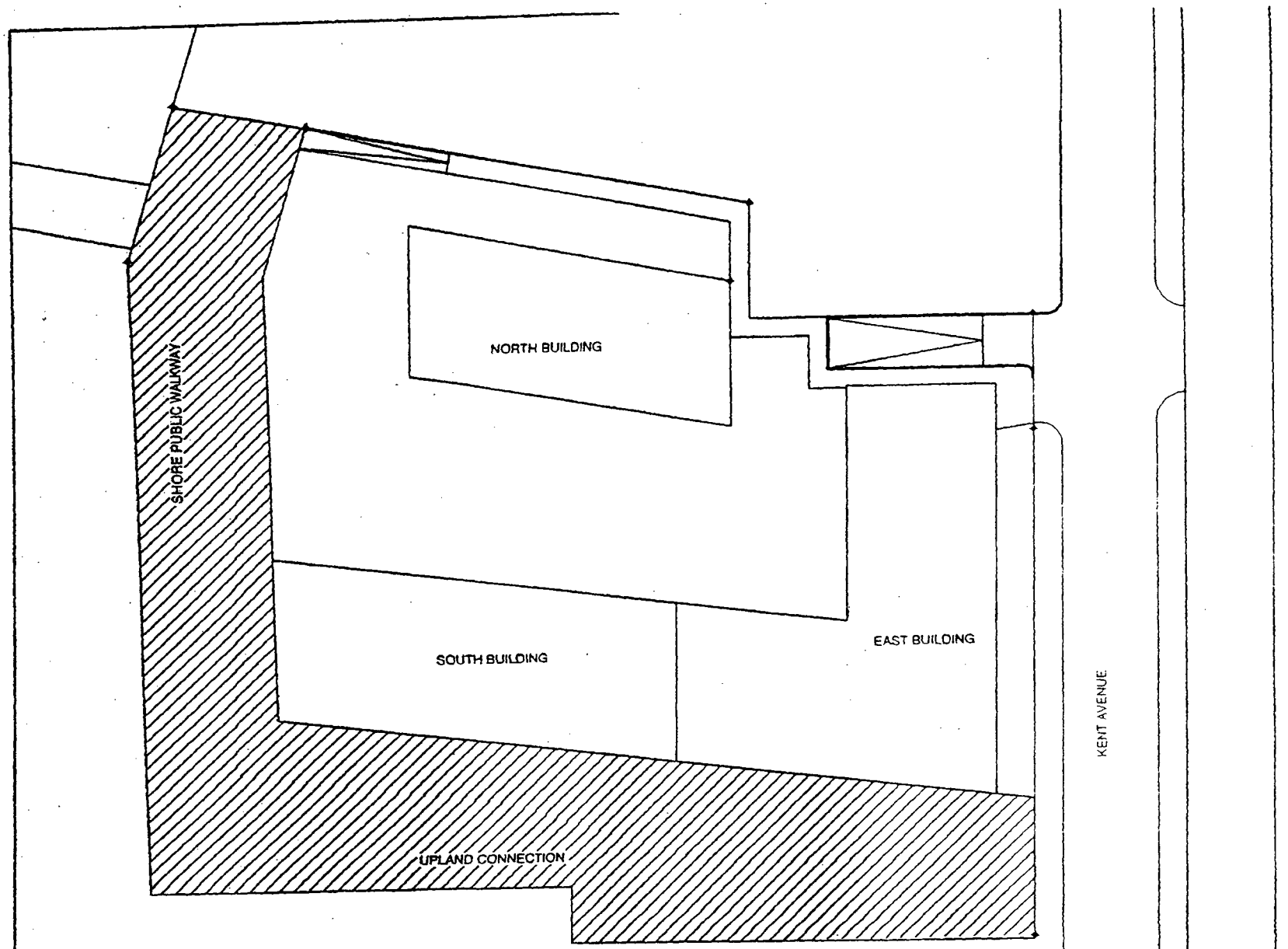


EXHIBIT A-2
(SHORE PUBLIC WALKWAY
& UPLAND CONNECTION)

EXHIBIT A-2

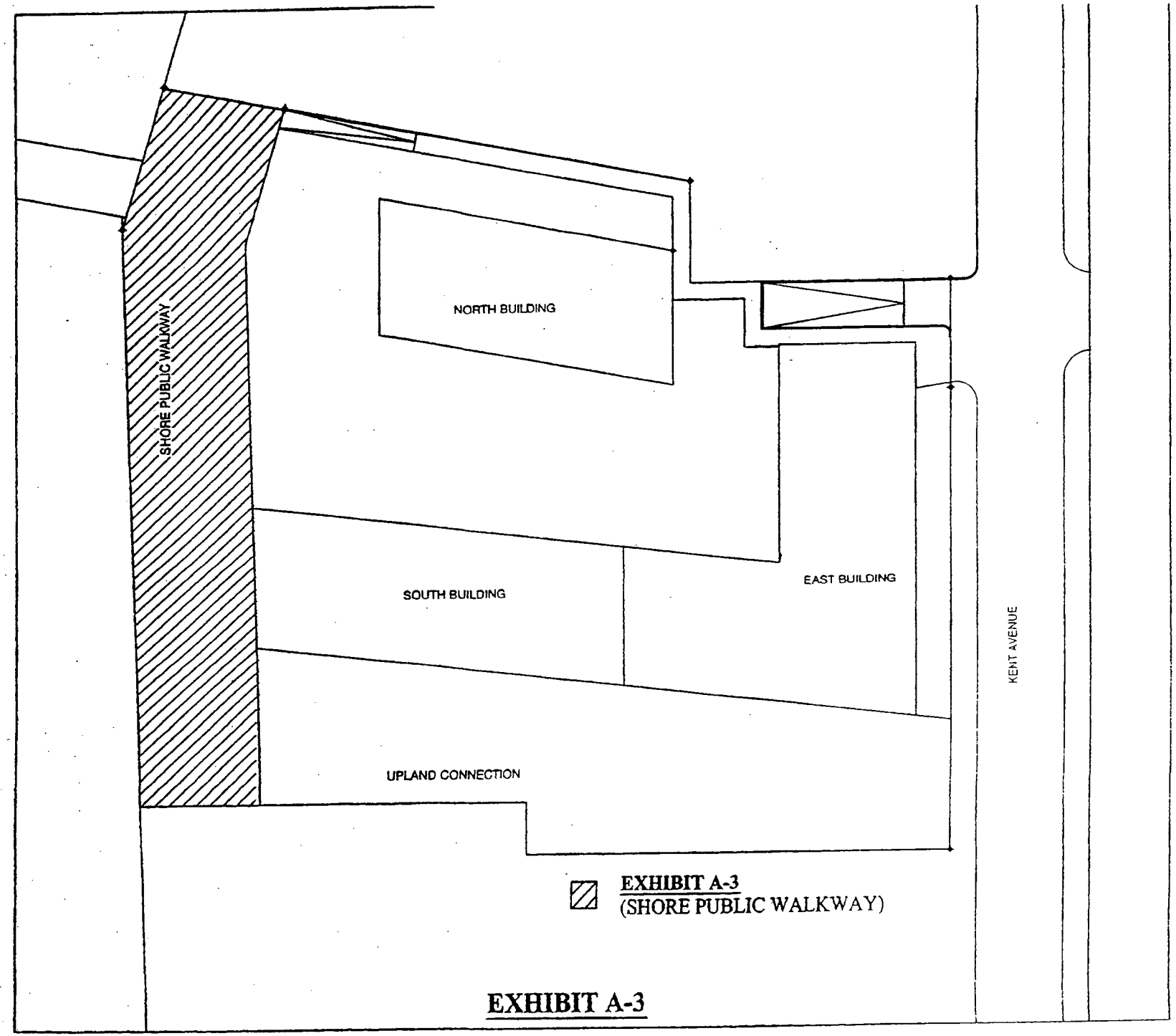

NORTH BUILDING
SHORE PUBLIC WALKWAY
SOUTH BUILDING
EAST BUILDING
KENT AVENUE
UPLAND CONNECTION
EXHIBIT A-3
(SHORE PUBLIC WALKWAY)

EXHIBIT A-3

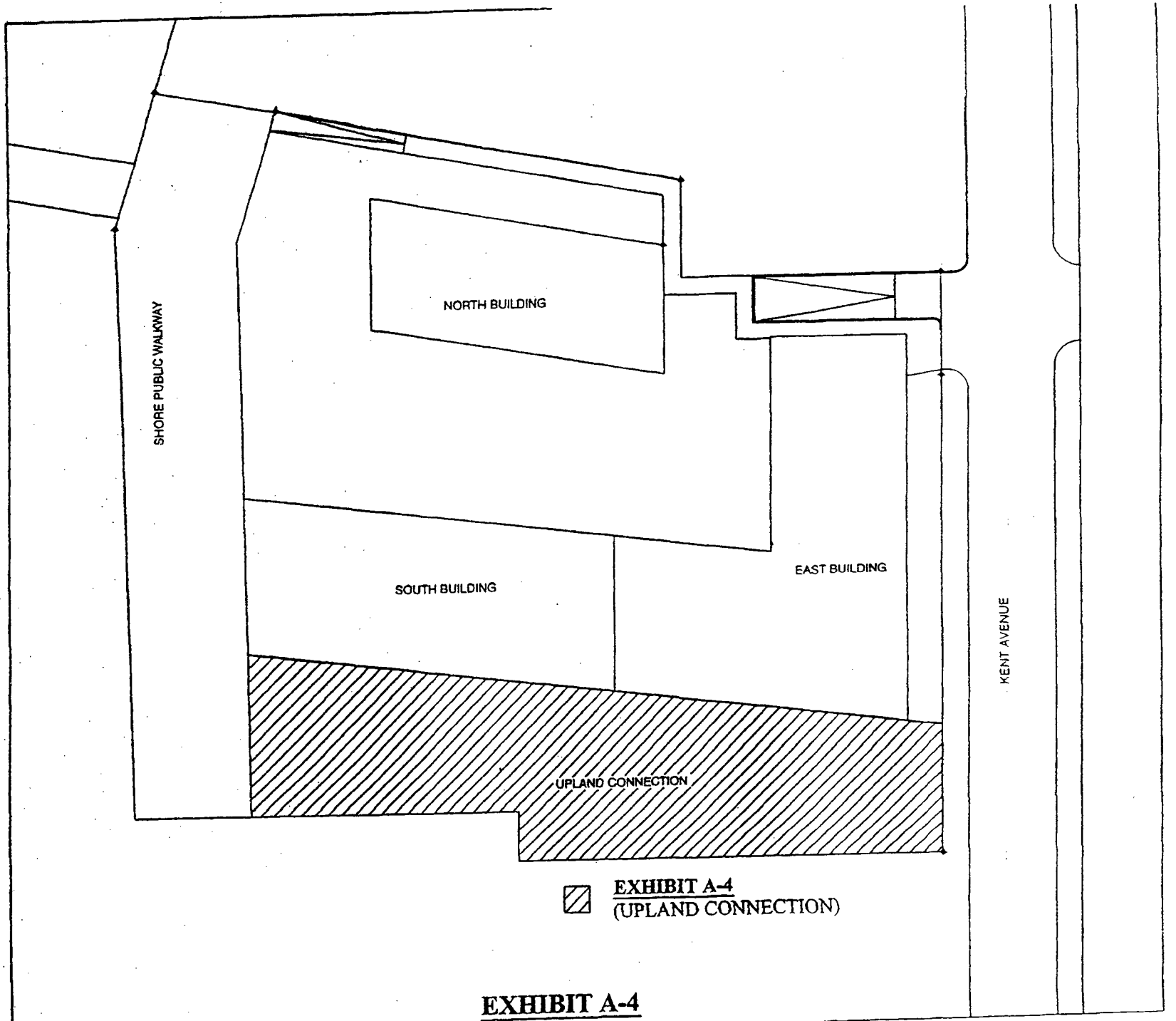

NORTH BUILDING
SHORE PUBLIC WALKWAY
SOUTH BUILDING
EAST BUILDING
KENT AVENUE
UPLAND CONNECTION
EXHIBIT A-4
(UPLAND CONNECTION)

EXHIBIT A-4

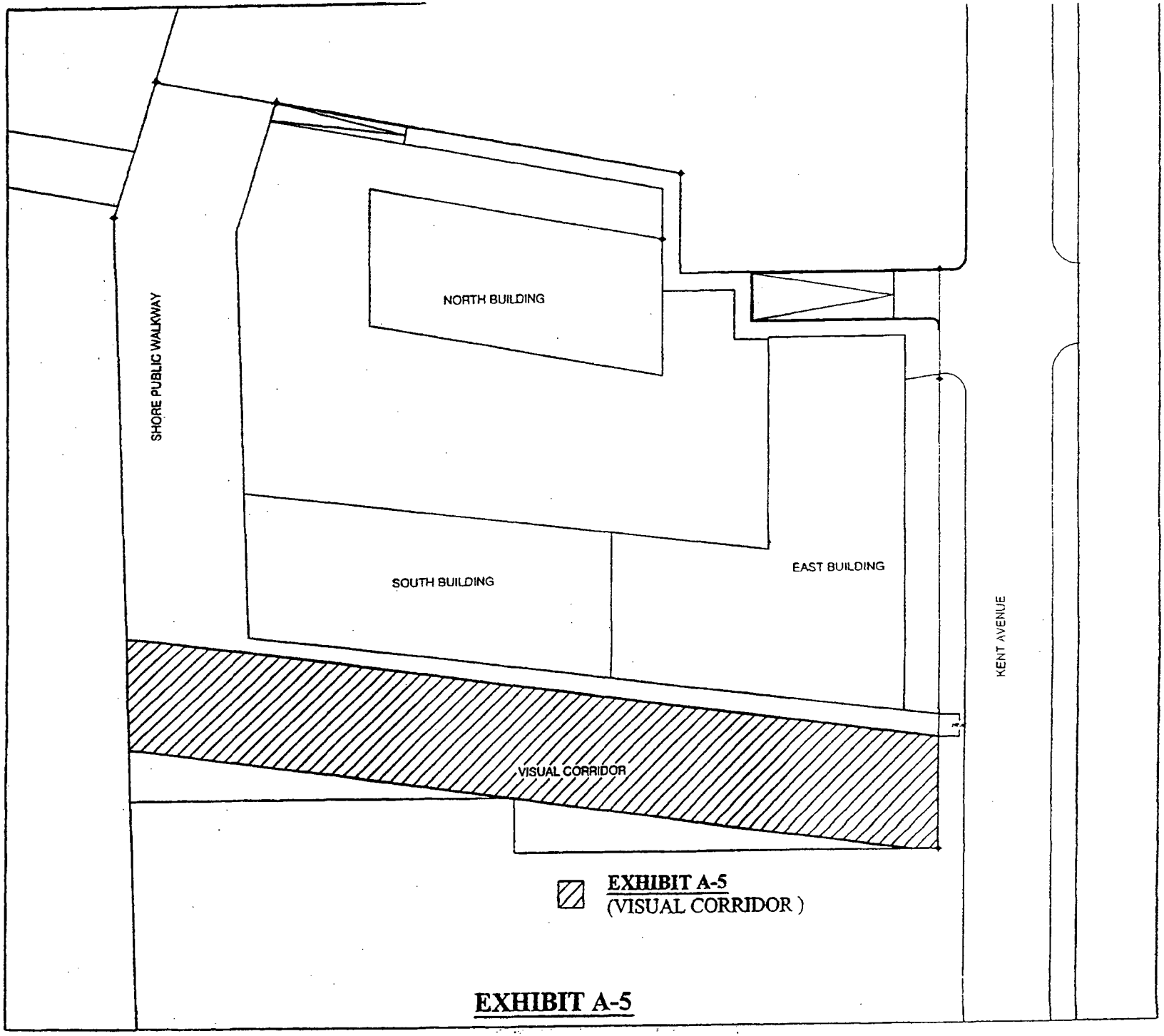

SHORE PUBLIC WALKWAY
NORTH BUILDING
SOUTH BUILDING
EAST BUILDING
KENT AVENUE
VISUAL CORRIDOR
EXHIBIT A-5
(VISUAL CORRIDOR)

EXHIBIT A-5

EXHIBIT B

ZONING LOT EXHIBIT I File No. 819655 page one

CERTIFICATION PURSUANT TO ZONING LOT
SUBDIVISION C OF SECTION 12-10
OF THE ZONING RESOLUTION OF DECEMBER 15, 1961
OF THE CITY OF NEW YORK - AS AMENDED
EFFECTIVE AUGUST 18, 1977

ROYAL ABSTRACT OF NEW YORK LLC, an abstract company having its principal place of business at 500 Fifth Avenue, New York, New York, 10110 hereby certifies that as to the land hereafter described being a tract of land either unsubdivided or consisting of two or more lots of record contiguous for a minimum of ten linear feet located within a single block in the single ownership of 460 Kent Avenue Housing Development Company, Inc., that all the parties in interest constituting a "party in interest" as defined in Section 12-10 subdivision (C) of the Zoning Resolution of The City of New York effective December 15, 1961, as amended, are the following:

NAMES	INTEREST
460 Kent Avenue Housing Development Company, Inc.	FEE OWNER
The City of New York, acting by and through its Department of Housing Preservation and Development	Mortgagee

The subject tract of land with respect to which the foregoing parties are the parties in interest as aforesaid is known as Tax Lot 36 in Block 2134 on the Tax Map of The City of New York, New York County, and more particularly described as follows:

BEGINNING at a point on the westerly side of Kent Avenue, distant 551.25 feet northerly from the corner formed by the intersection of the westerly side of Kent Avenue with the northerly side of Division Avenue;

RUNNING THENCE westerly at 90 degrees, 188.58 feet;

THENCE northerly parallel with Kent Avenue, 23.50 feet;

THENCE westerly at 90 degrees to Kent Avenue, 145.50 feet;

THENCE southerly parallel with Kent Avenue, 0.50 feet;

THENCE westerly at 90 degrees to Kent Avenue, 24.19 feet to the United States Bulkhead Line approved February 25, 1918;

ZONING LOT EXHIBIT I File No. 819655 page two

THENCE northerly along said U.S. Bulkhead Line, 268.20 feet to an angle point in said U.S. Bulkhead Line;

THENCE northeasterly still along said U.S. Bulkhead Line, 61.44 feet to a point in a line drawn parallel with the southerly side of former South 8th Street and distant 239.00 feet southerly therefrom;

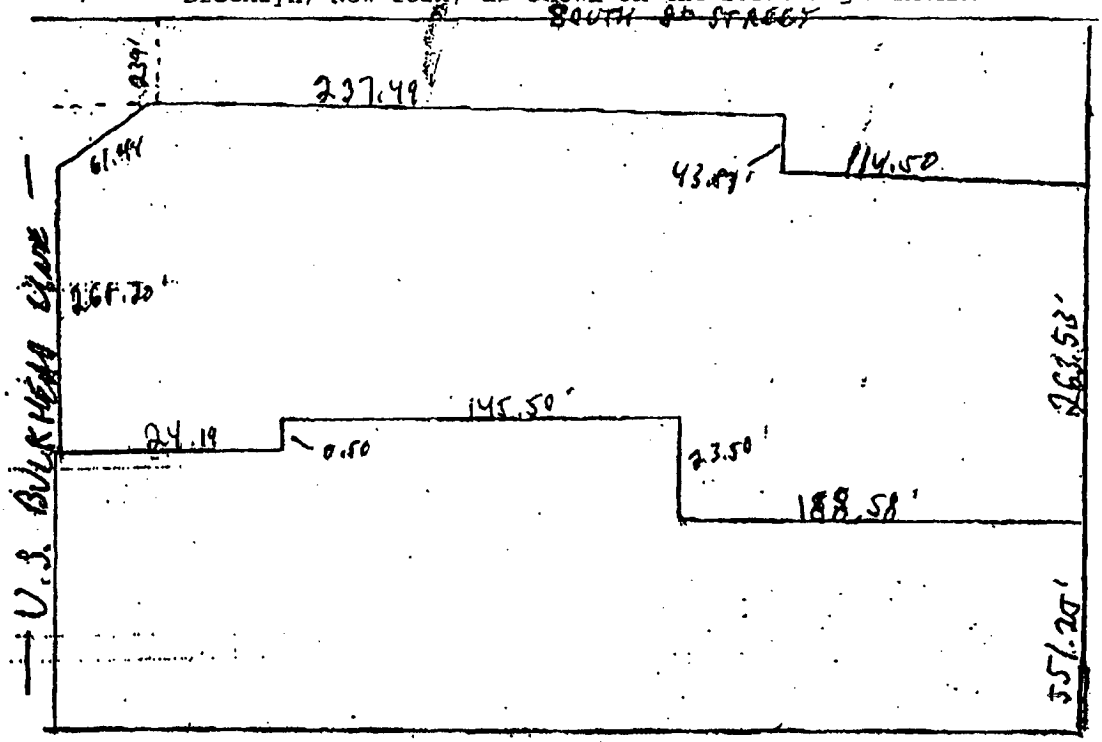
THENCE southeasterly along said line drawn parallel with the southerly side of former South 8th Street distant 239 feet southerly therefrom 237.49 feet to a point on a line drawn parallel with the westerly side of Kent Avenue and distant 114.50 feet westerly therefrom;

THENCE southerly along said line parallel with Kent Avenue, 43.87 feet;

THENCE easterly at 90 degrees to Kent Avenue, 114.50 feet to the westerly side of Kent Avenue;

THENCE southerly along the westerly side of Kent Avenue, 263.53 feet to the point or place of BEGINNING.

That the said premises are known as and by street address 460 Kent Avenue, Brooklyn, New York, as shown on the following DIAGRAM:



ZONING LOT EXHIBIT I File No. 819655 page three

CERTIFIED this June 18, 2003 to BFC Partners, the applicant for this certification.

NOTE: A Zoning Lot may or may not coincide with a lot as shown on the Official Tax Map of the City of New York, or on any recorded subdivision plot or deed. A Zoning Lot may be subdivided into two or more zoning lots provided all the resulting zoning lots and all the buildings thereon shall comply with the applicable provision of the zoning lot resolution.

THIS CERTIFICATE IS MADE FOR AND ACCEPTED BY THE APPLICANT UPON THE EXPRESS UNDERSTANDING THAT LIABILITY HEREUNDER IS LIMITED TO ONE THOUSAND ($1,000) DOLLARS.

ROYAL ABSTRACT OF NEW YORK LLC

BY: _____

Mary K. Gleason
VICE PRESIDENT

ZONING LOT EXHIBIT I File No. 819655 page four

State of New York, County of New York, SS:

On the 20th day of June, in the year 2003 before me, the undersigned, personally appeared Mary K. Gleason, the undersigned, 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 he acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Edward J. Machinski

EDWARD J. MACHINSKI
Notary Public, State of New York
No. 4767103
Qualified in NEW YORK County
Commission Expires 5/31/06

EXHIBIT C
TO
RESTRICTIVE DECLARATION

460 KENT AVENUE DEVELOPMENT FUND COMPANY, INC.
WITH THE CITY OF NEW YORK
ACTING BY AND THROUGH
THE CITY OF NEW YORK
PARKS & RECREATION

MAINTENANCE AND OPERATIONS AGREEMENT

Borough of Brooklyn
Block 2134
Lot: 36

DATED AS OF
July 3, 2003

THIS AGREEMENT, made as of the 3rd day of July, 2003 by and among 460 Kent Avenue Housing Development Fund Company, Inc., a New York Corporation organized under the laws of the State of New York, having its principal place of business at 2226 First Avenue, New York, New York (hereinafter referred to as "Kent") and the City of New York (hereinafter referred to as the "City"), acting by and through the Department of Parks & Recreation of the City of New York, having an address at The Arsenal, Central Park, 830 Fifth Avenue, New York, New York 10021 (hereinafter referred to as the "Parks Department").

WITNESSETH:

WHEREAS, Kent is the owner of certain real property located in the Borough of Brooklyn, City and State of New York, designated as Block 2134, p/o Lot 36 (Tentative Lots 37, 38, 39, 40 and 41), and described with greater particularity on "Exhibit A" annexed hereto and made a part hereof, which property is referred to herein as the "Housing Development Parcel" and "Subject Property"; and

WHEREAS, the City of New York is the owner of certain real property located in the Borough of Brooklyn, City and State of New York, designated as Block 2134, p/o Lot 36 (Tentative Lot 36), and described with greater particularity on "Exhibit B" annexed hereto and made a part hereof, which property is referred to herein as the "Public Access Area" or "PAA"; and

WHEREAS, the Housing Development Parcel and the Public Access Area together form a single waterfront zoning lot pursuant to the New York City Zoning Resolution;

WHEREAS, the City of New York Department of Housing Preservation and Development ("HPD") has previously obtained certain land use approvals from the City for the development of housing and commercial space on the portion of the waterfront zoning lot constituting the Housing Development Parcel (the "Proposed Development"), as described in the City Planning Commission Reports C010616 ZSK, C010615 ZMK, and N010617 ZAK, dated October 24, 2001; and

WHEREAS, under the terms of Section 62-41 of the Zoning Resolution, the Public Access Area must be provided in conjunction with development of such waterfront zoning lot for the Proposed Development; and

WHEREAS, pursuant to Section 62-41 of the Zoning Resolution, HPD, on behalf of Kent submitted an application designated as #N010618ZCK (the "Application") to the Chairperson of the City Planning Commission to certify that the Public Access Plan (the "Plan") submitted with such application complies with the provisions for waterfront public access of the Zoning Resolution; and

WHEREAS, the Chairperson has certified or will certify that the Plan complies with such provisions of the Zoning Resolution; and

WHEREAS, in connection with the approval of the Application, Kent has executed, delivered and recorded a restrictive declaration dated July 3, 2003 governing certain aspects of the development of the Subject Property (the "Declaration"); and

WHEREAS, this agreement is incorporated by reference into the Declaration and is an enforceable part thereof; and

WHEREAS, pursuant to the terms of the Declaration, and in conformance with the requirements of the Zoning Resolution, Kent has agreed to maintain and operate the PAA for the use and enjoyment of the public; and

WHEREAS, in order to permit Kent to fulfill its obligations under the Declaration and this Agreement, the City, acting by its Department of Housing Preservation and Development, has authorized as part of this Agreement a license to Kent of the PAA; and

WHEREAS, pursuant to the provisions of the Maritime Contract, dated as of June 30, 2002, between the New York City Economic Development Corporation ("EDC") and the City of New York, EDC has entered into a contract (the "Construction Contract") with Lomma Construction Corporation for the construction of the shore public walkway and other elements set forth in the Plan (the "Construction");

WHEREAS, Kent and the City wish to provide for their respective rights and obligations in regard to the maintenance and operation of the PAA;

NOW, THEREFORE, in consideration of the foregoing, Kent and City agree as follows:

I. DEFINITIONS

The following words when used in this Agreement shall have the meanings set forth below.

1.01. "City" shall mean the City of New York.

1.02. "Commissioner of Parks" or "Commissioner" shall mean the Commissioner of the New York City Department of Parks & Recreation or any successor to the jurisdiction thereof.

1.03. "CPC" shall mean the New York City Planning Commission or any successor to the jurisdiction thereof.

1.04. "DCP" shall mean the New York City Department of City Planning or any successor to the jurisdiction thereof.

1.05. "Declaration" shall mean the restrictive declaration executed by Kent in connection with the approval of the Application, and dated as of July 3, 2003.

1.06. "Law" or "Laws" shall mean, but not be limited to, the New York City Charter, the New York City Administrative Code, any law of the State or City of New York, any federal law, and any ordinance, rule or regulation having the force of law.

1.07. "Maintenance and Access Security" shall mean the Security as described in Section 4.06 hereof.

1.08. "Mortgagee" shall mean: (i) WNC LLC and its affiliates; (ii) a mortgage insurer; and (iii) any person or entity to whom any one of the following is mortgaged: (aa) a plot of land; (bb) a building or other structure; (cc) a condominium unit consisting of more than one residential unit; (dd) ten or more residential condominium units; or (ee) a

commercial condominium unit, provided any such Mortgagee has given written notice of its name and address to the Parks Department.

1.09. "Kent " shall mean, for the purposes of this Agreement 460 Kent Avenue Housing Development Fund Company, Inc. or any successor thereto as owner of certain real property known as the "Housing Development Parcel" and "Subject Property" and described in Exhibit A which is annexed hereto and made a part of this Agreement. If a cooperative or a condominium is formed with respect to any building in the Housing Development Parcel, such cooperative or condominium, acting through its Boards of Directors or Board of Managers (as the case may be), and in association with any other cooperative or condominium or owner of a building or other structure, shall constitute an association (the "Association"), which Association shall be responsible for all costs associated with maintaining and repairing the Public Access Area as required by this Agreement.

1.10. "Parks Department" shall mean the New York City Department of Parks & Recreation or any successor to the jurisdiction thereof.

1.11. "Public Access Areas" or "PAA" shall mean the public access area (shore public walkway and upland connections) required to be maintained and operated by Kent as shown on the Public Access Area Drawings attached as Exhibit B, including, but not limited to, the sidewalk abutting said shore public walkway and upland connections.

1.12. "Zoning Resolution" shall mean the Zoning Resolution of the City of New York.

II CONSTRUCTION

During the preparation for and the performance of the Construction, Kent shall cooperate with EDC as reasonably required by EDC in obtaining any permits, consents, certificates and approvals that may be required by any applicable laws, rules and regulations, and shall sign any application required to obtain such permits, consents, certificates and approvals, provided that

Kent, by so cooperating, shall not be required to incur any expense or liability with respect to the Construction.

III MANAGEMENT; LICENSE

3.01. The City grants to Kent a license to enter upon the PAA for the sole purpose of enabling Kent to perform its rights and obligations under this Agreement.

3.02. Kent shall provide or cause to be provided at Kent's sole expense, all services required for maintaining and repairing the PAA to the reasonable satisfaction of the Commissioner of Parks. Such services shall include keeping and maintaining the PAA in good condition and good repair, and making replacements, if needed, all in accordance with the provisions of this Agreement.

3.03. On an annual basis, Kent shall provide to the Commissioner of Parks (i) a statement setting forth the costs and expenses of maintenance and operation of, and describing the maintenance work performed in respect of the PAA during the immediately preceding calendar year (or if Kent utilizes a fiscal year which does not correspond to a calendar year, the immediately preceding fiscal year) and (ii) a proposed budget for the current calendar or fiscal year, as the case may be ("Budget"). Kent shall not be required to prepare more than one such statement in each year.

3.04. Within thirty business days of receipt of the Budget by the Commissioner of Parks, the Commissioner of Parks shall approve or disapprove said Budget, using his or her reasonable judgment. If he or she disapproves such Budget, he or she shall state the reasons in writing. Kent shall then submit a revised Budget and the Commissioner of Parks, exercising reasonable judgment, shall within thirty business days of such submittal determine the amount of the Budget. If the Maintenance and Access Security (as described in Paragraph 4.06 herein) is scheduled to expire during this budget approval period, it shall be renewed at an amount not less than that of the immediately preceding year.

IV. MAINTENANCE AND REPAIR

4.01. In General. Kent shall be responsible for ordinary maintenance and repair of the PAA in accordance with the standards set forth in this Article IV and in the Parks Inspection Program Manual, Exhibit C. All such maintenance shall be performed by Kent in a good and worker-like manner. Kent shall deposit with the Parks Department a five-year performance bond securing Kent's obligation to maintain the PAA, as set forth below in Section 4.06. Kent shall have the right to take reasonable measures to protect all portions of the PAA from damage, including without limitation, the walkways, sidewalks, lighting, trees, shrubs and other plantings, furnishings, equipment, fixtures and all marine structures.

4.02. Cleaning.

a. Dirt, litter and obstructions shall be removed as needed and trash and leaves collected and removed as needed so as to maintain the PAA in a clean, neat and good condition.

b. All walkways, sidewalks and lighting and all other improvements and facilities installed in the PAA shall be routinely cleaned and maintained so as to keep such improvements and facilities in a clean, neat and good condition.

c. Graffiti shall be regularly painted over or removed as appropriate to the nature of the surface within 48 hours from the appearance of such graffiti. In the event such graffiti removal may result in structural or other damage to the PAA, Kent shall commence such removal as soon as practically possible and continue until such graffiti is completely removed.

d. Drains, sewers and catch basins shall be cleaned regularly to prevent clogging.

e. Branches and trees damaged or felled by excessive winds, ice, vandalism, or by any other reasons whatsoever, shall be promptly removed.

4.03. Snow Removal.

Snow and ice shall be removed from all walkways so as not to interfere with safe passage, and from all other paved surfaces within a reasonable period of time after each snowfall or accumulation of ice.

4.04. Landscape Maintenance.

In addition to the obligations set forth in Section 4.02 hereof, the maintenance program for the planted portions of the PAA shall consist of a "Spring Start-up Period" program, a "Season Closing Period" program, and a continuing maintenance program through the "Growing Season".

a. Spring Start-up Period: The Spring Start-up Period shall commence on March 1st and terminate not later than the end of the second week of April of each calendar year. Kent shall complete the following work annually during the Spring Start-up Period:

(i) Remove any winter protectives from trees, shrubs and other planting materials.

(ii) Remove all landscape debris including leaves and dead branches.

(iii) Prune and trim those trees that have overextended, dead or otherwise unsightly branches to maintain natural form.

(iv) Remove or destroy any weeds growing between paving blocks, pavement, cobbled and concrete areas.

(v) Apply commercially available nitrogen rich fertilizer to trees, shrubs, plants and lawn areas subject to environmental guidelines or rules established by governmental agencies having jurisdiction, as appropriate.

(vi) Remove any sand deposited as a result of winter sandings.

(vii) Replace any plant material or trees that are dead, diseased and/or otherwise unhealthy with healthy specimens of substantially equal type and reasonable size.

(viii) Reseed grassed areas, as needed.

b. Season Closing Period: The Season Closing Period shall begin on October 1st and shall terminate not later than November 1st of each calendar year. Kent shall undertake and complete the following work annually during the Season Closing Period:

(i) Rake and collect leaves from site.

(ii) Wrap trees, shrubs and other plant material as necessary to ensure adequate winter protection.

(iii) Apply commercially available nitrogen rich fertilizer to all lawn areas.

(iv) Reseed grassed areas between September 1st and October 30th of each calendar year, as needed.

c. Growing Season: The Growing Season shall commence with the commencement of the Spring Start-up Period and shall terminate at the end of the Season Closing Period. Kent shall undertake and carry out the following work during the Growing Season:

(i) Inspect trees on a regular basis and spray when necessary, subject to environmental guidelines or rules established by governmental agencies having jurisdiction.

(ii) Provide irrigation to all trees, shrubs, plantings and grass areas as necessary to maintain in a healthy condition. In extended periods of drought, i.e. little precipitation/high temperatures for more than one week, ground cover, trees, shrubs and other plantings shall be thoroughly watered, subject to any City or State regulations governing water usage.

(iii) Mow grass-covered areas on a bi-weekly basis. During periods of excessive growth, mowing shall occur on a weekly basis. Re-seed grass-covered areas between September 1st and October 30th of each calendar year, as needed.

(iv) Weed as needed, no less than on a bi-weekly basis.

