THIS PLAN HAS BEEN AMENDED. SEE INSIDE FRONT COVER.

CONDOMINIUM OFFERING PLAN

PARK SLOPE WEST CONDOMINIUM

678 UNION STREET, BROOKLYN, NEW YORK 11215

Total Amount of Offering	
10 Units	$3,367,420.00
Less Working Capital Fund	($ 3,000.00)*
(may be reduced to $1,000.00 as a result of closing adjustments)	
Net Amount of Offering Plan.	$3,364,420.00

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* See section entitled "WORKING CAPITAL FUND" for full details.

SPONSOR AND SELLING AGENT:

PARK SLOPE WEST LLC
370 4th Avenue
Brooklyn, New York 11215

The Date of Acceptance for filing of this Plan is October 11, 2005.
This Plan may not be used after October 10, 2006 unless extended by a duly filed amendment.

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

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

Prepared by:
FORMAN & ASSOCIATES, pc
156 William Street - Suite 800
New York, New York 10038
(212) 791-5500

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SPECIAL RISKS

1. Time of the Essence

The Purchase Agreement provides that, in the event that the Cash Purchase Price is not received within the time periods specified, the Sponsor shall give the Purchaser thirty (30) days written notice to cure such default. TIME IS OF THE ESSENCE IN CURING A DEFAULT UNDER THE PURCHASE AGREEMENT. IF SUCH DEFAULT IS NOT CURED, THE DEPOSIT, PURSUANT TO THE PURCHASE AGREEMENT, WILL BE FORFEITED. See section entitled "PROCEDURE TO PURCHASE".

2. Purchase Agreement

If the Purchase Agreement is subject to the Purchaser obtaining a mortgage, the Purchaser shall have thirty (30) days from the signing of the Purchase Agreement to obtain the mortgage commitment. In the event that the Purchaser fails to obtain a commitment within the thirty-day period, either party may cancel the Purchase Agreement on five days written notice to the other party, and the Purchaser shall be entitled to a prompt refund of his/her Down Payment. IN THE EVENT THAT THE SPONSOR'S ATTORNEY DOES NOT RECEIVE THE NOTICE WITHIN THE SPECIFIED TIME PERIOD, THE PURCHASER SHALL BE EXPECTED TO CLOSE WHETHER OR NOT THE PURCHASER HAS RECEIVED FINANCING, UNLESS THE SELLER CANCELS THE PURCHASE AGREEMENT. See section entitled "PROCEDURE TO PURCHASE".

3. Amending By-Laws

The By-Laws may be amended, altered, repealed and added to by a vote of Unit Owners of at least 66-2/3% in number and common interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose. FOR AS LONG AS THE SPONSOR REMAINS THE OWNER OF ONE OR MORE UNITS, THESE BY-LAWS INCLUDING THE RULES AND REGULATIONS OF THE CONDOMINIUM MAY NOT BE AMENDED OR MODIFIED IN ANY WAY AS TO ADVERSELY AFFECT THE SPONSOR WITHOUT THE SPONSOR'S PRIOR WRITTEN CONSENT. See section entitled "RIGHTS AND OBLIGATIONS OF THE BOARD OF MANAGERS AND SUMMARY OF BY-LAWS AND DECLARATION".

4. No Warranty on Workmanship or Materials and No Indemnification

The Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Housing Merchant Implied Warranty. The Sponsor indemnify the Board of Managers and Unit Owners and defend lawsuits that arise as a result of the Sponsor's acts or omissions. Each prospective Purchaser may have the Building and Units therein inspected by an

architect or engineer of his or her own choosing to determine the quality of materials and workmanship. However, nothing herein is intended to abrogate the responsibility of the Sponsor under the General Obligations Law, the General Business Law and the Regulations promulgated by the Department of Law. See section entitled "SPONSOR'S STATEMENT OF BUILDING CONDITION" and "RIGHTS AND OBLIGATIONS OF SPONSOR".

5. Housing Merchant Implied Warranty

The building is subject to the Housing Merchant Implied Warranty. The coverage includes the following: (a) for one (1) year, the Unit must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for items not covered by code, the construction must be in accordance with locally accepted building practices; (b) for two (2) years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation; and (c) for six (6) years, the Unit must be free from physical defects in the structural elements (foundation, floors, walls, roof framing) which make it unsafe or unlivable.

In this Offering Plan, the Housing Merchant Implied Warranty is limited. It excludes all consequential and incidental damages, except as required by New York law. Each purchaser will be required to execute the Limited Warranty at closing. The Limited Warranty begins on page BB-1 and the full text of Article 36-B begins on page G-1.

6. Insurance Does Not Cover Full Investment

Although sufficient to replace the structure if totally destroyed, the fire and extended coverage is below the total purchase price of the property. In addition, pursuant to Section 254 of the Real Property Law, the holder of a mortgage encumbering the Unit has the right to retain the proceeds of the fire insurance policies in the event of damage by fire. See "NOTES TO SCHEDULE B".

7. No Construction or Common Charge Bond

The Sponsor represents and warrants that at this time it has the financial resources to enable it to meet the obligations it has under the Offering Plan. HOWEVER, NO BOND OR OTHER SECURITY HAS BEEN FURNISHED BY THE SPONSOR, AND THE SPONSOR'S ABILITY TO FINISH RENOVATION AND TO FULFILL ITS OBLIGATION FOR THE PAYMENT OF COMMON CHARGES, REAL ESTATE TAXES AND ASSESSMENTS ON THE UNSOLD UNITS WILL DEPEND SOLELY UPON ITS FINANCIAL CONDITION. In the event the Sponsor is unable to fulfill his obligations for the payment of common charges, the plan will be so amended and the Sponsor will be required to suspend sales of the Units. In such event, prospective Purchasers will be offered the right to rescind their Purchase Agreements. See section entitled "RIGHTS AND OBLIGATIONS OF SPONSOR".

8. Reserve Fund

There is no Reserve Fund provided for in the budget. Inasmuch as the building is being completely renovated, it is anticipated that the major components of the building will live out their anticipated life expectancies. Accordingly, the Board of Managers will have to make whatever arrangements they deem necessary to provide for the future replacement of these major building components at such future time as they shall need to be replaced. See section entitled "RESERVE FUND".

9. New York State Transfer Tax and New York City Real Property Transfer Tax

In addition to the Purchase Price and other closing costs, Purchasers will pay an amount equal to both the New York State Transfer Tax and the New York City Real Property Transfer Tax ("Transfer Taxes") due on the closing of title to the Unit. The New York City Real Property Tax is at the rate of 1% of the consideration for purchase prices up to $500,000.00, and at the rate of 1.425% of the consideration for purchase prices in excess of $500,000.00, plus a $25.00 filing fee. The New York State Transfer Tax is at the rate of $4.00 for $1,000.00 of consideration. Purchasers should note that consideration includes both the purchase price of the Unit and the Transfer Tax being paid by the Purchaser. Accordingly, the consideration on the sale of Purchaser's unit for transfer tax purposes is computed by adding the Purchase Price plus the New York City Real Property Transfer Tax computed at 1% or 1.425% on the consideration plus the New York State Real Property Transfer Tax computed at $4.00 for each $1,000.00 of consideration. These transfer taxes are customarily paid by the Seller, however pursuant to the terms and conditions of this Offering Plan, these taxes will be the responsibility of the purchaser(s) upon closing of title to a Unit in the premises. See section entitled "CLOSING COSTS AND ADJUSTMENTS".

10. Minimum Sales Requirements

Pursuant to existing law and regulation the Sponsor may declare the plan effective by selling a minimum of fifteen percent of the apartments in the building. Even if the plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to convert the building with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase an apartment.

Purchasers should note that banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 50% or more) of the apartments in a building be sold before the lender will consider making a loan. Thus it may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum.

Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

In addition, if a Purchaser obtains a mortgage, his/her aforesaid rights to sell, sublet and surrender possession of his/her Unit will be subject to the rights of the lender set forth in the mortgage, which normally would restrict the Purchaser from exercising these rights while the mortgage is outstanding. See section entitled "FINANCING THAT MAY BE AVAILABLE TO PURCHASERS".

11. Special or Additional Work and Rescission of Purchase Agreement

If a Purchaser desiring to purchase a Unit requests that the Sponsor perform special work on such Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION", Part II of this Plan, and the Sponsor agrees to perform such special work and/or provide such furnishings, then the Sponsor may require such person to deposit an amount greater than ten (10%) percent of the offering price of such Unit. Said deposit for such special work shall initially be deposited with the Sponsor's escrow agent as discussed in the section of the Offering Plan entitled "PROCEDURE TO PURCHASE". However, Purchasers should note that said funds for special work may be released from the escrow account by the escrow agent as long as the Sponsor uses these funds for such special work.

In the event that a Purchaser rescinds his/her Purchase Agreement in accordance with the terms and conditions contained therein, then the Down Payment shall be fully returned to the Purchaser with interest (except for the cost incurred of any additional work ordered by the Purchaser). See section entitled "PROCEDURE TO PURCHASE".

12. Attorneys' Fees

The following fees shall be imposed in the following circumstances by Forman & Associates, pc, 156 William Street, Suite 800, New York, New York 10038, attorney for the Sponsor, which will be payable by a Purchaser at the Closing of his/her Unit:

(a) It shall be the sole responsibility of the Purchaser to pay the Sponsor's attorney, Forman & Associates, pc, a fee of $1,000.00 at closing for the preparation of closing documents.

(b) If the closing is held at a place other than the office of the Sponsor's attorney, Forman & Associates, pc, or such other place as designated by the Sponsor (but within New York City) there will be an additional fee of $250.00 per Unit payable to the Sponsor's attorney, which will be the sole responsibility of the Purchaser. There will be a reasonable fee for

Closings outside of New York City depending upon distance, but in no event less than $350.00.

(c) If the closing is adjourned at other than the Sponsor's request, there will be an additional fee of $250.00 per Unit which will be the sole responsibility of the Purchaser.

(d) In the event that a purchaser defaults, a fee of $250.00 will be payable at closing to Forman & Associates, pc, for preparation of a letter of default.

(e) In the event that a Purchaser decides to use the services of a title company other than National Granite Title Insurance Agency, Inc., the Purchaser will be obligated to pay Forman & Associates, pc a fee of $500.00 for time in coordinating and arranging for Closing with the other title company.

Furthermore, if a Purchaser requests an adjournment of closing, such purchaser shall be responsible for common charges from the originally scheduled closing date until the closing date of his/her Unit.

All checks for the above fees must be paid by CERTIFIED or BANK CHECK at the closing. The above closing fees are cumulative to the extent applicable to an individual closing. See section entitled "CLOSING COSTS AND ADJUSTMENTS".

13. Power of Attorney

At each closing, among other documents, the Purchasers will execute and deliver a Unit Power of Attorney, in the form set forth in Part II of the Plan. The Unit Power of Attorney gives the Board of Managers the powers and duties necessary for the administration of the affairs of the Condominium. For a more complete discussion of those powers and duties see "RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS" and "SUMMARY OF BY-LAWS AND AMENDED AND RESTATED DECLARATION". Also, see "POWER OF ATTORNEY" in Part II of the Plan.

14. Control By Sponsor

The By-Laws provide that the Sponsor will exercise voting control of the Board of Mangers up to (2) years after the closing of the first Unit or until such time as the Unsold Units constitute less than 50% of the Common Interest, whichever is sooner.

The By-Laws further provide that until such time, the Board of Mangers may not take certain actions unless Unit owners having at least fifty-one (51%) percent of the Common Interest appurtenant to the Residential Units of the Condominium approve in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purposes. See section entitled "BY-LAWS" in Part II of the Plan.

15. Board of Managers Foreclosure for Common Charges

In the event that the Board of Managers forecloses on a Unit for unpaid Common Charges and the proceeds of the sale are not sufficient enough to pay the outstanding Common Charges, the balance of the amount due may be proportionately assessed to all Units Owners as Common Expense. See section entitled: "RIGHTS AND OBLIGATIONS OF UNIT OWNERS".

16. Loan Commitment Extensions

Purchasers should note that financing commitments for the purchase of Units may have expiration dates prior to which Closing of Title to the Unit may occur, unless the commitment is extended. If such extension is granted, or another commitment issued, no guarantee can be made that the terms will be the same as the expired commitment, once a bank commitment is issued, the purchaser will be required to use due diligence in obtaining and maintaining any and all extensions necessary to maintain such commitment in force and effect or to obtain another commitment. Failure to do so will constitute a default under the Purchase Agreement and the loss of the Downpayment plus the cost incurred of any special work ordered by the Purchaser. If the Purchaser is unable to obtain an extension of the commitment by the Closing Date or within thirty (30) days after expiration of his/her commitment whichever is longer, the Purchaser shall notify the Sponsor within five days of the time period specified by certified mail return receipt requested, whereupon the Purchase Agreement shall become null and void and the Down Payment shall be returned by the Seller.

17. Indemnification of Board of Managers

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of a member or members of the Board of Managers.

18. Rental of Unsold Units

Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all residential units to purchasers. However, in the event that there is a significant decline in market values of at least 10% from the offering prices set forth in the contracts counted toward effectiveness, Sponsor reserves the right to rent, rather than sell, Units until there is an upturn in the market. Sponsor's good faith efforts to sell to Purchasers will include listing unsold units with brokers, showing unsold units to brokers and prospective purchasers or their representatives, filing update amendments to the plan and otherwise engaging in customary sales activities. The By-Laws provide that after the initial Sponsor control period expires, the Board of Managers shall be comprised of owner-occupants or members of an owner-occupants household who are unrelated to

the Sponsor and its principals. Furthermore, owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to an investment.

19. Limited Common Areas

Unit owners will be responsible for the repair and maintenance of any Limited Common Elements adjacent to their Units. These spaces may be modified (i.e. erecting a deck on a terrace or balcony or enclosing such area or building a structure in the rear yard) provided all Condominium and governmental rules and regulations are complied with and any construction is performed in accordance with the rules and regulations of the Condominium. See section entitled "Footnotes to Schedule A".

20. Real Estate Tax Benefits

The Sponsor has consulted with Jacob Moseson on the eligibility of the building for 11-243 (f/k/a J-51) benefits. The Sponsor will submit an application for and will use its best efforts to obtain 11-243 benefits for the project. 11-243 benefits are two-fold: all of any increase in a building's assessed valuation, resulting from the conversion, alteration, or improvement of such building or structure, performed pursuant to Section J51, will be exempt from taxation for a period of fourteen years. The land value shall not be exempt from any increase in assessed valuation. The taxes which are attributable to the non-exempt portion of the assessed valuation, may be abated and reduced by an amount no greater than 8 1/3% of the Certificate of Reasonable Cost to be issued by the Department of Housing Preservation and Development ("HPD") for a period of not less than 6 years and not to exceed 20 years. The 11-243 tax exemption benefits are not expected to be granted during the Condominium's first year of operation. See section "REAL ESTATE TAXES FOR INDIVIDUAL UNITS ASSESSED VALUATION BEFORE AND AFTER RENOVATION".

21. Method of Calculating dimensions of Units

The measurements for calculating the square footage of the Units is based upon measurements of exterior walls and may not accurately represent interior space by as much as ten (10%) percent.

IT IS RECOMMENDED THAT YOU CONSULT WITH YOUR OWN ATTORNEY OR FINANCIAL ADVISOR BEFORE PURCHASING AN APARTMENT AND PROVIDE HIM/HER WITH A COPY OF THIS OFFERING PLAN.

INTRODUCTION

The purpose of this Offering Plan is to set forth all of the terms of the offer for sale of ten (10) Residential Units located at 678 Union Street in the Park Slope section of Brooklyn. Renovation of the property has been completed and the Sponsor will obtain a new Certificate of Occupancy for the Building. The Units are being sold as Condominium Units. There is no commercial space on the site. Parking is permitted on local City streets as governed by local parking laws. The property is convenient to shopping, transportation, schools and religious institutions, and there is ready access to Manhattan.

All of the Units offered under the Plan are vacant. No contracts or agreements have been entered into and no deposits or advances of funds accepted as of the date the Plan is accepted for filing.

This Introduction is intended to describe many of the important highlights of this Offering Plan, but does not summarize all of the Plan's relevant and major features. Prospective Purchasers should carefully read this Introduction together with the Plan for a more complete analysis of these and other material aspects of this Offering.

The Condominium and Condominium Act

The Condominium shall be known as the "PARK SLOPE WEST CONDOMINIUM" (the "Condominium"). The Condominium is subject to the New York Condominium Act, New York Real Property Law Article 9-B, Sections 339-d to ii (the "Condominium Act").

The Sponsor

PARK SLOPE WEST LLC, a New York limited liability company (the "Sponsor") hereby presents an Offering Plan (the "Plan") for the conversion to Condominium ownership of the building located at 678 Union Street, Brooklyn, New York (the "Building"). The Land and Building are collectively referred to herein as the "Property". PARK SLOPE WEST LLC purchased the property on August 7, 2003.

Rental of Unsold Units

Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all residential units to purchasers. However, in the event that there is a significant decline in market values of at least 10% from the offering prices set forth in the contracts counted toward effectiveness, Sponsor reserve the right to rent, rather than sell, Units until there is an upturn in the market. Sponsor's good faith efforts to sell to Purchasers will include listing unsold units with brokers, showing unsold units to brokers and prospective purchasers or their representatives, filing update amendments to the plan and otherwise engaging in customary sales activities. The By-Laws provide that after

the initial Sponsor control period expires, the Board of Managers shall be comprised of owner-occupants or members of an owner-occupants household who are unrelated to the Sponsor and its principals.. If Sponsor makes a bulk sale of all or some of its unsold units, the Successor-Sponsor is bound by Sponsor's representations regarding its commitment to sell Units.

The Offer

Under this Plan, ten (10) Units of the Condominium (herein referred to as "Units" or "Apartments") will be offered for sale by the Sponsor. Except for the Working Capital Fund to be retained by the Condominium (as discussed below), all the proceeds realized from the sale of Units under this Plan will be paid to the Sponsor.

The premises is currently encumbered by a private mortgage held by [redacted] and [redacted] as to a 50% interest and [redacted] as to a 50% interest, dated October 27, 2004, in the sum of $499,000.00, which becomes due on May 1, 2005. The loan documents do not contain any additional requirements for declaring the Plan effective, nor do they contain any provisions that prohibit the Sponsor from leasing or renting individual Units.

The mortgagee shall release the individual Units as they close upon request.

Features of Condominium Ownership Under This Plan

A. The ownership of a Condominium Unit is similar in many respects to the ownership of a private home in which each owner of a Unit ("Unit Owner") owns title to his/her Unit. These rights and benefits include, but are not limited to, the following:

(1) the right to exclusive possession of the purchased Unit;

(2) the right to use all parts of the Property in addition to his/her own Unit, which a Unit Owner owns in common with the owners of all other Units in the Condominium such as entryways, stairways and similar elements of the Building which Unit Owners may benefit from or use to the exclusion of none of the other owners (the "Common Elements"). A Unit Owner will share the non-exclusive right to use the Common Elements, with all other Unit Owners;

(3) the right to exclusive use of Limited Common Elements (those areas appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units), if applicable;

(4) the right, in the opinion of counsel set forth below, to deduct from his/her adjusted gross income for Federal, New York State and New York City income tax purposes his/her real estate taxes and mortgage interest;

(5) the right to sell or lease his/her Unit to anyone without restriction or limitation, but any sale or lease of a Unit by a Unit Owner will be subject to a right by the Board of Managers of the Condominium to acquire or lease such Unit, or to produce a third party to acquire or lease such Unit, on the same terms as were offered to the owner of such Unit (see "RIGHTS AND OBLIGATIONS OF UNIT OWNERS"). An owner of an Unsold Unit, however, is not required to give the Board of Managers such right of first refusal;

(6) the right to mortgage his/her Unit; and,

(7) the right of each Unit Owner to vote for the members of the Board of Managers.

(8) the right to use his/her Unit in any way permissible under applicable laws; if a Purchaser of a Residential Unit wants to use his or her Unit for other than residential purposes, he or she will need Board approval to change the Certificate of Occupancy. The Board may unreasonably refuse to grant approval to change the Certificate of Occupancy.

(9) the Condominium Board does not have the right to approve or disapprove Purchasers. While the Sponsor has no present intention or plan to market the units to investors, the Sponsor is not restricting itself from doing so. Therefore, there is no limit on the number of owners who may purchase for investment rather than for personal occupancy (beyond the 15% required to declare the plan effective), and there may always be a substantial percentage of owners who are non-residents.

B. As is customary in ownership of Condominium Units, each Purchaser shall be obligated to:

(1) pay rent (customarily called "Common Charges") as provided for under the By-Laws of the Condominium, and special assessments, if any;

(2) be responsible for the payment of real estate taxes appurtenant to his/her Unit as each Unit will be taxed as a separate tax lot;

(3) comply with the Declaration, the By-Laws, rules and regulations and any other requirements of the Board of Managers; and,

(4) be responsible for maintenance and repairs within his/her Unit.

Individual Purchasers should explore obtaining insurance coverage, which would be at their own cost and expense, to insure them for such risks such as fire and casualty losses of personal property and/or improvements added by the Unit Owner

within their Units, as well as liability insurance for each occurrence which might occur within their respective Units. Individual Purchasers should note that they could be potentially liable for injury to workers, invitees and guests within their respective Units.

Obtaining Financing

Various savings and commercial banks in New York State have generally financed from 50% to 70% or more of the total cash purchase price of Units for Purchasers whose credit, income and reputation are acceptable to the bank making the loan. However, many banks have established a threshold for the number of Units in a condominium to be sold prior to their making loans. No representation is made as to the terms, conditions or availability of such financing at this time or in the future.

If a Purchaser obtains a mortgage, his/her aforesaid rights to sell, sublet and surrender possession of his/her Unit will be subject to the rights of the lender set forth in the mortgage, which normally would restrict the Purchaser from exercising these rights while the mortgage is outstanding.

Common Charges and Special Assessments

In accordance with the New York Condominium Act, Sections 339(i) and (m), similar to other Condominiums, the Common Charges payable under the By-Laws will be based strictly on the projected cash requirements of ownership and operation of the Property and may include a reserve for contingencies, replacements and/or repairs. IT IS ASSUMED THAT COMMON CHARGES WILL INCREASE AS CASH REQUIREMENTS OF THE CONDOMINIUM RISE DUE TO INFLATION AND OTHER FACTORS. Furthermore, the Board of Managers may impose special assessments in order to meet emergencies, contingencies or other unforeseen events, which will become the financial obligation of each Purchaser of a Condominium Unit. These assessments will be levied on a pro rata share basis.

The estimated Common Charges for the first year of Condominium operation and the estimated real estate taxes are set forth in Schedule A. The projected budget for the first year of Condominium operation is set forth in Schedule B.

Purchase Price

The Total Cash Purchase Price for each Condominium Unit is set forth in Schedule A. THE TOTAL CASH PURCHASE PRICE FOR EACH CONDOMINIUM UNIT IS BASED ON THE PRICE OF THE PROPERTY ESTABLISHED BY THE SPONSOR-SELLER WITHOUT ARMS-LENGTH NEGOTIATION. THESE PRICES ARE NOT SUBJECT TO REVIEW OR TO APPROVAL BY ANY GOVERNMENTAL AGENCY, INCLUDING THE DEPARTMENT OF LAW, STATE OF NEW YORK.

The general Common Elements of the Condominium shall include, but not be limited to those listed in the section entitled "RIGHTS AND OBLIGATIONS OF UNITS

OWNERS".

Each Unit, the fixtures and personal property contained therein, and the Common Elements are being sold in their renovated condition, subject to reasonable use, wear, tear and natural deterioration between the date of the Purchase Agreement and the closing of title to the Unit as described in "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION" as set forth in Part II beginning on Page A-1 of the Plan.

Legal Documents

The agreement to purchase the Condominium Unit is called a "PURCHASE AGREEMENT" and may be found in Part II, starting on page B-1.

A detailed description of the physical condition of the Property prepared by EDWARD C. HICKS, R.A. is set forth in Part II, beginning on page A-1 and should be carefully reviewed by each prospective Purchaser.

The form of Declaration, the recorded, written instrument by which the Property is submitted to the provisions of the New York Condominium Act is set forth on page E-1 in Part II.

The form of Unit Deed is reproduced in Part II beginning on page D-1.