4.05. Repairs and Replacement.

Repair and replacement of all facilities within the PAA, including, without limitation, furnishings, equipment and light bulbs, shall occur as needed to maintain such facilities in good order and working condition, except for any repairs or replacements becoming apparent or necessary during, and otherwise covered by, the one-year warranty period under the Construction Contract. Kent shall exercise due diligence in commencing the repair or replacement of same as

promptly as possible and subject to the notice requirements contained in Section 5.03 hereof and completing the same within a reasonably expeditious time after commencement. Repairs shall include, but not be limited to, the following, as applicable to the facilities in the PAA:

a. Benches or Other Seating: Kent shall undertake all maintenance, including replacement of any broken or missing slats and painting, as necessary.

b. Walls, Barriers and/or Fencing: Any broken or materially cracked walls, barriers and/or fencing shall be repaired or removed and replaced. To the extent feasible, replacement materials and designs shall match the materials and designs of existing walls, barriers and/or fencing.

c. Pavements: All paved surfaces shall be maintained so as to be safe and attractive. To the extent feasible, replacement materials shall match existing materials.

d. Signage: All graphics shall be maintained in a first class condition and all vandalized or damaged signage shall be promptly cleaned or replaced with new signage to match other installed signs.

e. Facilities: All recreation facilities, equipment and lighting fixtures shall be maintained in good condition and good working order at all times.

f. Painting: All items with painted surfaces shall be painted on an "as needed" basis. Surfaces shall be scraped free of rust or other extraneous matter and painted to match the installed color.

g. Plant Materials and Trees: Plant materials and trees that are dead, diseased and/or otherwise unhealthy shall be replaced with healthy specimens of substantially equal type and reasonable size. In the event of the loss of more than ten trees or of all trees of any species, Kent shall consult with the Parks Department and provide appropriate replacements for such trees as determined by the Commissioner of Parks exercising reasonable judgment.

h. Marine Structures: Kent shall undertake to maintain in good condition all marine structures including, but not limited to, steel pilings, steel sheeting, the bulkhead, riprap, cribbing, pier decks and substructure. Kent shall make all necessary repairs and replacements of

such marine structures, except for any repairs or replacements becoming apparent or necessary during, and otherwise covered by, the one-year warranty period under the Construction Contract.

i. Construction Defects & Hazardous Conditions: Kent shall periodically inspect the PAA for construction defects and hazardous conditions and shall promptly repair or replace any portion or feature of the PAA that exhibits such defects or hazardous conditions and shall promptly institute any appropriate measures to protect the public from harm, including but not limited to the erection of warning signs and temporary barriers.

j. Utilities: Kent shall be solely responsible for the maintenance and cost of all utilities required for the operation of the PAA.

4.06. Maintenance and Access Security.

a. Kent shall deposit with the Parks Department, within thirty (30) days of receipt of the Effective Date described in Section 8.05, one or more performance bonds having a five year term or a letter of credit either having a five year term or an annual term that shall be renewed automatically for at least five years (the "Maintenance and Access Security") naming the City as beneficiary, in a form reasonably satisfactory to the Commissioner of Parks, to ensure the maintenance of the PAA in good condition and repair in accordance with this Agreement and to cover damages imposed pursuant to Section 6.05 hereof. The Maintenance and Access Security shall be renewed prior to the expiration thereof, and may be replaced with a substitute bond or letter of credit meeting all the requirements hereof, by a successor in interest or assignee of Kent. The Maintenance and Access Security shall be in an amount that has initially been certified by the New York City Economic Development Corporation to be sufficient to cover one hundred twenty-five percent of the cost of maintaining the PAA for the twelve month period following the Effective Date, as defined in Section 8.05, plus $7,000 to cover damages stipulated to pursuant to Section 6.05 hereof with respect to Findings of Access Denial ("Access Cost").

b. Kent shall notify the Commissioner of Parks as to the proposed amount of the Maintenance and Access Security. Within fifteen business days of its receipt of such notification, the Commissioner of Parks shall approve or disapprove said amount, using his or

her reasonable judgment. If the Commissioner of Parks disapproves said amount, he or she shall state his or her reasons in writing. Kent may then submit a revised amount and the Commissioner of Parks exercising reasonable judgment, shall then determine the amount. If such Maintenance and Access Security has not been renewed at least two weeks prior to the expiration date of such Maintenance and Access Security the City shall be entitled to draw down on the Maintenance and Access Security for the purpose of maintaining the PAA in accordance with this Agreement. Kent shall promptly replenish all sums drawn down so that the available Maintenance and Access Security remains at the amount set by the Commissioner.

c. Not more than once every five years, the Commissioner of Parks may request that the amount of the Maintenance and Access Security shall be increased or decreased, as the case may be, to an amount equal to one hundred twenty five percent of the cost of maintaining the PAA in good condition and repair during the preceding calendar year as determined pursuant to Section 4.06.b. of this Agreement, plus the Access Cost.

V. OPERATION AND ACCESS

5.01. Hours of Public Access.

a. Upon the Effective Date, as defined under Section 8.05, the PAA shall immediately be open and fully accessible to the public without charge or fee, seven days per week, between the hours of dawn and dusk, except as provided in subparagraph (b) below.

b. Notwithstanding the provisions of this Agreement or the Declaration, the Parks Department and Kent may by written agreement temporarily vary such hours for all or a portion of the PAA. At such times as the PAA or any portion thereof is closed, in accordance with this Agreement, they shall be closed to all, including the Kent and any residential or commercial tenants of the Subject Property unless otherwise agreed to by the parties hereto.

5.02. General Use of the PAA.

a. The PAA may be used by all members of the public for activities appropriate to PAA's of similar design and size in the City of New York ("Promenade Activities"), including,

but not limited to, the Promenade Activities listed in Section 5.02(b). With respect to any activities carried on in all or any part of the PAA, no member of the public shall use the PAA for an activity or in a manner which injures, endangers or unreasonably disturbs the comfort, peace, health or safety of any person, or disturbs or causes injury to plant or animal life, or causes damage to property or any person.

b. For purposes of this Agreement, "Promenade Activities" shall include, but not be limited to the following:

(i) walking or standing;

(ii) walking domestic animals (provided such animals are leashed and properly curbed);

(iii) jogging;

(iv) sitting on benches and seating areas provided in the PAA;
(v) use of public facilities provided in the PAA.

5.03. Closure for Repairs.

a. In order (i) to accomplish the repairs or replacements described in Section 4.05 hereinabove, or (ii) to make emergency repairs or to mitigate hazardous conditions or emergency conditions or (iii) for the repair, restoration, rehabilitation, renovation or replacement of pipes, utility lines or conduits or the equipment on or under the PAA, the PAA or the most limited portion thereof, as may be necessary, may be temporarily closed to the public. Kent shall erect such barriers around the portion of the PAA that is temporarily closed as are reasonably necessary to protect the public from harm. Kent will close or permit to be closed only those portions of such areas which must or should reasonably be closed to effect the repairs to be undertaken, and will exercise due diligence in the performance of such repairs so that they are completed expeditiously and within any time period reasonably established by the Commissioner of Parks as provided below, and the temporarily closed areas (or any portions thereof) are reopened to the public promptly. Except in cases of emergency, Kent shall provide seven

business days' advance notice to the public of any temporary closure of the PAA by posting signs at appropriate locations at the PAA. In cases of emergency, Kent shall provide such public notice as soon as practicable.

b. Except in cases of emergency, no less than twenty business days prior to the commencement of the performance of such repairs, Kent shall give notice to the Commissioner of Parks of its intention to perform such repairs, which notice shall describe the scope of such repairs, the anticipated duration thereof, and the portion of the PAA which must be closed in order to carry out the repairs. If the Commissioner of Parks using reasonable judgment believes that the duration of the repairs stated in such notice is unnecessarily long, Commissioner shall notify Kent prior to the commencement date of such repairs of a shorter period for completion of such repairs. If the Commissioner of Parks determines that Kent has failed to comply with the requirements of this paragraph, then the Commissioner of Parks may, no less than ten days after notice to Kent of said determination, order Kent to reopen all or any portion of the PAA which was closed; provided that such order shall not apply to the extent that it would create or allow the creation of an emergency or hazardous condition.

c. In the event of an emergency or hazardous condition, Kent shall promptly, but in no event more than ten business days after such closure, give notice to the Commissioner of Parks that such portion of the PAA has been closed, which notice shall describe the nature of the emergency or hazardous condition causing the closure, the portion of the PAA to be closed and the anticipated duration thereof. Emergency or hazardous conditions for which the PAA may be closed without prior notice shall be limited to actual emergency situations causing or threatening to cause significant physical damage or substantial risks to public safety. In the event of an emergency or hazardous condition, the Commissioner of Parks shall have the right to order Kent to close the PAA or any portion thereof or to reopen any portion of the PAA which was not required to be closed or set a deadline for reopening the PAA (or portion thereof) to the public; in which case, for the duration of such closure Kent shall not be deemed to be in default of its obligation to cause the PAA to remain open and accessible to the public.

5.04. Staffing.

Upon any portion of the PAA being open and accessible to the public, Kent shall, in fulfillment of Kent's obligations hereunder, have discretion to employ, appoint, select, contract with or otherwise hire the services of such number of qualified attendants, gardeners, groundskeepers, laborers, supervisors, and similar personnel to maintain such areas in accordance with the terms of this Agreement. Kent shall at all times have the sole and exclusive right and power to select, appoint, employ, direct, supervise, control, remove, discipline and discharge all persons employed by Kent for the purpose of carrying out its obligations under this Agreement.

5.05. Rules and Regulations.

Except as otherwise agreed to in writing by the Commissioner of Parks, Kent shall establish rules of operation of the PAA that are not inconsistent with the rules and regulations of the Parks Department.

5.06. Illumination.

All pedestrian walkways and paths in the PAA shall be illuminated from one half hour before sunset to one half hour after sunrise in accordance with the requirements set forth in Section 62-673 of the Zoning Resolution.

5.07. Signage.

Upon any portion of the PAA being open and fully accessible to the public as provided hereinabove, appropriate signage, indicating hours open to the public, accessibility to individuals with disability, and the identity of Kent as the entity responsible for maintenance shall be provided by EDC in accordance with Section 62-674 or the Zoning Resolution. Any signage not required by the provisions of Section 62-674 shall be approved in writing by the Parks Department prior to installation of such signage. All signage shall be maintained and replaced as needed in accordance with the provisions of Section 4.05 (d) of this Agreement.

VI. ENFORCEMENT

6.01. Right of Access. Nothing herein shall be construed as in any way limiting the rights of the City, acting through the Parks Department, to have access to the PAA at all times for the purpose of inspecting the PAA and determining Kent's compliance or noncompliance with the terms of this Agreement, and any rules and regulations applicable to the PAA. As part of the training of any private security personnel employed by Kent, such personnel shall be informed of the Parks Department's right of access to the PAA and such personnel shall be trained not to obstruct or interfere with the right of the general public to use and enjoy the PAA in accordance with the terms and conditions of this Agreement.

6.02. Default. a. If Kent fails to perform any of its obligations under this Agreement, the Commissioner of Parks shall give Kent thirty (30) calendar days written notice of such alleged violation, during which period Kent shall have the opportunity to effect a cure. If the Commissioner finds that Kent has diligently commenced and diligently prosecuted efforts to effect a cure during such thirty (30) calendar day period, then the aforesaid thirty (30) calendar day period shall be extended for so long as Kent continues to proceed diligently with effectuation of such cure. If the Commissioner of Parks finds that Kent is unable to commence to effect a cure of an alleged violation in the initial thirty (30) calendar day period due to Circumstances Beyond the Reasonable Control of Kent as defined hereafter, then upon application by Kent, the Commissioner of Parks, in the exercise of his or her reasonable judgment and upon such conditions as he or she may deem appropriate, may allow Kent an additional period of time in which to commence to effect a cure.

(i) For the purpose of this Article VI only, "Circumstances Beyond the Control of Kent" shall mean: (a) strike, lockout or labor dispute(s); (b) failure of a contractor to deliver labor or materials on schedule or inability to obtain materials or reasonable substitutes therefor unless due to any act or failure to act by Kent; (c) acts of God; (d) laws that prevent the parties from carrying out their obligations as set forth herein; (e) enemy or hostile government actions; (f) civil commotion, insurrection, revolution or sabotage; (g) fire or other casualty; (h)

inclement weather of such a nature as to make construction of the PAA or a material portion thereof temporarily not feasible; (i) unsuitability of any soil conditions not known at the time of the signing of this agreement making construction of the PAA or any material portions thereof temporarily not feasible; (j) a taking of the Subject Property, or a portion thereof, by condemnation or eminent domain; (k) failure of a public utility to provide power, heat or light; (l) unusual delay in transportation; or (m) other conditions similar to those enumerated herein and not avoidable by Kent and which are beyond the control of Kent.

b. Notwithstanding anything contained in this Agreement to the contrary, if Kent fails to observe any of the terms or conditions of this Agreement and Kent fails to cure such violation within the applicable grace period provided in Subsection (a) above, then upon the expiration of said grace period, the Commissioner of Parks shall give each Mortgagee ten days' written notice of any alleged violation which would allow the Parks Department to draw down all or substantially all of the Maintenance and Access Security as provided in Subsection (c) below, during which period such Mortgagee shall have the opportunity to cure such alleged violation. Failure of the Commissioner of Parks to give notice to any Mortgagee shall not affect the validity of a notice given to any other Mortgagee. If the Commissioner finds that such Mortgagee commences to effect a cure during such ten business day period and proceeds diligently towards the effectuation of such cure, then the aforesaid ten business day period shall be extended for so long as such Mortgagee continues to proceed diligently with the effectuation of such cure. If such Mortgagee is unable to commence to effect a cure of an alleged violation in the initial ten business day period due to Circumstances Beyond the Reasonable Control of Kent, then upon application by Mortgagee, the Commissioner of Parks, in the exercise of his or her reasonable judgment, may allow such Mortgagee an additional period of time in which to commence to effect such a cure.

c. In the event that any alleged violation of this Agreement has not been cured within the grace period provided in Subsections 6.02 (a) and (b) above, the City, acting through the Commissioner of Parks, shall be entitled to draw down on the Maintenance and Access

Security, to the extent necessary and to apply such monies to the performance of such obligation, and subject to Sections 6.03 and 6.04 hereof, shall be entitled to any type of remedy available in law or at equity. If the City has drawn down such Maintenance and Access Security as provided above, Kent shall within five business days thereafter post a new Maintenance and Access Security replacing the Maintenance and Access Security drawn down by the City. Nothing set forth herein shall prevent the Parks Department from performing any obligation of Kent not performed by Kent, in accordance with this Section, prior to drawing down on such Maintenance and Access Security, and then drawing down on such Maintenance and Access Security to the extent necessary to reimburse or otherwise pay for such work.

6.03. Binding on Successors. The restrictions, covenants and agreements set forth in this Agreement shall be binding upon Kent only for the period during which the City grants Kent a license pursuant to Section 3.1 hereof. In the event the City terminates such license, Kent's obligations, indemnity and liability with respect to this Agreement shall wholly cease and terminate. Kent's successors in interest with respect to the Subject Parcel shall be bound by this Agreement and shall be deemed to have ratified all actions of Kent taken in accordance with this Agreement provided: (a) the Proposed Development exists on the Subject Property; and (ii) the City shall have granted such successor a new license pursuant to Section 3.01 hereof.

6.04. Limitation of Liability. The City shall look solely to the interests in the Subject Property on an in rem basis only, for the collection of any judgment recovered against Kent or the enforcement of any monetary remedy based upon any breach by Kent under this Agreement, and no other property of Kent shall be subject to levy, execution or other enforcement procedure for the satisfaction of the monetary remedies of the City under or with respect to this Agreement, and Kent shall have no personal liability under this Agreement. For the purpose of this Section 6.04 "Kent " shall be as defined in Article I hereof, as well as any principals, disclosed or undisclosed, agents, partners, affiliates, officers, employees, shareholders or directors of Kent. In the event that any building constructed on the Housing Development Parcel is converted to condominium form of ownership, every condominium unit (other than any condominium unit that contains affordable housing units developed with the assistance of the Federal Low Income

Housing Tax Credit under Section 42 of the Internal Revenue Code of 1986, as amended) shall, as successor in interest to Declarant, be jointly and severally liable and subject to levy, execution or other enforcement procedure for the satisfaction of any monetary remedies of the City, provided that such enforcement procedures shall be taken against all the units simultaneously, rather than against individual units.

6.05. Denial of Access. a. If a finding of denial of access to the PAA (the "Finding") is made as described below, then for each incident, the City, acting through the Parks Commissioner, shall be entitled to draw down the Maintenance and Access Security in the following amount to cover damages: $500, if it is the first such Finding; and $1,500, if it is the second such Finding; and $5,000, for the third such Finding and each and every Finding made thereafter, provided, however, that at the expiration of any eighteen month period during which there have been no such Findings, the initial Finding made after such eighteen month period shall be considered the first such Finding. The foregoing monetary amounts to be adjusted annually to reflect changes in the Consumer Price Index with 2003 serving as the base year.

b. If the Commissioner of Parks has reason to believe that the use and enjoyment of the PAA as described in Section 5.02 herein by any member of the public has, without reasonable cause, been denied or materially impaired, the City shall serve upon Kent such statement, together with written notice that the City intends to make a Finding, unless within twenty days of Kent's receipt of the notice, Kent submits to the Parks Department a written denial of the allegation or additional facts or evidence which indicate that there has been no denial or material impairment of access. At the expiration of such twenty day period, the Commissioner of Parks shall evaluate any evidence submitted and make a Finding of whether denial has occurred.

c. The drawdown of the Maintenance and Access Security pursuant to this Section does not waive any other remedies the City may have to enforce public access.

VII. RIGHT OF ENTRY TO PUBLIC ACCESS AREAS

7.01. Upon a Maintenance Default (hereinafter defined), the City may perform Kent's maintenance obligation set forth herein until such time as Kent resumes the performance of such obligations. A "Maintenance Default" shall occur when Kent has failed to perform any of its maintenance obligations under this Agreement and neither Kent nor any Mortgagee has diligently commenced and diligently prosecuted efforts to effect a cure as provided in Section 7.02.

VIII. MISCELLANEOUS

8.01. Amendment. This Agreement may not be amended except by a written instrument executed by Kent, and the Parks Department and the Chairperson.

8.02. Cancellation. This Agreement may not be canceled except pursuant to its terms or by written instrument executed by Kent and the Parks Department.

8.03 Notices. All notices or other communications which either party may be required or may desire to give to the other relating to this Agreement shall be effective only if in writing and mailed to the party for which it is intended by certified or registered mail, return receipt requested, postage prepaid, or personally delivered, addressed to the party at the address provided at the beginning of this Agreement, in the case of the City, to the attention of the Commissioner, Department of Parks & Recreation and the General Counsel, Department of Parks & Recreation at The Arsenal, Central Park, 830 Fifth Avenue, New York, New York 10021 and to 460 Kent Avenue Development Fund Company, Inc., 2226 First Avenue, New York, New York 10029, with a copy to Seiden & Schein, P.C., 570 Lexington Avenue, New York, NY 10022, and to any Mortgagee and any successors in interest and their respective counsel at the address provided in its notice to the Department of Parks & Recreation. Each notice which shall be mailed shall be deemed sufficiently given or sent for all purposes hereunder five business days after it shall be mailed at a branch post office regularly maintained by the United States Postal Service, or if delivered by hand, when actually received.

8.04. Governing Law. This Agreement shall be governed by and construed under and in accordance with the laws of the State of New York.

8.05. Effective Date. This Agreement shall become effective upon the elapsing of five (5) business days following City notice to Kent that construction of the PAA is complete and that the PAA is ready to be open for public use.

8.06. Reliance by Third Parties. No person or entity other than Kent, the City, the Parks Department or a legal representative or DCP, successor in interest or assignee of such party shall be entitled to rely on this Agreement or the performance of Kent or the City hereunder. This Agreement is not made for the benefit of any other person or entity and no such other person or entity shall be entitled to enforce or assert any claim arising out of or in connection with this Agreement.

8.07. Indemnity. Kent shall indemnify the City, including the Parks Department, CPC, HPD, and DCP and their respective officers, employees and agents from any and all claims, actions or judgments for loss, damage or injury, including death or property damage of whatsoever kind or nature, arising from Kent's obligations under this Agreement, including, without limitation, the negligence or carelessness of Kent, its agents, servants or employees in undertaking such obligations, subject to the provisions of Section 6.04 hereof; provided however that should any such claim be made or action brought, Kent shall have the right to defend such claims or action with an attorney reasonably acceptable to the City and no such claim or action shall be settled without the written consent of the City.

8.08. Right to Sue.

(a) Nothing contained herein shall prevent the Kent from asserting any claim or action against the City of New York or any of its subdivisions or any of its officials arising out of the City's performance, or failure of performance as to any of the City's obligations under this Agreement or the exercise, by the City, of any of its rights under this Agreement.

(b) Nothing contained herein shall prevent the City of New York or any of its subdivisions or any of its officials from asserting any claim or action against the Kent arising out

of the Kent's obligations under this Agreement, or the exercise, by the Kent of any of its rights under this Agreement.

8.09. Approvals. Wherever in this Agreement the certification, consent or approval of the Kent, the Chairperson, or the Commissioner of Parks is required or permitted to be given, it is understood that time is of the essence, and such certification, consent or approval will not be unreasonably withheld or delayed. If the Chairperson or the Commissioner of Parks fails to act upon a request for an approval within the time limits provided in this Agreement, or where no time limits are provided, within a reasonable period of time, the City shall be deemed to have consented to, and will not oppose, expedited judicial review of any such failure to act.

IX. INSURANCE

9.01. (a) Kent shall at all times, at its sole cost and expense, procure and maintain on and before the Effective Date such insurance as will:

(i) protect Kent from claims under the Workers' Compensation Act;

(ii) insure Kent, its agents and sublicensees, and the City, its agents and employees against any and all loss, liability, obligations, fines, damages, penalties, claims, charges, costs, or expenses, including reasonable attorneys' fees, for which they, or any of them, are or may be liable as a result of any personal injuries, death, or property damage arising, in whole or in part, from any negligent or intentional conduct on the part of the Kent, or others, in connection with Kent's operations pursuant to this Agreement, including but not limited to the operation, repair, maintenance replacement or removal of any capital improvements;

(iii) insure the property and equipment of the City at the PAA against any damage whatsoever;

(iv) include Parks, HPD, the City of New York and their officers, employees, and agents as additional insured parties. Kent shall provide to Parks and HPD a Certificate of Insurance naming Parks, HPD, the City of New York and their officers, agents and employees as additional insureds on or before the Effective Date. All policies required to be maintained

pursuant to this Agreement shall be issued by an insurance company or companies authorized to do business in the State of New York having a Best 's rating of at least A-VII.

(b) The policies shall provide the amounts of insurance hereafter mentioned, and upon delivery of this Agreement, all certificates of insurance shall be submitted to Commissioner for his approval and retention. Each certificate shall be marked "Premium Paid" and shall have endorsed thereon: "No cancellation of or change in this policy shall become effective until after thirty days notice by Certified Mail to Commissioner, Department of Parks and Recreation, The Arsenal, 830 Fifth Avenue, New York, New York 10021." Each policy shall also provide that the insurer is obligated to provide a legal defense in the event any claim is made against the City. If, at any time, any of said policies shall terminate or become unsatisfactory to Commissioner as to form or substance, or if a company issuing any such policies shall become unsatisfactory to Commissioner, Kent shall promptly obtain a new policy, and submit the same to Commissioner for written approval, which shall not be unreasonably withheld, and for retention thereof as hereinabove provided. Upon failure of Kent to maintain, furnish and deliver such insurance as above provided, this Agreement may, at the election of Commissioner, be suspended, discontinued or terminated. Failure of Kent to take out and/or maintain or the taking out or maintenance of any required insurance shall not relieve Kent from any liability under this Agreement, nor shall the insurance requirements be construed to conflict with or limit the obligations of Kent concerning indemnification.

(c) All required insurance must be issued by companies which are rated "X-10" and are licensed to do business in the State of New York and must be in effect and continue so during the life of the Agreement in not less than the following amounts:

Workmen's Compensation Insurance . . . . . Per Statute

Employer's Liability
for any one occurrence
not less than $1,000,000.00

Comprehensive General Liability Insurance (with Broad Form Property Damage, Products/Completed Operations Liability, Contractual Liability, Independent Contractors, Fire/ Legal Liability, Garage Liability, Property Insurance Endorsements)
for any one occurrence
not less than $3,000,000.00

Any Auto, Hired Auto, and Non-Owned Auto Insurance
for any one occurrence
not less than $1,000,000.00

(d) Subject to the provisions herein, the City shall indemnify and hold harmless Kent, its successors, or assigns, for any judgment or settlement arising out of a claim for injury to persons who are members of the public (i.e., not employees or agents of Kent, tenants, shareholders or other residents, or invitees of any of same) as a result of any defect or otherwise dangerous condition in, or on the PAA to the extent such judgment or settlement exceeds the amount of three million dollars, provided that the City's obligation to indemnify and hold harmless hereunder shall not arise: (i) if the Department of Parks & Recreation determines that Kent has not fully complied with the maintenance obligations set forth in the Zoning Resolution (other than requirements relating to construction of a PAA) and this Agreement; or (ii) if the injury is determined to have resulted from intentional wrongdoing or recklessness on the part of Kent or its employees.

(e) The City's obligation to indemnify and hold harmless under this Section shall be conditioned upon: (1) Kent's maintenance of insurance in accordance with the provisions of this Article IX; (2) delivery to the Chief of the Torts Division of the Law Department of the City of New York at 100 Church Street, New York, New York 10007 of a copy of any summons, complaint, process, notice, demand or other pleading initiating an action or proceeding, within ten business days after Kent's receipt thereof; (3) the full cooperation of Kent in providing the Department of Parks & Recreation with such information as the Parks Department or New York City Law Department may require in order to determine whether the Kent has fully complied with its maintenance obligations under the Zoning Resolution and the Agreement; and (4) prompt notification to the Chief, Torts Division of the Law Department of

the City of New York of any settlement demand; as well as upon the further condition that no offer of settlement for an amount in excess of three million dollars shall be made or communicated to the claimant, nor shall Kent or its counsel concede liability or waive any material right, including the right to appeal, without first obtaining the consent of the City.

X. CLAIMS AND ACTIONS THEREON

10.01 a. No action at law or proceeding in equity against any party to this Agreement shall lie or be maintained upon any claim based upon this Agreement or arising out of this Agreement or in any way connected with this Agreement unless the party bringing the action shall have strictly complied with all requirements relating to the giving of notice and of information with respect to such claims, all as herein provided.

b. In the event any claim is made or any action brought in any way relating to the Agreement herein (except any claim made or action brought by the Kent, or any claim or any action brought by the City or any of its agencies or instrumentalities against Kent) Kent shall diligently render to the Parks Department and/or the City of New York without compensation any and all assistance which the Parks Department and/or the City of New York may require of Kent.

c. Kent shall report to the Parks Department and the Department of Law in writing within ten days of the initiation by or against Kent of any legal action or proceeding in connection with or relating to this Agreement.

d. In the event that any provision of this Agreement shall be deemed, decreed, adjudged or determined to be invalid or unlawful by a court of competent jurisdiction after all appeals are exhausted or the time for appeal has expired, such provisions shall be severable, and the remainder of the Agreement shall continue to be in full force and effect.

e. Kent shall include a copy of this Agreement as part of any application submitted by Kent with respect to the improvement, alteration, reconstruction, operation or maintenance of the PAA to any governmental agency or department having jurisdiction over the

Proposed Development including, without limitation, the Buildings Department, the New York City Board of Standards and Appeals, the Parks Department and CPC.

f. Notwithstanding Parks' right to draw down on the Maintenance and Access Security Bond, if Kent is found by a court of competent jurisdiction to have been in default in the performance of its obligations under this Agreement, and such finding is upheld on final appeal or the time for further review of such finding or appeal by a court or by other proceedings has lapsed, Kent shall indemnify and hold harmless the City, the Parks Department and CPC from and against all reasonable legal and administrative expenses arising out of or in connection with the enforcement of Kent's obligations under this Agreement.

g. If any judgment is obtained against Kent from a court of competent jurisdiction in connection with this Agreement, and such judgment is upheld on final appeal or the time for further review of such judgment or appeal by a court or by other proceeding has lapsed, Kent shall indemnify and hold harmless the City, the Parks Department and CPC from and against all reasonable legal and administrative expenses arising out or in connection with enforcement of said judgment.

XI. MERGER

This written Agreement contains all the terms and conditions agreed upon by the parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto, or to vary any of the terms contained herein.

XII. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement has been duly executed by the City and Kent as of the day and year first above written.

460 Kent Avenue Housing Development Fund Company, Inc.

By: _____
Name: David Neuberman
Title: President
Date: 7/9/03

CITY OF NEW YORK
PARKS & RECREATION

By: _____
Name:
Title:
Date:

~~**With Respect to Section 3.01 only**~~

Department of Housing

Preservation and Development

By: _____

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

On the 3rd day of July in the year 2003 before me, the undersigned, a notary public in and for said state, personally appeared David Neuberman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

AVIVA YAKREN
NOTARY PUBLIC, State of New York
No. 02YA6061736
Qualified in Queens County
Commission Expires July 16, 2003

IN WITNESS WHEREOF, this Agreement has been duly executed by the City and Kent as of the day and year first above written.

460 Kent Avenue Development Fund Company, Inc.

By: _____

Date: _____

City Of New York
Parks & Recreation

By: _____

Date: July 17, 2003

With Respect to Section 3.01 only

Department of Housing Preservation and Development

By: _____

Date: July 18, 2003

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

On the ____th day of _____, 2003, before me personally came _____, to me known, who being by me duly sworn, did depose and say that he resides at _____; that he is the _____ of Kent Avenue Development Fund Company, Inc., the Corporation described in and which executed the foregoing instrument, and that he signed his name thereto by order of the board of directors of said corporation as president of said corporation.

_____

Notary Public

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

On this 17 th day of July, 2003, before me personally came Liam Kavanagh to me known and known to me to be the Deputy Commissioner of the Department of Parks & Recreation of the City of New York, and the said person described in and who executed the foregoing instrument, and he acknowledged that he executed the same in his official capacity and for the purpose mentioned therein.

Nancy S. Harvey

Notary Public

NANCY S. HARVEY
Notary Public, State of New York
No. 02HA6017929
Qualified in Kings County
Commission Expires Dec. 21, 2006

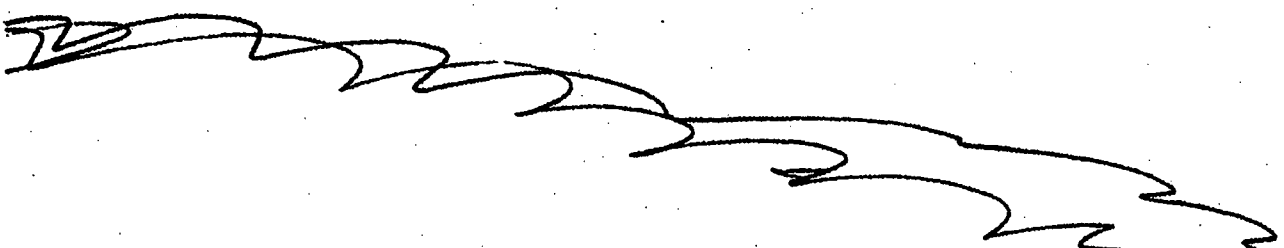
STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 18 day of July in the year 2003 before me, the undersigned, a Notary Public in and for said State, personally appeared Aileen C. Gribbin, 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

JOHN C. FIELDS
Notary Public, State of New York
No. 02FI6044202
Qualified in New York County
Commission Expires ~~July 9, 2006~~ 9-12-06

EXHIBIT A



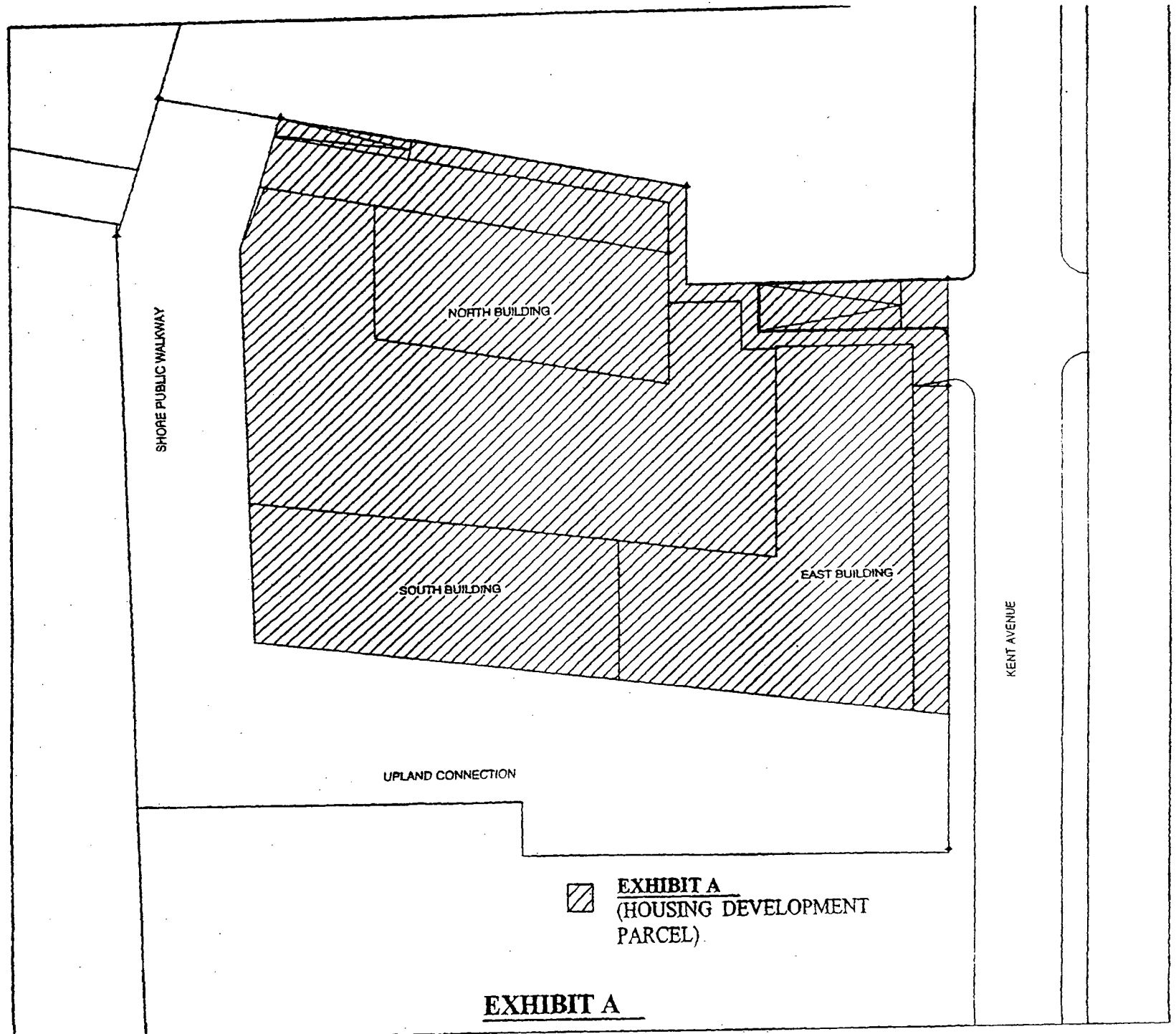

NORTH BUILDING
SHORE PUBLIC WALKWAY
SOUTH BUILDING
EAST BUILDING
KENT AVENUE
UPLAND CONNECTION
EXHIBIT A
(HOUSING DEVELOPMENT PARCEL)

EXHIBIT A

EXHIBIT B

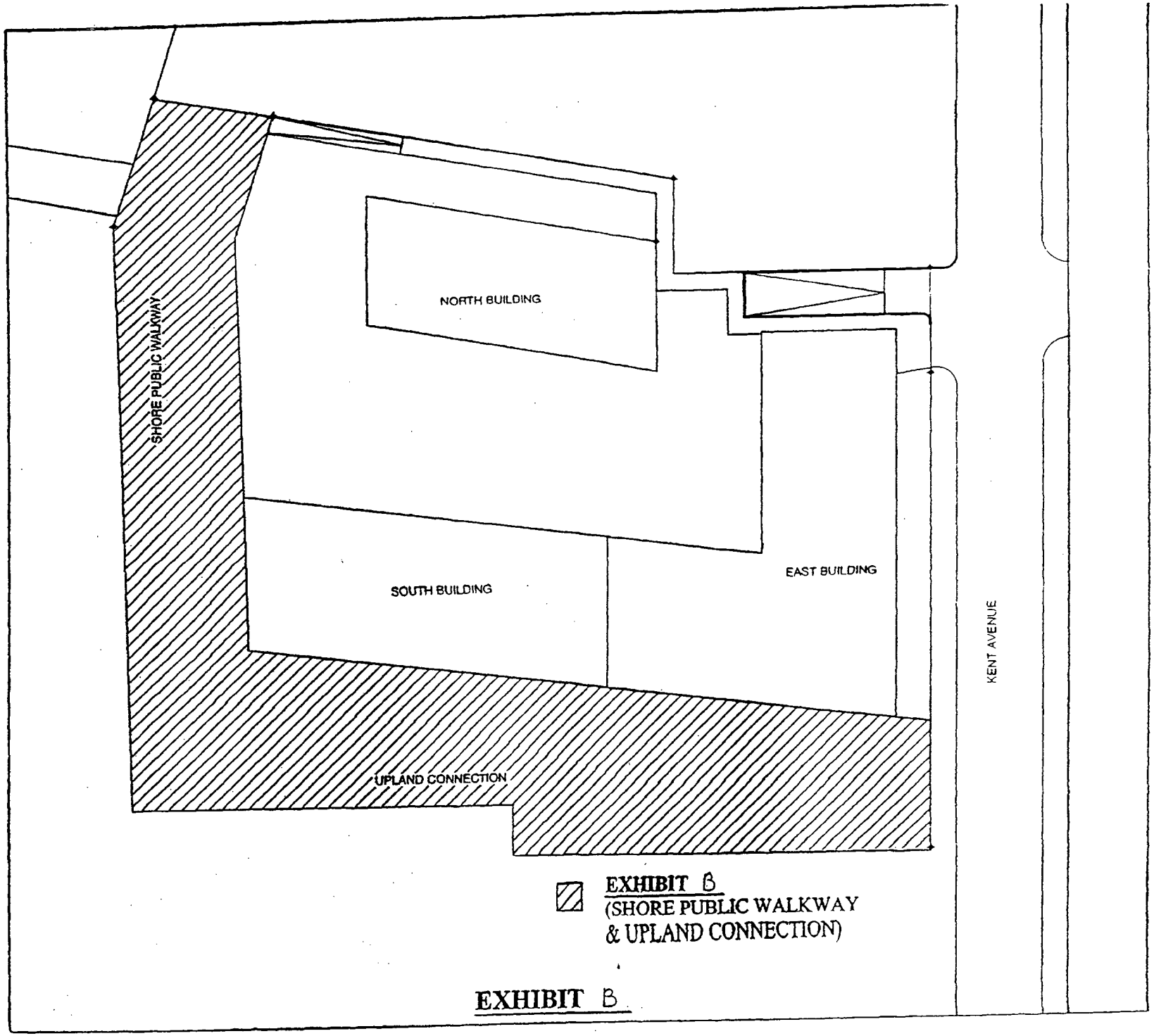

NORTH BUILDING
SHORE PUBLIC WALKWAY
SOUTH BUILDING
EAST BUILDING
KENT AVENUE
UPLAND CONNECTION
EXHIBIT B
(SHORE PUBLIC WALKWAY
& UPLAND CONNECTION)

EXHIBIT B

EXHIBIT C

PARKS INSPECTION PROGRAM STANDARDS



Guide to the Parks Inspection Program
&
Official Inspection Standards

Operations & Management Planning

The City of New York
Parks & Recreation

Michael R. Bloomberg, Mayor
Adrian Benepe, Commissioner

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For more information about anything in this manual, call Laura Sullivan, Director of OMP, at (212) 360-8234 or Ben Delisle, Assistant Director, at (212) 360-8229

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Part One: Guide to the Parks Inspection Program

Mission: **The Parks Inspection Program (PIP) measures the performance of the City of New York / Department of Parks & Recreation by monitoring the conditions and the quality of maintenance in the City's public parks and recreational facilities.**

A. Overview of the Program

The Parks Inspection Program is administered by the division of Operations & Management Planning (OMP) of the City of New York / Parks & Recreation. Trained inspectors from OMP's Inspection Team using hand-held computers and digital cameras perform nearly 5,000 inspections each year, giving each inspected park an "Acceptable" or "Unacceptable" rating for overall condition and for cleanliness.