The Condominium's By-Laws which govern the operation of the Condominium and the rights, powers and duties of its officers and directors are summarized in the section entitled "RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS AND SUMMARY OF BY-LAWS" and are reproduced in full in Part II beginning on page F-1.

Special Risk Factors

There are certain factors of this Offering Plan, which constitute special risks. Please see "SPECIAL RISKS" section beginning on page i.

Effective Date

Prior to the First Closing of a Unit, the Sponsor will enter into Purchase Agreements with the prospective Purchasers. When a specified number of Purchase Agreements have been executed, the Plan will be declared effective as stated in the Section entitled "EFFECTIVE DATE". Thereafter, closings on individually purchased Units will occur pursuant to the terms of such Purchase Agreements. By the First Closing of a Unit a temporary or permanent Certificate of Occupancy will be obtained for premises.

Sponsor to Pay Offering Expenses

The Sponsor has undertaken to reimburse the Condominium for all costs and expenses relative to the promulgation and consummation of this Plan, including but not limited to its legal fees and disbursements, commissions, if any, filing fees, engineers' fees, accounting fees, printing and any other fees, expenses and disbursements related to the filing and processing of this Plan, but not fees for the individual Unit Closings which are discussed in the section entitled "CLOSING COSTS AND ADJUSTMENTS".

Expenses

The expenses of the Condominium accruing to and inclusive of the First Closing of the Units (the "Adjustment Date"), shall be the financial obligation of the Sponsor, which may, at the Sponsor's option, be paid from the proceeds of the sale of Units, with the exception of those expenses which are to be apportioned at the time of closing in accordance with the Purchase Agreement including but not limited to: real estate and all other taxes; water charges and sewer rents; permit and license fees for assignable fees and licenses, if any; premiums on transferable insurance policies in effect as of the Closing of Title, if any; fuel; and utility deposits (including escrows), if any.

Amendments to the Plan

The Sponsor of this Plan may amend it from time to time by filing an amendment with the Department of Law, State of New York. In the event that there is an amendment to the Plan, said amendment shall be served upon:

(1) Purchasers who have executed and delivered Purchase Agreements to the Sponsor or the Condominium, provided that said Purchaser is not in default pursuant to his/her Purchase Agreement; and,

(2) any other person entitled to service pursuant to local law or regulation; (collectively known as the "Offerees").

Service shall be provided in the following manner:

(1) personal delivery; or,

(2) mailing addressed to the Offeree at the last known residence address of such Offeree, or if Offeree has provided written information of an alternative address for notices, addressed to the Offeree at the alternative address. If the Sponsor has no information of the last known residence address, but has written information of the place of business or employment of such Offeree, the mailing shall be addressed to such last known business or employment address; and,

(3) service shall be deemed complete upon completion of personal delivery to all Offerees or on the fifth day after the date of mailing to all Offerees not personally served.

Document Copies

COPIES OF THE PLAN, AS WELL AS ALL AMENDMENTS THERETO, ALL DOCUMENTS REFERRED TO IN THE PLAN AND ALL EXHIBITS SUBMITTED TO THE DEPARTMENT OF LAW IN CONNECTION WITH THE FILING OF THE PLAN INCLUDING ALL SCHEDULES AND THE EXHIBITS, WILL BE AVAILABLE FOR INSPECTION UPON REASONABLE NOTICE WITHOUT CHARGE AND FOR COPYING AT A REASONABLE CHARGE TO PROSPECTIVE PURCHASERS AND THEIR ATTORNEYS AT THE OFFICE OF THE ATTORNEYS WHO PREPARED THIS OFFERING PLAN FOR THE SPONSOR, FORMAN & ASSOCIATES, pc, 156 WILLIAM STREET, SUITE 800, NEW YORK NEW YORK 10038.

Lawful Limitations For Purchase of Units

In accordance with the provisions of the Laws of the City of New York, the Sponsor represents that neither the Sponsor nor the Condominium will discriminate against any person because of his/her race, creed, color, sex, national origin, ancestry, or any other reason prohibited by civil rights law in the sale of Units offered by this Plan, or in the leasing of any Unit in the Building.

PART I AND PART II, INCLUDING ALL SCHEDULES AND THE EXHIBITS, TOGETHER CONSTITUTE THE ENTIRE OFFERING PLAN. THIS PLAN CONTAINS ALL OF THE DETAILED TERMS OF THIS TRANSACTION. ALL DOCUMENTS REFERRED TO IN THIS OFFERING PLAN ARE IMPORTANT. IT IS RECOMMENDED THAT YOU CONSULT YOUR OWN ATTORNEY OR FINANCIAL ADVISOR BEFORE PURCHASING AND PROVIDE HIM/HER WITH A COPY OF THIS OFFERING PLAN.

EACH UNIT SHOULD BE INSPECTED PRIOR TO PURCHASE TO DETERMINE THE EXACT LAYOUT AND PHYSICAL CONDITION.

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

DEFINITIONS

1. ADJUSTMENT DATE - Refers to the date of First Closing of title to a Unit.

2. APPURTENANT INTERESTS - Refers to the interest of a Unit Owner in (i) the Common Elements, (ii) any Units acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale therefrom or lease thereof, if any, and (iii) any other assets of the Condominium.

3. BOARD OF MANAGERS - Shall mean the board that represents the Unit Owners and manages the Condominium pursuant to the provisions of the By-Laws and of the Plan.

4. BUILDING - Refers to the structures and improvements, including below grade segments, at 678 Union Street, Brooklyn, New York.

5. BY-LAWS - Refers to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

6. CLOSING - Refers to the time, place and procedure by which fee title to the Unit in question is conveyed to the Purchaser pursuant to a Purchase Agreement.

7. CLOSING DATE - Refers to the date on which closing for sale of a Unit occurs.

8. COMMON CHARGES - Refers to an assessment levied by the Board of Managers against every Unit Owner in an amount measured by such Unit Owner's percentage interest in the Common Elements, based strictly upon the projected cash requirements of ownership representation of the Property.

9. COMMON ELEMENTS - Refers to the Land, all parts of the Building (except the Units), including the foundations and supports of the Building, and all areas or facilities for the common use of the Units and the Unit Owners as described in the Declaration.

10. COMMON EXPENSES - Expenses incurred by all Unit Owners for the purpose of paying costs in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to, the Common Elements.

11. COMMON INTERESTS - The proportionate, undivided interest in the Common Elements, appurtenant to each Unit, expressed as a numerical percentage, as such interest is determined in accordance with the Declaration.

12. CONDOMINIUM - The Property, when converted to Condominium ownership in accordance with the provisions of this Plan, at which time it will be known as the PARK SLOPE WEST CONDOMINIUM.

13. CONDOMINIUM ACT - Refers to the New York Condominium Act, as amended from time to time and presently found in the New York Real Property Law, Articles 9-B, Section 339-d to Section 339 ii.

14. DECLARATION - The instrument creating the Condominium, as same may be amended from time to time, by which the Property is submitted to the Condominium Act, the form of which is set forth in Part II of the Plan.

15. DOWN PAYMENT - Refers to the money that a person desiring to purchase a Unit must deliver to the Sponsor at the time such person delivers an executed Purchase Agreement to the Sponsor.

16. EFFECTIVE DATE - Refers to the date the Plan is declared effective (see "EFFECTIVE DATE" in Part I).

17. FIRST CLOSING - The date fee title to a Condominium Unit is first conveyed to a Purchaser pursuant to the Plan.

18. FLOOR PLANS - Refers to the floor plans of the Building, as same may be amended from time to time, filed in the Kings County office of the City Register, when the Plan is declared effective.

19. LAND - Refers to the Property, excluding the Building.

20. LIMITED COMMON ELEMENTS - Refers to Common Elements, the charges for which are paid by all Unit Owners, each according to such Unit Owner's Common Interest, but the use of which is limited exclusively to specifically designated Unit(s).

21. MANAGING AGENT - The managing agent for the building is Goldin Management, 25 8th Avenue, Brooklyn, New York 11217 (718) 230-2600.

22. OFFEREE - Refers to (i) Purchasers who have executed and delivered Purchase Agreements and are not in default thereunder; (ii) any other person who, pursuant to law, is an Offeree of the Plan.

23. PERMITTED ENCUMBRANCES - Refers to those liens and encumbrances to which fee title to each Unit shall be subject.

24. PRESENTATION DATE OF AN AMENDMENT - The last date that any amendment accepted for filing by the Department of Law hereto or any other document, as the case may be, is personally delivered to all Offerees or five days after mailing to all Offerees not personally served, whichever date is latest.

25. PLAN - Refers to this Offering Plan for the conversion of the Property to Condominium ownership, as it may be amended from time to time.

26. PROPERTY - Refers to the Land and Building situated at 678 Union Street, Brooklyn, New York, that the Sponsor plans to convert to Condominium ownership pursuant to the provisions of this Plan.

27. PURCHASE AGREEMENT - Refers to that contract of purchase and sale for a Unit set forth as Exhibit B in Part II of the Plan.

28. PURCHASER - Refers to person(s) named as Purchaser(s) in a Purchase Agreement which has been duly executed by such person and accepted by the Sponsor.

29. PUNCH LIST - Refers to a memorandum of work, prepared in the event the Sponsor fails to complete the improvements which the Sponsor is obligated to complete by the Closing Date for the Unit in question, in which the Sponsor and Purchaser agree to the work Sponsor must complete, and which obligation of the Sponsor shall survive closing of title to such unit.

30. SELLING AGENT - The Sponsor, PARK SLOPE WEST LLC, is the Selling Agent.

31. SPONSOR - Refers to PARK SLOPE WEST LLC.

32. SUCCESSOR-SPONSOR - Financially responsible entities or individuals, designated by the Sponsor, which/who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws or regulations. Also, the owners of at least 10 Units or 20% of the total number of Units in the Condominium, whichever us less, which are not purchased for occupancy by the owner or one or more members of his/her immediate family. The obligations of a Sponsor will apply only to those Units owned by such designee.

33. RESIDENTIAL UNIT - A Unit that can only be used as a dwelling Unit and is a separate Condominium Unit.

34. UNAVOIDABLE DELAYS - Means delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of the Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body, lightning, earthquake, fire, storm, hurricane, flood washout, explosion, act of God or any cause whatsoever beyond the reasonable control of Sponsor whether or not similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond the control of the Sponsor.

35. UNIT, APARTMENT, APARTMENT UNIT OR CONDOMINIUM UNIT - Refers to a space designated as a Unit in the Declaration, consisting generally, of a specific Unit in the Building and an appurtenant undivided interest in the Common Elements. Such Units are collectively referred to as "Units" or "Condominium Units".

36. UNIT OWNER - Refers to the owner of fee title to a Unit.

37. UNSOLD UNIT - Refers to a Unit owned or retained by Sponsor or its Successor-Sponsor, or a Unit for which a prospective Purchaser is in default under the terms of his/her Purchase Agreement past any applicable cure period, or a Unit the Sponsor has not sold, or a Unit that is acquired, individually or collectively, by one or more members of a group that consists of the Sponsor or a partner of the Sponsor, or by a group that consists of the Sponsor or a partner of the Sponsor and a person or persons joined with the Sponsor, or any entity or person, as designated by the Sponsor.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Property comprises a residential Condominium, containing ten (10) Units and the Land on which they are situated. The roof areas on the floor plans shall be deemed a Limited Common Element for exclusive use of the Owners of Units 5A and 5B. The Owners of Units 5A and 5B will have an undivided one-half (½) interest in the roof areas. As shown on the floor plans, each unit will have its own storage area in the basement, which will be framed-out and be accessible via a door.

Parking is permitted on local City streets as governed by local parking laws. There are no recreation facilities on the site. The front entrances to the Building will provide access to 678 Union Street, Brooklyn, New York.

Renovation of the premises has been completed and the first Unit is expected to close on or about July 1, 2005, subject to unavoidable delays.

The Sponsor reserves the right to amend or modify, in any way, the plans and specifications for the Building ("Plans and Specifications") (including without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and/or fixtures set forth therein or in "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION", beginning on page A-1 in Part II of the Plan, materials, appliances, equipment and/or fixtures of substantially equal or better quality, provided only that any necessary approval of any governmental authority having jurisdiction thereover is first obtained. Any or all of the foregoing amendments or changes may be made without prior notice or amendment to the Plan. However, no change will be made in the size, layout, number of Units or quality of the Common Elements, except by amendment to this Offering Plan.

The Property is a "gut renovation" and is expected to be renovated in accordance with all applicable zoning and building laws with the exception of waivers and regulations, codes and other requirements, including requirements of the New York City Building Code and Landmark Preservation Commission.

A copy of the Plans for the construction of the premises which have been approved in accordance with Section 300 of the Multiple Dwelling Law have been submitted to the Department of Law as Exhibit C-1 and are on file with the Department of Law, Real Estate Financing Bureau, 120 Broadway, New York, New York 10271. Such approved Plans were submitted prior to this Offering Plan being accepted for filing by the Department of Law.

The Sponsor represents that it, at its sole cost and expense, shall cure or cause to be cured all notices or violations of record, municipal ordinances, orders or requirements issued by the Department of Buildings, Department of Housing Preservation and Development, Fire Department, Labor Department, Health

Department or other municipal departments having jurisdiction against or affecting the Property on the Closing Date. The Sponsor represents that it will eliminate all known dangerous and hazardous conditions of which it has received notice. The Sponsor shall comply with all work orders received from mortgagees. In the event that the Sponsor has not cured violations of record by the date of Title Closing, the Sponsor shall cure said violations of record within 180 days thereafter.

The general Common Elements of the Condominium shall include, but not be limited to those listed in the section entitled "RIGHTS AND OBLIGATIONS OF UNIT OWNERS".

Each Unit, the fixtures and personal property contained therein, and the Common Elements are being sold in their renovated condition, subject to reasonable use, wear, tear and natural deterioration between the date of the Purchase Agreement and the closing of title to the Unit.

The Sponsor will maintain and may construct Common Elements up to the First Closing and will maintain and may construct each Unit and the fixtures and personal property contained therein as described in "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION" as set forth in Part II beginning on page A-1 of the Plan up to the time of the transfer of title to the Unit in question.

A Unit Owner may only use his/her Unit for a purpose consistent with local zoning ordinances, as amended from time to time, any other applicable ordinances or statutes, and any regulation of a governmental authority that has jurisdiction over the Condominium, including but not limited to, local building codes and Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Unit Owner use his/her Unit for a use that violates the By-Laws of the Condominium (see "CONDOMINIUM BY-LAWS" set forth beginning on page F-1, in Part II of this Plan).

References should be made to the "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION" set forth beginning on page A-1 in Part II of the Plan for a more detailed description of the Building and its physical condition.

LOCATION AND AREA INFORMATION

The Property is located at 678 Union Street, Brooklyn, New York in the Park Slope section of the Borough of Brooklyn. The Building is located in an R6 District which permits attached multiple dwellings.

The Park Slope neighborhood is the largest in the district and contains more than half of its residential population. It contains the borough's largest historic district with some of the nation's best examples of late nineteenth century Romanesque Revival, Queen Anne, and Renaissance Revival style brownstone rowhouses, mansions and institutions. Grassroots efforts are underway to apply for a significant expansion of the historic district in an effort to further preserve the historic integrity of the area. The impetus for the development of Park Slope, then referred to as Prospect Hill, was the opening of the Brooklyn Bridge in 1883 that provided access to Lower Manhattan for the many prominent and affluent residents there. Park Slope has seen a lively resurgence over the past two decades with an influx of residents who have restored much of the historic character and original charm of the neighborhood. Furthermore, commercial developments along Flatbush Avenue, 5th Avenue and 7th Avenue south of 9th Street have been on the rise as evidenced by the increased storefront occupancies and additional restaurants and shops serving the greater community. Like Smith Street, Park Slope's 5th Avenue has similarly become host to a growing number of gourmet restaurants and nightlife.

Numerous antique shops have also found a home on 5th Avenue and 7th Avenue in the South Slope. The completion of the New York Methodist Hospital's Pavilion building on 7th Avenue between 5th and 6th Streets has effectively helped to reconnect the north and the south sections of 7th Avenue and has brought the first working escalator to the neighborhood (inside Barnes & Nobles bookstore).

Other major institutions have likewise reinvested in the community as reconstruction and renovation projects have been completed within the past few years at the Berkeley Carroll School, the Montauk Club, Congregation Beth Elohim, the Prospect Park YMCA, the Brooklyn Conservatory of Music, John Jay High School, the Prospect Park (former Madonna) Residence and the nearby Prospect Park Bandshell and 11th Street Playground.

SCHEDULE A

PARK SLOPE WEST CONDOMINIUM

PREMISES: 678 UNION STREET, BROOKLYN, NEW YORK

JULY 1, 2005 - JUNE 31, 2006

UNITS	NUMBER OF ROOMS/BATHS (1,7)	TOTAL SQUARE FOOTAGE	PERCEN-TAGE OF COMMON INTERES T (2)	TOTAL CASH PURCHASE PRICE (3)	PROJ. MONTHLY COMMON CHGS (4)	PROJ. YEARLY COMMON CHGS (4)	PROJ. MONTHLY REAL ESTATE TAXES WITH 11-243 BENEFITS* (5)	PROJ. MONTHLY REAL ESTATE TAXES WITHOUT 11-243 BENEFITS (5)	PROJ. TOTAL MONTHLY CARRYING CHGS WITH 11-243 BENEFITS*	PROJ. TOTAL MONTHLY CARRYING CHGS WITHOUT 11-243 BENEFITS	PROJ. ANNUAL CARRYING CHGS DEDUCTIBLE FOR INCOME TAX PURPOSES WITH 11-243 BENEFITS (6)*
1A (Y, S)	4/1	792	11.48%	$344,960.00	$323.25	$3,878.96	$0.00	$327.32	$323.25	$650.57	$3,878.96
1B (Y, S)	4/1	792	11.48%	$344,960.00	$323.25	$3,878.96	$0.00	$327.32	$323.25	$650.57	$3,878.96
2A (S)	4/1	627	9.09%	$327,250.00	$255.95	$3,071.41	$0.00	$259.18	$255.95	$515.13	$3,071.41
2B (S)	4/1	627	9.09%	$327,250.00	$255.95	$3,071.41	$0.00	$259.18	$255.95	$515.13	$3,071.41
3A (S)	4/1	627	9.09%	$327,250.00	$255.95	$3,071.41	$0.00	$259.18	$255.95	$515.13	$3,071.41
3B (S)	4/1	627	9.09%	$327,250.00	$255.95	$3,071.41	$0.00	$259.18	$255.95	$515.13	$3,071.41
4A (S)	4/1	627	9.09%	$327,250.00	$255.95	$3,071.41	$0.00	$259.18	$255.95	$515.13	$3,071.41
4B (S)	4/1	627	9.09%	$327,250.00	$255.95	$3,071.41	$0.00	$259.18	$255.95	$515.13	$3,071.41
5A (R, S)	4/1	777	11.25%	$357,000.00	$316.77	$3,801.25	$0.00	$320.77	$316.77	$637.54	$3,801.25
5B (R, S)	4/1	777	11.25%	$357,000.00	$316.77	$3,801.25	$0.00	$320.77	$316.77	$637.54	$3,801.25
TOTAL:		6,900	100.00%	$3,367,420.00	$2,815.74	$33,788.87	$0.00	$2,851.25	$2,815.74	$5,666.99	$33,788.87

S=Storage

R=Roof Area

Y=Yard

***11-243 BENEFITS WILL NOT BE IN PLACE FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION. THESE ESTIMATES ARE BASED UPON TAX BENEFITS BECOMING AVAILABLE COMMENCING JULY 1, 2006.**

NOTES TO SCHEDULE A

EACH CONDOMINIUM UNIT SHOULD BE INSPECTED PRIOR TO PURCHASE TO DETERMINE ITS ACTUAL DIMENSIONS, LAYOUT AND PHYSICAL CONDITION.

ACTUAL DIMENSIONS AND LAYOUTS MAY DIFFER FROM THE FLOOR PLANS.

(1) See Sponsor's description of Units beginning on page A-1. The Room count is calculated by utilizing the method based on the New York City Zoning Resolution. The Zoning Resolution establishes the bath and kitchen facilities as one and one half rooms and each "living room" (living room, bedroom, separate dining room, etc.) as defined by the New York Building Code, as one room. Therefore, a one bedroom apartment which has two rooms (bedroom and living room) would be three and one half zoning rooms. See "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION" beginning on Page A-1 of the Plan for further details.

(2) Subject to the conditions hereinafter set forth and the approval of the Sponsor, the Sponsor reserves the right, at any time prior to the First Closing, to change the amount of the Cash Purchase Price of any of the Units from the amount shown in Schedule A, provided that the Sponsor files an amendment to this Plan. Such change shall also include the right to change other terms of sale and the manner of payment in respect to any such Unit. Consequently, Purchasers of Units affected by such change may pay or may have paid more or less than other Purchasers under this Plan for the same percentage of Common Elements for similar Units, but this shall not affect any prior or later sale of a Unit as to which the amount of Cash Purchase Price was changed. Individually negotiated decreases in the amount of Cash Purchase Price to be paid may be made without prior notice or amendment. The Plan must be amended to reflect any increase, a general price change affecting a group, line, or other category of Units or any price change to be advertised in a newspaper or any other media.

NO CHANGE IN THE AMOUNT OF THE CASH PURCHASE PRICE OR IN THE PERCENTAGE INTEREST ALLOCATED THERETO, WILL BE MADE WITH RESPECT TO ANY UNIT FOR WHICH A PURCHASE AGREEMENT HAS BEEN ACCEPTED AND WHICH IS NOT THEN IN DEFAULT UNLESS WRITTEN CONSENT IS FIRST OBTAINED FROM THE PURCHASER OF SUCH UNIT.

See "CHANGES IN PRICES AND UNITS" for a full discussion.

Unit owners will be responsible for the repair and maintenance of any Limited Common Elements adjacent to their Units. These spaces may be modified (i.e. erecting a deck on a terrace or balcony or enclosing such area or building a structure in the rear yard) provided all Condominium and governmental rules and

regulations are complied with and any construction is performed in accordance with the rules and regulations of the Condominium. See section entitled

Each Purchaser shall have to pay his/her attorney a legal fee in connection with the signing of a Purchase Agreement and the closing of the Unit and the cost of title insurance for the Unit. In the event that a Purchaser obtains a mortgage for a portion of the Cash Purchase Price from a lending institution, such Purchaser should expect to pay any charges imposed by the lending institution including, but not limited to, an application fee, origination fee (points) and a legal fee to the lending institution's attorneys. Each prospective Purchaser also is advised that the charges levied and interest rate charged by different lending institutions vary, and that any given lending institution may impose fees which are subject to change. Each prospective Purchaser is advised to consult with the lending institution of his/her choice regarding any charges imposed by it.

It should also be noted that the Common (rent) Charge for the Unit will be adjusted on the Closing Date for the month within which the transfer of the Unit has originally been scheduled.

Furthermore, if a Purchaser requests an adjournment of closing such Purchaser shall be responsible for Common Charges from the originally scheduled closing date until the closing date of his/her Unit.

See "CLOSING COSTS AND ADJUSTMENTS" for fuller discussing of costs.

(3) In accordance with New York Real Property Law Article 9-B, Section 339-i(1)(ii) of the Condominium Act, the percentage interests of the respective Units in the Common Elements have been determined on the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the Common Elements. The method for calculating the square footage of the Units is based upon measurements of exterior walls and may not accurately represent the interior space of the Unit, which may exaggerate the interior space by as much as ten (10%) percent.

(4) These estimates were based upon projected monthly Common Charges as set forth in "SCHEDULE B - BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION" for the year beginning July 1, 2005. The Schedule represents an estimate not a guarantee. The actual first year of operation may begin earlier or later than July 1, 2005. If the first year of operation begins later Common Charges may be higher.

Estimated Common Charges include heat, electricity for Common Elements, water charges, sewer rents and fees, as discussed above, and other operational expenses. They do not include the cost of real estate taxes. Nor do they include

the cost of repairing and maintaining the individual Units, or gas for cooking, or electricity for the individual Units as each Unit shall be separately metered and billed and will be the responsibility of each Unit Owner. In addition, each Unit Owner will be responsible for the cost of interior repairs in, and the maintenance, painting and decoration of his or her Unit (including, without limitation, the equipment and appliances contained therein) as well as the cost of any insurance he or she may desire to obtain covering (i) his/her furniture, belongings, equipment and other personal property and (ii) liability to others for personal injury or property damage as a result of occurrence within his or her Unit.