When a site is rated, individual "Acceptable" or "Unacceptable" ratings are given to as many as 16 separate park features. Features are divided into three categories: cleanliness, structural, and landscape. The cleanliness features are litter, glass, graffiti, and weeds. The structural features are sidewalks, paved surfaces, play equipment, safety surface, benches, and fences. The landscape features are trees, lawns, athletic fields, horticultural areas, trails, and water bodies. A site's cleanliness will be rated unacceptable if any two cleanliness features are unacceptable or any one cleanliness feature is very unacceptable. A site's overall condition will be rated unacceptable if the site fails cleanliness, if any three of any of its features are unacceptable, or if any one of its features is very unacceptable. Some additional park elements such as signs, flags, comfort stations, and drinking fountains are inspected and tracked, but do not figure into the cleanliness or overall condition rating of a site.

Features are rated unacceptable because of generally unacceptable conditions, such as peeling paint on all benches at a site; specific hazardous conditions, such as sharp, protruding bolts on one bench; or some combination of the two. Hazards are noted by an inspector as needing "Immediate Attention," and must be corrected within two inspection rounds of the issuance of an inspection. An Immediate Attention designation can fail a feature or even an entire site.

Inspections take place in two-week inspection rounds. Each round, 205 ratable sites are randomly selected according to set parameters and inspected. At the conclusion of each round, a summary report is produced showing the citywide and borough-by-borough percentages of sites rated acceptable for cleanliness and overall condition. This report is distributed at upper-level management meetings at which the Commissioner, Deputy Commissioners, and Borough Commissioners are present. Each Borough Commissioner also receives a packet with detailed evaluations of each of the sites inspected in his or her borough, along with pictures of hazardous or unacceptable conditions observed.

Summary ratings are produced for each inspection season and for the inspection year. There are four inspection seasons each year— spring, summer, fall, and winter— and each season consists of six inspection rounds. The inspection year dates from the beginning of the spring inspection season (early March) to the end of the winter inspection season one-year later (late February). Ratings are also reported for the fiscal year (July 1 through June 30) in the Mayor's Management Report.

Parks Inspection Program ratings provide Parks & Recreation management, elected officials, and the general public with a broad indicator of the condition of NYC parks. In doing so, the ratings serve as a performance measure for Parks & Recreation. Using the ratings, the agency holds itself accountable to specific standards of cleanliness, safety, and structural condition at rated sites. PIP ratings also include detailed information on specific parks and on specific features in parks. This helps Parks & Recreation use its resources effectively to target problem-areas. This detailed site-by-site information is especially important in the allocation of scarce capital funding each year. Parks & Recreation lobbies elected

officials for capital funding for sites that consistently fail PIP inspections because of structural problems. Parks also uses capital requirements contracts at sites to address individual features that have been rated unacceptable because of structural deterioration.

Renewed focus on the Parks Inspection Program has been one of Parks' major initiatives since 1994. The Cleanliness rating for rated sites has risen from 74% acceptable in 1993 to 93% acceptable in FY 2002. Overall Condition has also risen from 47% in 1993 to 88% in FY 2002. The Parks Inspection Program has both recorded these gains and served as an important management tool for achieving improved conditions.

B. Ratable Sites

There are three categories of ratable sites: playgrounds & small parks, large park zones, and Greenstreets. Currently, there are 3,223 ratable sites citywide. Of these ratable sites, there are 957 playgrounds, 345 small parks, 529 large park zones, and 1,392 Greenstreets.

Playgrounds & small parks are less than 6 acres in size and are made up of sitting areas, triangles, malls, neighborhood parks, playgrounds, and a few small undeveloped areas. Playgrounds within large parks are included in this group and are rated separately from the large parks. Jointly Operated Playgrounds or JOPs (jointly operated with the Department of Education) are also included in this category.

There are a total of 219 large parks (6 acres or more) within the city. Of these, 168 are considered ratable parks. To make inspecting large parks more manageable, they have been divided into 529 large park zones. In general, large park zones follow geographic boundaries such as park drives and tree lines, conform to existing borough and district Maintenance & Operations boundaries, can be inspected in 1-2 hours, and match the public's perception of certain areas of large parks as unique from other areas. A few large parks, for example those that are less than 20 acres in size, are rated as one zone.

Greenstreets are islands of trees and horticultural plantings along city streets. Many are former barren concrete triangles and malls that have been converted by Parks into green spaces by planting trees, shrubs, and other woody perennials. Greenstreets are grouped into three subcategories, Type 1, 2, and 3. Type 1 greenstreets contain horticultural plantings and are regularly maintained by Parks. Type 2 greenstreets are just tree pits in traffic medians, with no other plantings or features. These are not rated. Type 3 greenstreets are former triangles and sitting places and other miscellaneous greenstreets.

Parks or facilities maintained entirely by other organizations that have contracted with the agency for the maintenance of a site are not rated. Contracts of this nature are called jurisdictional maintenance agreements. For example, Herald Square in Manhattan, which is maintained by the 34th Street Business Improvement District, is not rated. Central Park, which is maintained by the Central Park Conservancy, is a notable exception to this rule and is rated in full.

Parkways such as the Grand Central Parkway that are maintained by DOT and offer no opportunities for public recreation are not rated. Parkways such as Eastern Parkway in Brooklyn that include paved pedestrian & bike paths and benches are rated.

C. Random Selection of Sites – the Sort

205 sites are randomly selected by the PIP database each round for inspection subject to the following parameters:

First, the same number of sites are inspected in each borough every round. These numbers are based on each borough's share of the total number of ratable sites citywide.

Second, the ratio of playgrounds & small parks, large park zones, and Greenstreets inspected in each borough is proportional to the overall ratio of these sites to one another in each borough.

Third, once a site is inspected, it is not eligible to be inspected again until four rounds (usually eight weeks) have passed.

Finally, every ratable site is inspected at least once each inspection year.

D. What Is Inspected at a Site

The entire property owned or maintained by Parks & Recreation, including the surrounding sidewalk, is inspected as part of a PIP inspection. Inspections are typically done on foot. Certain park elements at a site such as comfort stations, drinking fountains, signs, and flags are not rated as park features, but information on these park elements is recorded and tracked (see appendix for Park Elements).

E. When Are Sites Inspected

Playgrounds, small parks, and Greenstreets are inspected year-round, Monday through Friday. Large parks are inspected year-round, Tuesday through Friday. Large parks are not inspected on Mondays to allow for one day of additional clean-up following the high usage on the weekends. Inspections begin no earlier than 8:30 AM Tuesdays through Fridays, and always after 10:00 AM on Mondays and days after holidays.

With 24 two-week inspection rounds a year, there are as many as four weeks each year when no inspections take place. Alternately, as many as four rounds each year are made into three-week rounds because of holidays or successive days of extremely inclement weather. Inspections do not typically take place in heavy rain or snow. Inspections can be suspended for up to one week if a heavy layer of snow blankets ratable sites.

F. Immediate Attention Hazards

A feature is flagged for "Immediate Attention" when one or more hazards are present (such hazards are typically referred to as Immediate Attentions or IA's). All features except graffiti can be flagged for Immediate Attention.[1] There are two levels of Immediate Attention:

[1]While graffiti is never a safety hazard and consequently never flagged for "Immediate Attention," it should always be immediately removed as per standing agency policy.

Priority One: The hazard presents the chance of a life-threatening or permanently-debilitating injury.

A single Priority One Immediate Attention will typically fail the Overall Condition rating (as well as the Cleanliness rating if a cleanliness feature is flagged for Priority One Immediate Attention). A Priority One IA will always fail the feature rating.

Priority Two: The hazard presents the chance of a slight to serious injury, or is more critical in nature but in a remote location (in which case injury is less likely).

In playgrounds, small parks, and Greenstreets, one Priority Two Immediate Attention will fail the feature rating. In large parks, two Priority Two Immediate Attentions for one feature are needed to fail the feature.

Typical examples of both Priority One and Priority Two Immediate Attentions are listed in the standards for each feature (see Part Two). These lists are not all encompassing, and conditions not explicitly listed may be flagged as Immediate Attentions by an inspector.

Immediate Attentions must be remedied within two rounds (typically four weeks) of the round that the hazard was noted. IA's are tracked centrally and any outstanding IA's at the end of two rounds are reported at the Operations Meeting.

G. Cleanliness Rating

The Cleanliness rating is determined to be either Acceptable or Unacceptable, depending on the ratings of the four Cleanliness features (litter, graffiti, glass, and weeds).

Any of the following will cause the Cleanliness rating to be Unacceptable:

a. Two or more unacceptable ("U") *cleanliness* features.

b. One or more very unacceptable ("U/S" or "Unacceptable/Site") *cleanliness* features.

H. Overall Condition Rating

The Overall Condition rating is determined to be either Acceptable or Unacceptable depending on the ratings of all 16 features.

Any of the following will cause the Overall Condition rating to be Unacceptable:

a. Unacceptable Cleanliness rating.

b. Three or more unacceptable ("U") features (cleanliness, structural, or landscape).

c. One or more very unacceptable ("U/S" or "Unacceptable/Site") features (cleanliness, structural, or landscape).

I. Capital Recommendations

Recommendation for Capital replacement is given to a feature when that feature is in need of work and the scope of the work is beyond the ability of in-house forces to accomplish through routine maintenance. Any one of the six structural features may be recommended for Capital. For specific criteria for when Capital replacement is recommended, see the individual feature standards.

J. Playground Design & Construction Issues

All new Parks playgrounds are designed to meet or exceed the latest American Society for Testing & Materials (ASTM) and Consumer Product Safety Commission (CPSC) standards for playground safety, design and construction. The CPSC standards were first released in 1981 and the ASTM standards were first released in 1993. PIP inspectors are periodically trained in both standards as part of a two-day inspector certification course offered by the National Recreation & Park Association.

Both standards have been revised several times since their initial release. As a result, many playgrounds may not be fully compliant with the initial release or more recent revisions of these standards may not fully comply with the current standards. If an inspector encounters such an issue and it is within the ability of borough M & O to easily fix, it will be flagged as a Pre-Immediate Attention.

Pre-Immediate Attentions do not count toward the feature or site's ratings and are not tracked on the same timetable as regular Immediate Attentions. A problem flagged as a Pre-Immediate Attention will, however, be flagged as a regular Immediate Attention if it is still present when the site is next inspected. An inspector will note problems that are due to the design or construction of the playground and that are not within the ability of in-house forces to fix as Capital Design Issues. These issues will be forwarded to Capital.

K. Closed Sites and Blocked-Off Features

Sites closed for capital construction are the responsibility of the capital contractor and are neither inspected nor rated.[2] Accessible construction sites[3] where workers are present also are not inspected nor rated. However, if an inspector finds access to a construction site via a sneakhole or unlocked gate and no construction workers are present, the inspector will enter and rate the interior of the site for Immediate Attention Hazards.[4] Any Immediate Attention hazards discovered will be recorded and will count toward the ratings. If there is no sign present explaining that the site is under Capital and an inspector has access to a construction site via a sneakhole or unlocked gate, the inspector will rate the site fully.

Features or entire sites blocked-off for renovation under requirements contracts are not rated. However, if the area undergoing requirements contract work is not blocked-off or is not sufficiently blocked-off, and no sign is present indicating that work is ongoing, the area will be rated. This rating cannot be appealed because it is the responsibility of borough M & O to ensure that a sign is posted at every requirements contract site indicating that requirements contract work is ongoing. If an inspector finds access to a construction site via a sneakhole or unlocked gate and no construction workers are present, the inspector

[2] Closed construction sites must be securely fenced and any gates must be locked if workers are not present. There must be no other access to the site, i.e. sneakholes.
[3] Accessible means the gate is open or unlocked or sneakholes are present and the general public could enter the construction site.
[4] All construction sites are required to have a sign indicating that the site is closed and under construction.

will enter and rate the interior of the site for Immediate Attention hazards. Any Immediate Attention Hazards discovered will be recorded and will count toward the ratings.

Developed sites closed by borough M & O are not rated. However, if an inspector has access to the site via a sneakhole or open gate and there is no sign stating that the site is closed to the public, the area will be rated. This rating cannot be appealed because M&O is solely responsible for sites that it closes. If a site is closed and an inspector has access to the construction site via a sneakhole or unlocked gate, the inspector will enter and rate the site even if a sign is present. In such a situation, the interior of the site will be rated only for Immediate Attention Hazards. Undeveloped sites, whether closed or open, are rated (see "Undeveloped Sites" below for how undeveloped sites are rated).

Features blocked-off by borough M & O are not rated, unless if by blocking-off the feature M & O inhibits the public's ability to use the site. For example, if all of the play equipment at a playground is blocked-off, play equipment will be rated unacceptable. A blocked-off feature will also be inspected and rated if it is not sufficiently blocked-off.

L. Undeveloped Sites

Undeveloped sites are comprised of two groups. The first is made up of large, undeveloped natural areas, over 6 acres in size that do not contain public-access trails (for example, inaccessible wetlands). These areas are not rated. Natural areas that do contain public-access trails are inspected and rated regardless of whether they are official trails or desire lines.

The second group consists of smaller (less than six acres), undeveloped lots, typically surrounded by developed areas. The periphery of these parks, i.e. the area between the fence and the street, including the fence, is fully rated. Sidewalks, trees, fences, and all of the cleanliness features are rated. The interior of these sites is generally not entered nor inspected, except for excessive litter, glass, weeds (growing through fence) and graffiti, which is rated, insofar as any such matter is visible from the periphery of the site. Additionally, if an inspector has access to the site through a downed fence or unlocked gate, the site is rated in full.

M. Park Elements

Park elements are elements of parks that are tracked by the Parks Inspection Program but do not typically affect the rating of a site. The most important parks elements are signs and flags. Inspectors note whether or not signs and flags that should be present at a site are in fact present, and whether or not they are damaged and in need of replacement. Because of the importance and high visibility of signs and flags, problems with signs and flags are tracked on the same two-round repair cycle as Immediate Attentions.

Other park elements include animal art, swings, drinking fountains, and comfort stations. Information on some park elements may or may not be reported at upper-level management meetings, depending on the agency priority given to each park element and whether or not recent inspections show a problem with a particular park element. In general, inspecting something as a park element offers an alternative to inspecting it as a park feature, in which case it would be factored into the overall condition and cleanliness ratings of a site.

Part Two: Official Inspection Standards

Cleanliness Features

LITTER

WHAT IS RATED:

The following are rated under litter: refuse that has been discarded somewhere other than a proper garbage bag or receptacle; large quantities of natural debris (such as leaves, dirt or sand) on structural features; accumulated grime, stains, or bird feces on structural features; health hazards such as condoms, syringes, feces, or fetid water; the condition of garbage cans and bagged garbage awaiting pick-up; and dumping in natural areas, including abandoned cars. Dumping includes any items brought into the park by people or businesses for the purpose of disposal. Common dumping items include appliances, furniture, and tires.

Broken glass is rated under "Glass." Refuse and natural debris in water bodies are rated under "Water Bodies."

Leaves on structural features will not be rated unacceptable for the duration of the fall, unless they present a safety hazard and are considered an Immediate Attention (e.g., leaves obscuring steps).

Ice on sidewalks, paved paths, and stairs will be rated, except ice on sidewalks in the interior of a park, which is not rated. Snow, including packed snow, is also not rated. Ice on safety surface is not rated nor considered a hazard.

Litter will not be rated at a site when a cleaning crew is present at the time of the inspector's arrival. In a large park, to be exempt from a litter rating the crew must be cleaning in the zone that is being inspected. If there is an Immediate Attention hazard that has not been addressed by the crew, the inspector will rate that hazard. In addition, litter will be rated if a crew arrives after the inspection has begun, or if the crew departs before the inspection has ended.

RATING CRITERIA:

1. Accumulation – Accumulations of litter can be *light, moderate, or heavy*. The definitions of light, moderate, and heavy depend on the type of litter found:

Man-made refuse:
   a. Light – fewer than 15 pieces
   b. Moderate – 15 to 30 pieces
   c. Heavy – more than 30 pieces

Natural debris:
   a. Light – lightly scattered
   b. Moderate – moderate amount, evenly distributed
   c. Heavy – large amount, densely concentrated

Garbage cans and bagged garbage:
   a. Light – bags, secured, piled, waiting for pickup
   b. Moderate – can overflowing, leaking bags or cans
   c. Heavy – can severely overflowing, leaking, or emitting noxious odors

Examples of Dumping:

a. Light – 1-2 tires, 1 small appliance, 1 small piece of furniture
b. Moderate – 3-6 tires, 1 large appliance, 1 large piece of furniture
c. Heavy – 1 car, 1 boat, 1 refrigerator, more than 6 tires

Grime, stains, and bird feces on structural features will be deemed light, moderate, or heavy depending on how severely it detracts from the appearance of a feature, and how adversely it affects the public's ability to use that feature.

Large parks can receive a maximum of one "heavy" rating for natural debris. As a result, litter in a large park will never be rated unacceptable solely due to natural debris.

2. Number of Problem Areas – An inspector notes how many areas have light, moderate, or heavy litter. Areas can be the following:
   a. *At any site,* a distinct area such as handball courts or a MPPA.
   b. *At a playground, small park, or Greenstreets site,* a 25' by 25' area or along a 100' line.
   c. *In a large park zone,* a 50' by 50' area or along a 200' line.

At a very small site such as a Greenstreets site, a triangle approximately 25' by 25' in size, or a mall 100' long, litter is determined to be light, moderate, or heavy for the site overall.

3. Any hazards resulting from litter will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Serious health hazards such as syringes or large dead animals (equivalent of an adult cat or larger) in an *active* area.
   b. Condoms on or very close to Play Equipment or Safety Surfacing in a Playground.
   c. *Excessive* non-bird feces on safety surface or on any above-grade, high-use feature (e.g., benches or play equipment).
   d. Large amounts of ice (i.e. enough to constitute a slip hazard) on steps or sidewalks at the *perimeter of or entrance to* a park.
   e. Bee or wasp hive in an active play area during the spring, summer, or fall inspection seasons.

2. Priority Two
   a. Serious health hazards such as syringes or large dead animals in an *accessible* area.
   b. Condoms in an *accessible* area.
   c. Non-bird feces on safety surface or on any above-grade, high-use feature (e.g., benches or play equipment).
   d. Large amounts of ice (i.e. enough to constitute a slip hazard) on steps in the *interior* of a park.
   e. Less serious health hazards such as standing, fetid water or small dead animals.
   f. Live rodent sighting or rodent holes.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

At a playground, small park, or Greenstreets site:

1. 3 or more areas have moderate litter.
2. 1 or more areas have heavy litter.

3. At a very small site, litter is moderate at the site overall.
4. 1 or more Priority Two Immediate Attentions for Litter are present

In a large park zone:
1. 4 or more areas have moderate litter.
2. Litter is heavy in 1 area AND moderate or heavy in 1 or more additional areas.
3. 2 or more Priority Two Immediate Attentions for Litter are present

UNACCEPTABLE: FEATURE, CLEANLINESS & OVERALL CONDITION RATINGS (U/S)

At a playground, small park, or Greenstreets site:
1. 6 or more areas have moderate or heavy litter.
2. 3 or more areas have heavy litter.
3. At a very small site, litter is heavy at the site overall.
4. 1 or more Priority One Immediate Attentions for Litter are present.

In a large park zone:
1. 8 or more areas have moderate or heavy litter.
2. 4 or more areas have heavy litter.
3. 1 or more Priority One Immediate Attentions for Litter are present.

GLASS

WHAT IS RATED:

All broken glass is rated. Unbroken glass is rated under "Litter."

RATING CRITERIA:

1. Accumulation - Glass is considered to be *light*, *moderate*, or *heavy* in the following accumulations:
   a. Light - few pieces of scattered glass, usually equivalent to less than 1 bottle
   b. Moderate - small pieces of glass equivalent to 2 to 3 broken bottles OR large pieces of glass equivalent to 1 or 2 broken bottles
   c. Heavy - small pieces of glass equivalent to 4 or more broken bottles OR large pieces of glass equivalent to 3 or more broken bottles

2. Number of Problem Areas – An inspector notes how many areas have light, moderate, or heavy glass. Areas can be the following:
   a. *At any site,* a distinct area such as handball courts or a MPPA.
   b. *At a playground, small park, or Greenstreets site,* a 25' by 25' area or along a 100' line.
   c. *In a large park zone,* a 50' by 50' area or along a 200' line.
   At a very small site such as a Greenstreets site, a triangle approximately 25' by 25' in size, or a mall 100' long, glass is determined to be light, moderate, or heavy for the site overall.

3. Location - Glass on play equipment, safety surface, and in active play areas is treated as an Immediate Attention. All other glass is rated using the above criteria.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Glass, equivalent to two broken bottles, on play equipment or in any critical area of the safety surface.
2. Priority Two
   a. Glass, equivalent to one broken bottle, on play equipment or in any critical area of the safety surface.
   b. Glass, equivalent to two broken bottles, in any active play area.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

At a playground, small park, or Greenstreets site.
1. 3 or more areas have moderate glass.
2. 1 or more areas have heavy glass.
3. At a very small site, glass is moderate at the site overall.
4. 1 or more Priority Two Immediate Attentions for Glass are present.

In a large park zone:
1. 4 or more areas have moderate glass.
2. Glass is heavy in 1 area AND moderate or heavy in 1 or more additional areas.
3. 2 or more Priority Two Immediate Attentions for Glass are present.

UNACCEPTABLE: FEATURE, CLEANLINESS & OVERALL CONDITION RATINGS (U/S)

At a playground, small park, or Greenstreets site:

1. 6 or more areas have moderate or heavy glass.
2. 3 or more areas have heavy glass.
3. At a very small site, glass is heavy at the site overall.
4. 1 or more Priority One Immediate Attentions for Glass are present.

In a large park zone:

1. 8 or more areas have moderate or heavy glass.
2. 4 or more areas have heavy glass.
3. 1 or more Priority One Immediate Attentions for Glass are present.

WEEDS

WHAT IS RATED:

Unwanted, unsightly vegetation in and around structural features is rated. Growth in clay infields of a baseball or softball field is rated under weeds. Undeveloped areas that are overgrown and encroach onto structural features are rated under Weeds. Weeds through fences onto Parks property from non-Parks property are rated. Overgrown trails in large park zones are rated under "Trails." Weed growth in lawns is rated under "Lawns" (for lack of mowing). At Greenstreets and in large parks, weed growth in horticultural areas is rated under "Horticultural Areas" (for lack of weeding). Some vegetation in Belgian blocks or other types of paved surface may be considered acceptable if it is short (less than six inches), evenly distributed, and not unsightly.

RATING CRITERIA:

1. Accumulation - Weeds are considered to be either *light, moderate,* or *heavy* as follows:
   a. Light - less than 20% of an area's cracks and crevices are infested with weeds under 6 inches
   b. Moderate - 20% to 50% of an area's cracks and crevices are infested with weeds under 6 inches OR *up to* 20% of an area is infested with weeds over 6 inches
   c. Heavy - 50% or more of an area's cracks and crevices are infested with weeds under 6 inches OR 20% *or more* of an area is infested with weeds over 6 inches

2. Number of Problem Areas – An inspector notes how many areas have light, moderate, or heavy weeds.
   Areas can be the following:
   a. *At any site,* a distinct area such as handball courts or a MPPA.
   b. *At a playground, small park, or Greenstreets site,* a 25' by 25' area or along a 100' line.
   c. *In a large park zone,* a 50' by 50' area or along a 200' line.

3. Any hazards resulting from weeds will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Weed growth hides or obscures a traffic sign or fire hydrant, or overgrows onto a roadway.

2. Priority Two
   a. Weed growth obscures lips of sidewalk or steps, creating a trip hazard.
   b. Hazardous weeds such as poison ivy or plants with thorns encroach onto structural features.
   c. Wild mushrooms (that could be poisonous) in any play area.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

At a playground, small park, or Greenstreets site.
1. 3 or more areas have moderate weeds.
2. 1 or more areas have heavy weeds.
3. At a very small site, weeds are moderate at the site overall.
4. 1 or more Priority Two Immediate Attentions for Weeds are present.

In a large park zone:
1. 4 or more areas have moderate weeds.
2. Weeds are heavy in 1 area AND moderate or heavy in 1 or more additional areas.
3. 2 or more Priority Two Immediate Attentions for Weeds are present.

UNACCEPTABLE: FEATURE, CLEANLINESS & OVERALL CONDITION RATINGS (U/S)

At a playground, small park, or Greenstreets site:
1. 6 or more areas have moderate or heavy weeds.
2. 3 or more areas have heavy weeds.
3. At a very small site, weeds are heavy at the site overall.
4. 1 or more Priority One Immediate Attentions for Weeds are present.

In a large park zone:
1. 8 or more areas have moderate or heavy weeds.
2. 4 or more areas have heavy weeds.
3. 1 or more Priority One Immediate Attentions for Weeds are present.

GRAFFITI

WHAT IS RATED:

All spray paint, permanent markers, stickers, and adhesive posters that have been illegally applied or affixed to any surface are rated.

Murals that have been sponsored by the community and approved by the Commissioner are not rated. Drawings in chalk on any surface are not rated unless they contain profanity or hate speech.

Excessive graffiti on a non-Parks property that abuts a Parks property and has a detrimental effect on the appearance of a Parks property will be noted in the inspection report and the borough will have until the next PIP inspection to remedy the problem. Sufficient remedies include the actual removal of the offending graffiti with the cooperation of the neighboring property-owner, or the installation of a mesh or cover over the fence that hides the graffiti from view. Graffiti on non-Parks property will be rated if it was noted in the previous inspection. Graffiti on traffic signs is treated as graffiti on non-Parks property. It is the responsibility of the borough to follow-up with DOT to ensure removal of the graffiti.

RATING CRITERIA:

Graffiti is rated with respect to the following criteria:

1. Visibility - Graffiti on vertical surfaces is subject to tougher ratings standards than graffiti on less-visible, horizontal surfaces. *Examples of vertical surfaces include handball court walls, fences, and support walls. Examples of horizontal surfaces include paved surface, safety surface, and the bench seats.*

2. Surface Area - The total surface area of graffiti that covers vertical surfaces and the total surface area of graffiti that covers horizontal surfaces is determined.

3. Content - Graffiti that includes profanity or hate speech, depending on its visibility and offensiveness, will be rated more severely than other graffiti.

There are no Immediate Attention hazards for Graffiti.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

At a playground, small park, or Greenstreets site:

1. 25 square feet of graffiti or more cover vertical surfaces *(A 5'x5' piece of graffiti is 25 square feet in size. This is approximately the size of one flag of concrete sidewalk.).*
2. 50 square feet of graffiti equally distributed between vertical and horizontal surfaces.
3. 75 square feet of graffiti or more cover horizontal surfaces. *(e.g. three 5'x5' pieces of graffiti).*
4. Graffiti includes profanity or hate speech and is in a highly-visible location.

In a large park zone:

1. 50 square feet of graffiti or more cover vertical surfaces *(e.g. two 5'x5' pieces of graffiti).*
2. 75 square feet of graffiti equally distributed between vertical and horizontal surfaces.
3. 100 square feet of graffiti or more cover horizontal surfaces *(e.g. four 5'x5' pieces of graffiti).*

At any site:

1. Graffiti includes profanity or hate speech and is in a highly-visible location.

FENCES

WHAT IS RATED:

All fences at a site. This includes ballfield backstops & team bench fences, temporary fencing (except for plastic mesh safety fencing), and guardrails. Guardrails, unlike other fencing, are not rated unacceptable for rust.

Fence running along railroad tracks, fence along parkways, and fence around concessionaires are the responsibility of other agencies or the concessionaire, and are not rated. Sneakholes in such fencing are noted in the inspection and do not affect the rating of the site. Any perimeter chain-link fence where the poles face the opposite direction from the site is usually part of a separate property and is not rated.

RATING CRITERIA:

Fences will be rated with respect to the following criteria:

1. Appearance – Fencing, *except for guardrails and chain link fence in a natural setting*, should not be rusted or in need of painting.

2. Structural Defects - Fencing should not be damaged, missing, or in need of tiebacks or crossbars. *(missing crossbars are rated unacceptable only when the lack of them causes damage to the fencing)*

3. Number of Non-Formalized Sneakholes – "Formalized" Sneakholes are acceptable as long as they do not create a hazard. Sneakholes that are the result of vandalism are unacceptable.

Any parts of the feature needing capital renovation will be flagged for Capital Renovation. Any hazards will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Sneakhole, or missing fencing, which leaves a drop of 4 feet or more.
   b. Missing section of swing safety fencing.

2. Priority Two
   a. Sneakhole, or missing fencing, which leaves a drop from 2 feet to 4 feet.
   b. Protruding fencing with sharp edges in an active area. Includes safety fencing for swings or the fencing directly adjacent to a sneakhole.
   c. A trip hazard created by downed sections of fencing in an active area.
   d. An ankle turn hazard created by missing tie-backs at ground level behind a basketball hoop.
   e. Barbed wire 8 feet or less in height on fencing.
   f. Hole in safety fencing, such as backstops, large enough for a moving ball or other object to get through.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 25% or more of the fencing is rusted or in need of paint.
2. 25% or more of the fencing is damaged, missing, or in need of tiebacks or crossbars.
3. 3 or more non-formalized sneakholes are present.

UNACCEPTABLE: FEATURE, CLEANLINESS & OVERALL CONDITION RATINGS (U/S)

At a playground, small park, or Greenstreets site.
1. 100 square feet of graffiti or more cover vertical surfaces *(e.g. four 5'x5' pieces of graffiti).*
2. 150 square feet of graffiti or more equally distributed between vertical and horizontal surfaces.
3. 200 square feet of graffiti or more cover horizontal surfaces *(e.g. eight 5'x5' pieces of graffiti).*

In a large park zone:
1. 200 square feet of graffiti or more cover vertical surfaces *(e.g. eight 5'x5' pieces of graffiti).*
2. 300 square feet of graffiti or more equally distributed between vertical and horizontal surfaces.
3. 400 square feet of graffiti or more cover horizontal surfaces *(e.g. sixteen 5'x5' pieces of graffiti).*

At any site:
1. Graffiti includes profanity or hate speech and is in *numerous* highly-visible locations.

Agency Graffiti Policy

All graffiti called in to Central Communications as a 10-47 must be removed by **noon** on the day it is reported if it is reported before 10:00 AM. If the graffiti is called in after 10:00 AM, it must be removed by noon on the following day. The same timetable applies to detected graffiti even when no 10-47 is called in, such as when M & O personnel discover graffiti at a site on a routine maintenance visit. There is no "Immediate Attention" for graffiti, because all graffiti requires immediate removal. Hate speech should always be called in to Central Communications and reported.

Structural Features

SIDEWALKS

WHAT IS RATED:

All sidewalks adjoining perimeter roads are rated, including sidewalks made of concrete, asphalt, brick or block pavers. Curbs, drains, and utility covers on or adjacent to the sidewalk are also rated.

Belgian blocks and tree pits between the sidewalk and the street or the sidewalk and the perimeter fence are rated under "Paved Surfaces."

RATING CRITERIA:

The percentage of the sidewalk suffering from *structural deterioration* will be determined.
Structural deterioration for sidewalks includes severe spalling, missing segments, holes, cracks, protrusions, and uplifts.