Further, the mortgage payments of a Purchaser obtaining his or her own mortgage shall be the responsibility of such Purchaser and the same is not included in the estimated Common Charges but shall be in addition thereto. In addition, each Unit Owner shall be responsible for his/her closing costs (see "CLOSING COSTS AND ADJUSTMENTS").

(5) Each Condominium Unit will be taxed as a separate tax lot for real estate tax purposes. Each Unit Owner will be responsible for the payment of real estate taxes on his/her Unit. However no Unit Owner will be responsible for the payment of real estate taxes on a Unit not owned by him/her, nor will his/her Unit be subjected to any lien arising from the non-payment of taxes on other Units.

If the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, the Board of Managers will collect the taxes as proportioned in Schedule A. The Board of Managers will hold said amount in escrow for the payment of taxes.

In the event that the first Unit Closing does not take place and therefore the Condominium's first year of operation does not begin on the date estimated in this Plan, the real estate taxes for the Condominium's first year of operation may be higher than this amount.

DUE TO POSSIBLE INCREASES IN THE TAX RATE AND/OR POSSIBLE FURTHER INCREASES IN THE PROPERTY'S ASSESSED VALUATION, REAL ESTATE TAXES MAY BE HIGHER THAN AS SET FORTH ABOVE, IN FUTURE YEARS.

Pursuant to Section 164 of the Internal Revenue Code, real estate taxes are deductible within the limitations set by the Code. Investors should note that recent changes in the income tax laws could limit these as well as other deductions.

The Sponsor has consulted with Jacob Moseson on the eligibility of the building for J-51 benefits. The Sponsor will submit an application for and will use its best efforts to obtain J-51 benefits for the project. J-51 benefits are two-fold: all of any

increase in a building's assessed valuation, resulting from the conversion, alteration, or improvement of such building or structure, performed pursuant to Section J51, exempt from taxation for a period of fourteen years. The land value shall not be exempt from any increase in assessed valuation. The taxes which are attributable to the non-exempt portion of the assessed valuation, may be abated and reduced by an amount no greater than 8 1/3% of the Certificate of Reasonable Cost to be issued by the Department of Housing Preservation and Development ("HPD") for a period of not less than 6 years and not to exceed 20 years. The J-51 tax exemption benefits are not expected to be granted during the Condominium's first year of operation. See section "REAL ESTATE TAXES FOR INDIVIDUAL UNITS ASSESSED VALUATION BEFORE AND AFTER RENOVATION".

The Condominium's first year of operation is assumed to be July 1, 2005 through June 30, 2006. This period consists of the full 2005/06 tax year.

Real estate taxes for this period have been calculated by taking the 2005/06 taxable assessment of $271,114.00 taxed at a rate of $12.620 (per $100.00 of assessed valuation), for a tax of $34,215.00 for the Condominium's first year of operation without J-51 benefits. However, if the Condominium's first year of operation begins earlier or later than July 1, 2005, the real estate taxes may increase or decrease accordingly.

The Sponsor estimates that taxes will be $-0- with J-51 benefits beginning July 1, 2006. See section entitled "REAL ESTATE TAXES FOR INDIVIDUAL UNITS" for a full discussion of the J-51 tax benefits available to the property.

(6) THIS AMOUNT DOES NOT INCLUDE INTEREST PAID BY PURCHASERS WHO FINANCE THE PURCHASE OF THEIR UNITS WHICH MAY ALSO BE TAX DEDUCTIBLE. PLEASE SEE "COUNSEL'S TAX OPINION".

(7) Areas of the Building not set forth herein as belonging or appurtenant to a Unit are called "Common Elements". They include, but are not limited to, the lobby, public halls, stairways, portions of the roof and the cellar where the mechanical rooms are located. The Common Elements are owned and are to be maintained by the Condominium. The following areas are Limited Common Elements.

a. The rear yard shall be deemed a Limited Common Element, and shall be exclusively used and maintained by the Owner(s) of Units #1A and #1B, who shall be responsible for its repair and maintenance, except that, anything to the contrary herein notwithstanding, the use of the rear yard shall be subject to the conditions and limitations set forth below. The Owner(s) may modify their portion of the rear yard by erecting, a deck, (which may require a permit from the Department of Buildings), or, e.g., additional rooms, interior stairs, etc., (which will require a permit from the Department of Buildings), or an unenclosed structure (provided no zoning

variance is required), at his/her own expense, if allowed by law, provided such work is done in a good and workmanlike manner in accordance with any applicable rules and regulations of the Board of Managers of the Condominium and governmental agencies having jurisdiction thereof. However, certain structures cannot be built as of right and require a variance from the Board of Standards and Appeals. An application for a variance may be opposed by the Board of Managers of the Condominium. The Board of Managers of the Condominium may regulate the following aspects with regard to construction: the time periods during which work is permitted; the manner in which construction debris will be handled, the measures which must be taken to prevent compromising the security of the building under construction and liability insurance for contractors during construction.

i. The Condominium and its agents shall have the use of this space for the following purposes, subject to the following obligations:

(a) Access to Common Elements for inspection, repair and maintenance purposes to the extent that same affect the repair and maintenance of the Building's structure, which shall be the sole and only obligation of the Condominium with regard to the rear yard;

(b) For ingress and egress from the Building in case of fire or for other emergency;

(c) For any purpose as required by law, appropriate governmental rule or regulation or the Building's Certificate of Occupancy.

ii. The Owner(s) of Units #1A and #1B shall have exclusive use of and shall be solely responsible for the maintenance of their portion of the rear yard as shown on the floor plans.

b. The roof area shall be deemed a Limited Common Element, and shall be exclusively used and maintained by the Owner(s) of Units #5A and #5B, who shall be responsible for its repair and maintenance, except that, anything to the contrary herein notwithstanding, the use of the roof area shall be subject to the conditions and limitations set forth below. The Owner(s) may modify their portion of the roof area by erecting, a deck, (which may require a permit from the Department of Buildings), or, e.g., additional rooms, interior stairs, etc., (which will require a permit from the Department of Buildings), or an unenclosed structure (provided no zoning variance is required), at his/her own expense, if allowed by law, provided such work is done in a good and workmanlike manner in accordance with

any applicable rules and regulations of the Board of Managers of the Condominium and governmental agencies having jurisdiction thereof. However, certain structures cannot be built as of right and require a variance from the Board of Standards and Appeals. An application for a variance may be opposed by the Board of Managers of the Condominium. The Board of Managers of the Condominium may regulate the following aspects with regard to construction: the time periods during which work is permitted; the manner in which construction debris will be handled, the measures which must be taken to prevent compromising the security of the building under construction and liability insurance for contractors during construction.

i. The Condominium and its agents shall have the use of this space for the following purposes, subject to the following obligations:

(a) Access to Common Elements for inspection, repair and maintenance purposes to the extent that same affect the repair and maintenance of the Building's structure, which shall be the sole and only obligation of the Condominium with regard to the roof area;

(b) For ingress and egress from the Building in case of fire or for other emergency;

(c) For any purpose as required by law, appropriate governmental rule or regulation or the Building's Certificate of Occupancy.

ii. The Owner(s) of Units #5A and #5B shall have exclusive use of and shall be solely responsible for the maintenance of their portion of the roof area as shown on the floor plans.

c. The storage areas in the cellar shall be deemed a Limited Common Element, and shall be exclusively used and maintained by the Owner(s) of Units #1A, #1B, #2A, #2B, #3A, #3B, #4A, #4B, #5A and #5B, who shall be responsible for its repair and maintenance, except that, anything to the contrary herein notwithstanding, the use of the roof area shall be subject to the conditions and limitations set forth below. The Owner(s) may modify their portion of the storage areas in the cellar, (which may require a permit from the Department of Buildings), or, e.g., additional rooms, interior stairs, etc., (which will require a permit from the Department of Buildings), or an unenclosed structure (provided no zoning variance is required), at his/her own expense, if allowed by law, provided such work is done in a good and workmanlike manner in accordance with any applicable rules

and regulations of the Board of Managers of the Condominium and governmental agencies having jurisdiction thereof. However, certain structures cannot be built as of right and require a variance from the Board of Standards and Appeals. An application for a variance may be opposed by the Board of Managers of the Condominium. The Board of Managers of the Condominium may regulate the following aspects with regard to construction: the time periods during which work is permitted; the manner in which construction debris will be handled, the measures which must be taken to prevent compromising the security of the building under construction and liability insurance for contractors during construction.

i. The Condominium and its agents shall have the use of this space for the following purposes, subject to the following obligations:

(a) Access to Common Elements for inspection, repair and maintenance purposes to the extent that same affect the repair and maintenance of the Building's structure, which shall be the sole and only obligation of the Condominium with regard to the storage areas in the cellar;

(b) For ingress and egress from the Building in case of fire or for other emergency;

(c) For any purpose as required by law, appropriate governmental rule or regulation or the Building's Certificate of Occupancy.

ii. The Owner(s) of Units #1A, #1B, #2A, #2B, #3A, #3B, #4A, #4B, #5A and #5B shall have exclusive use of and shall be solely responsible for the maintenance of their storage areas in the cellar as shown on the floor plans.

Purchasers should note that they may be personally liable for injury to their guests, invitee(s) and/or workers in their Limited Common Elements, as well as in their Units.

IT IS RECOMMENDED THAT A PURCHASER CONSULT WITH HIS/HER OWN ATTORNEY OR FINANCIAL ADVISOR BEFORE PURCHASING A UNIT AND PROVIDE HIM/HER WITH A COPY OF THIS OFFERING PLAN.

IN THE OPINION OF THE SPONSOR, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL RENT (COMMON CHARGES) OR EXPENSES FOR THE FIRST OR

ANY SUBSEQUENT YEAR OF OPERATION OF THE BUILDING BY THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE, AND IT IS LIKELY THAT THE ACTUAL RENT (COMMON CHARGES) OR EXPENSES WILL EXCEED OR BE LESS THAN THE AMOUNT SHOWN IN THE SCHEDULE.

THE SPONSOR HAS RESERVED THE RIGHT TO MODIFY, RENEW AND REPLACE EXISTING SERVICE, MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS, IF ANY, AND INSURANCE POLICIES, AND TO ENTER INTO NEW AGREEMENTS AND POLICIES ON BEHALF OF THE CONDOMINIUM WHICH WILL CONTINUE IN EFFECT AFTER THE FIRST CLOSING HEREUNDER, PROVIDED ANY MATERIAL INCREASE IN THE FIRST YEAR'S ESTIMATED COMMON CHARGES RESULTING THEREFROM WILL BE (i) DISCLOSED BY AN AMENDMENT TO THE PLAN, AND (ii) APPROVED OR RATIFIED IN WRITING BY A MAJORITY OF ALL THEN-EXISTING PURCHASERS (CONTRACT VENDEES) OR BY RESOLUTION ADOPTED WITHIN NINETY (90) DAYS AFTER THE FIRST CLOSING BY A MAJORITY OF THE MEMBERS UNRELATED TO THE SPONSOR.

IN THE EVENT THAT THE PROJECTED COMMENCEMENT OF THE BUDGET YEAR DIFFERS FROM THE ANTICIPATED DATE OF CLOSING BY SIX (6) MONTHS OR LONGER, THIS PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING THE THEN CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25% OR MORE, AS BUDGETED, THE SPONSOR WILL OFFER ALL PURCHASERS THE RIGHT TO RESCIND HIS/HER PURCHASE AGREEMENT AND ANY DEPOSIT PAID THEREUNDER WILL BE RETURNED WITHIN TEN (10) DAYS OF RESCISSION, PLUS INTEREST, IF ANY. SAID RIGHT OF RESCISSION MUST BE EXERCISED WITHIN THIRTY (30) DAYS FROM THE DATE OF SERVICE OF SUCH AMENDMENT ON THE PURCHASER.