The percentage of sidewalk that has been patched or blocked-off by M & O will be determined.

Any parts of the feature needing capital renovation will be flagged for Capital Renovation. Any hazards will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Missing manhole or drain cover.
   b. Impalement hazard of 4 or more inches, such as a sharp sign post stub.
   c. Severe trip hazard of 4 or more inches (*e.g., uplifted section, missing section*).

2. Priority Two
   a. Trip hazard of 1 ½ or more inches (*e.g., uplifted section, crack*).
   b. Section of sidewalk where spalling or missing sections have created loose, rubble-strewn, slippery conditions.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 25% or more of the sidewalk suffers from structural deterioration.
2. 75% or more of the sidewalk has been patched or blocked off by M & O.
4. *At a playground, small park, or Greenstreets site,* 1 or more Priority Two Immediate Attentions for Sidewalks are present.
5. *In a large park zone,* 2 or more Priority Two Immediate Attentions for Sidewalks are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATING (U/S)

1. Sidewalks are the predominant feature at a site, and are so Unacceptable that they severely detract from the overall appearance of the site.

2. 1 or more Priority One Immediate Attentions for Sidewalks are present.

CAPITAL RENOVATION:

1. 25% or more of the sidewalk needs to be completely replaced.
2. 75% or more of the sidewalk has been patched by M & O.

PAVED SURFACES

WHAT IS RATED:

All hard pavements covering the ground are rated, excluding sidewalks, but including all non-sidewalk asphalt, cement, hex-block, Belgian block, brick, and cobblestone surfaces. Also rated under Paved Surfaces are drains, utility covers, quick-couplers, stairs, and retaining walls. Basketball courts, asphalt, ballfields, tennis courts, handball courts, and bocce court walls are also rated. Boardwalks at beaches are rated under Paved Surfaces because they serve the same purpose as paved paths. With the exception of footbridges, bridges are not rated for structural condition.

Severely faded sports coat on court areas will be commented on under Paved Surfaces but will not affect the feature's rating. Basketball backboards & rims, tennis court nets, and handball walls are rated under Play Equipment.

RATING CRITERIA:

The percentage of the paved surface suffering from structural deterioration will be determined. Structural deterioration includes severe spalling, chipping paint, missing segments, holes, cracks, protrusions, and uplifts. The percentage of paved surfaces that have been patched or blocked-off by M & O will also be determined.

Any parts of the feature needing capital renovation will be flagged for Capital Renovation. Any hazards will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Missing manhole or drain cover.
   b. Impalement hazard of 4 or more inches in an *active* area, such as sharp sign post stub.
   c. Severe trip hazard of 4 or more inches (vertical difference) in an *active* area (*e.g., cracked pavement, sinkhole*).
2. Priority Two
   a. Trip hazard of 1 ½ or more inches (vertical difference) in an *active* area (*e.g., uplifted pavement, crack*).
   b. Severe trip hazard of 4 or more inches (vertical difference) in an *inactive* area (*e.g., cracked pavement, sinkhole*).
   c. Section of paved surface in an *active* area where spalling or missing segments have created loose, rubble-strewn, slippery conditions.
   d. Tree pit 4 inches or more below the grade of the surrounding paved surface.
   e. Missing water valve cover.
   f. Exposed sharp edges or bolts resulting from damage to a quick-coupler or water fountain.
   g. Ankle-turn hazard due to cracks 2 inches or greater in width in courts or MPPA
   h. Ankle-turn hazard due to missing expansion joint fill material in handball court joints.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 25% or more of the paved surface suffers from structural deterioration.
2. 75% or more of the paved surface has been patched or blocked off by M & O.

3. *At a playground, Small Park, or Greenstreets site*, 1 or more Priority Two Immediate Attentions for Paved Surfaces are present.
4. *In a large park zone*, 2 or more Priority Two Immediate Attentions for Paved Surfaces.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATING (U/S)

1. Paved Surfaces are the predominant feature at a site, and are so Unacceptable that they severely detract from the overall appearance or use of the site.
2. 1 or more Priority One Immediate Attentions for Paved Surfaces are present.

CAPITAL RENOVATION:

1. 25% or more of the paved surface needs to be completely replaced.
2. 75% or more of the paved surface has been patched by M & O.

BENCHES

WHAT IS RATED:

Benches, as well as bleachers and picnic tables, are rated. Chess & checkers tables are rated under "Play Equipment."

Borough M & O can remove benches at a site if they have first checked with the community and gotten the approval of the Chief of Operations. If a significant number of benches are removed from a site, OMP will follow-up with the borough before the ratings are released to determine why the benches were removed and what future actions are planned, such as the site going under construction in the near future. Based on this information and how much the lack of benches affects the use of a site, OMP will rate the feature accordingly.

RATING CRITERIA:

Benches are unacceptable when they are:
1. Damaged *(incl. cracks, broken slats or supports, exposed reinforcement bars, and wood-rot)*
2. Require Paint
3. Missing Slats

If benches provide the predominant recreational activity at a site and have been mostly or completely removed, Benches will be rated Unacceptable.

Any parts of the feature needing capital renovation will be flagged for Capital Renovation. Any hazards will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Bleacher that is in danger of collapsing and is higher than 4 feet.

2. Priority Two
   a. Slats or supports which are in danger of collapsing.
   b. 3 or more instances of any of the following:
      - A splintered or damaged slat with sharp edges.
      - A bolt which protrudes 1/4" or more with sharp edges.
      - An exposed reinforcement bar with jagged or sharp edges.
      - Loose, unsecured slats which can pinch or fall off.

RATING STANDARDS:

UNACCEPTABLE: FEATURE (U)

1. 25% or more of the benches are damaged, require paint, or are missing slats.
2. 50% of benches at a site have been mostly or completely removed.
3. *At a playground, small park, or Greenstreets site,* 1 or more Priority Two Immediate Attentions for Benches are present.
4. *In a large park zone,* 2 or more Priority Two Immediate Attentions for Benches are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATINGS (U/S)

1. Benches provide the predominant recreational activity at a site and are so Unacceptable that they prevent the public from using the site.
2. 1 or more Priority One Immediate Attentions for Benches are present.

CAPITAL RENOVATION:

1. 25% or more of the benches are unacceptable, cannot be fixed by M & O, and must be completely replaced.

4. *At a playground, small park, or Greenstreets site*, 1 or more Priority Two Immediate Attentions for Fences are present.
5. *In a large park zone*, 2 or more Priority Two Immediate Attentions for Fences are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATINGS (U/S)

1. Fences are the predominant feature at a site, and are so Unacceptable that they severely detract from the overall appearance of the site.
2. 1 or more Priority One Immediate Attentions for Fences are present.

CAPITAL RENOVATION:

1. 25% or more of the fences are unacceptable, cannot be fixed by M & O, and must be completely replaced.

PLAY EQUIPMENT

WHAT IS RATED:

All equipment in a park or playground intended for use by children at play, or for recreational use by teenagers and adults. This includes traditional play equipment such as slides and swings; timberform and modular adventure play equipment; handball walls and basketball backboards & rims; chess and checkers tables; bocce courts and sandboxes; spray showers; exercise equipment; goal posts on athletic fields and tennis court nets (*except during the winter*). Three-dimensional animal art surrounded by safety surface is also rated.

Structures not meant for play such as art installations, statues, and memorials are not rated. Missing swings will not be counted toward the feature's rating during the Winter inspection season.

RATING CRITERIA:

Play equipment will be rated with respect to two criteria:

1. Structural Deterioration - Structural deterioration for play equipment includes rust, rot, splintering, dents, and pealing or chipped paint. Structural deterioration is considered to be either *negligible*, *moderate*, or *heavy* for any given piece of play equipment when the following percentages of that piece of equipment show signs of structural deterioration:
   a. Light - less than 20% affected
   b. Moderate - 20% to 50% affected
   c. Heavy - 50% or more affected

2. Usability - A piece of play equipment is usable if it is in good working order, is not blocked-off, and has not been either partially or wholly removed.

Any parts of the feature needing capital renovation will be flagged for Capital Renovation. Any problems due to the design or construction of the playground or play equipment will be flagged as Pre-Immediate Attentions or as Capital Design Issues, depending on the ability of in-house forces to fix it. Any hazards due to the poor maintenance or structural deterioration of the play equipment will be flagged as needing Immediate Attention.

Pre-Immediate Attentions do not count toward the feature's or site's ratings and will not be tracked on the same timetable as regular Immediate Attentions. A problem flagged as a Pre-Immediate Attention will, however, be flagged as a regular Immediate Attention if it is still present when the site is next inspected.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One

   a. Fall hazards from a height of 4 feet or more. *Examples:*
      1) Damaged or missing guardrails/barriers on play equipment.
      2) Damaged, loose climbing apparatus or sliding pole in danger of detaching from play equipment.
      3) Rotted and/or uneven Timberform.

   b. Severe laceration or impalement hazards. *Examples:*
      1) Sharp protrusions 2 inches or more in length.
      2) Sharp protrusions, 1" or more in length, at head or eye level (3 to 6 feet).

c. Hazard where users are in motion and cannot readily stop themselves. *Examples:*
   1) Pronounced gap or protrusion on the slide platform or bed, due to damage or structural deterioration, that creates an entanglement, laceration, or impalement hazard.
   2) Open swing or cargo net S-hook.
   3) Swing /cargo net S-hook or chain link that is *more than* 2/3 worn through.
   4) Missing acorn nut on a swing.
   5) Entire apparatus or substantial components in danger of collapsing or breaking away.

2. Priority Two

   a. Fall hazards from a height of 2 ½-4 feet. *Examples:*
      1) Damaged or missing guardrails/barriers on play equipment.
      2) Rotted, uneven timberform.

   b. Cut, scrape and laceration hazards. *Examples:*
      1) Exposed metal on swings with sharp edges.
      2) Sharp, protruding screw, bolt or nail; or any bolt on play equipment with more than 2 threads protruding.
      3) Jagged, splintered wood.

   c. Hazards where a user is in danger of having an appendage caught or pinched. *Examples:*
      1) Planks on adventure platforms which are loose and pinch together.
      3) A gap or opening in the fulcrum of a see-saw resulting from damage or deterioration to the see-saw where fingers could be caught or pinched.

   d. Trip hazard of 1½ or more inches on the play equipment.

   e. Swing/cargo net S-hook or chain link that is 1/3 worn-through.

3. Pre-IA

Entanglement hazards where clothing cords can get caught are considered "Pre-IAs." These conditions will not be counted toward the site's rating when they are first found. However, if the condition persists at the subsequent inspection of the site, it will be upgraded to a Priority Two IA. Examples:
   a. Gaps between panels on a spiral slide.
   b. Gaps created by loose bolts.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 50% or more of the play equipment exhibits moderate structural deterioration.
2. Any 1 piece of play equipment exhibits heavy structural deterioration.
3. One-third or more of the play equipment intended for the site is no longer usable.
4. *At a playground or small park*, 1 or more Priority Two Immediate Attentions for Play Equipment are present.
5. *In a large park zone*, 2 or more Priority Two Immediate Attentions for Play Equipment are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATING (U/S)

1. Play Equipment provides the predominant recreational activity at a site and 2/3 of the play equipment is unusable.
2. 1 or more Priority One Immediate Attentions for Play Equipment are present.

PRE-IMMEDIATE ATTENTIONS:

1. Fall hazard from a height of 4 feet or more on *adventure* equipment because of barriers that are missing as a result of the design or construction of the play equipment.
2. Gap or protrusion on an *adventure* slide platform or bed, due to the design or construction of the slide.
3. Pinch hazard created by loose steering wheel.

CAPITAL DESIGN ISSUES:

1. Pipe-Form Play Equipment (e.g., monkey bars) or Fulcrum See-Saws are present at the site.
2. Fall hazards from a height of 4 feet or more on timberform play equipment due to design or construction of the timberform play equipment.
3. Overlapping use zones between play stations or hazardous placement of play equipment.

CAPITAL RENOVATION:

1. Play equipment exhibits heavy structural deterioration, cannot be repaired by M&O, and must be completely replaced.
2. One-third or more of the play equipment intended for the site is no longer usable or is missing.

SAFETY SURFACE

WHAT IS RATED:

All materials under and around play equipment whose purpose is to protect against injuries due to falls. This includes poured-in-place safety surface, interlocking and sectional rubber matting, as well as loose-fill materials such as woodchips and sand.

In large parks, a bed of woodchips should surround exercise equipment. This bed of woodchips will be rated under "Safety Surface."

RATING CRITERIA:

The percentage of the safety surface that is in disrepair will be determined. Disrepair includes safety surface that is damaged, worn, or uplifted; that has missing or protruding plugs; or that has metal anchors with missing rubber caps.

Any parts of the feature needing capital renovation will be flagged for Capital Renovation. Any problems due to the design or construction of the playground or safety surface will be flagged as Pre-Immediate Attentions or as Capital Design Issues, depending on the ability of in-house forces to fix it. Any hazards due to the poor maintenance or structural deterioration of the safety surface will be flagged as needing Immediate Attention. The severity of a hazard often depends on whether it is located in a *critical* or *non-critical* area of the safety surface. A *critical* area of the safety surface is generally within 6 feet of play equipment, whereas a *non-critical* area of the safety surface is either under the play equipment or on the periphery of the surface.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One

   a. 1 square foot or more of exposed concrete, asphalt, or compacted earth in a *critical* area of the safety surface at a playground resulting from:
      1) Missing section of rubber matting.
      2) Hole due to worn-away poured-in-place safety surface.
      3) Hole due to washed-away sand or wood chips.

   b. Nail at grade or protruding in any critical area of the safety surface.

2. Priority Two

   a. 2 or more instances in *non-critical* areas of the safety surface at a playground of any of the following:
      1) Missing section of rubber matting.
      2) Hole due to worn-away poured-in-place safety surface.
      3) Hole due to washed-away sand or wood chips.

   b. Insufficient or missing loose-fill material around exercise equipment in a large park.

   c. Generally insufficient loose-fill material around play equipment in a playground.

   d. Uplift of 1 ½ inches or more in any area other than in inaccessible areas under the play equipment.

e. 2 or more instances of safety surface separated 2 inches or more in any area other than in inaccessible areas under the play equipment.
d. Bolt or exposed metal plug at grade or protruding in any critical area of the safety surface.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 25% or more of the safety surface at the site is in disrepair.
2. *At a playground or small park*, 1 or more Priority Two Immediate Attentions for Safety Surface are present.
3. *In a large park zone*, 2 or more Priority Two Immediate Attentions for Safety Surface are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATINGS (U/S)

1. A Priority One Immediate Attention for Safety Surface is present.

PRE-IMMEDIATE ATTENTIONS:

1. Exposed manhole cover or grate which is below the grade of the safety surface.

CAPITAL DESIGN ISSUES:

1. Safety surface around the play equipment does not cover the equipment's entire use-zone.
2. A manhole cover or grate at the grade of the safety surface is exposed.

CAPITAL RENOVATION:

1. More than 50% of the safety surface at a playground is separated 2 inches or more.

Landscape Features

LAWNS

WHAT IS RATED:

In playgrounds & small parks, all areas *not* designated for active recreational-use where grass, shrubs, or horticultural plantings do or should exist are rated under "Lawns." Turf ballfields attached to Neighborhood Playgrounds or JOP's are rated under "Athletic Fields."

In large park zones, all areas *not* designated for active recreational-use where grass does or should exist are rated as lawns. Ballfields and other active recreational-use fields are rated under the feature "Athletic Fields." Horticultural plantings in large parks are rated under the feature "Horticultural Areas."

At Greenstreets sites, horticultural plantings are also rated under the separate feature "Horticultural Areas." Horticultural plantings in playgrounds & small parks are rated under "Lawns" for the sake of consistency with past ratings, and because it is often difficult to distinguish between lawns and horticultural areas at small sites.

Bare desire lines in lawns are unacceptable unless covered with woodchips.

RATING CRITERIA:

Lawns are classified as either A or B lawns, and are rated using slightly different standards depending on their classification.

1. **"A" lawns** *have irrigation and their usage is controlled.*. "A" lawns are unacceptable when they are improperly mowed (less than 2.5 inches or more than 5.0 inches in length), rutted/eroded/uneven, weed-infested, browned-out, or bare.

2. **"B" lawns** *are all non-irrigated lawns*. "B" lawns are unacceptable when they are overgrown (over 6 inches), rutted/eroded/uneven, or bare.

Any hazards will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. A hole, one foot or more in diameter, one foot or more deep, in a *high-traffic* area.

2. Priority Two
   a. A hole, one foot or more in diameter and one foot or more deep, in a *low-traffic* area.
   b. A hole less than one foot in diameter or less than one foot deep.
   c. Trip hazard created by a lawn 4" below the grade of an adjacent paved surface in an active area.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. *For "A" lawns,* **10% or more of the lawns are bare.**
   For "B" lawns, **25% or more of the lawns are bare.**

2. *For "A" lawns*, 20% or more of the lawns are unacceptable (*see Ratings Criteria*).
   For "B" lawns, 50% or more of the lawns are unacceptable (*see Ratings Criteria*).
3. Excessive desire lines detract from the overall appearance of an area of the site.
4. *For playgrounds, small parks, and Greenstreets sites*, 1 or more Priority Two Immediate Attentions for Lawns are present.
   For large park zones, 2 or more Priority Two Immediate Attentions for Lawns are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATINGS (U/S)

1. Lawns are the predominant feature at a site, and are so Unacceptable that they severely detract from the overall appearance of the site.
2. 1 or more Priority One Immediate Attentions for Lawns are present.

TREES

WHAT IS RATED:

Tree issues, with the exception of dead trees, are rated only in *active* areas. *Active* areas include paved paths (not trails), sidewalks, play areas, sitting areas, and athletic fields. Dead trees are rated in active and non-active areas (e.g., behind a fence), but are not rated in natural/undeveloped areas. Paved paths through natural areas are a unique case. They are rated for low hanging branches that inhibit use of the path, but not for dead or dangling limbs.

RATING CRITERIA:

1. Low-Hanging Branches - Branches (from mature trees) that are at eye level (6 feet or less from the ground) in an *active* area, will be noted as Immediate Attentions. Low-hanging branches from mature trees that are 6 to 6 ½ feet from the ground in *active* areas still require pruning and are unacceptable, but are not noted as Immediate Attentions. Low-hanging branches from saplings or ornamental trees will not be noted as unacceptable unless they make a path or sidewalk impassible, or are considered especially dangerous.

2. Dead Limbs – The inspector will estimate the percentage of trees with branches above *active* areas that have significant dead limbs. (*Excessive small dead limbs or 1 or more large dead limbs greater than 6' in length and 2" in diameter are defined as "significant" for ratings purposes.*) Large dead limbs, if they exhibit severe wood rot, will be noted as Immediate Attentions.

3. Dead Trees - Standing dead trees, except in natural areas, should be removed.

4. Protruding Tree Stumps - Protruding tree stumps in *active* areas are trip or impalement hazards.

Hazards resulting from trees will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Large dangling limb or dead limb exhibiting severe wood rot in danger of falling above an *active* area.
   b. Branches that hide or obscure a traffic sign.
   c. Sharp tree stump 4 or more inches high in an *active* area. *(Impalement hazard)*.

2. Priority Two
   a. Dangling limb or dead limb exhibiting severe wood rot in danger of falling above an *active* area.
   b. Branches (from mature tree) that are at eye level (6 feet or less) in an *active* area.
   c. Trip hazard created by a tree stump 4 or more inches high in an *active* area.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. *At a site with 1 to 5 trees:*	1 dead tree is present OR 1 tree has non-hazardous, low-hanging branches
At a site with 6 to 10 trees:	2 dead trees are present OR 2 trees have non-hazardous, low-hanging branches

At a site with more than 10 trees: 3 or more dead trees are present OR 3 or more trees have non-hazardous, low-hanging branches

2. 25% or more of trees with branches above *active* areas have significant dead limbs above those *active* areas.
3. *At a small park, playground, or Greenstreets site,* 1 or more Priority Two Immediate Attentions for Trees are present.
4. *In a large park zone,* 1 Priority One or 2 or more Priority Two Immediate Attentions for Trees are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATINGS (U/S)

1. Trees are the predominant feature at a site, and are so Unacceptable that they severely detract from the overall appearance of the site.
2. 1 or more Priority One Immediate Attentions for Trees are present in a small park or Greenstreet, or 2 or more Priority One Immediate Attentions for trees are present in a large park zone.

ATHLETIC FIELDS

WHAT IS RATED:

All lawn or dirt areas designated for active-recreational are rated as "Athletic Fields." This includes baseball, softball, soccer, cricket , football, volleyball, and multi-use athletic fields. Artificial turf fields, running tracks, and the clay infields of turf ballfields are also rated. Permitted and official athletic fields can usually be identified by boundary lines, goalposts, or backstops.

OMP will at the request of the Chiefs of Operations designate lawns not permitted as athletic fields but used as such by the public as Athletic Fields for the purpose of rating. This will typically be done for lawns where prohibiting active use and enforcing that prohibition are unfeasible, undesirable or both. Requests for such a special designation should be made in advance of an active-use lawn being rated.

Asphalt ballfields are rated under "Paved Surfaces." Lawns not designated for active recreational use are rated under "Lawns." Backstops and dugout fencing at ballfields are rated under "Fences." Growth in clay infields is rated under "Weeds."

RATING CRITERIA:

Grass or dirt athletic fields are classified as either A, B, or C athletic fields, and are rated using slightly different standards depending on their classification.

1. **"A" athletic fields** *are all athletic fields where there is irrigation and controlled usage.* "A" athletic fields are unacceptable when they are overgrown (over 5 inches), rutted/eroded/uneven, bare, or browned-out.

2. **"B" athletic fields** *are all non-irrigated baseball and softball fields.* "B" athletic fields are unacceptable when they are overgrown (over 5 inches), rutted/eroded/uneven, or bare.

3. **"C" athletic fields** *are all non-irrigated soccer, cricket , football, volleyball, and multi-use athletic fields.* "C" athletic fields are unacceptable when they are overgrown (over 5 inches) or rutted/eroded/uneven.

Artificial turf fields, running tracks, and the clay infields of turf ballfields will be rated for *structural deterioration.* The percentage of the field or track suffering from deterioration will be determined. *Structural deterioration includes divots, holes, uplifts, and missing sections.*

Any hazards will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One:
   a. A hole, one foot or more in diameter and one foot or more deep, in an *active* area.
   b. An uplift, divot, or missing section creating an uplift of 4".

2. Priority Two
   a. A hole, one foot or more in diameter and one foot or more deep, in an *inactive* area.
   b. A hole less than one foot in diameter or less than one foot deep.
   c. An uplift, divot, or missing section creating a trip hazard of 1 ½".
   d. An uneven surface in an active area creating an ankle turn hazard.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 25% or more of the A or B athletic fields are bare.
2. 50% or more of the A, B, or C athletic fields are unacceptable (*see Ratings Criteria*).
3. *For playgrounds*, 1 or more Priority Two Immediate Attentions for Athletic Fields are present.
4. *For large park zones*, 2 or more Priority Two Immediate Attentions for Athletic Fields are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATINGS (U/S)

1. Grass is 2 feet or more high.
2. Athletic fields are the predominant feature at a site, and are so Unacceptable that they severely detract from the overall appearance of the site.
3. 1 or more Priority One Immediate Attentions for Athletic Fields are present.

HORTICULTURAL AREAS

WHAT IS RATED:

Horticultural areas are rated as a separate feature *only in large parks and at Greenstreets sites.* At those sites, all ornamental planted areas are rated under Horticultural Areas. This includes areas planted with shrubs, vines, and flower beds. Horticultural plantings in small parks & playgrounds will continue to be rated under "Lawns," for the sake of consistency with past ratings, and because it is often more difficult to distinguish between lawns and horticultural areas at small sites than at large parks and Greenstreets sites. Above-ground planters and pots will not be rated for bareness during the Winter inspection season.

RATING CRITERIA:

Horticultural areas are unacceptable when they are:

1. Dead or dying – horticultural areas, especially at Greenstreets sites, should be regularly watered
2. Full of Weeds – weeds are unsightly, and they eventually crowd out and kill ornamental plantings
3. Bare – horticultural areas should not be bare, unless annuals are normally planted there and it is the winter
4. Generally unkempt –
   a. Landscape fabric used for weed control is significantly exposed, torn, or in disarray.
   b. Cribbing is damaged and frames are broken

Any hazards resulting from horticultural areas will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Shrubs or vines that obscure a traffic sign.
2. Priority Two
   a. Shrubs or vines in an active area that protrude at or near eye level (3 to 6 ½ feet).
   b. A hole, one foot or more in diameter and one foot or more deep.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 25% or more of the plants OR 25% or more of the horticultural area are unacceptable because of problems listed under "Ratings Criteria."
2. *At a Greenstreets site,* 1 or more Priority Two Immediate Attentions are present.
1. *In a large park zone,* 2 or more Priority Two Immediate Attentions are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATINGS (U/S)

1. *At a Greenstreets site,* 50% or more of the plants OR 50% or more of the horticultural area are unacceptable because of problems listed under "Ratings Criteria."

2. Horticultural Areas are the predominant feature at site and are so unacceptable that they severely detract from the overall appearance of the site.
3. 1 or more Priority One Immediate Attentions for Horticultural Areas are present.

WATER BODIES

WHAT IS RATED:

All natural and man-made bodies of water in a park--including lakes, rivers, beachfronts, reflecting pools, and decorative fountains--are rated. If a water body borders on a zone, the shore of the water body and the part of the water body visible from the zone will be rated. Beaches and beachfronts are not rated in the off-season, except for the boardwalk. Debris in water bodies is rated under Water Bodies, not Litter.

Retaining walls of water bodies and structural elements of fountains are rated under Paved Surfaces. Rip-rap on a waterfront is not rated. If rip-rap prevents access to the waterfront, the waterfront will not be rated. Outdoor public pools and wading pools are not rated.

RATING CRITERIA:

Water bodies are unacceptable because of:

1. Debris – floating debris in water bodies is rated using the standards from the Litter feature. For example, refuse is considered to be either *light*, *moderate*, or *heavy* in these accumulations:
   a. Light – fewer than 15 pieces of litter
   b. Moderate – 15 to 30 pieces of litter
   c. Heavy – more than 30 pieces of litter

2. Excessive Algae – algae covering the surface of a water body is rated; algae which changes the color of water to a greenish tinge is not rated

3. Excessive Plant Growth – plant growth that covers most of the surface of a water body is unacceptable

Any hazards resulting from water bodies will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. No danger signs are posted at frozen water bodies where ice is unsafe.
   b. Medical waste or other health hazards *(e.g. large number of dead & decomposing fish)* are found in the water body.

2. Priority Two
   a. A problem with the retaining wall or shoreline surrounding a water body creates a trip or fall hazard into the water body.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

At a playground or small park:

1. 3 or more moderate accumulations of debris are present in the water body.
2. 1 or more heavy accumulations of debris are present in the water body.
3. More than 50% of the water body is infested with algae or plant growth.
4. 1 or more Priority Two Immediate Attentions for Water Bodies are present

In a large park zone:

1. 4 or more moderate accumulations of debris are present in the water body.
2. 1 heavy accumulation of debris is present, and 1 or more moderate or heavy accumulations of debris are present elsewhere in the water body.
3. More than 50% of the water body is infested with algae or plant growth.
4. 2 or more Priority Two Immediate Attentions for Water Bodies are present

UNACCEPTABLE FEATURE & OVERALL CONDITION RATING (U/S)

1. Water Bodies are the predominant feature at site and are so Unacceptable that they severely detract from the overall appearance of the site.
2. 1 or more Priority One Immediate Attentions for Water Bodies are present.

TRAILS

WHAT IS RATED:

All unpaved paths in a natural area that are mapped, signed, marked, or otherwise formalized are rated under Trails. A trail is considered formalized if it is sufficiently wide and easily discernable from the surrounding natural area. A desire line formalized by repeated public use and not by maintenance staff will be rated for trail maintenance under Trails at the inspector's discretion and after consultation with the borough, depending on how much utility and recreational value the trail adds to the park. Even if a desire line is not deemed ratable under Trails, an inspector will walk it if possible and rate any cleanliness issues.

Cleanliness issues in natural areas are rated under the cleanliness features Litter, Glass, and Graffiti. Overgrown trails, however, are rated under Trails, not Weeds. Cleanliness issues in natural areas, such as abandoned vehicles, are always rated if observed. *Paved* paths through natural areas that have been intentionally allowed to deteriorate are rated under Trails, not using the more stringent standards under Paved Surfaces.

Trails may be made of dirt, gravel, slate or woodchips. Infrastructure along trails, including cribbing, drains, and footbridges, is also rated.

RATING CRITERIA:

Trails are unacceptable when:

1. Impassible Because of Growth – trails should not be blocked by brambles, vines, limbs, and other growth

2. Rutted, Eroded, or Full of Pooling Water – this can be caused by illegal use of mountain bikes, ATV's, and motorcycles on trails

Any hazards will be flagged as needing Immediate Attention.

IMMEDIATE ATTENTION HAZARDS:

1. Priority One
   a. Erosion or some other condition affecting a trail that is adjacent to a steep slope creates a serious fall hazard.
   b. Missing section of trail or footbridge creates a serious fall hazard.

2. Priority Two
   a. A large hole creates a serious trip hazard.
   b. Hazardous weeds such as poison ivy or plants with thorns encroach onto trail.
   c. 4" trip hazard created anywhere on the trail.

RATING STANDARDS:

UNACCEPTABLE: FEATURE ONLY (U)

1. 3 or more instances where the trail is made impassible by branches or plant growth.
2. 3 or more instances of serious rutting, erosion, or pooling water.
3. 2 or more Priority Two Immediate Attentions for Trails are present.

UNACCEPTABLE: FEATURE & OVERALL CONDITION RATING (U/S)

1. Trails are the predominant feature at a site, and are so Unacceptable that they severely inhibit the public's ability to use the site.
2. 1 or more Priority One Immediate Attentions for Trails are present.

Part Three: Appendices

A. History of the Program

The Parks Inspection Program began in the latter half of 1984 (Fiscal Year 1985) as an initiative to measure the effectiveness of the Neighborhood Parks Restoration Program (NPR), a newly instituted program in which in-house crews refurbished neighborhood parks and playgrounds. In spring 1985, the inspection program was expanded by the Office of Operations, Policy and Planning (now OMP) to evaluate playgrounds jointly operated by Parks and the Board of Education.

Initially only playgrounds and small parks[5] were rated as part of the Parks Inspection Program, primarily for two reasons. First, playgrounds and small parks around the city are the agency's most highly visible, heavily used properties. Second, the program places great emphasis on inspecting for "Immediate Attention" safety hazards, and this type of inspection is especially important in playgrounds filled with children and youth.

In the summer of 1986, the program became a comprehensive inspection program for small parks and playgrounds when it was expanded to include all properties under five acres.[6] At that time the program was called the ABCD Condition Rating System, because every inspected park received a rating of A, B, C or D (A being the best and D the worst). Sites were rated during three inspection seasons and summary reports were issued for the Spring, Summer, and Fall. Twenty features were originally inspected.

In Summer 1989, new stricter standards were introduced, placing increased emphasis on safety and decreasing the citywide overall condition rating by half.[7] In Summer 1990, the program was altered to provide a separate rating for District Maintenance, which has since been renamed Cleanliness.

In Summer 1991, due to budget reductions and layoffs within the agency, the inspection program was temporarily suspended. During the suspension, OMP reevaluated the inspection process and its resources and developed a streamlined Parks Inspection Program that it launched in the spring of 1992. Instead of evaluating all 20 of the features previously rated, the twelve features deemed most important for a site's overall condition and cleanliness were rated. Even more importantly, the ratings for a site were simplified from A, B, C and D to "Acceptable" and "Unacceptable."

From 1985 to 1995, PIP summary reports were produced only three times a year, at the end of the spring, summer, and fall inspection seasons. In March 1995, the program moved to the current system of 24 two-week rounds and 24 biweekly summary reports per year.[8] OMP instituted random inspections of 100 sites a round, from which statistically representative borough-wide and citywide ratings were generated.[9] This change was possible because of the introduction of hand-held computers to the inspection process. Rather than documenting their findings on paper and later manually inputting the information into the program's database, inspectors began to input their ratings directly into hand-held computers while out in the field, and simply upload information into OMP's inspection database upon returning to the office. OMP currently uses Fujitsu LT P-600 Stylistic hand-held computers.

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[5]Playgrounds in large parks have always been rated separately from the large park zones in which they are located.
[6]The threshold for rating sites under PIP has since been increased from five to six acres.

[7]At this time the concept of an "Immediate Attention" hazard was introduced to the program.

[8]Winter 1995 consisted of only two rounds. Subsequent Winter seasons have consisted of the full 6 rounds.

[9]OMP increased the number of sites inspected each round in September 1997 from 100 to 116.

In December 1998, following a yearlong review of the inspection standards, new standards were released that were considerably more detailed, with the intent of making inspections less subjective from inspector to inspector and from inspection to inspection. Standards for lawns and graffiti were tightened to reflect the high agency priority given to graffiti and lawns. The differentiation between "Priority One" and "Priority Two" Immediate Attentions and between "Unacceptable" and "Unacceptable/Site" ratings for features was also introduced. Also in December 1998, planted "Greenstreets" sites were included in the inspection program for the first time.

Beginning in Fall 1998 and continuing through Summer 1999, a pilot program for the inspection of large parks was conducted. Inspection standards were drafted and the city's 150 accessible large parks were divided into 507 ratable zones in order to make inspecting these large parks feasible.[10] In general, large park zones were created that: follow geographic boundaries such as park drives and tree lines; conform to existing borough and district M & O boundaries; are not too small, which would reduce inspection efficiency; are not too big, which would make zones hard to inspect in 1-2 hours; and match the public's perception of certain areas of large parks as unique from other areas.

Following the pilot program, the program was officially expanded to include large parks in December 1999 with the addition to the program of 198 flagship park zones[11]. At that time, approximately 300 Greenstreets that had been created in FY99 were also added to the program. A second allotment of large park zones was added in March 2000, and a third allotment in June of that year. Fifty additional large park zones were added in October 2001, and the remaining 103 zones were added in August 2002. With the advent of Fall 1, 2002 (8/26/02) the remaining Type 1 greenstreets and a number of "mystery sites" were added, making all ratable sites part of the sort.

At the beginning of Inspection Year 2001 (March 5, 2001), the number of sites inspected during each two-week round was increased from 145 to 162. The arrival of the Fall season (August 27, 2001) brought another increase, to 183 sites every two weeks. At the beginning of Spring 1, 2001 (March 4, 2002), the number of inspections was increased to 205 per round.

B. Inspection Program Ombudsman

1. Filing an Appeal

The Borough Commissioner, Chief of Operations, Deputy Chief of Operations, or any designee of the aforementioned can appeal a PIP rating to the designated Parks Inspection Program Ombudsman if he or she feels that the rating given to a site is erroneous. The Ombudsman is a member of the Deputy Commissioner's staff or a member of the division of Operations & Management Planning who is not involved in the initial review of PIP ratings. All appeals must be sent in writing to the Inspection Program Ombudsman within 4 weeks of the issuance of the rating being appealed. The reasons why the rating is being appealed, as well as any evidence supporting the borough's appeal (photographs, documents), should also be included.

2. Resolution of Appeals

The Ombudsman, after investigating the merits of an appeal, can at his or her discretion retroactively change the "Unacceptable" rating given to a site to "Acceptable" if he or she is convinced that the rating

[10] Some large parks are inaccessible to the public because they are protected wetlands, undeveloped, or parkways.
[11] The first large parks to be added to the program were the ten flagship parks—large parks of regional importance that are managed by flagship park Administrators.

in question constitutes a misapplication of the official inspection standards as described in this manual. If the wrong site was rated or a site under capital renovation was rated when it should not have been rated, the Ombudsman will change the rating to "Not Rated." A site designated as "Not Rated" will have neither a positive nor negative impact on a borough's overall rating.

The Ombudsman will notify the borough orally and in writing of his or her decision within two to four weeks of the receipt of an appeal. If the Ombudsman changes a rating, the change will be reflected in that borough's summary ratings when the next round's ratings are issued. If the Ombudsman takes no action, the borough is notified that the rating will stand. The resolution of an appeal by the Inspection Program Ombudsman constitutes the final decision of the Department of Parks & Recreation.

C. Glossary of Terms

accumulation: the amount of litter, glass, or weeds in an area. Accumulations are rated as light, moderate, or heavy.

area: any distinct area (such as handball courts or a Multi-Purpose Play Area) OR, in small parks, any 25' x 25' space or 100' line; in large parks, any 50' x 50' space or 200' line. Sites approximately 25' x 25' or malls less than 100' long are rated as a single area.

accessible area: any area easily accessed by the public (not fenced-off or otherwise effectively obstructed). Accessible areas include both active-use areas and passive-use areas (see below).

active area or active-use area: paved paths (not trails), sidewalks, play areas (including athletic fields), or any other intensively-used area.

AF: abbreviation for athletic fields

play area: play equipment and all surrounding safety surface, court areas, and athletic fields

bare: lacking grass, shrubs, plantings or wood chips

BE: abbreviation for benches

bridle path: a path officially designated (typically through signage) for equestrian use. Bridle paths are rated under Trails.

Capital Design Issues: problems due to the design of a site which in-house forces are unable to correct. Capital Design Issues are most often noted for play equipment and safety surface.

critical area of Safety Surface: The safety surface directly around play equipment onto which a child falling from or exiting the equipment would be expected to land. For stationary play equipment (e.g. adventure equipment, Timberform), the critical area is considered to be 6 feet around play equipment. For motion-oriented play equipment (e.g. swings, slides), the critical area is wherever a child could potentially land when falling or exiting from the equipment. See "use zone."

desire line: any non-paved, non-formalized path. Examples include shortcuts across a lawn or through natural areas.

fall hazard: unobstructed potential drop of at least 2 ½ feet from Play Equipment onto Safety Surface. Also evaluated under Fences when a sneakhole leaves a drop of 2 feet or more.

formalized sneakhole: a sneakhole which has been made into an official passageway by Parks through the attachment of vertical post(s) and the clipping of all sharp edges.

FE: abbreviation for fences

GL: abbreviation for glass

GR: abbreviation for graffiti

hate speech: graffiti which includes language or symbols which communicate hostility towards a group of people, often based on race, gender, sexuality, or religion

HORT: abbreviation for horticultural areas

LW: abbreviation for lawns

hazardous weeds: poison ivy, thorns, or wild mushrooms. Hazardous weeds are rated as a Priority 2 IA under Weeds

Immediate Attention: any safety hazard found at a site. Immediate Attentions are defined as either Priority One or Priority Two (see Part One, Section E of standards).

impalement hazard: a sharp protrusion at least 4" long which has the potential to pierce a patron. Common impalement hazards are sign stubs and sharp tree stumps.

low-traffic area: area not heavily or regularly used by the public. Examples are lawn along hillside, fence line, etc.

MPPA: abbreviation for Multi-Purpose Play Area

natural area: mainly within large parks, an unlandscaped area (usually woods or meadow) which has public-access trails and is used recreationally by the public (versus an undeveloped area, see below)

passive use areas: non-recreational lawns or other less-intensively used areas.

pinch hazard: any juncture which could squeeze/bind the user's appendage during use, usually of Play Equipment or Benches.

Pre-Immediate Attention: any problems due to the design or construction of the playground or Play Equipment which in-house forces are able to fix. Pre-IAs do not affect a site's rating, unless they were flagged as such on the previous inspection and are still present at the time of the next inspection (in which case they are rated as full IAs).

PE: abbreviation for play equipment

PS: abbreviation for paved surface

profanity: graffiti which includes abusive or vulgar language

rip-rap: retaining rocks along the edge of a water body. Rip-rap on a waterfront is not rated.

SS: abbreviation for safety surface

SW: abbreviation for sidewalks

spalling: the significant crumbling of paved surface or sidewalk to create a loose, rubble-strewn surface.

TL: abbreviation for trails

TREE: abbreviation for trees

use zone: used by American Safety of Testing and Materials (ASTM) and the Consumer Product Safety Commission (CPSC) to define the area of Safety Surface where children could be injured. The use zone includes our definition of critical areas of Safety Surface as well as certain issues rated for Capital Design under Safety Surface and Play Equipment. Each station has its own use zone, which may not overlap with any other station's use zone.

undeveloped area: an area that is undeveloped and has no public-access trails, i.e. is not sanctioned by Parks for recreational use by the public (versus natural areas, see above)

WB: abbreviation for water bodies

WD: abbreviation for weeds

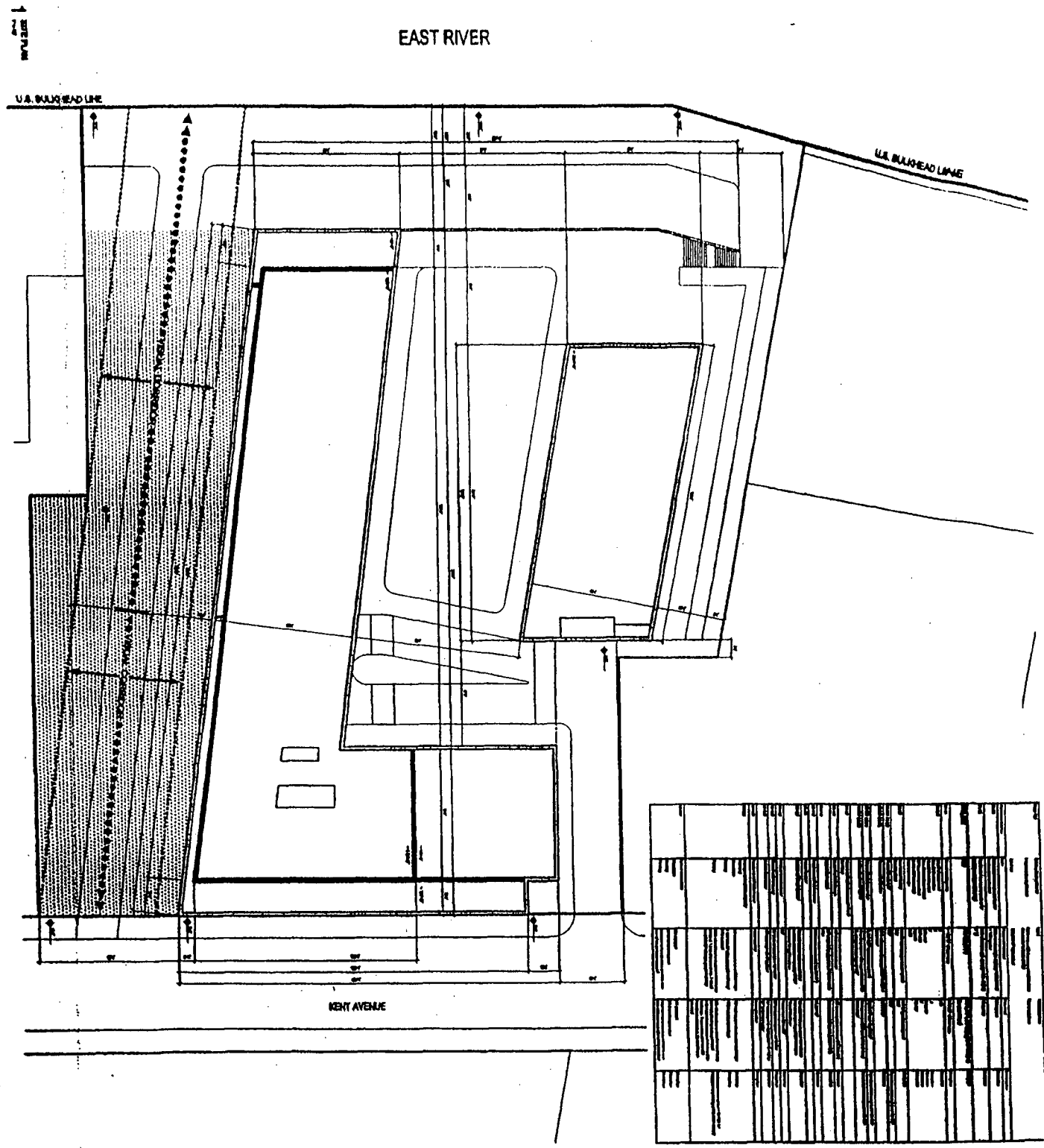
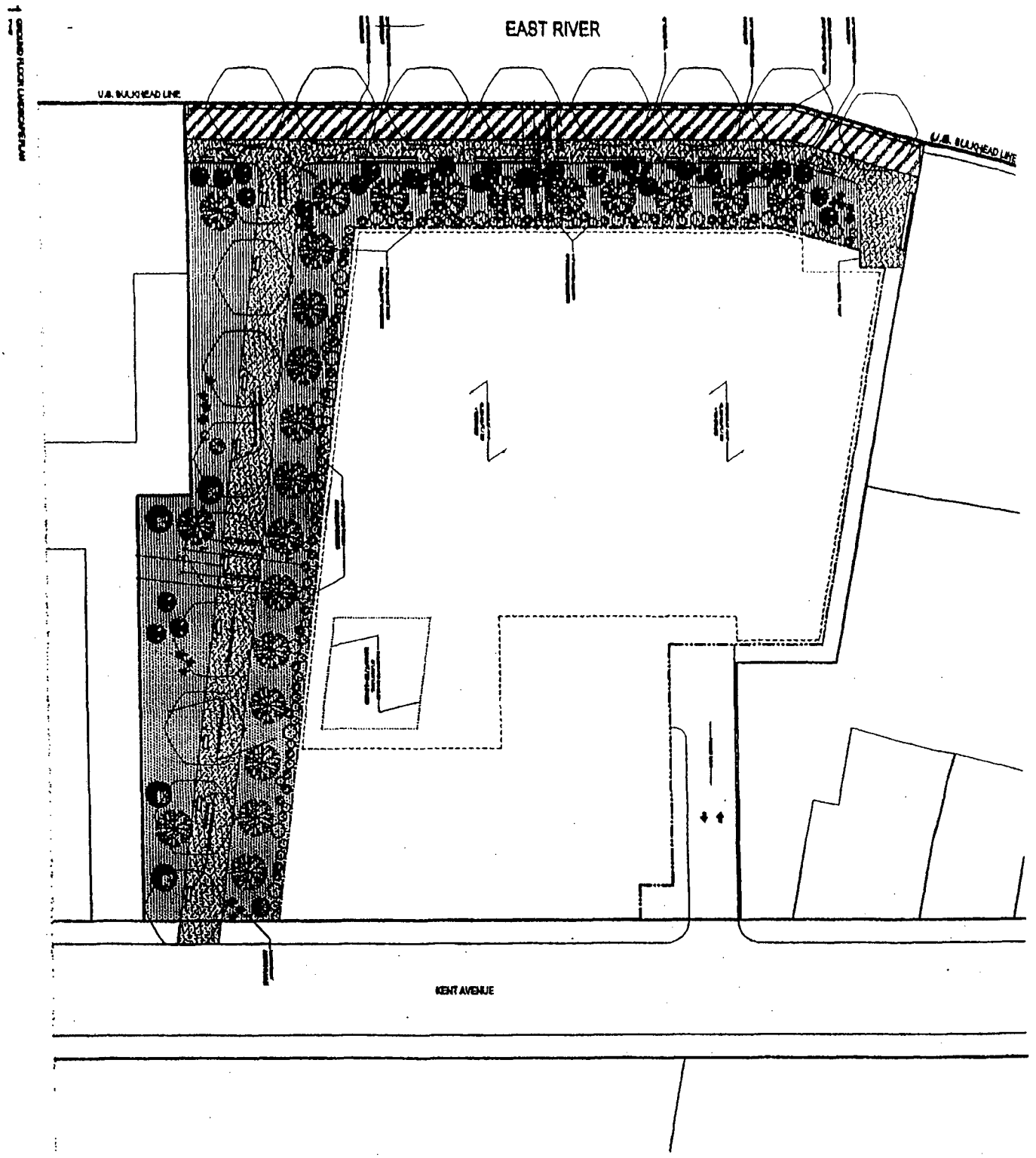
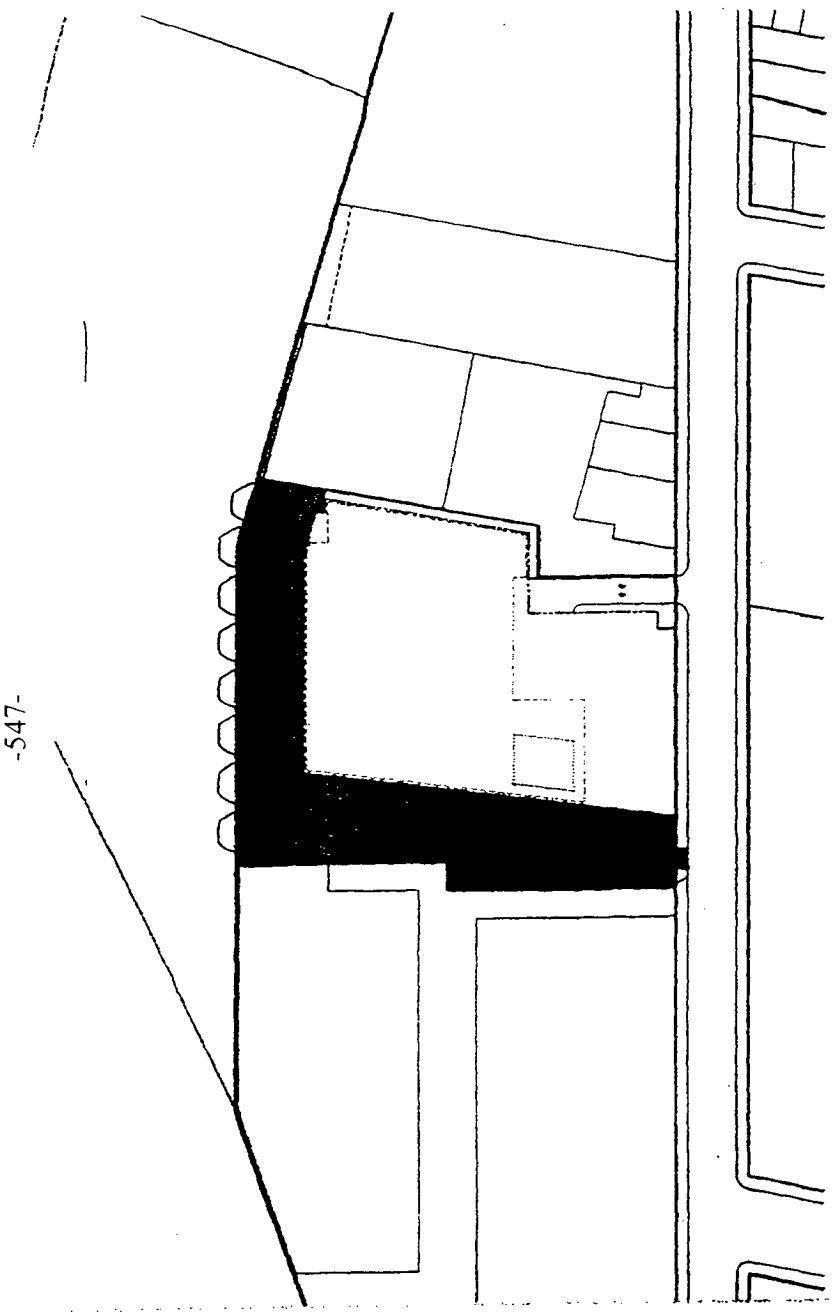
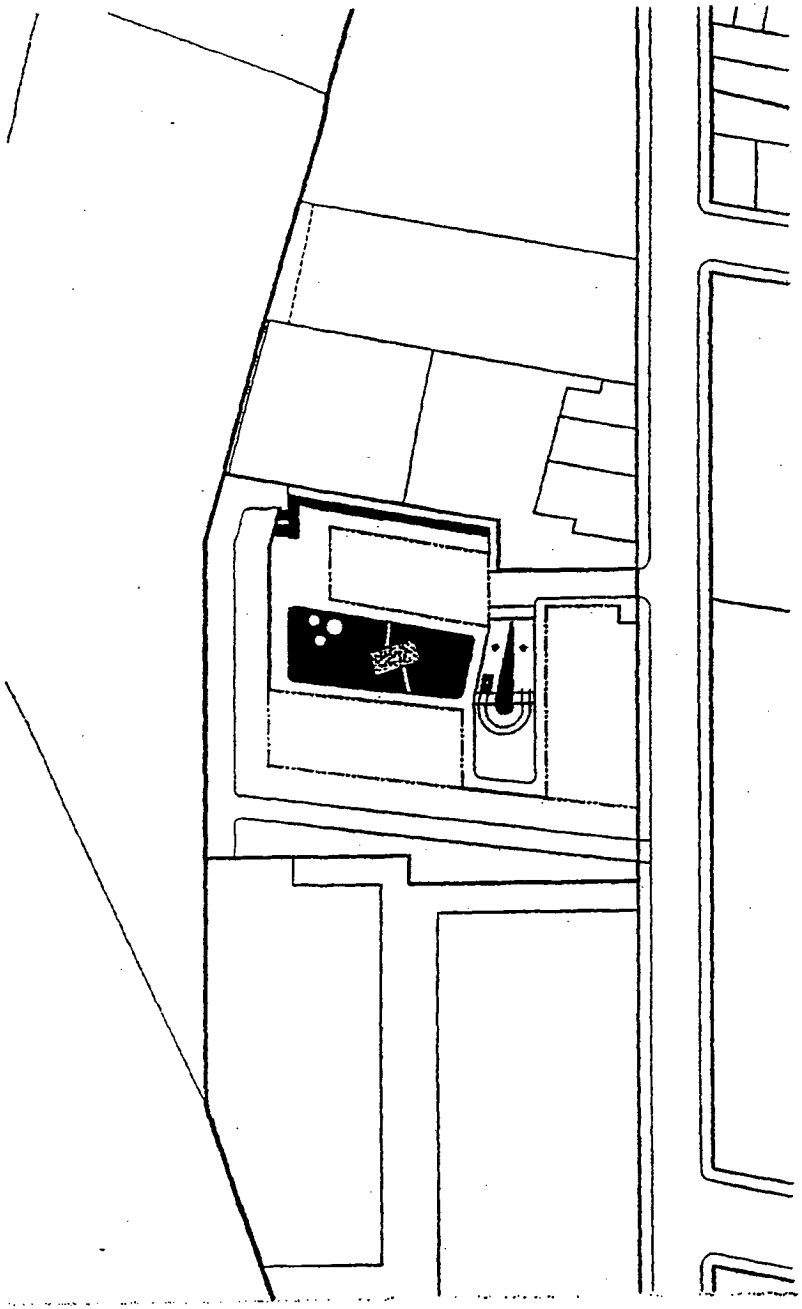

EAST RIVER
U.S. BULKHEAD LINE
U.S. BULKHEAD LINE
KENT AVENUE

EXHIBIT D
TO
RESTRICTIVE DECLARATION


EAST RIVER
U.S. BULKHEAD LINE
U.S. BULKHEAD LINE
KENT AVENUE



1 GROUND FLOOR OPEN SPACE PLAN



2 LOBBY LEVEL OPEN SPACE PLAN

LEGEND

NOTES:

SCHAEFER BREWERY

OPEN SPACE PLANS

Z5

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.

2003081101641003001EBAD2

RECORDING AND ENDORSEMENT COVER PAGE PAGE 1 OF 35

Document ID: 2003081101641003 Document Date: 08-06-2003 Preparation Date: 08-12-2003
Document Type: EASEMENT
Document Page Count: 34

PRESENTER:
ROYAL ABSTRACT OF NEW YORK LLC
AS AGENT FOR COMMONWEALTH TITLE INS
500 5TH AVENUE- SUITE 1940
NEW YORK, NY 10110
212-376-0900
819929

RETURN TO:
DAVID GOLSTEIN
MALLIN & GOLDSTEIN, P.C.
132 NASSAU STREET
NEW YORK, NY 10038

PROPERTY DATA

Borough	Block	Lot		Unit	Address
BROOKLYN	2134	36	Partial Lot		460 KENT AVENUE

Property Type: VACANT LAND

CROSS REFERENCE DATA

CRFN _____ *or* Document ID _____ *or* Year ____ Reel ____ Page ____ *or* File Number _____

PARTIES

GRANTOR/SELLER:
460 KENT AVENUE HOUSING DEVELOPMENT FUND COMPANY
32 PENN STREET
BROOKLYN, NY 11211

GRANTEE/BUYER:
460 KENT AVENUE HOUSING DEVELOPMENT FUND COMPANY
32 PENN STREET
BROOKLYN, NY 11211

FEES AND TAXES

Mortgage			Recording Fee: $	207.00
Mortgage Amount:	$	0.00	Affidavit Fee: $	0.00
Taxable Mortgage Amount:	$	0.00	NYC Real Property Transfer Tax Filing Fee:	
Exemption:			$	50.00
TAXES:			NYS Real Estate Transfer Tax:	
County (Basic):	$	0.00		EXEMPT
City (Additional):	$	0.00		
Spec (Additional):	$	0.00		
TASF:	$	0.00		
MTA:	$	0.00		
NYCTA:	$	0.00		
TOTAL:	$	0.00		

RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK
Recorded/Filed 09-25-2003 17:46
City Register File No.(CRFN): 2003000389747

City Register Official Signature

819929

DECLARATION OF EASEMENTS

THIS declaration (this "Declaration"), dated as of August 6 2003, is made by 460 Kent Avenue Housing Development Fund Company, Inc., having an office at 32 Penn Street, Brooklyn, NY 11211 ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the fee owner of that certain parcel of land in the County of Kings City and State of New York more particularly described on Schedule A attached hereto and made a part hereof (the "Land");

WHEREAS, the Land has been tentatively apportioned into various tax lots in Block 2134 to be know as Lot 37, Lot 38, Lot 39, Lot 40 and Lot 8041 (the "Lots"), each of which Lots are more particularly described in Schedules B, C, D, E and F respectively;

WHEREAS, after the execution and delivery of the Declaration, Declarant will retain Lot 37 and will convey the Lots as follows:

A. Lot 38 will be conveyed to Kent South Associates LLC, a New York limited liability company,

B. Lot 39 will be conveyed to Kent Waterfront Associates LLC, a New York limited liability company;

C. Lot 40 will be conveyed to Kent North Associates LLC, a New York limited liability company;

D. Lot 8041 will be coveyed to Kent Waterfront Associates, a New York limited liability company;

(each of the above lot owners hereinafter referred to as an "Owner" or collectively the "Owners". If any building on a lot is a condominium, the term "Owner" shall refer only to the condominium's board of managers and not to any individual unit owner);

WHEREAS, Owners intend to construct buildings and/or other improvements on the Parcels, including, without limitation a garage in Lot 8041 (the "Garage"), an entrance to the Garage (the "Garage Entrance Area"), a vehicular driveway and a pedestrian walkway leading from Kent Avenue (the "Driveway Area"), utility rooms in the cellar of the building to be constructed on Lot 37 (the "Utility Area"), a one-story lobby for the building to be constructed on Lot 38 (the "South Building Lobby Area"), and an entrance for the building to be constructed on Lot 40 ("North Building Entrance Area").

WHEREAS, the Declarant desires that Owners cooperate with each other in the development, operation and maintenance of their respective Lots and improvements to be constructed thereon and to provide for certain easements, as hereinafter provided;

NOW, THEREFORE, Declarant declares as follows:

B: 2134 P/O L: 36 TO BE KNOWN AS: 37, 39, 40 & 8041

460 Kent Avenue, Brooklyn

1. GRANT OF EASEMENTS AND OTHER RIGHTS

1.1 Garage Entrance Area Easement

Declarant, for itself and its successors and assigns, hereby grants, conveys and reserves unto the Owner of the Garage, its successors and assigns, an exclusive easement to construct and to use, and to permit the drivers and passengers of motor vehicles to use, the Garage Entrance Area, as shown in the plan attached hereto as Exhibit A and made a part hereof, for ingress and egress of motor vehicles and their passengers

1.2 South Building Lobby Area Easement

Declarant, for itself and its successors and assigns, hereby grants, conveys and reserves unto the Owner of Lot 38 an exclusive easement over a portion of Lot 37 to construct and to use the South Building Lobby Area in the building to be constructed on Lot 38, in accordance with the plan attached hereto as Exhibit B and made a part hereof.

1.3 Driveway Area Easement

Declarant, for itself and its successors and assigns, hereby grants, conveys and reserves to an easement for the benefit of all Owners, their successors and assigns a non-exclusive easement to use, and to permit pedestrians, drivers and passengers of motor vehicles to use the Driveway Area, as shown in the plan attached hereto as Exhibit C, for ingress and egress.

1.4 North Building Entrance Area Easements

Declarant, for itself and its successors and assigns, hereby grants, conveys and reserves unto the Owner of Lot 40 an easement over a portion of Lot 39 to construct and use the North Building Entrance Area, in accordance with the plan attached hereto as Exhibit D and made part hereof.

1.5 Utility Area Easement

Declarant, for itself and its successors and assigns, hereby reserves an easement for the benefit of all Owners, their successors and assigns, to a non-exclusive easement (the "Utility Area Easement") to use, and to permit others to use Utility Area (shown on Exhibit E), and/or conduits in the basement of the building on Lot 37 and the Garage in Lot 8041 which house equipment, cables, pipes, wiring, conduits and the like for the provision of heat distribution, electricity, telephone, cable television, internet and other telecommunications and similar services to the occupants of the other buildings. The Utility Area Easement shall include, without limitation,

[a] a non-exclusive right to install, operate, maintain, repair and replace cables, pipes, wiring, conduits and the like from the street, to said equipment rooms, closets and conduits, and to make reasonable connections between the buildings in furtherance of the foregoing; and

[b] a non-exclusive right of reasonable access to and from said equipment rooms, closets, and conduits.

2. ACCESS TO PERFORM OBLIGATIONS AND ENFORCE RIGHTS

Each Owner, and such Owner's agents, employees, contractors and mortgagees shall have the right of access to and the privilege of entering upon the Buildings at all reasonable times and without interference to the extent necessary to exercise its rights and/or perform its obligations in accordance with the terms of this Agreement. This Section may be enforced by any Owner by whatever legal or equitable remedies may be available, including, without limitation, specific performance, and the said party may seek damages, including, without limitation, consequential and special, in the event of a breach of this Section. Each Owner shall indemnify and hold harmless the other from any claim, suit, action or proceeding by a third party, whether or not the same is meritorious, resulting from the acts of either, or of their agents, employees or contractors, pursuant to this Section.

3. DISPUTES

Any dispute, controversy or claim arising from or relating to any provision of or any transaction contemplated by this Declaration, may be submitted by either party to the American Arbitration Association in New York City or successor entity in accordance with its rules, for a determination which shall be binding upon the parties hereto. Any costs or expenses incurred in connection with such arbitration shall be borne by the party against which the determination is made. Any judgment or award which is rendered with respect to any such dispute, controversy or claim by one or more arbitrators to whom the same is submitted may be entered in a court of competent jurisdiction.

4. SUPERIORITY

This Declaration, and the easements granted hereby, is and at all times shall continue to be superior to any and all mortgages, ground leases and other liens or title encumbrances that now or at any time in the future may encumber the whole or any portion of the Land.

5. INSURANCE

Each Owner shall name (or cause to be named) the other Owner (and any other persons or entities reasonably requested by such other Owner) as an additional insured on any liability insurance maintained by or on behalf of such Owner (and/or any of its tenants) with respect to the easement areas (including, without limitation, any commercial general liability insurance, garage liability insurance and/or garage keepers insurance applicable to the Garage.

6. NON-RECOURSE; INDEMNITY

Notwithstanding any provision hereof to the contrary, the obligations created by this Declaration shall be without recourse to any assets of the Owners [other than their respective properties described in this Agreement and (subject to the rights of any mortgagee) the proceeds of any insurance policies and/or condemnation awards for such properties ("Proceeds")] and shall be without any recourse whatsoever to any of their respective partners, members, managers, shareholders, officers, directors or employees; provided, however, that, in the event of any breach of such obligations, the foregoing limitation on liability shall not impair or otherwise affect the right of either Owner to seek and obtain injunctive relief or other equitable relief and/or seek and obtain a judgment against the other Owner and to enforce that

judgment against the interest of such Owner (or such other Owner's successors and assigns) in its property (and Proceeds) described in this Declaration.

7. GENERAL PROVISIONS

7.1 Severance. If any provision of this Declaration or the application thereof to any person, entity or circumstance shall be invalid or unenforceable to any extent, the remainder of this Declaration and the application of such provision to other persons, entities or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

7.2 Amendments; Waivers. Except as otherwise provided in this Declaration, this Declaration may not be amended or terminated, and no provision herein may be waived, except by an instrument signed by the Owners. Any amendment to or termination of this Declaration shall be in form for recording and may, be recorded by either party in the Office of the City Register, New York County. No delay or omission by any party hereto in exercising any right or power accruing upon any default, non-compliance or failure of performance of any of the provisions of this Declaration by any other party hereto shall be construed to be a waiver thereof. A waiver by any party hereto of any of the obligations of any other party shall not be construed to be a waiver of any subsequent breach of any other term, covenant or Declaration set forth in this Declaration.

7.3 Further Assurances. . Upon the request of either Owner, the Owners shall execute and deliver (or cause to be executed and delivered) such additional documents or agreements and take such action as may be necessary or appropriate to effectuate the intent and purposes of this Declaration (including, without limitation, a document or documents confirming the location of any of the easements granted hereby) or containing modifications to this Declaration if such modifications are required by a mortgagee, as the case may be, or by any governmental authority having jurisdiction thereof, provided, that in either case any such document or agreement or action shall not unreasonably increase either Owner's obligations or unreasonably impair either Owner's rights under this Agreement.

7.4. Term of Agreement. The easements, covenants, conditions and restrictions contained in this Declaration shall be enforceable by the Owners and their respective successors and assigns for the term of this Declaration, which shall be perpetual (provided, that if any applicable legal requirement provides for a time limit on any such easement, covenant, condition or restriction, then such easement, covenant, condition or restriction shall be enforceable only for such limited time period), subject to amendment or termination as set forth herein. No easement created hereunder shall be presumed abandoned by non-use or the occurrence of damage or destruction of a portion of the real property subject to such easement unless the Owner benefited by such easement states in writing its intention to abandon such easement

7.5 Entire Agreement. This Agreement and the instruments and other agreements to which reference is made herein set forth the entire agreements between the parties hereto with respect to the subject matter hereof, and no party hereto shall be deemed to have made any representations, warranties or promises, express or implied, except as provided in this Declaration and in such instruments and other agreements.

7.6. Headings. The Section headings are inserted for convenience only and shall not affect construction of this Declaration.

7.7. **No Merger**. There shall be no merger of this Declaration or of the estates or interests created by this Agreement by reason of the fact that this Declaration or the estates or interests created by this Agreement may be held, directly or indirectly, by or for the account of any person(s) or entity (ies) who shall own more than one Lot or any interest therein. No such merger shall occur unless and until all Owners and mortgagees having an interest in this Agreement or in the estates created by this Agreement shall join in a written instrument effecting such merger and shall duly record the same.

7.8. **No Public Dedication**. Nothing contained in this Declaration will be deemed to be a gift or dedication of any portion of the Buildings to the general public or for the general public or for any public purpose whatsoever, it being the intention of the parties hereto that this Agreement will be strictly limited to and for the purposes expressed herein.

7.9. **Relationship of Parties; No Third-Party Beneficiaries**. No party hereto in any way or for any purpose shall be deemed by reason of this Declaration to be a partner of any other party hereto in the conduct of their respective businesses or a joint venturer or a member of a joint enterprise with such other party. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions or remedies to any person or. Without limiting the generality of the preceding sentence, in no event shall any third parties (including, without limitation, any tenants or condominium unit owners) be entitled to enforce any provision of this Declaration against any of the Owners or otherwise.

7.11 **Binding Effect; Covenants Running With The Land.** This Declaration shall bind and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto. The terms and provisions of this Declaration shall be deemed to be "covenants running with the land", and shall benefit and bind each respective successor-in-title to the parties hereto with respect to their ownership, use and conveyance of any of the real property encumbered by this Declaration.

7.12 **Applicable Law.** This Declaration shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on the day and year first above written

460 Kent Avenue Housing Development Fund Company, Inc.

David Niederman
President

ACKNOWLEDGMENTS

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

On August 6, 2003 before me personally appeared DAVID NIEDERMAN, personally known to me or proved to me on the basis of satisfactory evidence to be the individuals whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their capacities and by their signatures on the instrument, the individuals, or the persons upon behalf of which the individuals acted, executed the instrument.

REMIGIO BERNARDO JR.
Notary Public, State of New York
No. 02BE6093436
Qualified in New York County
Commission Expires June 2, 2007

Signature and Office of individual
Taking acknowledgment

SCHEDULE A

All that certain plot piece and parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City and State of New York, County of Kings, Borough of Brooklyn designated on the tax map of the City of New York as Block 2134 part of lot 36, which premises is more particularly bounded an described as follows:

BEGINNING AT A POINT ON THE WESTERLY SIDELINE OF KENT AVENUE (60 FOOT WIDE), SAID POINT BEING DISTANT NORTHERLY 611.81 FEET FROM A POINT FORMED BY THE INTERSECTION OF SAID SIDELINE OF KENT STREET WITH THE NORTHERLY SIDELINE OF DIVISION STREET (70 FOOT WIDE), AND FROM SAID POINT OF BEGINNING RUNNING THENCE THE FOLLOWING THREE (3) COURSES:

1. NORTH 84 DEGREES – 59 MINUTES – 37 SECONDS WEST, A DISTANCE OF 309.89 FEET TO A POINT;

2. THENCE NORTH 03 DEGREES – 48 MINUTES – 21 SECONDS WEST, A DISTANCE OF 185.13 FEET TO A POINT;

3. THENCE NORTH 15 DEGREES – 00 MINUTES – 47 SECONDS EAST, A DISTANCE OF 59.05 FEET TO A POINT; THENCE ALONG THE DIVIDING LINE BETWEEN LOT 36 AND LOT 48, BLOCK 2134 (LANDS NOW OR FORMERLY ROYAL WINE CORPORATION), THE FOLLOWING THREE (3) COURSES:

4. SOUTH 81 DEGREES – 48 MINUTES – 51 SECONDS EAST, A DISTANCE OF 184.11 FEET TO A POINT;

5. THENCE SOUTH 02 DEGREES – 05 MINUTES – 49 SECONDS EAST, A DISTANCE OF 43.87 FEET TO A POINT;

6. THENCE NORTH 87 DEGREES – 54 MINUTES – 11 SECONDS EAST, A DISTANCE OF 114.50 FEET TO THE WESTERLY SIDELINE OF SAID KENT AVENUE;

7. THENCE ALONG SAID KENT AVENUE, SOUTH 02 DEGREES – 05 MINUTES – 49 SECONDS EAST, A DISTANCE OF 203.07 FEET TO THE POINT AND PLACE OF BEGINNING.

THE BEARINGS FOR THIS DESCRIPTION ARE BASED UPON THE NEW YORK STATE PLANE COORDINATE SYSTEM (NORTH AMERICAN DATUM 1983).