SCHEDULE B
BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

Beginning July 1, 2005

Projected Income:[1]

Common Charges	$33,788.87

Projected Expenses:

Salaries and Wages[2]	$ 4,800.00
Heating & Hot Water[3 & 4]	$ -0-
Utilities (Electricity)[5]	$ 894.61
Water Charges and Sewer Rents[6]	$ 3,639.26
Repairs and Maintenance[7]	$ 1,000.00
Service and Supplies[8]	$ 1,200.00
Insurance[9]	$ 8,855.00
Management Fees[10]	$10,400.00
Audit and Legal Fees[11]	$ 3,000.00
Contingencies[12]	$ - 0 -
TOTAL:	$33,788.87[13]

IN THE OPINION OF THE SPONSOR'S EXPERTS, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE PROJECTED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL RENT (COMMON CHARGES) OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE BUILDING BY THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE AND IT IS LIKELY THAT THE ACTUAL RENT (COMMON CHARGES) AND EXPENSES WILL EXCEED OR BE LESS THAN THE AMOUNT SHOWN IN THIS SCHEDULE.

NOTES TO BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

(1) RECEIPTS

Total estimated receipts do not include any interest income that may be earned by the Condominium from the investment of general funds or of the Working Capital Fund to be retained by the Condominium after the First Closing to an individual Unit. Correspondingly, no income taxes have been budgeted.

(2) SALARIES AND WAGES

The sum of $4,800.00 ($100.00 weekly) has been budgeted for a porter for the building. After the first unit closing, the Condominium will hire a porter for the building, who will perform all janitorial and maintenance functions for the building.

(3)(4) HEATING AND HOT WATER

See Schedule "B-1" a breakdown of individual gas and electric costs for each Unit.

(5) UTILITIES - ELECTRIC

The budgeted amount includes electrical charges for Common Elements including public halls, interior and exterior lighting. Unit Owners will be responsible for payment of the cost of electricity in their respective Units, which will be separately metered and billed.

Based upon a letter dated January 13, 2005 from Malcolm I. Barkan, B.C.E., P.E., of MIB Consulting, 32 Express Pines Drive, Nesconset, New York, Mr. Barkan advised the Sponsor that the total estimated usage for the public light and power load at the building will be approximately 4,784 kwhrs annually at a total annual cost of $813.28.

The Sponsor has estimated the cost of electricity for the first year of operation at $894.61 or 10% higher than Mr. Barkan's estimate.

It is not possible to predict with certainty whether the budgeted amount will be in accordance with the actual cost to be incurred during the first year of Condominium operation.

Increases in electric rates will result in raising the cost of electricity. The electric rates are largely affected by increases in the price of fuel paid by the utility company, among other factors. Currently, Con Edison's rates for electricity are

as follows:

Service Classification #2

General/Small Commercial - Used for Common Areas

	Winter	Summer
First 900 kwhrs	14.91 cents/kwhrs	16.41 cents/kwhrs
Next 1,100 kwhrs	13.74 cents/kwhrs	15.74 cents/kwhrs
Over 2,000 kwhrs	5.85 cents/kwhrs	7.35 cents/kwhrs

Please see "SCHEDULE B-1" for a breakdown of individual electric costs for each Unit.

(6) WATER CHARGES AND SEWER RENTS

Mr. Barkan has also estimated the water charges and sewer rents for the building. In his letter, Mr. Barkan estimated that the annual water and sewer charges will be approximately $3,308.42. The Sponsor has increased his estimate by 10% to $3,639.26.

Mr. Barkan's projection is based upon the following:

1. Use of water per day per Apartment: 200 gallons;
2. 2,000 gallons per day per year;
3. Cost estimates are based upon the combined water & sewer rate of $3.39 per 100 cubic feet

(7) REPAIRS AND MAINTENANCE

This figure provides for the maintenance of and repairs to the Common Elements of the Building for the first year of Condominium operation including, but not limited to, interior and exterior repairs, as well as painting of the interior and exterior Common Elements, and general maintenance of the building (approximately $500.00), supplies required to operate, repair and maintain the Building (approximately $250.00) and exterminating costs (approximately $250.00). After the first year of Condominium operation, the Board of Managers of the Condominium may decide to increase the budgeted amount for repairs and maintenance. Individual Unit Owners shall be responsible for the repair and maintenance as well as the painting of their respective Units.

(8) SERVICE AND SUPPLIES - The amount budgeted is for new supplies for the building.

(9) INSURANCE

The Property will be insured with a special multi-peril insurance policy supplied by Omni Risk Management, Inc., 308 West Main Street, Smithtown, New York 11787. The policy will be delivered to the Condominium at the time of First Closing. The coverage is as follows:

Building - $1,500,000.00 All risk replacement cost 80% co-insurance
$5,000.00 Deductible

General Liability - $1,000,000.00 each occurrence
$2,000,000.00 aggregate

Boiler (if required) - $1,500,000.00 limit

Annual Premium - $8,050.00 - The Sponsor has increased this estimate by 10% to $8,855.00 due to increasing insurance costs.

In a letter dated November 22, 2004, Michele Guida of Omni Risk Management, Inc. has advised the Sponsor that in his opinion the amount of coverage is adequate to rebuild the structure if totally destroyed by fire or other insured peril (replacement cost). This is an agreed amount value policy, which waives the Standard Co-Insurance clause. Additionally, the policy provides that each Unit Owner is an additional insured; that there will be no cancellation without notice to the Board of Managers and Unit Owners; waives invalidity because of negligent acts of the insured and Unit Owners; waives subrogation and, waives pro-rata reduction if additional Unit Owners obtain coverage. The amount of insurance which will be in effect at the time of the Closing Date should be sufficient to prevent the imposition of any co-insurance factor in the event of partial loss.

This policy will not be cancelled without prior notice to the Board of Managers.

The Condominium at some future date may decide to increase insurance coverage to insure the equity value of Unit Owners.

IT SHOULD BE NOTED THAT IN THE EVENT THE PROPERTY IS TOTALLY DESTROYED BY FIRE OR OTHER CASUALTY, THE INSURANCE COVERAGE AS STATED HEREIN DOES NOT COVER THE FULL INVESTMENT OF THE UNIT OWNERS.

Individual Purchasers should explore obtaining insurance coverage, which would be at their own cost and expense, to insure themselves for such risks as fire and casualty losses in their Units, their personal contents therein, as well as liability insurance for each occurrence which might occur within their respective Units.

Prior to the First Unit Closing the Property will be insured by the Sponsor.

(10) MANAGEMENT FEES

The Sponsor has received a proposal from GOLDIN MANAGEMENT, 25 8th Avenue, Brooklyn, New York 11217 (718) 230-2600, to manage and maintain the building's financial and maintenance matters for the first year of condominium operation. In a proposal dated December 18, 2004, Martin R. Goldin advised the Sponsor that the annual cost of management would be $10,400.00. This includes a one-time "start-up" fee of $800.00 to get acquainted with the building and a monthly fee of $800.00 for base services. The Managing Agent will perform the following services: develop an annual budget for the Condominium, attend annual meetings, handle accounts receivable, accounts payable, coordinate maintenance for the building and manage any construction and/or major renovations to the building.

The Board of Managers will have the obligation to reimburse the Managing Agent for any expenses advanced on behalf of the Condominium and will be required to indemnify the Managing Agent against liability for acts properly performed by it pursuant to their agreement. The Management Agreement will not be assignable by the Managing Agent. Either party may cancel the agreement 30 days written notice to the other.

(11) LEGAL FEES AND AUDIT FEES

The budgeted figure consists, in the main, of the accountant's fee for the preparation of the Condominium's first year's certified financial statements and its federal, state and City tax returns ($2,500.00). An additional small sum has been factored in for miscellaneous legal services ($500.00) of a minor nature, though it is not anticipated that the Board of Managers shall or have the need to engage an attorney.

(12) CONTINGENCIES

Nothing has been budgeted for contingencies. However, the Offering Plan establishes a Working Capital Fund in the sum of $3,000.00. The Working Capital Fund will be used (i) to pay the closing adjustments to the extent set forth below, and (ii) the balance thereof ($1,000.00) may be held for working capital, to make repairs and improvements, and for appropriate purposes as determined by the Board of Managers. If the net closing adjustments are in favor of the Condominium, the amount thereof will be paid or credited to the Condominium at Closing. If the net closing adjustments are in favor of the Sponsor, the Sponsor waives any net closing adjustments in its favor on the Closing Date which would reduce the Working Capital Fund below the sum of $1,000.00. It is anticipated that the Working Capital Fund will be reduced to this $1,000.00. While the Sponsor controls the Board of Managers, the Working Capital Fund will not be used to lower Common Charges. No representation is made that the Working

Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners.

(13) THE SPONSOR EXPECTS THE FIRST CLOSING TO OCCUR ON OR ABOUT JULY 1, 2005. IN THE EVENT SUCH DATE IS DELAYED BY SIX (6) MONTHS OR LONGER, THIS PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING THE THEN CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25% OR MORE, THE SPONSOR WILL OFFER ALL PURCHASERS THE RIGHT TO RESCIND THEIR PURCHASE AGREEMENTS AND ANY DEPOSITS WILL BE RETURNED WITH INTEREST, IF ANY, WITH TEN (10) DAYS OF RESCISSION.

SCHEDULE B-1

PROJECTED BUDGET FOR INDIVIDUAL ENERGY COSTS

BEGINNING JULY 1, 2005

678 UNION STREET, BROOKLYN, NY

UNIT	ESTIMATED MONTHLY COST FOR GAS FOR INDIVIDUAL UNITS (1)	AVERAGE MONTHLY COST OF ELECTRICITY FOR INDIVIDUAL UNITS (2)	TOTAL ESTIMATED MONTHLY UTILITY COSTS	ESTIMATED ANNUAL COST FOR GAS FOR INDIVIDUAL UNITS (1)	ESTIMATED ANNUAL COST OF ELECTRICITY FOR INDIVIDUAL UNITS (2)	TOTAL ESTIMATED ANNUAL UTILITY COSTS
1A	$ 278.44	$ 185.77	$ 464.21	$ 3,341.28	$ 2,229.24	$ 5,570.52
1B	$ 278.44	$ 185.77	$ 464.21	$ 3,341.28	$ 2,229.24	$ 5,570.52
2A	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48
2B	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48
3A	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48
3B	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48
4A	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48
4B	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48
5A	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48
5B	$ 278.44	$ 168.85	$ 447.29	$ 3,341.28	$ 2,026.20	$ 5,367.48

1. These estimates are based on a letter dated January 13, 2005 from Malcolm I. Barkan in which he estimated the annual cost of gas for cooking, heating and hot water for the individual Units. The Sponsor has increased Mr. Barkans estimates by 10%.

2. These estimates are based on a letter dated January 13, 2005 from Malcolm I. Barkan , predicting an annual cost of electricity for lighting, air conditioning and appliances for the individual Units. The Sponsor has increased these estimates by 10%.

GOLDIN Management

COMPLIANCE WITH SECTION 339 (i)(1)(ii)

May 19, 2005

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

RE: Park Slope West Condominium
678 Union Street
Brooklyn, NY 11215

Gentlemen:

I have reviewed the percentage of common interest allocated to each Unit as shown on Schedule A to the Offering Plan for the subject property, which has been prepared by the Sponsor. In accordance with Section 339(i)(1)(ii) of the Condominium Act, the percentage interest in the Common Elements allocated to each Unit has been determined upon the approximate proportion that the floor area of the unit at the date of the Declaration bears to the aggregate floor area of all the units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all units in a part of the common elements.

In my opinion , therefore, the Condominium Plan and the allocation of percentage interest in the Common Elements in the Land and Building at 678 Union Street, Brooklyn, NY, attributable to each Unit conforms to Section 339(i)(1)(ii) of the New York Real Property law.

Goldin Management, Inc. is a licensed real estate brokerage and management firm. I have had extensive experience in the preparation of Offering Plans as well as the sale of Condominium Units and the management of cooperative and condominium buildings. I therefore believe I have sufficient qualifications, knowledge, and expertise to write this opinion.

I have no financial or other beneficial interest in Sponsor, I will not participate in the profits derived form this Condominium Conversion; I am not the Selling Agent for the Sponsor; and I will not be the Managing Agent of the property.

You have advised me of you intention to incorporate this letter in the Plan, and I hereby agree to such inclusion.