THIS DESCRIPTION HAS BEEN PREPARED WITH REFERENCE TO A MAP ENTITLED "BOUNDARY & PARTIAL TOPOGRAPHIC SURVEY, BFC CONSTRUCTION, KENT AVENUE, LOT 36, BLOCK 2134, SECTION 8, BOROUGH OF BROOKLYN, KINGS COUNTY, CITY AND STATE OF NEW YORK", PREPARED BY CONTROL POINT ASSOCIATES, INC. DATED JANUARY 30, 2003, LAST REVISED MAY 22, 2003 AS REVISION NUMBER 3.

SCHEDULE B

Parcel A (East Building)

ALL THAT CERTAIN volume of space, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies above a horizontal plane having an elevation of 16.75 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.56 feet above the national geodetic vertical datum of 1929 (sea level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:-

BEGINNING at a PK Nail on the westerly sideline of Kent Avenue (60 feet wide), said point being distant northerly 611.81 feet from a point formed by the intersection of said sideline of Kent Avenue with the northerly sideline of Division Street (70 feet wide) and from said point of beginning;

RUNNING THENCE (1) along the tentative lot line between tentative Lot 36 and tentative Lot 37, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 146.20 feet to a point;

THENCE (2) along the tentative lot line between tentative Lot 37 and tentative Lot 38, Block 2134, North 02 degrees 05 minutes 49 seconds West, a distance of 65.50 feet to a point;

THENCE along the tentative lot line between tentative Lot 37 and tentative Lot 39, Block 2134, the following five (5) courses:

(3) South 84 degrees 59 minutes 37 seconds East, a distance of 70.54 feet to a point;

THENCE (4) North 02 degrees 05 minutes 49 seconds West, a distance of 98.20 feet to a point;

THENCE (5) North 87 degrees 54 minutes 11 seconds East, a distance of 60.00 feet to a point;

THENCE (6) South 02 degrees 05 minutes 49 seconds East, a distance of 22.92 feet to a point;

THENCE (7) North 76 degrees 54 minutes 12 seconds East, a distance of 15.36 feet to a point on the aforementioned westerly sideline of Kent Avenue;

continued.....

DESCRIPTION SHEET
(continued - page 2)

THENCE (8) continuing along said westerly sideline of Kent Avenue, South 02 degrees 05 minutes 49 seconds East, a distance of 151.28 feet to the point and place of BEGINNING.

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, above ground tax lot plan, Drawing No. A-131A", prepared by Gene Kaufman Architect, P.C. dated 6/20/2003, Revision Number 7.

This description is also prepared with reference to a map entitled, "Boundary & Topographic Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City & State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 7/23/03 as Revision Number 6.

For information only: Said premises are designated as Block 2134 New Lot 37 (p/o existing Lot 36) on the Tax Map of the City of New York, County of Kings.

Parcel B

Subterranean East Building Lot Part of Tentative Lot 37 Block 2134 (Part of Tentative Subterranean Block 2134 Lot 8041)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 16.75 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea level at Sandy Hook), said volume is binded by and lies within the vertical planes which are formed by projecting vertically downward from such horizontal plane, the boundaries of all that lot or parcel described as follows:

BEGINNING at a point on the westerly sideline of Kent Avenue (60 feet wide), said point being distant 611.81 feet from the point formed by the intersection of said sideline of Kent Avenue with the northerly sideline of Division Street (70 feet wide) and from said point of beginning;

continued.....

DESCRIPTION SHEET
(continued - page 3)

RUNNING THENCE (1) along the lot line between Tentative Lot 8041 and Tentative Lot 36, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 75.52 feet to a point;

THENCE (2) North 02 degrees 05 minutes 49 seconds west, a distance of 25.57 feet to a point;

THENCE (3) North 84 degrees 59 minutes 37 seconds west, a distance of 15.29 feet to a point;

THENCE (4) North 05 degrees 00 minutes 23 seconds east, a distance of 24.21 feet to a point;

THENCE (5) North 87 degrees 54 minutes 11 seconds east, a distance of 16.13 feet to a point;

THENCE (6) North 02 degrees 05 minutes 49 seconds west, a distance of 5.62 feet to a point;

THENCE (7) North 87 degrees 54 minutes 11 seconds east, a distance of 18.32 feet to a point;

THENCE (8) South 02 degrees 05 minutes 49 seconds east, a distance of 1.44 feet to a point;

THENCE (9) North 87 degrees 54 minutes 11 seconds east, a distance of 10.84 feet to a point;

THENCE (10) South 02 degrees 05 minutes 49 seconds east, a distance of 2.04 feet to a point;

THENCE (11) North 87 degrees 54 minutes 11 seconds east, a distance of 15.50 feet to a point;

THENCE (12) South 02 degrees 05 minutes 49 seconds east, a distance of 16.50 feet to a point;

THENCE (13) South 87 degrees 54 minutes 11 seconds west, a distance of 8.08 feet to a point;

continued.....

DESCRIPTION SHEET
(continued - page 4)

THENCE (14) South 02 degrees 05 minutes 49 seconds east, a distance of 4.84 feet to a point;

THENCE (15) North 87 degrees 54 minutes 11 seconds east, a distance of 8.08 feet to a point;

THENCE (16) South 02 degrees 05 minutes 49 seconds east, a distance of 12.96 feet to a point;

THENCE (17) North 87 degrees 54 minutes 11 seconds east, a distance of 26.32 feet to a point on the aforementioned westerly sideline of Kent Avenue;

THENCE (18) along said westerly sideline of Kent Avenue, South 02 degrees 05 minutes 49 seconds east, a distance of 28.67 feet to the point or place of BEGINNING.

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, Cellar Floor Parking Level Plan", prepared by Gene Kaufman Architect, P.C., last revised 7/1/2003 as revision number 8.

This description is also prepared with reference to a map entitled, "ALTA/ACSM Land Title Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City and State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 7/23/2003 as revision number 6.

Together with and subject to the benefits and burdens of Declaration of Easements made by 460 Kent Avenue Housing Development Fund Company, Inc. dated as of / /03 and to be recorded.

SCHEDULE C

Parcel A (South Building)

ALL THAT CERTAIN volume of space, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies above a horizontal plane having an elevation of 15.25 feet above the Datum Level in use by the Department of Highways, Borough of Brooklyn, which Datum Level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (sea level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:-

BEGINNING at a point on the tentative lot line between Tentative Lots 37 and 38, Block 2134 and Tentative Lot 36, Block 2134, said point being distant the following two (2) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide);

A) North 02 degrees 05 minutes 49 seconds West, a distance of 611.81 feet to a PK Nail; THENCE

B) Along the tentative lot line between Tentative Lot 37 and Tentative Lot 36, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 146.20 feet to the point and place of beginning and from said point of beginning; RUNNING THENCE

1. Along the tentative lot line between Tentative Lot 38 and Tentative Lot 36, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 163.68 feet to an iron pin with cap; THENCE

2. Continuing along the tentative lot line between Tentative Lot 38 and Tentative Lot 36, Block 2134, North 03 degrees 48 minutes 21 seconds West, a distance of 65.78 feet to a point; THENCE

3. Along the tentative lot line between Tentative Lot 38 and Tentative Lot 39, Block 2134, South 84 degrees 59 minutes 37 seconds East, a distance of 165.66 feet to a point; THENCE

4. Along the tentative lot line between Tentative Lot 37 and Tentative Lot 38, South 02 degrees 05 minutes 49 seconds East, a distance of 65.50 feet to the point and place of BEGINNING.

continued.....

DESCRIPTION SHEET
(continued - page 2)

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, above ground tax lot plan, Drawing No. A-131A", prepared by Gene Kaufman Architect, P.C. dated 6/20/2003, Revision Number 7.

This description is also prepared with reference to a map entitled, "Boundary & Topographic Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City & State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 7/23/03 as Revision Number 6.

For information only: Said premises are designated as Block 2134 New Lot 38 (p/o existing Lot 36) on the Tax Map of the City of New York, County of Kings.

Parcel B

Subterranean South Building Lot Part of Tentative Lot 38 Block 2134 (Part of Tentative Subterranean Lot 8041 Block 2134)

ALL THAT CERTAIN volume of space, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 15.25 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea level at Sandy Hook), said volume is binded by and lies within the vertical planes which are formed by projecting vertically downward from such horizontal plane, the boundaries of all that lot or parcel described as follows:

BEGINNING at a point on the lot line between Tentative Lots 36 and Tentative Lot 8041, Block 2134, said point being distant the following two (2) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide);

A) along said sideline of Kent Avenue, North 02 degrees 05 minutes 49 seconds West, a distance of 611.81 feet to a point; THENCE

continued.....

DESCRIPTION SHEET
(continued - page 3)

B) along the lot line between Tentative Lot 36 and Tentative Lot 8041, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 192.98 feet to the point and place of beginning and from said point and place of beginning; RUNNING THENCE

1. along the lot line between Tentative Lot 36 and Tentative Lot 8041, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 31.65 feet to a point; THENCE the following nine (9) courses through the interior of Tentative Lot 8041, Block 2134;

2. North 05 degrees 00 minutes 23 seconds east, a distance of 46.91 feet to a point, THENCE

3. South 84 degrees 59 minutes 37 seconds east, a distance of 27.62 feet to a point, THENCE;

4. South 05 degrees 00 minutes 23 seconds west, a distance of 1.57 feet to a point, THENCE;

5. South 84 degrees 59 minutes 37 seconds east, a distance of 18.86 feet to a point, THENCE;

6. South 05 degrees 00 minutes 23 seconds west, a distance of 13.56 feet to a point, THENCE;

7. North 85 degrees 01 minutes 36 seconds west, a distance of 5.30 feet to a point, THENCE;

8. South 05 degrees 00 minutes 23 seconds west, a distance of 8.19 feet to a point, THENCE;

9. North 85 degrees 01 minutes 36 seconds west, a distance of 9.52 feet to a point, THENCE;

10. South 05 degrees 00 minutes 23 seconds west, a distance of 23.58 feet to the point and place of BEGINNING.

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, Cellar Floor Parking Level Plan", prepared by Gene Kaufman Architect, P.C., last revised 7/1/2003 as Revision Number 8.

This description is also prepared with reference to a map entitled, "ALTA/ACSM Land Title Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City and State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 7/23/2003 as Revision Number 6.

Together with and subject to the benefits and burdens of Declaration of Easements made by 460 Kent Avenue Housing Development Fund Company Inc. dated as of / /03 and to be recorded.

SCHEDULE D

Parcel A (Private Open Courtyard) (New Lot 39)

ALL THAT CERTAIN volume of space, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies above a horizontal plane having an elevation of 14.75 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.56 feet above the national geodetic vertical datum of 1929 (sea level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:-

BEGINNING at a point on the westerly sideline of Kent Avenue (60 feet wide), said point being distant 763.09 feet from a point formed by the intersection of said sideline of Kent Avenue with the northerly sideline of division street (70 feet wide) and from said point of beginning;

RUNNING THENCE along the tentative lot line between tentative Lot 37 and tentative Lot 39, the following four (4) courses:

1. South 79 degrees 12 minutes 56 seconds west, a distance of 15.26 feet to a point; thence

2. North 02 degrees 05 minutes 49 seconds west, a distance of 24.10 feet to a point; thence

3. South 87 degrees 54 minutes 11 seconds west, a distance of 60.00 feet to a point; thence

4. South 02 degrees 05 minutes 49 seconds east, a distance of 98.20 feet to a point; thence

5. Along the Tentative lot line between Tentative Lot 39 and Tentative Lots 37 and 38, Block 2134, north 84 degrees 59 minutes 37 seconds west, a distance of 236.20 feet to a point; thence along the tentative dividing line between Tentative Lot 39 and Tentative Lot 36, the following two (2) courses:

6. North 03 degrees 48 minutes 21 seconds west, a distance of 119.35 feet to an iron pin with cap; thence

continued.....

DESCRIPTION SHEET
(continued - page 2)

7. North 15 degrees 00 minutes 47 seconds east, a distance of 59.05 feet to a point; thence along the dividing line between Tentative Lot 36 and Lot 48, Block 2134 (lands now or formerly of Royal Wine Corporation), the following three (3) courses:

8. South 81 degrees 48 minutes 51 seconds east, a distance of 184.11 feet to a drill hole with x-cut; thence

9. South 02 degrees 05 minutes 49 seconds east, a distance of 43.87 feet to a PK nail with washer; thence

10. North 87 degrees 54 minutes 11 seconds east, a distance of 114.50 feet to a PK nail with washer on the aforementioned northerly sideline of Kent Avenue; thence

11. Along said westerly sideline of Kent Avenue south 02 degrees 05 minutes 49 seconds east, a distance of 51.79 feet to the point or place of BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED AREA:

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies above a horizontal plane having an elevation of 15.25 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.56 feet above the national geodetic vertical datum of 1929 (sea level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:-

BEGINNING at a point common to Tentative Lot 39 and Tentative Lot 40, Block 2134, said point being distant the following three (3) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of division street (70 feet wide);

A) North 02 degrees 05 minutes 49 seconds west, a distance of 814.88 feet to a PK nail with washer; thence

continued.....

DESCRIPTION SHEET
(continued - page 3)

B) Along the dividing line between Tentative Lot 39 and Lot 48, Block 2134 (lands now or formerly of Royal Wine Corporation) south 87 degrees 54 minutes 11 seconds west, a distance of 114.50 feet to a PK nail with washer; thence

C) Along a line running through Tentative Lot 39, Block 2134, south 07 degrees 37 minutes 58 seconds west, a distance of 47.34 feet to the point and place of beginning and from said point of beginning running thence the following four (4) courses along the Tentative line between Tentative Lot 40 and Tentative Lot 39, Block 2134;

1. North 81 degrees 48 minutes 51 seconds west, a distance of 134.08 feet to a point; thence

2. North 02 degrees 05 minutes 49 seconds west, a distance of 83.85 feet to a point; thence

3. South 81 degrees 48 minutes 51 seconds east, a distance of 134.08 feet to a point; thence

4. South 02 degrees 05 minutes 49 seconds east, a distance of 83.85 feet to the point and place of BEGINNING.

CONTAINING A NET AREA OF 30,070 SQUARE FEET OR 0.690 ACRE.

The bearings for this description are based upon the New York State Plane Coordinate System North American Datum 1983.

This description is prepared with reference to a Map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, above ground Tax Lot Plan, Drawing No. A-131A" prepared by Gene Kaufman Architect, P.C. dated June 20, 2003, Revision Number 7.

This description is also prepared with reference to a Map entitled, "Boundary and Topographic Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, Cit and State of New York, prepared by Control Point Associates, Inc. dated January 30, 2003, last revised July 23, 2003 as Revision Number 6.

continued.....

SCHEDULE E

Parcel A (North Building)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 15.25 feet above the Datum Level in use by the Department of Highways, Borough of Brooklyn, which Datum Level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea Level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:

BEGINNING at a point common to Tentative Lot 36 and Tentative Lot 40, Block 2134, said point being distant the following three (3) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide):

A) North 02 degrees 05 minutes 49 seconds West, a distance of 814.88 feet to a PK Nail with washer; THENCE

B) Along the dividing line between Tentative Lot 39 and Lot 48, Block 2134 (lands now or formerly of Royal Wine Corporation), South 87 degrees 54 minutes 11 seconds west, a distance of 114.50 feet to a PK Nail with washer; THENCE

C) Along a line running through Tentative Lot 39, Block 2134, South 07 degrees 37 minutes 58 seconds West, a distance of 47.34 feet to the point and place of beginning and from said point of beginning;

RUNNING THENCE the following four (4) courses along the tentative line between Tentative Lot 40 and Tentative Lot 39, Block 2134:

10. North 81 degrees 48 minutes 51 seconds West, a distance of 134.08 feet to a point; THENCE

11. North 02 degrees 05 minutes 49 seconds West, a distance of 83.85 feet to a point; THENCE

12. South 81 degrees 48 minutes 51 seconds East, a distance of 134.08 feet to a point; THENCE

continued.....

DESCRIPTION SHEET
(continued - page 2)

13. South 02 degrees 05 minutes 49 seconds East, a distance of 83.85 feet to the point and place of BEGINNING.

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, above ground tax lot plan, Drawing No. A-131A", prepared by Gene Kaufman Architect, P.C. dated 6/20/2003, Revision Number 7.

This description is also prepared with reference to a map entitled, "Boundary & Topographic Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City & State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 6/27/2003 as Revision Number 4.

For information only: Said premises are designated as Block 2134 New Lot 40 (p/o existing Lot 36) on the Tax Map of the City of New York, County of Kings.

Parcel B

Subterranean North Building lot part of Tentative Lot 40 and Block 2134 (Part of Tentative Subterranean Lot 8041 Block 2134)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 15.25 feet above the Datum Level in use by the Department of Highways, Borough of Brooklyn, which Datum Level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea Level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:

BEGINNING at a point in the interior of Tentative Lot 8041, Block 2134, said point being distant the following three (3) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide):

continued.....

DESCRIPTION SHEET
(continued - page 3)

A) along said sideline of Kent Avenue, North 02 degrees 05 minutes 49 seconds west, a distance of 814.88 feet to a point; THENCE

B) along the dividing line between Tentative Lot 8041 and Lot 48, Block 2134 (Lands now or formerly of Royal Wine Corporation), South 87 degrees 54 minutes 11 seconds West, a distance of 114.50 feet to a point; THENCE

C) along a line running through the interior of Tentative Lot 8041, Block 2134, South 51 degrees 09 minutes 06 seconds west, a distance of 39.93 feet to the point and place of beginning and from said point of beginning;

RUNNING THENCE the following six (6) courses through Tentative Lot 8041, Block 2134:

1. North 81 degrees 48 minutes 51 seconds West, a distance of 65.24 feet to a point; THENCE

2. North 08 degrees 11 minutes 09 seconds East, a distance of 23.51 feet to a point; THENCE

3. South 81 degrees 48 minutes 51 seconds East, a distance of 49.25 feet to a point; THENCE

4. South 08 degrees 11 minutes 09 seconds West, a distance of 9.47 feet to a point; THENCE

5. South 81 degrees 48 minutes 51 seconds East, a distance of 16.00 feet to a point; THENCE

6. South 08 degrees 11 minutes 09 seconds West, a distance of 14.02 feet to the point and place of BEGINNING.

continued.....

DESCRIPTION SHEET
(continued - page 4)

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, Cellar Floor Parking Level Plan", prepared by Gene Kaufman Architect, P.C., last revised 7/1/03 as revision number 8.

This description is also prepared with reference to a map entitled, "ALTA/ACSM Land Title Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City and State of New York", prepared by Control Point Associates, Inc. dated 1/30/03, last revised 7/23/03 as revision number 6.

Together with and subject to the benefits and burdens of Declaration of Easements made by 460 Kent Avenue Housing Development Fund Company Inc. dated as of / /03 and to be recorded.

SCHEDULE F

Parcel (Tentative Lot 8041 - Subterranean)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies above a horizontal plane having an elevation of 16.75 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.50 feet above the national geodetic vertical datum of 1929 (sea level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:-

BEGINNING at a point on the westerly sideline of Kent Avenue (60 feet wide), said point being distant 611.81 feet from a point formed by the intersection of said sideline of Kent Avenue with the northerly sideline of division street (70 feet wide) and from said point of beginning;

RUNNING THENCE along the dividing line between Tentative Lot 36, Block 2134, the following three (3) courses:

1. North 84 degrees 59 minutes 37 seconds west, a distance of 309.89 feet to a point; thence

2. North 03 degrees 48 minutes 21 seconds west, a distance of 185.13 feet to a point; thence

3. North 15 degrees 00 minutes 47 seconds east, a distance of 59.05 feet to a point; thence along the dividing line between Tentative Lot 8041 and Lot 48, Block 2134 (lands now or formerly Royal Wine Corporation), the following three (3) courses:

4. South 81 degrees 48 minutes 51 seconds east, a distance of 184.11 feet to a point; thence

5. South 02 degrees 05 minutes 49 seconds east, a distance of 43.87 feet to a point; thence

continued.....

6. North 87 degrees 54 minutes 11 seconds east, a distance of 114.50 feet to a point in the westerly sideline of said Kent Avenue; thence

7. Along said Kent Avenue south 02 degrees 05 minutes 49 seconds east, a distance of 203.07 feet to the point and place of BEGINNING.

CONTAINING 68,718 SQUARE FEET OR 1.577 ACRES.

EXCEPTING therefrom the following three (3) parcels:

Subterranean East Building Lot Part of Tentative Lot 37 Block 2134 (Part of Tentative Subterranean Block 2134 Lot 8041)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 16.75 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea level at Sandy Hook), said volume is binded by and lies within the vertical planes which are formed by projecting vertically downward from such horizontal plane, the boundaries of all that lot or parcel described as follows:

BEGINNING at a point on the westerly sideline of Kent Avenue (60 feet wide), said point being distant 611.81 feet from the point formed by the intersection of said sideline of Kent Avenue with the northerly sideline of Division Street (70 feet wide) and from said point of beginning;

RUNNING THENCE (1) along the lot line between Tentative Lot 8041 and Tentative Lot 36, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 75.52 feet to a point;

THENCE (2) North 02 degrees 05 minutes 49 seconds west, a distance of 25.57 feet to a point;

THENCE (3) North 84 degrees 59 minutes 37 seconds west, a distance of 15.29 feet to a point;

continued.....

THENCE (4) North 05 degrees 00 minutes 23 seconds east, a distance of 24.21 feet to a point;

THENCE (5) North 87 degrees 54 minutes 11 seconds east, a distance of 16.13 feet to a point;

THENCE (6) North 02 degrees 05 minutes 49 seconds west, a distance of 5.62 feet to a point;

THENCE (7) North 87 degrees 54 minutes 11 seconds east, a distance of 18.32 feet to a point;

THENCE (8) South 02 degrees 05 minutes 49 seconds east, a distance of 1.44 feet to a point;

THENCE (9) North 87 degrees 54 minutes 11 seconds east, a distance of 10.84 feet to a point;

THENCE (10) South 02 degrees 05 minutes 49 seconds east, a distance of 2.04 feet to a point;

THENCE (11) North 87 degrees 54 minutes 11 seconds east, a distance of 15.50 feet to a point;

THENCE (12) South 02 degrees 05 minutes 49 seconds east, a distance of 16.50 feet to a point;

THENCE (13) South 87 degrees 54 minutes 11 seconds west, a distance of 8.08 feet to a point;

THENCE (14) South 02 degrees 05 minutes 49 seconds east, a distance of 4.84 feet to a point;

THENCE (15) North 87 degrees 54 minutes 11 seconds east, a distance of 8.08 feet to a point;

THENCE (16) South 02 degrees 05 minutes 49 seconds east, a distance of 12.96 feet to a point;

continued.....

THENCE (17) North 87 degrees 54 minutes 11 seconds east, a distance of 26.32 feet to a point on the aforementioned westerly sideline of Kent Avenue;

THENCE (18) along said westerly sideline of Kent Avenue, South 02 degrees 05 minutes 49 seconds east, a distance of 28.67 feet to the point or place of BEGINNING.

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, Cellar Floor Parking Level Plan", prepared by Gene Kaufman Architect, P.C., last revised 7/1/2003 as revision number 8.

This description is also prepared with reference to a map entitled, "ALTA/ACSM Land Title Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City and State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 7/23/2003 as revision number 6.

Subterranean South Building Lot Part of Tentative Lot 38 Block 2134 (Part of Tentative Subterranean Lot 8041 Block 2134)

ALL THAT CERTAIN volume of space, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 15.25 feet above the datum level in use by the Department of Highways, Borough of Brooklyn, which datum level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea level at Sandy Hook), said volume is binded by and lies within the vertical planes which are formed by projecting vertically downward from such horizontal plane, the boundaries of all that lot or parcel described as follows:

BEGINNING at a point on the lot line between Tentative Lots 36 and Tentative Lot 8041, Block 2134, said point being distant the following two (2) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide);

A) along said sideline of Kent Avenue, North 02 degrees 05 minutes 49 seconds West, a distance of 611.81 feet to a point; THENCE

continued.....

B) along the lot line between Tentative Lot 36 and Tentative Lot 8041, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 192.98 feet to the point and place of beginning and from said point and place of beginning; RUNNING THENCE

1. along the lot line between Tentative Lot 36 and Tentative Lot 8041, Block 2134, North 84 degrees 59 minutes 37 seconds West, a distance of 31.65 feet to a point; THENCE the following nine (9) courses through the interior of Tentative Lot 8041, Block 2134;

2. North 05 degrees 00 minutes 23 seconds east, a distance of 46.91 feet to a point, THENCE

3. South 84 degrees 59 minutes 37 seconds east, a distance of 27.62 feet to a point, THENCE;

4. South 05 degrees 00 minutes 23 seconds west, a distance of 1.57 feet to a point, THENCE;

5. South 84 degrees 59 minutes 37 seconds east, a distance of 18.86 feet to a point, THENCE;

6. South 05 degrees 00 minutes 23 seconds west, a distance of 13.56 feet to a point, THENCE;

7. North 85 degrees 01 minutes 36 seconds west, a distance of 5.30 feet to a point, THENCE;

8. South 05 degrees 00 minutes 23 seconds west, a distance of 8.19 feet to a point, THENCE;

9. North 85 degrees 01 minutes 36 seconds west, a distance of 9.52 feet to a point, THENCE;

10. South 05 degrees 00 minutes 23 seconds west, a distance of 23.58 feet to the point and place of BEGINNING.

continued.....

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, Cellar Floor Parking Level Plan", prepared by Gene Kaufman Architect, P.C., last revised 7/1/2003 as revision number 8.

This description is also prepared with reference to a map entitled, "ALTA/ACSM Land Title Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City and State of New York", prepared by Control Point Associates, Inc. dated 1/30/2003, last revised 7/23/2003 as revision number 6.

Subterranean North Building lot part of Tentative Lot 40 and Block 2134 (Part of Tentative Subterranean Lot 8041 Block 2134)

ALL THAT CERTAIN volume of space, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, which lies below a horizontal plane having an elevation of 15.25 feet above the Datum Level in use by the Department of Highways, Borough of Brooklyn, which Datum Level is 2.56 feet above the National Geodetic Vertical Datum of 1929 (Sea Level at Sandy Hook), said volume is bounded by and lies within the vertical planes which are formed by projecting vertically upward from such horizontal plane the boundaries of all that plot or parcel described as follows:

BEGINNING at a point in the interior of Tentative Lot 8041, Block 2134, said point being distant the following three (3) courses from a point formed by the intersection of the westerly sideline of Kent Avenue (60 feet wide) with the northerly sideline of Division Street (70 feet wide):

A. along said sideline of Kent Avenue, North 02 degrees 05 minutes 49 seconds west, a distance of 814.88 feet to a point; THENCE

B. along the dividing line between Tentative Lot 8041 and Lot 48, Block 2134 (Lands now or formerly of Royal Wine Corporation), South 87 degrees 54 minutes 11 seconds West, a distance of 114.50 feet to a point; THENCE

continued.....

C) along a line running through the interior of Tentative Lot 8041, Block 2134, South 51 degrees 09 minutes 06 seconds west, a distance of 39.93 feet to the point and place of beginning and from said point of beginning;

RUNNING THENCE the following six (6) courses through Tentative Lot 8041, Block 2134:

1. North 81 degrees 48 minutes 51 seconds West, a distance of 65.24 feet to a point; THENCE

2. North 08 degrees 11 minutes 09 seconds East, a distance of 23.51 feet to a point; THENCE

3. South 81 degrees 48 minutes 51 seconds East, a distance of 49.25 feet to a point; THENCE

4. South 08 degrees 11 minutes 09 seconds West, a distance of 9.47 feet to a point; THENCE

5. South 81 degrees 48 minutes 51 seconds East, a distance of 16.00 feet to a point; THENCE

6. South 08 degrees 11 minutes 09 seconds West, a distance of 14.02 feet to the point and place of BEGINNING.

This description is prepared with reference to a map entitled, "Schaefer Development, 460 Kent Avenue, Brooklyn, New York, Cellar Floor Parking Level Plan", prepared by Gene Kaufman Architect, P.C., last revised 7/1/03 as revision number 8.

This description is also prepared with reference to a map entitled, "ALTA/ACSM Land Title Survey, BFC Construction, Kent Avenue, Lot 36, Block 2134, Section 8, Borough of Brooklyn, Kings County, City and State of New York", prepared by Control Point Associates, Inc. dated 1/30/03, last revised 7/23/03 as revision number 6.

Together with and subject to the benefits and burdens of Declaration of Easements made by 460 Kent Avenue Housing Development Fund Company Inc. dated as of 8/6/03 and to be recorded, simultaneously herewith.

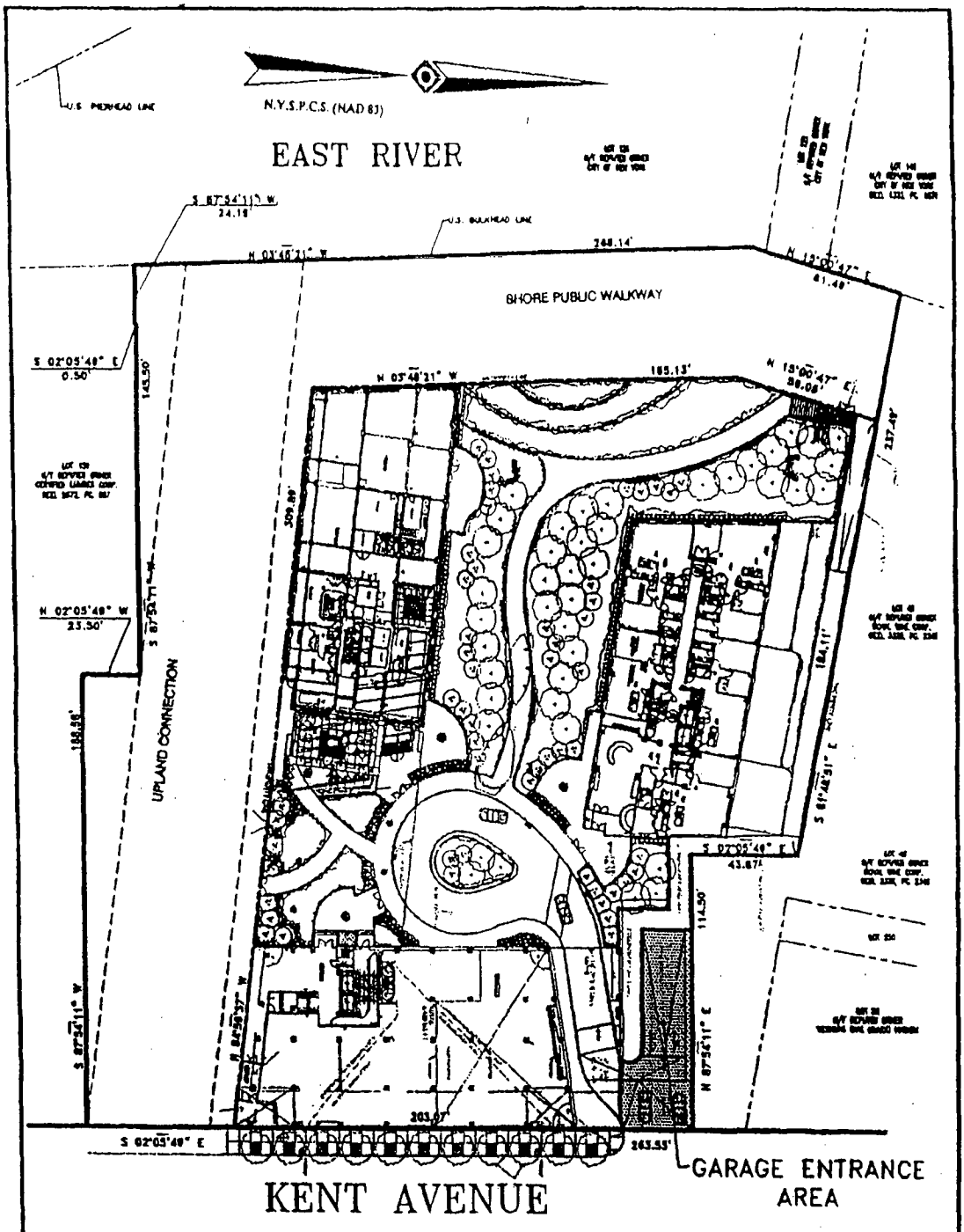


EXHIBIT "A"
GARAGE ENTRANCE

REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BFC CONSTRUCTION, KENT AVENUE LOT 36, BLOCK 2134, SECTION 8, BOROUGH OF BROOKLYN, KINGS COUNTY, CITY AND STATE OF NEW YORK", PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED 1-30-2003, REVISED 7-23-2003.

2. MAP ENTITLED "SCHAEFER DEVELOPMENT, 460 KENT AVENUE, BROOKLYN, NEW YORK, GROUND FLOOR PLAN", PREPARED BY GENE KAUFMAN ARCHITECT, P.C., LAST REVISED JULY 1, 2003.

No.	DESCRIPTION OF REVISION	DRAWN	APPROVED	DATE
1	REVISED	E.C.R.	C.S.C.	8-1-2003

SCHAEFER DEVELOPMENT
460 KENT AVENUE
BOROUGH OF BROOKLYN, KINGS COUNTY
CITY AND STATE OF NEW YORK

CONTROL POINT ASSOCIATES, INC.
170 MOUNTAIN BOULEVARD
WATCHUNG, NJ 07060
908.668.0099 - 908.668.1595 FAX

DRAWN	DATE	SCALE	FILE NO.	SHEET NO.
E.C.R.	7-31-2003	1"=60'	C011161A	1 OF 5
CHECKED				
C.S.C.				

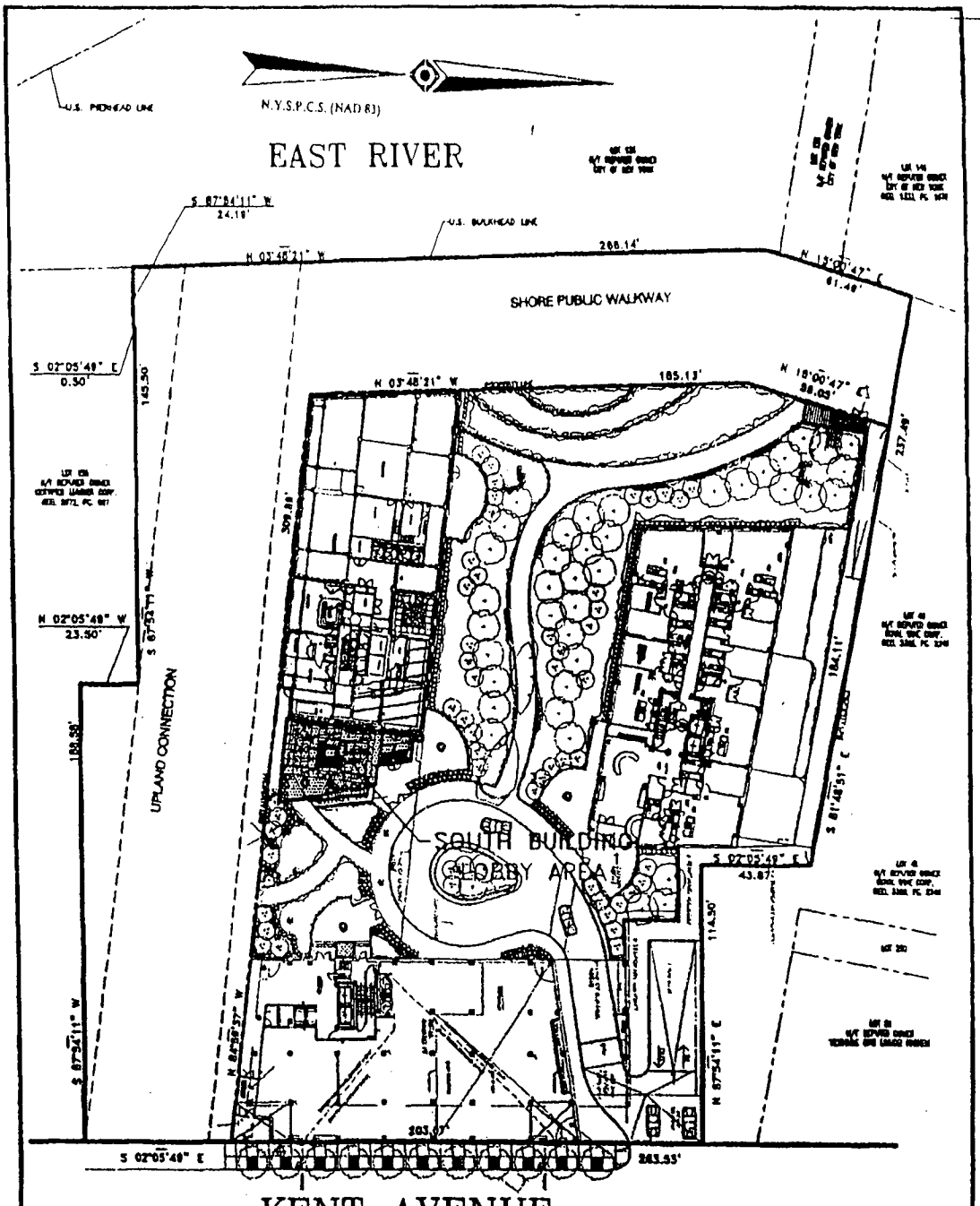


EXHIBIT "B"
SOUTH BUILDING LOBBY AREA

REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BFC CONSTRUCTION, KENT AVENUE LOT 36, BLOCK 2134, SECTION 8, BOROUGH OF BROOKLYN, KINGS COUNTY, CITY AND STATE OF NEW YORK", PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED 1-30-2003, REVISED 7-23-2003.

2. MAP ENTITLED "SCHAEFER DEVELOPMENT, 460 KENT AVENUE, BROOKLYN, NEW YORK, GROUND FLOOR PLAN", PREPARED BY GENE KAUFMAN ARCHITECT, P.C., LAST REVISED JULY 1, 2003.

NO.	DESCRIPTION OF REVISION	DRAWN:	APPROVED:	DATE
1	REVISED	E.C.R.	B.S.E.	8-1-2003

SCHAEFER DEVELOPMENT
460 KENT AVENUE
BOROUGH OF BROOKLYN, KINGS COUNTY
CITY AND STATE OF NEW YORK

CONTROL POINT ASSOCIATES, INC.
700 MOUNTAIN BOULEVARD
WATCHUNG, NJ 07060
908.668.0099 • 908.668.9595 FAX

DRAWN	DATE	SCALE	FILE NO.	SHT. NO.
E.C.R.	7-31-2003	1"=50'	C011181A	2 OF 5

APPROVED: B.S.E.

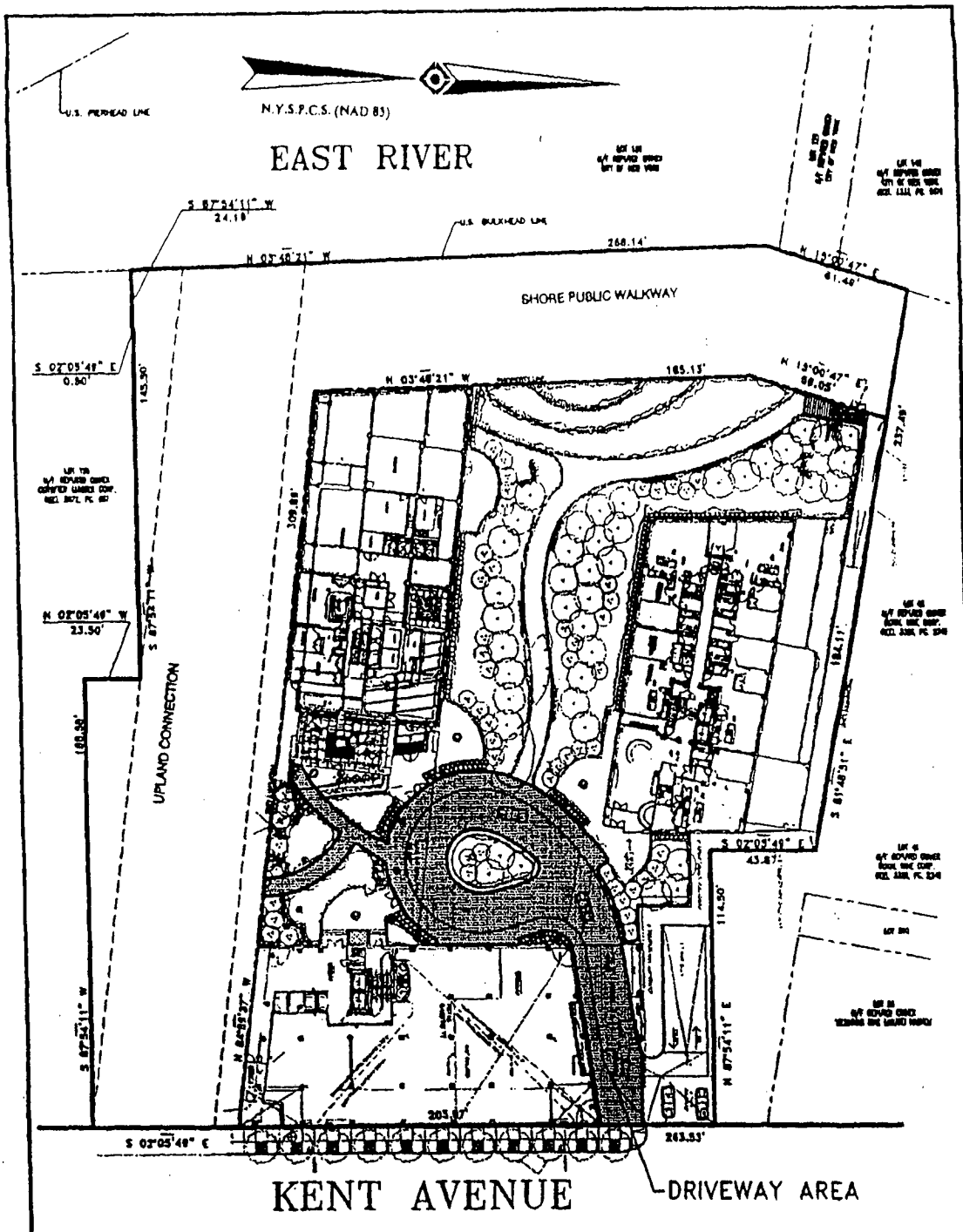


EXHIBIT "C"
DRIVEWAY AREA

REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BFC CONSTRUCTION, KENT AVENUE LOT 36, BLOCK 2134, SECTION 8, BOROUGH OF BROOKLYN, KINGS COUNTY, CITY AND STATE OF NEW YORK", PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED 1-30-2003, REVISED 7-23-2003.

2. MAP ENTITLED "SCHAEFER DEVELOPMENT, 460 KENT AVENUE, BROOKLYN, NEW YORK, GROUND FLOOR PLAN", PREPARED BY GENE KAUFMAN ARCHITECT, P.C., LAST REVISED JULY 1, 2003.

No.	DESCRIPTION OF REVISION	DRAWN	APPROVED	DATE
1	REVISED	C.C.R.	C.S.G.	8-1-2003

SCHAEFER DEVELOPMENT
460 KENT AVENUE
BOROUGH OF BROOKLYN, KINGS COUNTY
CITY AND STATE OF NEW YORK

CONTROL POINT ASSOCIATES, INC.
776 MOUNTAIN BOULEVARD
WATCHUNG, NJ 07060
908.668.0099 • 908.668.0589 FAX

DRAWN	DATE	SCALE	FILE NO.	SHEET NO.
C.S.G.	7-31-2003	1"=50'	C01151A	3 OF 5

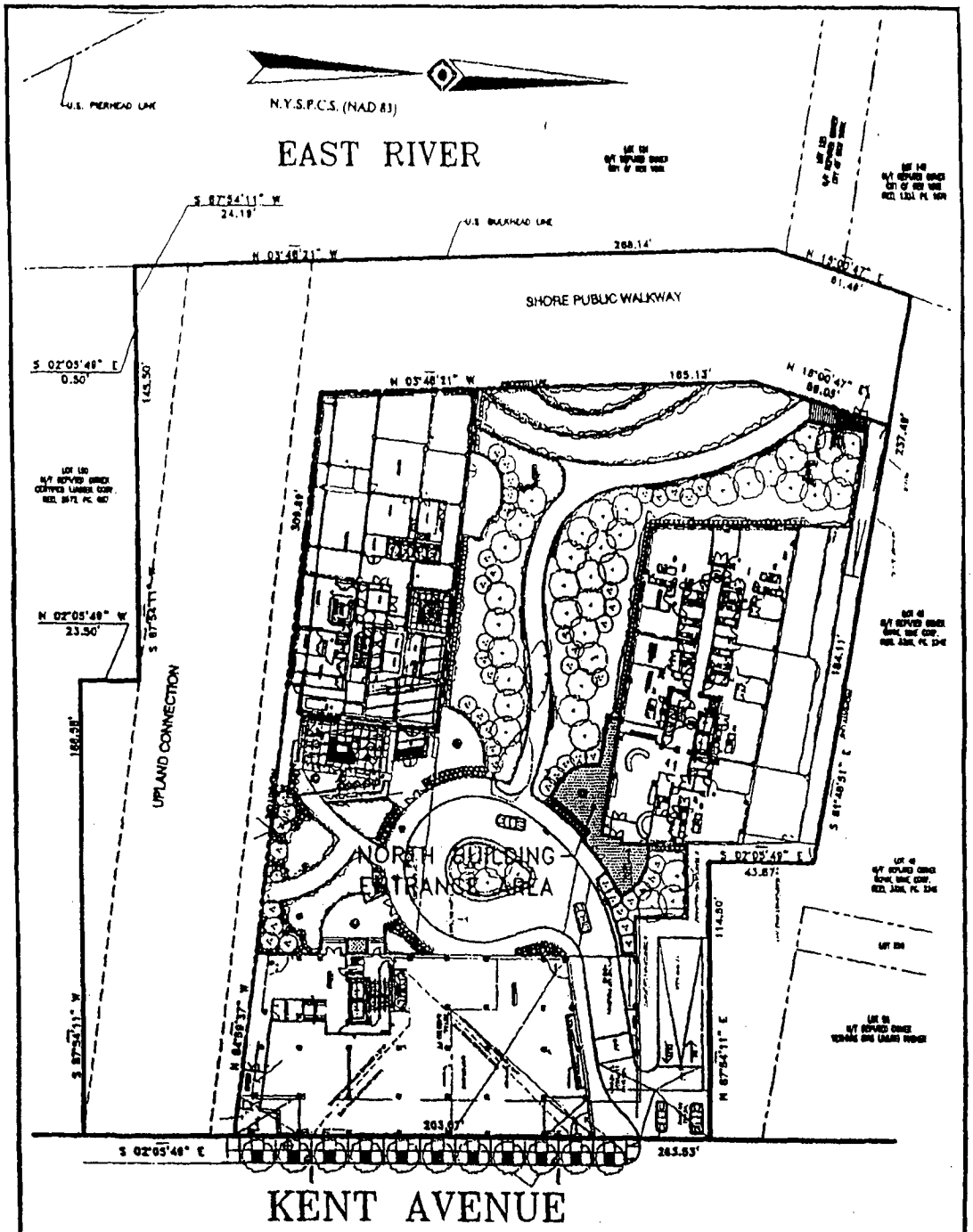


EXHIBIT "D"
NORTH BUILDING ENTRANCE AREA

REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BFC CONSTRUCTION, KENT AVENUE LOT 36, BLOCK 2134, SECTION 8, BOROUGH OF BROOKLYN, KINGS COUNTY, CITY AND STATE OF NEW YORK", PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED 1-30-2003, REVISED 7-23-2003.
2. MAP ENTITLED "SCHAEFER DEVELOPMENT, 460 KENT AVENUE, BROOKLYN, NEW YORK, GROUND FLOOR PLAN", PREPARED BY GENE KAUFMAN ARCHITECT, P.C., LAST REVISED JULY 1, 2003.

No.	REVISED / DESCRIPTION OF REVISION	DRAWN	APPROVED	DATE
1		E.C.A.	G.S.G.	8-1-2003

SCHAEFER DEVELOPMENT
460 KENT AVENUE
BOROUGH OF BROOKLYN, KINGS COUNTY
CITY AND STATE OF NEW YORK

CONTROL POINT ASSOCIATES, INC.
TN MOUNTAIN BOULEVARD
WATCHUNG, NJ 07060
908.668.0099 - 908.668.1595 FAX

E.C.A.	G.S.G.	APPROVED: G.S.G.	DATE: 7-31-2003	SCALE: 1"=50'	FILE NO.: C01151A	SHEET NO.: 4 of 5

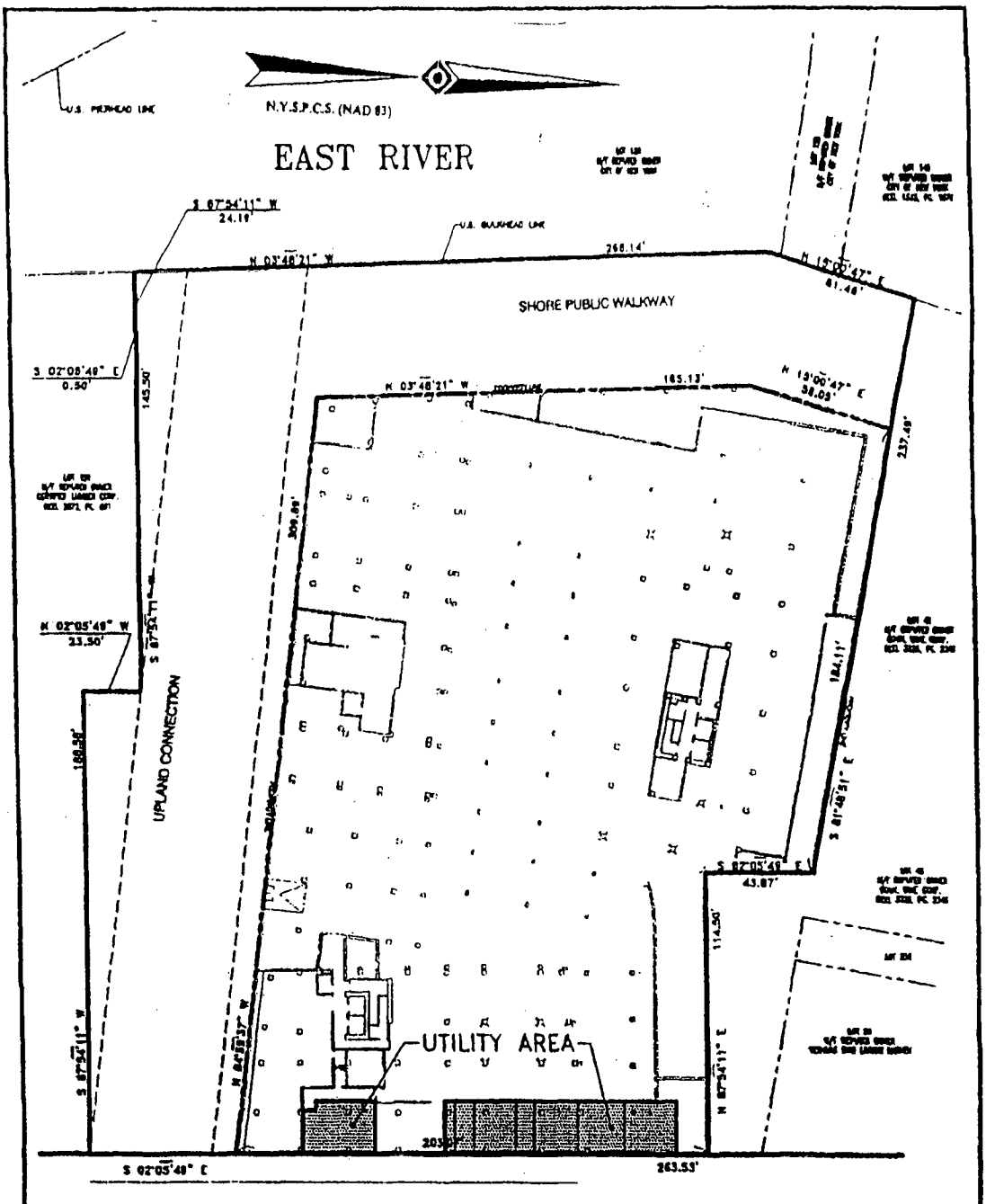


EXHIBIT "E"
UTILITY AREA

REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BFC CONSTRUCTION, KENT AVENUE LOT 36, BLOCK 2134, SECTION 8, BOROUGH OF BROOKLYN, KINGS COUNTY, CITY AND STATE OF NEW YORK", PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED 1-30-2003, REVISED 7-23-2003.

2. MAP ENTITLED "SCHAEFER DEVELOPMENT, 460 KENT AVENUE, BROOKLYN, NEW YORK, CELLAR FLOOR, PARKING LEVEL", PREPARED BY GENE KAUFMAN ARCHITECT, P.C., LAST REVISED JULY 1, 2003.

No.	REVISED / DESCRIPTION OF REVISION	C.C.P. / DRAWN	C.S.C. / APPROVED	DATE
1	REVISED	C.C.P.	C.S.C.	8-1-2003

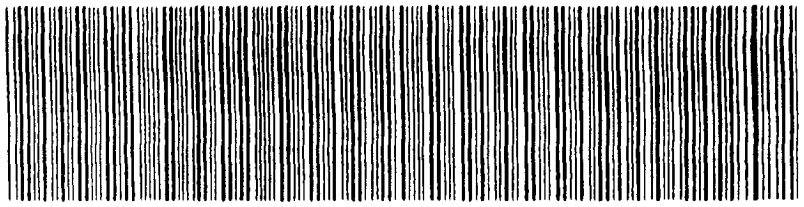
SCHAEFER DEVELOPMENT
460 KENT AVENUE
BOROUGH OF BROOKLYN, KINGS COUNTY
CITY AND STATE OF NEW YORK

CONTROL POINT ASSOCIATES, INC.
711 MOUNTAIN BOULEVARD
WATCHUNG, NJ 07060
908.668.0099 - 908.668.9355 FAX

DRAWN	APPROVED	DATE	SCALE	FILE NO.	SHT. NO.
C.C.P.	C.S.C.	7-31-2003	1"=50'	CD1151A	5 of 5

NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER

This page is part of the instrument. The City Register will rely on the information provided by you on this page for purposes of indexing this instrument. The information on this page will control for indexing purposes in the event of any conflict with the rest of the document.



2003070300215001002E8798

RECORDING AND ENDORSEMENT COVER PAGE PAGE 1 OF 16

Document ID: 2003070300215001 Document Date: 06-30-2003 Preparation Date: 07-03-2003
Document Type: DECLARATION
Document Page Count: 15

PRESENTER:	RETURN TO:
ROYAL ABSTRACT OF NEW YORK LLC AS AGENT FOR COMMONWEALTH LAND TITLE (819655) 500 5TH AVENUE- SUITE 1940 NEW YORK, NY 10110 212-376-0900	ROYAL ABSTRACT OF NEW YORK LLC AS AGENT FOR COMMONWEALTH LAND TITLE (819655) 500 5TH AVENUE- SUITE 1940 NEW YORK, NY 10110 212-376-0900

PROPERTY DATA

Borough	Block	Lot	Unit	Address
BROOKLYN	2134	36	Entire Lot	460 KENT AVENUE

Property Type: INDUSTRIAL BUILDING

CROSS REFERENCE DATA

CRFN _____ *or* Document ID _____ *or* Year ____ Reel ____ Page ____ *or* File Number ____ ____

PARTIES

PARTY 1:	PARTY 2:
460 KENT AVENUE HOUSING DEVELOPMENT FUND COMPANY, C/O BFC PARTNERS, 2226 FIRST AVENUE NEW YORK, NY 10029	460 KENT AVENUE HOUSING DEVELOPMENT FUND COMPANY, C/O BFC PARTNERS, 2226 FIRST AVENUE NEW YORK, NY 10029

FEES AND TAXES

Mortgage				
Mortgage Amount:	$	0.00	Recording Fee: $	112.00
Taxable Mortgage Amount:	$	0.00	Affidavit Fee: $	0.00
Exemption:			NYC Real Property Transfer Tax Filing Fee: $	0.00
TAXES:			NYS Real Estate Transfer Tax: $	0.00
County (Basic):	$	0.00		
City (Additional):	$	0.00		
Spec (Additional):	$	0.00		
TASF:	$	0.00		
MTA:	$	0.00		
NYCTA:	$	0.00		
TOTAL:	$	0.00		

RECORDED OR FILED IN THE OFFICE OF THE CITY REGISTER OF THE CITY OF NEW YORK
Recorded/Filed 07-09-2003 09:12
City Register File No.(CRFN): **2003000217245**

City Register Official Signature

819655

DECLARATION

This DECLARATION made as of the 20th day of June, 2003, by 460 Kent Avenue Housing Development Fund Company, Inc. (hereinafter referred to as "Declarant");
c/o BFC Partners 2226 First Avenue, NY, NY 10029

WITNESSETH

WHEREAS, Declarant is the fee owner of certain real property located in the County of Kings, City and State of New York, designated for real property tax purposes as a portion of Lot 36 of Tax Block 2134 commonly known by the street address as 460 Kent Avenue, Brooklyn, New York (the "Subject Property") and is more particularly described in Exhibit A, annexed hereto and made part hereof; and

WHEREAS, Royal Abstract of New York LLC Title Insurance Company has issued a Certification of Parties in Interest, annexed hereto as Exhibit B and made a part hereof, that as of the 18th day of June, 2003, Declarant and The City of New York acting by and through its Department of Housing Preservation and Development, herein after referred to as a ("Party-in-Interest"), are the only parties-in-interest (as defined in subdivision (d) of the definition of "zoning lot" set forth in Section 12-10 of the Zoning Resolution of the City of New York) in the Subject Property; and

WHEREAS, all Parties-in-Interest to the Subject Property have either executed this Declaration or waived their rights to execute this Declaration by written instrument annexed hereto as Exhibit "B-1" and made a part hereof, which instrument is intended to be recorded simultaneously with this Declaration; and

WHEREAS, the Department of Housing Preservation and Development of the City of New York ("HPD") submitted an application numbered C010615 for rezoning and obtaining other land use approvals relating to the Subject Property for review under the Uniform Land Use Review Procedure (the "ULURP Application") set forth in the New York City Charter, sections 197-c, 197-d, 200 and 201; and

WHEREAS, an environmental assessment of the Subject Property pursuant to the State Environmental Quality Review Act (the "SEQRA") and the City Environmental Quality Review (the "CEQR") was performed in connection with the ULURP Application and, pursuant to the SEQRA and CEQR, the Department of Environmental Protection (the "DEP") reviewed the historic land use of the Subject Property; and

WHEREAS, said ULURP application was approved by the City Planning Commission on October 24, 2001 (Calendar No. 19); and

WHEREAS, Declarant purchased the Subject Property from the City of New York on December 31, 2001; and

WHEREAS, the Declarant intends to develop the Subject Property pursuant to the ULURP Application approvals; and

WHEREAS, the results of the review by DEP of the historic land use and a Phase II Site Assessment Report, dated October 2, 2002, for the Subject Property, submitted on behalf of HPD, as documented by DEP in the letter dated October 21, 2002, and annexed hereto as Exhibit C and made a part hereof, indicated the presence of certain contaminants on the Subject Property; and

WHEREAS, Declarant desires to take remediation measures to protect against the potential impact of such contaminants and has agreed to take certain remediation measures including, excavation of material on certain portions of the Subject Property, installation of a vapor barrier underneath a concrete foundation and slab underneath the new buildings and two feet of clean fill on any uncapped portions of the Subject Property in accordance with the May 2003 Health and Safety Plan and Remedial Action Plan submitted May 6, 2003 on behalf of the Declarant (the "Remedial Action Plan" and approved by DEP by letter dated May 7, 2003 (the "DEP Acceptance Letter") annexed hereto as Exhibit D and made a part hereof; and

WHEREAS, Declarant has indicated that construction activities may proceed in multiple phases and should the construction activities proceed in multiple phases, has agreed to submit to DEP a P.E. certified Closure Report upon completion of each phase of the construction activities; and

WHEREAS, Declarant agrees that after completion of the construction activities in accordance with the DEP approved Remedial Action Plan, and approval by DEP of the final P.E. certified Closure Report for either or both of the Phases no further excavation work that would breach the vapor barrier or go below the two foot layer of clean soil in uncapped areas of the site, other than to perform the second Phase of construction in compliance with the Remedial Action Plan, be undertaken without further review by DEP to determine if additional measures are necessary and Declarant agrees to undertake such additional measures, including remediation, as necessary to the satisfaction of DEP; and

WHEREAS, Declarant intends this Declaration to be binding upon all successors and assigns; and

WHEREAS, Declarant intends this Declaration to benefit all land owners and tenants including the City of New York ("the City").

NOW, THEREFORE, Declarant does hereby declare and agree that the Subject Property shall be held, sold, transferred, and conveyed, subject to the restrictions and obligations which are for the purpose of protecting the value and desirability of the Subject Property and which shall run with the land, binding the successors and assigns of Declarant so long as they have any right, title or interest in the Subject Property or any part thereof:

1. (a) Declarant covenants and agrees that no application for grading, excavation, foundation, alteration, building or other permit respecting the Subject Property which permits

soil disturbance that would either (i) breach any vapor barrier on the Subject Property or (ii) go below the two foot layer of clean soil in uncapped areas of the Subject Property, other than to perform the construction of the second Phase of the Project in compliance with the Remedial Action Plan, shall be submitted to or accepted from the Department of Buildings (the "DOB") by the Declarant until Declarant has received approval for such work from DEP in the form of a Notice of Satisfaction issued in accordance with DEP practice and procedure.

2. Upon receipt of a Notice of Satisfaction from DEP, as described in the DEP Acceptance Letter, Declarant shall cause such Notice to be recorded in the same manner as the Declaration herein. Declarant shall promptly deliver to DEP and HPD, a certified copy of the Notice of Satisfaction as recorded.

(a) A Notice of Satisfaction may require that for future redevelopment of the Subject Property, which redevelopment shall be understood to exclude the construction of Phase I or Phase II of the project referred to in the Remedial Action Plan and the DEP Acceptance Letter,that Declarant shall complete and submit for DEP approval, a hazardous materials sampling protocol that includes a health and safety plan and is prepared by a qualified consultant (the "Sampling Protocol") and shall test and identify any potential hazardous materials impact related to such future redevelopment pursuant to the approved Sampling Protocol and, if such impact is found, to submit a hazardous materials remediation plan that included a health and safety plan, (the "Remediation Plan") and upon the approval of the Remediation Plan by DEP, the Declarant shall provide for the remediation of such impact.

(b) A Notice of Satisfaction may indicate that no remediation is required or that hazardous contamination has been satisfactorily mitigated on the Subject Property. In such an instance, the Declarant may request that DEP issue a Notice of Cancellation for this Restrictive Declaration in recordable form. Upon receipt of a Notice of Cancellation from DEP, Declarant shall cause such Notice to be recorded in the same manner as the Declaration herein, thus rendering this Declaration null and void. Declarant shall promptly deliver to DEP and HPD a certified copy of such Notice of Cancellation as recorded.

3. Declarant represents and warrants with respect to the Subject Property, that no restrictions of record, nor any present or presently existing estate or interest in the Subject Property nor any lien, encumbrance, obligation, covenant of any kind preclude, presently or potentially, the imposition of the obligations and agreements of this Declaration.

4. Declarant acknowledges that the City is an interested party to this Declaration and consents to the enforcement by the City, administratively or at law or at equity, of the obligations, restrictions and agreements pursuant to this Declaration.

5. The provisions of this Declaration shall inure to the benefit of and be binding upon the respective successors and assigns of the Declarant, and references to the Declarant shall be deemed to include such successors and assigns as well as successors to their interest in the

Subject Property. References in this Declaration to agencies or instrumentalities of the City shall be deemed to include agencies or instrumentalities succeeding to the jurisdiction thereof.

6. Declarant shall be liable in the performance of any term, provision, or covenant in this Declaration, subject to the following provisions:

The City and any other party relying on this Declaration will look solely to the fee estate interest of the Declarant in the Subject Property for the collection of any money judgment recovered against Declarant, and no other property of the Declarant shall be subject to levy, execution, or other enforcement procedure for the satisfaction of the remedies of the City or any other person or entity with respect to this Declaration. The Declarant shall have no personal liability under this Declaration.

7. The obligations, restrictions and agreements herein shall be binding on the Declarant or other parties in interest only for the period during which the Declarant and any such party in interest holds an interest in the Subject Property.

8. Declarant shall indemnify the City, its respective officers, employees and agents from all claims, actions, or judgments for loss, damage or injury, including death or property damage of whatsoever kind or nature, arising from Declarant's obligations under this Declaration, including without limitation, the negligence or carelessness of the Declarant, its agents, servants or employees in undertaking such obligations; provided, however, that should such a claim be made or action brought, Declarant shall have the right to defend such claim or action with attorneys reasonably acceptable to the City and no such claim or action shall be settled without the written consent of the City.

9. If Declarant is found by a court of competent jurisdiction to have been in default in the performance of its obligations under this Declaration, and such finding is upheld on a final appeal by a court or by other proceeding or the time for further review of such finding or appeal has lapsed, Declarant shall indemnify and hold harmless the City from and against all reasonable legal and administrative expenses arising out of or in connection with the enforcement of Declarant's obligations under this Declaration as well as any reasonable legal and administrative expenses arising out of or in connection with the enforcement of any judgment obtained against the Declarant, including but not limited to the cost of undertaking the Mitigation Plan, if any.

10. Declarant shall cause every individual or entity that between the date hereof and the date of recordation of this Declaration, becomes a Party-in-Interest (as defined in subdivision (d) of the definition of "zoning lot" set forth in Section 12-10 of the Zoning Resolution of the City of New York) to all or a portion of the Subject Property to waive its right to execute this Declaration and subordinate its interest in the Subject Property to this Declaration. Any mortgage or other lien encumbering the Subject Property after the recording date of this Declaration shall be subject and subordinate hereto as provided herein. Such waivers and subordination shall be attached to this Declaration as Exhibits and recorded in the Office of the County Register.

11. This Declaration and the provisions hereof shall become effective as of the date of this Declaration. Declarant shall record or shall cause this Declaration to be recorded in the Office of the County Register, indexing it against the Subject Property within five (5) business days of the date hereof and shall promptly deliver to the DEP and the Department of City Planning a certified copy of this Declaration as recorded.

12. This Declaration may be amended or modified by Declarant only with the approval of DEP or the agency succeeding to its jurisdiction and no other approval or consent shall be required from any other public body, private person or legal entity of any kind. A statement signed by the Assistant Commissioner of Environmental Planning and Assessment of DEP, or such person as authorized by the Assistant Commissioner, certifying approval of an amendment or modification of this Declaration shall be annexed to any instrument embodying such amendment or modification.

13. Declarant acknowledges that the satisfaction of the obligations set forth in this Declaration does not relieve Declarant of any additional requirements imposed by Federal, State or local laws.

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

15. In the event that any provision of this Declaration is deemed, decreed, adjudged or determined to be invalid or unlawful by a court of competent jurisdiction, such provision shall be severable and the remainder of this Declaration shall continue to be in full force and effect.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first above written.

460 Kent Avenue Housing Development Fund Company, Inc.

By: President

CERTIFICATE OF ACKNOWLEDGMENT

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

On the 30th day of June in the year 2003 before me, the undersigned, personally appeared David Niederman, 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 on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

PHILIP TUGENDRAJCH
Notary Public, State of New York
No. 31-02TU4832291
Qualified in New York County
Commission Expires December 31, 2005

EXHIBIT A

LEGAL DESCRIPTION

All that certain plot piece and parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City and State of New York, County of Kings, Borough of Brooklyn designated on the tax map of the City of New York as Block 2134 part of lot 36, which premises is more particularly bounded an described as follows:

BEGINNING AT A POINT ON THE WESTERLY SIDELINE OF KENT AVENUE (60 FOOT WIDE), SAID POINT BEING DISTANT NORTHERLY 611.81 FEET FROM A POINT FORMED BY THE INTERSECTION OF SAID SIDELINE OF KENT STREET WITH THE NORTHERLY SIDELINE OF DIVISION STREET (70 FOOT WIDE), AND FROM SAID POINT OF BEGINNING RUNNING THENCE THE FOLLOWING THREE (3) COURSES:

1. NORTH 84 DEGREES – 59 MINUTES – 37 SECONDS WEST, A DISTANCE OF 309.89 FEET TO A POINT;

2. THENCE NORTH 03 DEGREES – 48 MINUTES – 21 SECONDS WEST, A DISTANCE OF 185.13 FEET TO A POINT;

3. THENCE NORTH 15 DEGREES – 00 MINUTES – 47 SECONDS EAST, A DISTANCE OF 59.05 FEET TO A POINT; THENCE ALONG THE DIVIDING LINE BETWEEN LOT 36 AND LOT 48, BLOCK 2134 (LANDS NOW OR FORMERLY ROYAL WINE CORPORATION), THE FOLLOWING THREE (3) COURSES:

4. SOUTH 81 DEGREES – 48 MINUTES – 51 SECONDS EAST, A DISTANCE OF 184.11 FEET TO A POINT;

5. THENCE SOUTH 02 DEGREES – 05 MINUTES – 49 SECONDS EAST, A DISTANCE OF 43.87 FEET TO A POINT;

6. THENCE NORTH 87 DEGREES – 54 MINUTES – 11 SECONDS EAST, A DISTANCE OF 114.50 FEET TO THE WESTERLY SIDELINE OF SAID KENT AVENUE;

7. THENCE ALONG SAID KENT AVENUE, SOUTH 02 DEGREES – 05 MINUTES — 49 SECONDS EAST, A DISTANCE OF 203.07 FEET TO THE POINT AND PLACE OF BEGINNING.

THE BEARINGS FOR THIS DESCRIPTION ARE BASED UPON THE NEW YORK STATE PLANE COORDINATE SYSTEM (NORTH AMERICAN DATUM 1983).