Martin R. Goldin

25 8th Avenue • Brooklyn, NY 11217 • www.goldinmgmt.com
Phone: (718) 230-2600 • Fax: (718) 230-4268 • mgoldin@goldinmgmt.com

CHANGES IN PRICES AND UNITS

In order to meet the possible varying demands for number and type of Unit or to meet the particular requirements of prospective Purchasers or for any other reason, the Sponsor reserves the right at any time prior to the First Closing, without prior notice but by amendment to the Plan to (i) change the size, or number of Units, (ii) subdivide one or more Units into separate Units, (iii) combine separate Units into one or more Units and (iv) change the size of any Unit (by altering the boundary walls of such Units or otherwise); provided that the consent of all governmental authorities having jurisdiction (if such approval is required by law) is obtained. The Sponsor may change the layout of a Unit without prior notice or amendment to the Plan. Any reallocation of space will vary the estimated annual Common Charges for the Unit or Units affected thereby from the amount estimated in Schedule A.

However, no change will be made in the size, layout, number of Units or quality of the Common Elements except by amendment to this Plan. In the event such amendment is filed and any Purchase Agreements have previously been executed, each affected Purchaser (not in default under the terms of his or her Purchase Agreement) shall be given a right to rescind his/her Purchase Agreement and obtain the return of his/her Down Payment provided that within fifteen (15) days of the Presentation Date of the amendment, the Purchaser sends to the Sponsor written notice of such rescission by certified mail, return receipt requested.

The Sponsor reserves the right, prior to and after the First Closing, to place "For Sale" signs in, at or on the Building and to maintain and staff one or more vacant and unsold Unit(s). The Sponsor also reserves the right, prior to and after the First Closing, without prior notice or amendment to this Plan, to use vacant and Unsold Units in the Building for the purpose of storing construction materials and supplies, provided such use is in a safe, neat and workmanlike manner and does not create a nuisance to other tenants.

After the First Closing, the Successor-Sponsor will have the same right as the Sponsor to change the size (either as a result of subdivision, combination, alteration of boundary walls or otherwise) and/or layout of any Unit owned by them, subject only to compliance with the By-Laws of the Condominium. The Successor-Sponsor will also have the right to place "For Sale" signs in, at or on the Building, to maintain one or more vacant and Unsold Units in the Building as a sales office and to store construction materials and supplies. The rights of the Successor-Sponsor may be exercised without the consent or approval of the Condominium, its Unit Owners or others and without payment of any charge or fee to the Board of Managers, or others. Successor-Sponsor may resell their Unit(s) for any price established by them, provided that the Plan is amended to reflect any increase in the Cash Purchase Price as set forth in Schedule A. Notwithstanding the foregoing, the Plan must be amended to reflect a general price

change by the Successor-Sponsor affecting a group, line, or other category of Units or any increase or any price change to be advertised.

Subject to the conditions hereinafter set forth the Sponsor reserves the right, at any time prior to the First Closing, to change the amount of the Cash Purchase Price of any Unit from the amount shown in Schedule "A", column entitled "TOTAL CASH PURCHASE PRICE". Such change shall also include the right to change other terms of sale and the manner of payment with respect to any such Units. Consequently, Purchasers of Units affected by such change may pay or may have paid more or less than other Purchasers under this Plan for the same percentage of Common Elements allocated to similar Units, but this shall not affect any prior or later sale of Units as to which the amount of Cash Purchase Price was changed. Individually negotiated decreases in the amount of Cash Purchase Price to be paid may be made without prior notice or amendment. The Plan must be amended to reflect an increase, a general price change affecting a group, line, or other category of Units or any price change to be advertised.

Notwithstanding the foregoing, no changes will be made in the size or number of Units, their respective percentage of Common Elements and no material change will be made in the size or quality of Common Elements except by amendment to the Plan and to the Declaration. However, no change may be made unless it conforms with the method set forth in Section 339-i(1)(ii) of the New York Real Property Law.

NO MATERIAL CHANGE IN THE UNIT SIZE, LAYOUT OR PERCENTAGE OF COMMON INTEREST OR IN THE AMOUNT OR QUALITY OF COMMON ELEMENTS DIRECTLY AFFECTING OR SERVICING THE UNIT, WILL BE MADE WITH RESPECT TO ANY UNIT FOR WHICH A PURCHASE AGREEMENT HAS BEEN ACCEPTED AND WHICH IS NOT THEN IN DEFAULT UNLESS WRITTEN CONSENT IS FIRST OBTAINED FROM THE PURCHASER OF SUCH UNIT.

Unless all purchasers consent, no material adverse change will be made in the size and no material change will be made in the quality of common elements. However, Sponsor reserves the right to make non-material changes to the common elements without the consent of Purchasers.

The Sponsor reserves the right, but shall not be obligated, to negotiate with purchasers, all aspects of the purchase price of the Unit, including but not limited to: renovations or improvements to the Unit or the fixtures or equipment contained therein or credits or allowances therefore; reduced down payment deposit towards purchase price (but at least $1,000.00); extension of period to secure financing; common charge subsidies or rebates as credit against the purchase price or payable on a periodic basis; application of rent toward purchase price; payment of all or part of purchaser's financing costs such as closing costs, attorneys' fees, origination fees, commitment fees, buy-down of interest rate, and any and all other costs relating to the cost of acquiring title to the Unit. Furthermore, the Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms or to expand the applicability of such

negotiable terms to all Purchasers following the Closing Date. In the event Sponsor decides to offer financing to Purchasers, the terms of such financing will be disclosed in an amendment to the Plan.

PROCEDURE TO PURCHASE

The Sponsor expects the first unit closing to take place on or about July 1, 2005. This is an estimate, not a guarantee. The actual first year of operation may begin earlier or later than July 1, 2005. A person desiring to purchase a Unit will be required to execute in triplicate a Purchase Agreement in the form contained in Part II of this Plan beginning on page B-1 and return it to the Sponsor, c/o Forman & Associates, pc, 156 William Street Suite 800, New York, NY 10038, together with a check for 10% of the purchase price drawn to the order of "FORMAN & ASSOCIATES, pc, SPECIAL UNION STREET, ESCROW ACCOUNT".

All such funds will be handled by the Sponsor and FORMAN & ASSOCIATES, pc, in accordance with the escrow and trust fund provisions of Sections 352-e(2)(b) and 352-h of the New York General Business Law and Section 71(a)(3) of the New York Lien Law and the Attorney General's regulations promulgated pursuant thereto. FORMAN & ASSOCIATES, pc will sign for any release of Purchaser's funds.

Nothing herein contained shall diminish or impair the Sponsor's statutory obligation to each Purchaser pursuant to GBL Section 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such Purchaser. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h. Funds from the escrow account remain the property of the Purchaser until consummation of the transaction, except in the event of a Purchaser's default or authorized release as set forth herein. Such funds shall not be part of the estate of the Sponsor or the escrow agent upon any bankruptcy, incapacity or death.

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

All deposits, down payments, or advances made by Purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after the agreement is signed by all necessary parties, in a special escrow account of FORMAN & ASSOCIATES, pc, the Escrow Agent, whose address is 156 William Street, Suite 800, New York, New York 10038 and whose telephone number is 212-791-5500. The signatory on this account authorized to withdraw funds is WARREN L. FORMAN. The name of the "master" account will be "FORMAN & ASSOCIATES, pc, SPECIAL UNION STREET, ESCROW ACCOUNT", located in North Fork Bank, 90 West Broadway, New

York 10007. This bank is covered by federal bank deposit insurance to a maximum of $100,000.00 per individual deposit. Each initial deposit made into this account will be segregated into a sub-account of the master account.

Each sub-account will be interest-bearing and, unless the Purchaser defaults, interest will be credited to the Purchaser at closing. The interest rate to be earned will be the prevailing rate for these accounts which is currently approximately .5%. However, this rate is periodically subject to change. Interest will begin to accrue within nine (9) business days of tender of the down payment.

All instruments shall be made payable or endorsed to the order of "FORMAN & ASSOCIATES, pc", as escrow agent.

Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the escrow agent will notify the Purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the deposit. 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.

Before any funds are transferred to a new escrow account, or if the escrow agent is replaced, the plan shall be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security.

Since all Purchase Agreements are contingent upon the Plan's becoming effective, under no circumstance shall the Sponsor apply for release of the escrowed funds of a defaulting purchaser until after consummation of the Plan.

The escrow agent will hold funds in escrow until otherwise directed in:

(i) a writing signed by both the Sponsor and Purchaser;
(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 dispute resolution provisions of the Attorney General regulations and has so notified the escrow agent in accordance with such provisions.

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

Purchasers and 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 reproduced in Part II of this Plan. The party applying for a determination must send all other parties a copy of the application.

Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser and the escrow agent shall abide by any interim directive issued by the Attorney General. The Sponsor shall not object to the release of the escrowed funds to (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan, or (b) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law. If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted. The Attorney General shall act upon the application within thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons. If the application seeking release of funds is denied, the escrow agent shall continue to hold the deposit and any interest earned thereon until: (i) both the Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and Purchaser; or (ii) a judgment or order of a court of competent jurisdiction is served on the escrow agent; or (iii) the escrow agent deposits the disputed amount into court. In no event shall the escrow agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court of competent jurisdiction or by written agreement of the Sponsor and Purchaser.

Also reproduced in Part II of this Plan is a copy of the escrow agreement which incorporates the terms of the Attorney General's regulations.

The escrow agent will maintain all records concerning the escrow account for seven (7) years after the release of funds.

At the Sponsor's option, either before or after the deposit of the Down Payment with the escrow agent, the Sponsor may post a bond or letter of credit with the

Purchaser, issued by a licensed surety company or bank, in accordance with the Attorney General's regulations, guaranteeing the return of such monies to the Purchaser if the Purchase Agreement or Plan requires such return. The Sponsor will amend the Plan prior to posting such a bond or letter of credit or entering such a contract of indemnity to provide all necessary information in connection with such bond or letter of credit at which point the Down Payments will be released to the Sponsor for its own use. All interest earned on the Down Payments, if any, will be returned to the Purchaser, unless the Purchaser defaults under the Purchase Agreement.

In the event that a Purchaser rescinds his/her Purchase Agreement in accordance with the terms and conditions contained therein, then the Down Payment shall be fully returned to the Purchaser with interest, if any (except for the cost incurred for any additional work ordered by the Purchaser).

Each prospective Purchaser should note that the Sponsor is only obligated to provide the equipment, fixtures and furnishings, if any, described in Part II of this Plan in the section entitled "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION". If a person desiring to purchase a Unit requests that the Sponsor perform special work on such Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION", Part II of this Plan, and the Sponsor agrees to perform such special work and/or provide such furnishings, then the Sponsor may require such person to deposit an amount greater than ten (10%) percent of the offering price of such Unit. All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account. However, purchasers should note as a special risk that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a purchaser is entitled to rescission, the purchaser will not receive a refund of any funds used for upgrades or extras. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model Unit imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unit to the Purchaser unless the Purchaser agrees to pay the Sponsor an amount as determined by the Sponsor in addition to the Purchase Price of such Unit. Each prospective Purchaser should inspect thoroughly and measure the dimensions of each Unit before executing any document in connection with the purchase of a Unit.

The actual layout and dimensions of such Unit may differ from the layout and dimensions described on the Floor Plans. If a Purchaser desires any changes in the Unit or any special or additional work or furnishings not described in Part II of this Plan, in the Section entitled "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION", the Purchaser and Sponsor must insert a description of such work or furnishings as an addition to the Purchase Agreement.

Prior to the acceptance of Purchase Agreements for 80% of the Units, in the event that insufficient funds are raised through the Offering to effectuate the purchase of

the Units and the consummation of the Plan, or if a Purchaser rescinds his/her Purchase Agreement in accordance with the terms and conditions contained therein, or if the Plan is abandoned, then such monies shall be fully returned to those Purchasers under their respective Purchase Agreements, with interest earned thereon, within ten (10) days after the date of abandonment of the Plan as hereinafter provided. With respect to any Purchaser who has defaulted under his/her Purchase Agreement and who has failed to cure the default within the applicable grace period, or whose Purchase Agreement had previously been cancelled, the Sponsor shall retain as liquidated damages all payments made thereunder (but in no event to exceed ten (10%) percent of the Total Cash Purchase Price plus the cost incurred of any special work in the Unit ordered by Purchaser), together with any interest earned thereon (hereinafter collectively called the "Liquidated Sum"). Any such sums deposited in excess thereof (together with any interest earned on such excess amounts) will be refunded to the delinquent Purchaser within fifteen (15) days thereafter.