EXHIBIT B

Certification of "Parties in Interest"

ZONING LOT EXHIBIT I File No. 819655 page one

CERTIFICATION PURSUANT TO ZONING LOT
SUBDIVISION C OF SECTION 12-10
OF THE ZONING RESOLUTION OF DECEMBER 15, 1961
OF THE CITY OF NEW YORK - AS AMENDED
EFFECTIVE AUGUST 18, 1977

ROYAL ABSTRACT OF NEW YORK LLC, an abstract company having its principal place of business at 500 Fifth Avenue, New York, New York, 10110 hereby certifies that as to the land hereafter described being a tract of land either unsubdivided or consisting of two or more lots of record contiguous for a minimum of ten linear feet located within a single block in the single ownership of 460 Kent Avenue Housing Development Company, Inc., that all the parties in interest constituting a "party in interest" as defined in Section 12-10 subdivision (C) of the Zoning Resolution of The City of New York effective December 15, 1961, as amended, are the following:

NAMES	INTEREST
460 Kent Avenue Housing Development Company, Inc.	FEE OWNER
The City of New York, acting by and through its Department of Housing Preservation and Development	Mortgagee

The subject tract of land with respect to which the foregoing parties are the parties in interest as aforesaid is known as Tax Lot 36 in Block 2134 on the Tax Map of The City of New York, New York County, and more particularly described as follows:

BEGINNING at a point on the westerly side of Kent Avenue, distant 551.25 feet northerly from the corner formed by the intersection of the westerly side of Kent Avenue with the northerly side of Division Avenue;

RUNNING THENCE westerly at 90 degrees, 188.58 feet;

THENCE northerly parallel with Kent Avenue, 23.50 feet;

THENCE westerly at 90 degrees to Kent Avenue, 145.50 feet;

THENCE southerly parallel with Kent Avenue, 0.50 feet;

THENCE westerly at 90 degrees to Kent Avenue, 24.19 feet to the United States Bulkhead Line approved February 25, 1918;

ZONING LOT EXHIBIT I File No. 819655 page two

THENCE northerly along said U.S. Bulkhead Line, 268.20 feet to an angle point in said U.S. Bulkhead Line;

THENCE northeasterly still along said U.S. Bulkhead Line, 61.44 feet to a point in a line drawn parallel with the southerly side of former South 8th Street and distant 239.00 feet southerly therefrom;

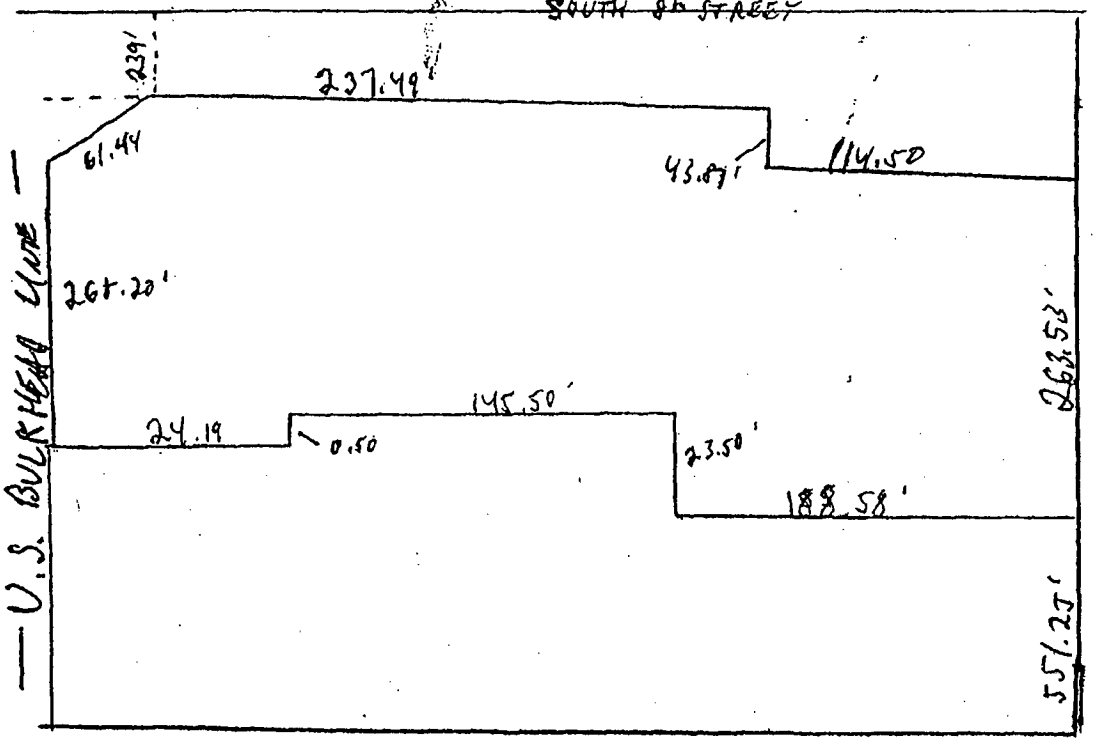
THENCE southeasterly along said line drawn parallel with the southerly side of former South 8th Street distant 239 feet southerly therefrom 237.49 feet to a point on a line drawn parallel with the westerly side of Kent Avenue and distant 114.50 feet westerly therefrom;

THENCE southerly along said line parallel with Kent Avenue, 43.87 feet;

THENCE easterly at 90 degrees to Kent Avenue, 114.50 feet to the westerly side of Kent Avenue;

THENCE southerly along the westerly side of Kent Avenue, 263.53 feet to the point or place of BEGINNING.

That the said premises are known as and by street address 460 Kent Avenue, Brooklyn, New York, as shown on the following DIAGRAM:



ZONING LOT EXHIBIT I File No. 819655 page three

CERTIFIED this June 18, 2003 to BFC Partners, the applicant for this certification.

NOTE: A Zoning Lot may or may not coincide with a lot as shown on the Official Tax Map of the City of New York, or on any recorded subdivision plot or deed. A Zoning Lot may be subdivided into two or more zoning lots provided all the resulting zoning lots and all the buildings thereon shall comply with the applicable provision of the zoning lot resolution.

THIS CERTIFICATE IS MADE FOR AND ACCEPTED BY THE APPLICANT UPON THE EXPRESS UNDERSTANDING THAT LIABILITY HEREUNDER IS LIMITED TO ONE THOUSAND ($1,000) DOLLARS.

ROYAL ABSTRACT OF NEW YORK LLC

BY: _____

Mary K. Gleason
VICE PRESIDENT

ZONING LOT EXHIBIT I File No. 819655 page four

State of New York, County of New York, SS:

On the 20th day of June, in the year 2003 before me, the undersigned, personally appeared Mary K. Gleason, the undersigned, 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 he acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Edward J. Machinski

EDWARD J. MACHINSKI
Notary Public, State of New York
No. 4757103
Qualified in NEW YORK County
Commission Expires 5/31/06

EXHIBIT B-1

The City of New York, acting by and through its Department of Housing Preservation and Development, being a "party in interest" as defined in Section 12-10 ("Zoning Lot" – subdivision (d)) of the Zoning Resolution of the City of New York, effective December 15, 1961, as amended, with respect to the land known as Tax Lot 36 in Block 2134 on the Tax Map of the City of New York, County of Kings, and more particularly described in Exhibit B attached hereto, hereby waives its right to execute a declaration dated June 30, 2003 made by 460 Kent Avenue Housing Development Fund Company, Inc. regarding hazardous materials impact testing and mitigation on such land.

IN WITNESS WHEREOF, the undersigned has executed this waiver this 2nd day of July, 2003.

CITY OF NEW YORK, acting by and through its Department of Housing Preservation an Development

By: _____
Aileen C Gribbin
Assistant Commissioner

APPROVED AS TO
FORM

By: /s/ Len Wasserman
Len Wasserman

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

On the 2 day of July in the year 2007 before me, the undersigned, personally appeared AILEEN C. GRIBBIN, 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

JOHN C. FIELDS
Notary Public, State of New York
No. 02FI6044202
Qualified in New York County
Commission Expires ~~July 2, 2008~~
9-12-06

DECLARATION

BLOCK: 2134
LOT: 36

PREMISES: 460 KENT AVENUE, BROOKLYN, NY
COUNTY: KINGS

RECORD & RETURN

Royal Abstract of New York LLC
500 Fifth Avenue
Suite 1940
New York, New York 10110

TITLE NO. 819655

Recorded at the Request of
ROYAL ABSTRACT
500 FIFTH AVENUE, SUITE 1940
NEW YORK, N.Y. 10110
TEL.: (212) 376-0900

CC: Rosenberg
Gitelson
ofj to me

The City of New York
Department of Environmental Protection
59-17 Junction Boulevard
Flushing, New York
11373-5108

Christopher O. Ward
Commissioner

Joseph Ketas
Assistant Commissioner

Office of Environmental Planning & Assessment

Tel (718) 595-4416
Fax (718) 595-4479

October 21, 2002

Walter Roberts
Assistant Commissioner
HPD Planning Support Services
100 Gold Street
New York, NY 10038

Re: Schaefer Brewery / Kent Ave. Housing (Blk. 2134, Lot 36)
Williamsburg, Brooklyn - CEQR #01 HPD 011K

Dear Mr. Roberts:

The NYCDEP Office of Environmental Planning and Assessment (OEPA) - Site Assessment Unit has reviewed the October 2, 2002 Phase II Site Assessment Report for the above referenced site. This report (Part II) summarized the findings from the June 2002 investigative field work. As you are aware, our department originally submitted comments and recommendations for the initial site investigation (which occurred in March 2001) in a correspondence dated April 25, 2001 (from Joseph Ketas to Helen Gitelson of HPD). As currently proposed, one 17-story and one 25-story inter-connected building (with a maximum of 350 housing units) will be constructed at the site with ground level commercial space and sub-grade parking spaces. The proposal also includes upland public access along Kent Avenue which would connect to a public esplanade fronting the East River.

Based upon review of the October 2, 2002 Phase II Report, OEPA generally agrees with AKRF's remedial recommendations for the proposed project. DEP's recommendations and comments are summarized below:

- ☐ A site specific construction HASP addressing all known on-site contaminants should be submitted to DEP for review/approval;
- ☐ An appropriate vapor barrier which would sustain long-term exposure to petroleum constituents, heavy metals, and PCBs must be installed beneath all on-site concrete foundations/slabs (including residential buildings and parking garages). The barrier should be installed in accordance with manufacturers specifications;
- ☐ As agreed upon, a Restrictive Declaration should be submitted to NYCDEP Legal Department prior to the start of the proposed construction project. This institutional control would bind the property owners or their successors to return to DEP should future excavation or project plans breach the vapor barrier and expose construction workers or occupants of the site to known on-site contaminants;

NEW YORK CITY DEPARTMENT OF ENVIRONMENTAL PROTECTION DEP www.nyc.gov/dep

- ☐ Upon completion of the construction activities, a P.E. certified Closure Report should be submitted to DEP. At a minimum, the Closure Report should include all transportation manifests, soil disposal/recycling certificates, proof of vapor barrier installation in accordance with manufacturers specifications, and proof of importing and grading two (2) feet of clean fill in any non-capped areas. Once this information is received by our department, a Final Notice of Satisfaction would be issued for this project.

Soil disturbance should occur without DEP's written approval of the Remedial Plan and construction HASP. DEP has determined that if: 1) the approved construction HASP is implemented, 2) all excavated soils, fill material, and C&D debris are properly disposed of at an off-site disposal or recycling facility, 3) an appropriate vapor barrier is installed beneath the residential and parking garage foundations/slabs, 4) importing/grading two feet of clean fill in any non-capped areas, and 5) a report certifying the implementation of these measures is submitted for DEP's review and approval, no significant environmental or health risks would occur as a result of this project.

If you have any questions or comments, please call Dan Cole at (718) 595-4536.

Sincerely,

Angela Licata
Acting Assistant Commissioner

cc: John Wuthenow
Dan Cole
Robin Levine
Marcella Eckels
Marcus Simons

New York State Department of Environmental Conservation
Division of Environmental Remediation, Region 2
47-40 21ST Street, Long Island City, NY 11101-5407
Phone: (718) 482-4934 • Fax: (718) 482-4098
Website: www.dec.state.ny.us

Erin M. Crotty
Commissioner

March 25, 2003

Phil Tugendrajch
Kent Waterfront Associates, LLC
2226 First Avenue
New York, New York 10029

Re: Spill #0208082
Former Shaefer Brewery Site, Kent Avenue, Brooklyn

Dear Mr. Tugendrajch:

New York State Department of Environmental Conservation (Department) approves the Revised Remedial Investigation Work Plan prepared by your consultant, Ethan C. Eldon Associates, Inc., and dated March 19, 2003. Prior to the start of this work, please notify me of the scheduled start date. If you have any questions or comments regarding this correspondence, please contact me at (718) 482-4934.

Sincerely,

Jennifer M. Rommel
Engineering Geologist II

cc: C. Beaver, Ethan C. Eldon Associates, Inc.

New York State Department of Environmental Conservation
Division of Environmental Remediation, Region 2
7-40 21st Street, Long Island City, New York 11101
Phone: (718)482-4934 • FAX: (718)482-4098
Website: www.dec.state.ny.us

Erin M. Crotty
Commissioner

March 25, 2003

Phil Tugendrajch
Kent Waterfront Associates, LLC
2226 First Avenue
New York, New York 10029

Re: Spill #0208082
Former Shaefer Brewery Site, Kent Avenue, Brooklyn

Dear Mr. Tugendrajch:

Based on the submitted documentation provided to date, no further investigation or response will be required concerning this site, with regard to spill number 0208082

Notwithstanding this approval, the Department hereby reserves all of its rights concerning, and such forbearance shall not extend to, any further investigation or remedial action the Department deems necessary:

I. Due to the off-site migration of petroleum contaminants that was not addressed by this evaluation.
II. Due to environmental conditions related to the Site which were unknown to the Department at the time of this approval.
III. Due to information received, in whole or part, after the Department's approval for inactivation, which indicates that inactivation decision and/or corrective action is not sufficiently protective of human health for the reasonably anticipated use of the site.
IV. Due to fraud in obtaining this approval for inactivation.

Please be advised that you should maintain a permanent file of all documentation and correspondence regarding this release for future property transactions, refinancing, etc. The Department's files regarding this release may not be maintained indefinitely. If future site use requires excavation, removal or exposure of any residual petroleum impacted soils, then care must be taken to handle and dispose of the material in a proper manner consistent with Departmental policy and regulations.

Sincerely,

ETHAN C. ELDON ASSOCIATES, INC.

50 CHARLES LINDBERGH BOULEVARD
SUITE 400
UNIONDALE, NEW YORK 11553

(516) 229-2325
FAX: (516) 229-2355

May 6, 2003

Mr. Dan Cole
New York City Department of Environmental Protection
Office of Environmental Planning and Assessment
59-17 Junction Boulevard
Flushing, NY 11373-5108

Re: Remedial Plan
Vacant lot (Block 2134, Lot 36), former Schaefer Brewery site,
Kent Ave./South 9th St., Brooklyn, NY
CEQR #01 HPD 011K

Dear Mr. Cole:

As requested by the NYCDEP, we are providing you with the following Remedial Plan for the site on behalf of Kent Waterfront Associates. Kent Waterfront Associates intends to comply with the following NYCDEP recommendations for the site:

- Submit site specific Health and Safety Plan, prepared by Ethan C. Eldon Associates, Inc., April 2003 (copy enclosed);
- Excavate material to an elevation of approximately USGS elevation +3.0 feet above mean sea level for the foundation of the proposed new buildings. The site will be developed with apartment buildings with an underground garage in a two phase construction project. Transport and dispose excavated soil (contaminated and non-hazardous) and construction and demolition debris off-site to (an) appropriate facility(ies).;
- Construct the new buildings entirely on a concrete foundation and slab with a subsurface vapor barrier. Specific information on the vapor barrier product will be forwarded separately. Geotechnical investigation of the site has also indicated the presence of a remnant foundation, which may act as an additional subsurface barrier.;
- Provide two feet of clean fill on top of the vapor barrier on any non-capped (unpaved) areas of the property so that there is no exposed soil upon completion of construction. In the event that there is a hiatus between completion of construction of Phase I and Phase II a vapor barrier and two feet of clean fill will be placed over the excavated area; and
- Submit a Restrictive Declaration;

Please call our office at (516)229-2325 if you need additional information regarding the proposed remedial actions for the site.

Sincerely,

Christine Beaver

Christine Beaver
Environmental Scientist

Enclosure

The City of New York

Department of Environmental Protection

59-17 Junction Boulevard
Flushing, New York
11373-5108

Christopher O. Ward
Commissioner

Angela Licata
Assistant Commissioner

Office of Environmental Planning & Assessment

Tel: (718) 595-4398
Fax: (718) 595-4479

May 7, 2003

Christine Beaver
Environmental Scientist
Ethan C. Eldon Associates, Inc.
50 Charles Lindbergh Blvd., Suite 400
Uniondale, NY 11553

Re: Former Schaefer Brewery Site - CEQR #01 HPD 011K
Williamsburg, Brooklyn (Block 2134, Lot 36)

Dear Ms. Beaver:

The NYCDEP Office of Environmental Planning and Assessment - Site Assessment Unit (SAU) accepts the May 2003 site specific Health and Safety Plan (HASP) and Remedial Action Plan (RAP) for the above referenced site as long as the comments/recommendations summarized below are incorporated.

- ☐ Upon completion of the construction activities, a P.E. certified Closure Report summarizing must be submitted to DEP. At a minimum, the report should include all transportation manifests, soil disposal/recycling certificates, proof of vapor barrier installation in accordance with manufacturers specifications, and proof of importing and grading two (2) feet of clean fill in any non-capped areas. Once this information is received by our department, a final notice of satisfaction would be issued for this project. Since the proposed construction project is scheduled to be completed in two phases (Phase I & II), a Closure Report may be submitted to DEP after each phase has been completed as long as all remedial requirements for the individual phase has been implemented;

- ☐ A Restrictive Declaration must be signed with DEP's Legal Affairs Unit prior to starting the proposed construction project. This institutional control would bind the property owners or their successors to return to DEP should future excavation or project plans breach the vapor barrier and expose construction workers or occupants of the site to known on-site contaminants.

If you have any comments or questions, please call (718) 595-4536.

Sincerely,

Daniel L. Cole
Deputy Director - SAU

cc: Angela Licata
John Wuthenow
Marcella Eckels
Judah Prero
Helen Gitelson - HPD
Kay Zias - EDC

AMERICAN ENVIRONMENTAL SOLUTIONS INC.

AES

100 Carleton Avenue
Central Islip
New York 11722

(631) 348-1702
(631) 348-3628 FAX

June 30, 2004

Ms. Beth Burns
Vice President, Marketing
BFC Real Estate & Construction
226 First Ave.
New York, NY 10029

Re: Schaefer Brewery Project
450 Kent Avenue
Brooklyn, New York
AES File No: 0090

Dear Ms. Burns:

Preconstruction sampling of the on-site material was conducted during a Phase II Site Assessment of the property by AKRF, Inc. in March, 2001 and June, 2002. These soil sampling events included analysis for volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs), polychlorinated biphenyls (PCBs), pesticides, and metals. Ethan C. Eldon Associates, Inc. (Eldon) conducted soil sampling for VOCs, SVOCs, and petroleum fingerprinting in October 2002 and April 2003. Groundwater at the site was sampled by Eldon in March 2003. Contaminants detected at the site as a result of these sampling events include VOCs, SVOCs, PCBs, and metals. Additionally, the site was a listed petroleum spill site (Spill No. 0208082) by the New York State Department of Environmental Conservation. (NYSDEC). Eldon prepared a work plan and conducted sampling pursuant to the work plan. The NYSDEC issued a "No Further Action" letter for the site regarding this spill number on March 25, 2003. As such, all excavated material was classified as regulated material requiring disposal at a licensed disposal facility. This was accomplished during Phase I of the Schaefer Brewery Redevelopment Project.

We hope this information satisfies your request. Please call me if you have any questions.

Very Truly Yours,

Brian Pendergast

Brian Pendergast
President

NEW YORK TRANS HARBOR LLC
d/b/a New York Water Taxi
55 Broad Street
New York, New York

September 23, 2003

Kent Waterfront Associates LLC
2226 First Avenue
New York, NY 10029
Attn: Donald Cappocia

Re: Provision Of Water Taxi Service at Williamsburg Development

Ladies and Gentlemen:

New York Trans Harbor LLC d/b/a New York Water Taxi ("**NYWT**") and Kent Waterfront Associates LLC ("**Developer**") hereby agree as follows regarding the provision of water taxi service to Developer's new development in Williamsburg, Brooklyn, New York (the "**Development**"):

1. The term of this agreement shall commence on the date hereof and end on the date that is five (5) years after the date that ____ residential units within the Development have been constructed and occupied (the "**Service Commencement Date**"). If the Service Commencement Date shall not occur prior to July 31, 2005 (or, if Developer shall abandon the Development on any earlier date, on such date), then NYWT shall have the right to terminate this Agreement upon written notice to Developer.

2. NYWT and Developer hereby agree to cooperate, each at its own expense, to secure landing rights and to obtain the necessary public funding for the design, construction and placement of a water taxi docking facility (the "**Docking Facility**") at the public waterfront site under the jurisdiction of New York City Economic Development Corporation ("**EDC**") or other government entity, in close proximity to the Development. If NYWT and Developer are unable to obtain public funding for the full cost of the Docking Facility by March 31, 2005, then NYWT and Developer agree that they will at such time discuss alternative arrangements for the funding of a water taxi docking facility in close proximity to the Development, including the possibility of sharing the costs of funding a water taxi docking facility, although neither of them shall be obligated to do so. If public funding for the Docking Facility cannot be obtained by July 31, 2005, then NYWT or Developer shall have the right to terminate this Agreement upon written notice to the other.

3. NYWT agrees to undertake reasonable maintenance obligations with respect to the Docking Facility and to pay reasonable landing fees for the use of the Docking Facility, to the extent EDC or another public agency requires NYWT to do so.

4. Commencing no later than the Service Commencement Date, provided landing rights have been secured and the Docking Facility has been constructed, NYWT agrees to provide water taxi service between the Docking Facility and NYWT's docking facility in Lower Manhattan during morning and evening rush hours, between 6:30 am – 9:00 am and 4:30 pm – 7:00 pm on non-holiday weekdays. The water taxi service will be scheduled to have no longer than thirty (30) minute intervals in service, with six (6) runs each weekday morning and six (6) runs each weekday evening.

5. NYWT agrees to offer discount ticket rates for all of the residents of the Development for a period of at least one year from the Service Commencement Date. Such discount price will be 75% of the full fare rates (which full fare rates are currently projected to be from $4.00 - $5.00 each way), but not less than $3.50 each way.

6. Developer agrees to guarantee payment for one hundred (100) riders for the morning rush hour service each day and one hundred (100) riders for the evening rush hour service each day, excluding weekends and holidays. NYWT shall bill Developer and Developer shall pay NYWT for the guaranteed service usage by the first day of each month, in advance for that month. NYWT shall credit on each monthly bill the fares received by NYWT from persons boarding or disembarking at the Docking Facility during the prior month, up to the amount advanced by Developer for such month. (By way of example only, if the discounted rate is $3.00 one-way per passenger and there are 20 weekdays in a month, Developer will advance NYWT $12,000 by the first day of such month. If paid ridership from the Docking Facility is 40 passengers each way for 10 weekdays and 60 passengers each way for 10 weekdays, NYWT will have collected $6,000 and will credit $6,000 to Developer on the bill for the following month.) If the daily ridership for the water taxi service originating from or arriving at the Docking Facility exceeds Developer's guaranteed ridership for a continuous period of six months, Developer's guarantee shall expire.

7. Developer shall not at any time during the term of this Agreement provide its own ferry or shuttle service from the Development or have a current engagement with any third-party other than NYWT to provide such services or similar services as long as NYWT provides adequate service to the Development. If Developer believes that NYWT's service is inadequate and wishes to provide its own service or engage a third party to do so, Developer shall provide NYWT with 60 days' advance notice of the same, specifying what it believes to be the inadequacies, and give NYWT an opportunity to improve its service. If NYWT addresses the specific inadequacies stated by Developer, NYWT's exclusive rights shall continue.

8. This Agreement supersedes any prior agreement or understanding (whether oral or written) between NYWT and Developer relating to the matters encompassed by this Agreement and constitutes the entire agreement between NYWT and Developer with regard to the subject matter hereof. This Agreement may not be orally changed, discharged or terminated.

9. This Agreement shall be binding on Developer and any successor owner or operator of all or a portion of the Development. This Agreement may not be assigned by Developer without the prior written consent of NYWT except to any successor owner of the Development. This Agreement may not be assigned by NYWT without the prior written consent of Developer except to any person or entity that acquires ownership or control of NYWT or a substantial portion of its assets or that has experience in the operation of ferry service at least comparable to the experience of NYWT.

10. If any term, covenant, condition or provision of this Agreement or the application thereof to any circumstance or to any person, firm or corporation shall be invalid or unenforceable to any extent, the remaining terms, covenants, conditions and provisions of this Agreement or the application thereof to any circumstances or to any person, firm or corporation other than those as to which any term, covenant, condition or provision is held invalid or unenforceable, shall not be affected thereby and each remaining term, covenant, condition and provision of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

11. Each notice, demand, request or other formal communication in connection with this Agreement (each, a "Notice") shall be in writing and either (i) served in person, with delivery of service acknowledged in writing by the party receiving the same or (ii) delivered by Federal Express or similar overnight courier or United States Postal Service Express Mail, or (iii) deposited in the United States mails, by prepaid first class certified mail, return receipt requested, and addressed to the respective address herein first set forth, or to such other address as may be specified by written notice sent in accordance herewith. Notices to NYWT shall be sent to the attention of Tom Fox, with copies to The Durst Organization, 1155 Avenue of the Americas, New York, New York 10036, Att: President. Notices to Developer shall be sent to the attention of Donald Cappocia, BFC, 2226 First Avenue, New York, NY 10029. Every Notice, hereunder shall be deemed to have been given at the time of delivery as aforesaid.

12. Failure of either party to enforce or otherwise require the performance of any of the terms and conditions of this Agreement, at the time or in the manner that said terms and conditions are set forth herein, shall not be deemed a waiver of any such terms or conditions by such party and the same may be selectively enforced or raised as a basis of a claim or cause of action at the option of such party.

13. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to conflict of laws principles.

14. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received counterparts hereof signed by all other parties hereto.

15. Any duties, obligations, covenants or liabilities of either NYWT or Developer which by their nature are intended to survive the expiration or earlier termination of this Agreement, or are intended to be performed following the expiration or earlier termination of this Agreement, shall survive the expiration or earlier termination of this Agreement.

16. The parties hereto hereby represent that they are authorized to execute and deliver this Agreement and this Agreement shall constitute a valid and binding obligation.

17. The parties hereto agree that they will consider, from time to time in good faith, proposals by either party for entering into agreements similar to this Agreement, with regard to other property owned by Developer or entities under common ownership and control with Developer. If agreement is reached regarding any such property or properties, the terms of any such agreement shall be substantially the same as the terms of this Agreement, except (a) as otherwise may be agreed by the parties and (b) as necessary to reflect the entity that owns, and the opportunities and restrictions or limitations relating to, such other properties.

18. The parties agree to co-operate in cross-marketing efforts. NYWT will post promotional materials for the Development in its vessels without cost to Developer on a basis consistent with the terms NYWT is offering to other cross marketing partners. NYWT will make vessels available to Developer for charter (subject to availability) for Developer's marketing purposes on its most preferred customer rates. Developer may make reference to NYWT and use the NYWT logo in the Developer's promotional materials, subject to the prior approval of NYWT, which approval shall not be unreasonably withheld or delayed.

If you agree that the foregoing accurately reflects our agreement, please sign in the space provided below.

Very truly yours,

NEW YORK TRANS HARBOR LLC
d/b/a New York Water Taxi

By: _____
Tom Fox, President

AGREED TO:

KENT WATERFRONT ASSOCIATES LLC

By: _____
Name: Donald Cappocia
Title: President

CERTIFICATION OF SPONSOR AND PRINCIPALS OF SPONSOR

December 23, 2004

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271
Attention: Investment Protection Bureau

Re: Condominium Offering Plan
The Schaefer Landing North Condominium
440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York

Gentlemen:

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:

KENT NORTH ASSOCIATES LLC
By: BFC Kent North Managers LLC, Managing Member

By: _____
Donald Capoccia, Member

Sworn to before me this
23 day of Dec, 2004.

_____
Notary Public

ALMA NORIEGA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01NO109895
Qualified in Queens County
Commission Expires May 24, 2008

PRINCIPALS OF SPONSOR:

_____
Donald Capoccia, Member

Sworn to before me this 23
day of Dec, 2004

_____
Notary Public

ALMA NORIEGA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01NO109895
Qualified in Queens County
Commission Expires May 24, 2008

_____
Brandon Baron, Member

Sworn to before me this 23
day of Dec, 2004

_____
Notary Public

ALMA NORIEGA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01NO109895
Qualified in Queens County
Commission Expires May 24, 2008

_____
Joseph Ferrara, Member

Sworn to before me this 23
day of Dec, 2004

_____
Notary Public

ALMA NORIEGA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01NO109895
Qualified in Queens County
Commission Expires May 24, 2008

_____
Joseph Spitzer, Member

Sworn to before me this 21
day of Dec, 2004

_____
Notary Public

JILL LEVY REITER
Notary Public, State of New York
No. 02RE4828060
Qualified in Westchester County
Commission Expires Oct. 31, 2006

CERTIFICATION OF SPONSOR'S ARCHITECT / ENGINEER PURSUANT TO PART 20 OF THE REGULATIONS ISSUED UNDER GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

December 29, 2004

New York State Department of Law
120 Broadway23rd Floor
New York, New York 10271

Attention: Investment Protection Bureau

Re: **Condominium Offering Plan**
The Schaefer Landing North Condominium
440 Kent Avenue, a/k/a Two Schaefer Landing
Brooklyn, New York

Gentlemen:

The Sponsor of the offering plan to convert the captioned property (the "Property") to condominium ownership retained our firm to prepare a report describing the construction of the Property (the "Report"). We prepared the plans dated 9/22/2004 and the Report describing 440 Kent Avenue, Brooklyn, New York dated October 22, 2004, the Report describing the property owned by the Schaefer Landing Homeowners Association Inc located at 446 Kent Avenue, Brooklyn, New York, dated August 12, 2004, and the Report describing the property owned by the Kent Waterfront Homeowners Association Inc., dated August 12, 2004, a copy of each are intended to be incorporated into the Offering Plan so that prospective Purchasers may rely on the Report.

The undersigned is an architect registered in New York State.

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 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.

We certify that the Report and all documents prepared by us disclose:

(i) sets forth in narrative form the description and /or the 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 have 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 have 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 the 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.

Gene Kaufman

Sworn to before me
this 29 day of Dec, 2004

Notary Public

ALFRED I. GOLDMAN
Notary Public, State of New York
No. 01GO6569700
Qualified in New York County
Commission Expires September 30, 20

REGISTERED ARCHITECT
GENE KAUFMAN
017030-1
STATE OF NEW YORK

CERTIFICATION BY SPONSOR'S EXPERT AS TO ADEQUACY OF BUDGET PURSUANT TO PART 20 OF THE REGULATIONS ISSUED UNDER GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

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

Attention: Investment Protection Bureau

RE: **Condominium Offering Plan**
The Schafer Landing North Condominium
440 Kent Avenue, a/k/a Two Schaefer Landing, Brooklyn, New York

Gentlemen:

The Sponsor of the Condominium Offering Plan for the captioned property retained, Allstate Realty Associates to review **Schedule B**, containing projections of income and expenses for the first year of condominium operation of the Schaefer Landing North Condominium, **Schedule C**, containing projections of income and expenses for the first year of operation of The Schaefer Landing Homeowners Associations Inc., and **Schedule D**, containing projections of income and expenses for the first year of operation of the Kent Waterfront Homeowners Association Inc., to the offering Plan,

I am the President of Allstate Realty Associates. I have been in the real estate business for over 29 years as an owner, developer and manager. I have managed over 1700 residential units (a combination of cooperatives and rentals).

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the attorney General in Part 23 insofar as they are applicable to **Schedule B, Schedule C, and Schedule D**.

I have reviewed **Schedule B, Schedule C, and Schedule D** and investigated the facts set forth in the aforesaid schedules and the facts underlying them with due diligence in order to form a basis for this certification. I have also relied upon my experience in managing residential buildings.

I certify that the projections in **Schedules B, Schedule C, and Schedule D** 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 operation of each of the entities.

I certify that **Schedule B, Schedule C, and Schedule D** each:

(i) set forth in detail the projected income and expenses for the first year of operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of operation;

(iii) do no omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statements made.

I further certify that I am not owned or controlled by the Sponsor, however, Allstate Realty Associates shares an identity of interest with East River Holdings North LLC, which has an interest in the profits of the Sponsor. I understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of operation of the condominium, or either of the homeowners associations.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

ALLSTATE REALTY ASSOCIATES

By: _____
Joseph Spitzer, President

Sworn to before me
This 4 day of NOV., 2004

_____
Notary Public

ALMA NORIEGA
Notary Public - State of New York
No. 01NO6109895
Qualified in Queens County
My Commission Expires May 24, 2008

Form **W-9**
(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ ..... ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.) | Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Note: *If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.*

Social security number
___ ___ ____

or

Employer identification number
__ _____

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ▶ Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: *If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.*

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities**).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Form **W-8BEN**
(Rev. December 2000)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for:	Instead, use Form:
• A U.S. citizen or other U.S. person, including a resident alien individual	W-9
• A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States	W-8ECI
• A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions)	W-8ECI or W-8IMY
• A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions)	W-8ECI or W-8EXP
Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*	
• A person acting as an intermediary	W-8IMY
Note: *See instructions for additional exceptions.*	

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of .....within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article .....of the treaty identified on line 9a above to claim a .....% rate of withholding on (specify type of income):.....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is not effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- The beneficial owner is not a U.S. person,
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ Signature of beneficial owner (or individual authorized to sign for beneficial owner) | Date (MM-DD-YYYY) | Capacity in which acting

Westlaw.

McKinney's Real Property Law § 339-kk

C
Mckinney's Consolidated Laws of New York Annotated Currentness
Real Property Law (Refs & Annos)
Chapter 50 Of the Consolidated Laws
Article 9-B. Condominium Act (Refs & Annos)

§ 339-kk. Rents

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

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

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

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

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McKinney's Real Property Law § 339-kk

CREDIT(S)

(Added L.1998, c. 422, § 3, eff. July 22, 1998.)

<<REAL PROPERTY LAW>>

<Laws 1909, Chapter 52>

HISTORICAL AND STATUTORY NOTES

2004 Electronic Update

L.1998, c. 422 legislation

L.1998, c. 422, §§ 4 and 5, provide:

"§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

"§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date."

Derivation

General Business Law § 352-e, subd. 2-d as added L.1991, c. 594, § 1.

LEGISLATIVE HISTORIES

L.1998, c. 422: For Legislative, Executive or Judicial memoranda relating to this law, see McKinney's 1998 Session Laws of New York, p. 1834.

RESEARCH REFERENCES

2004 Electronic Update

Encyclopedias

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McKinney's Real Property Law § 339-kk

NY Jur., 2d, Condominiums § 128, Generally.

NY Jur., 2d, Condominiums § 129, Procedure for assumption of rents.

NY Jur., 2d, Mortgages § 178, Effect of wrongful possession.

NY Jur., 2d, Mortgages § 180, Priorities on assignment.

Forms

McKinney's Forms, Real Property Prac. § 5A:115, Priorities.

Mtg. & Mtg. Foreclosure in NY § 22:16, Condominium liens for unpaid common charges.

Treatises and Practice Aids

Fed. Reg. Real Estate & Mortgage Lending § 13:35, New York.

NY Condo. & Coop Law 2d §9:6, Condominium unit mortgage and unpaid common charges.

NY Condo. & Coop Law 2d §11:3, Right to collect rents from subtenants.

Rasch's NY Landlord & Tenant 4th § 4:51, Rents.

NOTES OF DECISIONS

Construction with other law 1

1. Construction with other law

Statute authorizing condominium associations to obtain all rental payments from a tenant if a non-occupying owner rents a unit and fails to make payments due for common charges did not give condominium association's claim for past due common charges and subsequent judgment lien against rent paid by unit holder's tenant priority over mortgagee's claim against the rent under mortgage provision authorizing it to collect rent in event of default under mortgage. Cadlerock Joint Venture, L.P. v. Khan, 2000, 185 Misc.2d 481, 713 N.Y.S.2d 276. Mortgages ⇐ 151(5)

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McKinney's Real Property Law § 339-kk

McKinney's Real Property Law § 339-kk, NY REAL PROP § 339-kk

Current through L.2004, c.14 (with chs. 1 to 3 and 12 not yet released).

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