Purchasers shall be offered a right of rescission in the event the first closing to a Unit is delayed for twelve (12) months or longer beyond the anticipated date of first closing. Purchasers shall exercise the right of rescission within thirty (30) days of notice from Sponsor and shall receive the return of their down payment within ten (10) days of the exercise of the right to rescind.

Purchasers shall be given at least thirty (30) days advance written notice of the closing of title to the Unit. Purchasers may close earlier and waive such 30-day notice by signing the form of waiver to be included in the amendment declaring the Plan effective. Purchasers shall have the right to inspect their respective Units and the Building's Common Elements at least five days prior to paying the balance of the funds and the Closing Date.

After the Plan is declared effective, each Purchaser will be given thirty (30) days written notice by regular mail, or registered mail, or certified mail, with or without return receipt requested, to the Purchaser or his/her attorney at his/her last known address, in which a closing date will be fixed within which time the Purchaser must deliver to the Sponsor, if so designated, his/her unendorsed certified check or official cashier's check, in either case drawn on a bank which is a member of the New York Clearing House, in the amount of the balance of the Cash Purchase Price.

If within the aforesaid thirty (30) day period a Purchaser fails to pay the balance of his/her Purchase Price, and any such failure is not cured within a further period of thirty (30) days after Sponsor sends written notice thereof, Sponsor's sole remedy is to cancel the Purchase Agreement and retain as and for liquidated damages all payments made thereunder (but in no event to exceed ten (10%) percent of the Purchase Price plus the cost of any special work incurred in the Unit ordered by Purchaser), together with any interest earned thereon (the "Liquidated Sum"). Any payments received in excess of the Liquidated Sum, together with any interest earned on such excess payments, shall be refunded to the Purchaser with reasonable promptness after cancellation. TIME IS OF THE ESSENCE IN CURING A DEFAULT UNDER THE

PURCHASE AGREEMENT. "Time is of the essence" means that no further adjournment, extension or grace period may be permitted to the Purchaser within which he/she will be permitted to consummate his/her purchase of the Unit and that the provision regarding liquidated damages shall thereupon immediately be applicable. In the event the Purchase Agreement is cancelled, the Sponsor will have the right to sell the Unit to others as though said Purchase Agreement had never been signed (and without accounting to Purchaser for the proceeds of such sale), and Purchaser, the Sponsor and the Condominium shall be relieved of all further liability and obligation thereunder and under the Plan.

All Purchasers shall be offered not less than three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement.

No Purchase Agreement is assignable or transferable without the written consent of the Sponsor.

If the Purchase Agreement is subject to the Purchaser obtaining a loan in an amount which shall be specified, at the prevailing rate of interest, whether "fixed" or "variable", the Purchaser shall have 30 days from the signing of the Purchase Agreement to obtain the loan commitment. In the event that the Purchaser fails to obtain a commitment within the 30 day period, either party may cancel the Purchase Agreement on 5 days written notice to the other party by personal delivery or by certified mail return receipt requested after the expiration of the thirty (30) day period. The Purchaser shall be entitled to a prompt refund of his/her Down Payment in the event of such cancellation. The Purchaser shall apply for a Mortgage and notify the Sponsor or the Sponsor's attorney within ten (10) days from the date of receipt of a fully executed Purchase Agreement as to the identity of the lending institution to which the Purchaser has applied and further the Purchaser shall immediately (within five days) notify the Sponsor or the Sponsor's attorney when a loan commitment or declination has been obtained and deliver a copy of such commitment or declination to the Sponsor's attorneys within nine (9) days receipt thereof. IN THE EVENT THAT THE SPONSOR'S ATTORNEY DOES NOT RECEIVE THE ABOVE NOTICE TO CANCEL WITHIN SAID TIME PERIOD, THE PURCHASER SHALL BE EXPECTED TO CLOSE WHETHER OR NOT THE PURCHASER HAS RECEIVED FINANCING UNLESS THE PURCHASE AGREEMENT IS CANCELLED BY THE SPONSOR.

Purchasers should note that financing commitments for the purchase of Units may have expiration dates prior to which Closing of Title to the Unit may occur, unless the commitment is extended. If such extension is granted, or another commitment issued, no guarantee can be made that the terms will be the same as the expired commitment. ONCE A BANK COMMITMENT IS ISSUED, THE PURCHASER WILL BE REQUIRED TO USE DUE DILIGENCE IN OBTAINING AND MAINTAINING ANY AND ALL EXTENSIONS NECESSARY TO MAINTAIN SUCH COMMITMENT IN FORCE AND EFFECT OR TO OBTAIN ANOTHER COMMITMENT. Failure to do so will constitute a default under the Purchase Agreement and the loss of the Downpayment plus the cost incurred of any special work ordered by the Purchaser. If the Purchaser is

unable to obtain an extension of the commitment by the Closing Date or within thirty (30) days after expiration of his/her commitment whichever is longer, the Purchaser shall notify the Sponsor within five days of the time period specified by certified mail return receipt requested, whereupon the Purchase Agreement shall become null and void and the Down Payment shall be returned by the Seller.

The Seller may cancel this Agreement by forwarding its check in the full amount paid by the Purchaser, with interest, together with a notice in writing, addressed to the Purchaser, at the address hereinabove set forth in the event of the occurrence of either of the following: (1) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of material necessary in the construction of residential housing and such restriction shall prevent the Seller from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (2) that the Seller is unable to obtain materials from its usual sources due to strike, lockouts, war, military operations and requirements, national emergencies, or the installation of public utilities is restricted or curtailed.

Purchasers should also note that the Purchase Agreement will provide that failure to apply for a Mortgage as set forth herein, or provide information to the lender promptly upon request thereof, or to accept a commitment issued to the Purchaser by the lender on terms set forth in the Purchase Agreement shall constitute a default by the Purchaser under the Agreement, whereupon Sponsor shall have remedies as set forth hereinabove.

Risk of loss to the property by fire or other casualty shall remain with the Sponsor until legal title has passed to the Unit, or, as to an affected Unit only, a Purchaser is given prior possession of a Unit pursuant to a written agreement with the Sponsor, whichever occurs first.

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

After a Purchaser executes a Purchase Agreement and tenders the Down Payment thereunder, the Condominium or the Sponsor, within 20 days thereafter, must either accept the executed Purchase Agreement and return a duly executed counterpart to the Purchaser, or reject the Purchase Agreement. In the event the Sponsor rejects the Purchase Agreement, the Sponsor shall be required to return the full contract deposit previously tendered. The failure of the Sponsor to execute a Purchase Agreement which has been duly delivered within 20 days of receipt thereof shall be deemed a rejection of the Purchase Agreement. The Down Payment, plus interest, will be returned within 15 days of such rejection.

On the Closing Date for each Unit, fee simple to the Unit, free and clear of all liens and encumbrances other than those set forth in the Plan and any mortgages obtained by the Purchaser in question, will be conveyed to the Purchaser, and the

Purchaser will thereupon become obligated for the payment of Common Charges from the Closing Date, whether or not such Purchaser has taken possession of the Unit. A Deed to a Unit will be issued to Purchaser as of the Closing Date for his/her Unit and will be delivered on the applicable Closing Date or promptly thereafter.

The Purchase Agreement may not contain or be modified to contain, a 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.

FINANCING THAT MAY BE AVAILABLE TO PURCHASERS

Availability of Mortgages From Other Institutional Lenders

Various savings and commercial banks in New York State have generally financed from 50% to 70% or more of the total cash purchase price of Units for Purchasers whose credit, income and reputation are acceptable to the bank making the loan. However, many banks have established a threshold for the number of units in a condominium to be sold prior to their making loans. No representation is made as to the terms, conditions or availability of such financing at this time or in the future.

If a Purchaser obtains a mortgage, his/her aforesaid rights to sell, sublet and surrender possession of his/her Unit will be subject to the rights of the lender set forth in the mortgage, which normally would restrict the Purchaser from exercising these rights while the mortgage is outstanding.

In the event that a Purchaser finances a portion of the Total Cash Purchase Price from a lending institution, such Purchaser should expect to pay any charges imposed by the lending institution including, but not limited to, an application fee, title insurance, origination fee (points), appraisal fee, survey charge, credit report fee and a legal fee to the lending institution's attorneys. Each prospective Purchaser also is advised that the charges levied by different lending institutions, as well as interest rates, vary, and that any given lending institution may impose fees which are subject to change. Each prospective Purchaser is advised to consult with the lending institution of his/her choice regarding any interest rates and charges imposed by it.

Responsibility of Purchaser to Obtain Financing

The Condominium and the Sponsor are not obligated to obtain financing on behalf of any Purchaser. Consequently, each person who desires to finance the purchase of any Unit is solely responsible for obtaining a commitment for such financing from the lender of his/her choice. Accordingly, Purchasers should inquire about the availability, terms, cost, and Purchaser's eligibility for such financing before signing and returning the Purchase Agreement.

NO WARRANTY IS MADE THAT BANK FINANCING WILL BE AVAILABLE TO ANYONE WHO PURCHASES A UNIT UNDER THE PLAN OR AS TO THE TERMS, COSTS AND CONDITION UPON WHICH SUCH FINANCING MAY BE GRANTED OR THE COST OF OBTAINING SAME.

EFFECTIVE DATE

This offer to sell is contingent upon the Plan being declared effective within 12 months from the Acceptance Date of the Offering Plan, unless the Plan is otherwise amended. In order for the Plan to be declared effective, compliance with the relevant conditions described in this Offering Plan is required.

The following provisions will determine whether and when the Plan will be declared effective:

1. The Plan may not be declared effective until executed Purchase Agreements of bona fide Purchasers for occupancy have been accepted by the Sponsor for not less that fifteen (15%) percent of the Units (2 Units) offered under the Plan.

2. The Plan must be declared effective when Purchase Agreements are executed and accepted for 80% of the Units (or 8 Units) offered under this Plan.

The Plan shall be declared effective by written notice. Said notice shall be served on (i) Purchasers who have executed and delivered Purchase Agreements to the Sponsor or to the Condominium, and are not in default thereunder; and (ii) any other person entitled to service pursuant to local law or regulation, (collectively known as "Offerees"), in the following manner:

(1) personal delivery; or,

(2) mailing addressed to the Offeree at the last known residence of such Offeree or if Offeree has provided written information of an alternative address for notice, addressed to the Offeree at the alternative address.

Service shall be deemed complete upon completion of personal delivery to all Offerees or on the fifth day after the date of mailing to all Offerees not personally served.

The Sponsor shall submit an amendment to the Department of Law within five business days thereafter to disclose that the Plan has been declared effective on a specific date together with an affidavit of Service. No closing of title to the Units shall occur until the amendment disclosing that the Plan has been declared effective is accepted for filing by the Department of Law, State of New York.

The Sponsor must submit to the Department of Law, if requested, copies of all Purchase Agreements (and any amendments or modifications) within nine (9) business days after the request is made.

In determining whether the Plan may or must be declared effective: the Plan will not be declared effective based upon the Purchase Agreements: (1) containing requirements for the filing of amendments which have not yet been accepted for filing by the Department of Law; (2) Purchasers who have been granted a right of rescission which has not yet expired; (3) Purchasers who have not had at least three (3) days to review the Offering Plan; and (4) any Purchaser who is the Sponsor, the Selling Agent, or the Managing Agent, or is a principal of the Sponsor, the Selling Agent, or the Managing Agent, or is related to the Sponsor, the Selling Agent, or the Managing Agent, or to any principal of the Sponsor, or the Selling Agent, or the Managing Agent by blood, marriage or adoption or as a business associate, an employee, a shareholder, or limited partner, except that such Purchaser other than the Sponsor, or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the New York State Department of Law that the Purchaser is bona fide.

The Plan may be abandoned by the Sponsor at its sole option before it has been declared effective and before 80% of the Units are purchased. In the event of such abandonment the Sponsor shall promptly file a notice of abandonment on form RS-3 or any such form as the Department of Law may require setting forth the reasons for such abandonment and accounting for the disposition of all funds previously received pursuant to this Offering.

Upon such abandonment all Purchase Agreements executed by Purchasers shall terminate, thus becoming null and void. Furthermore, upon such abandonment the rights of any Purchaser pursuant to this Plan shall cease. All monies paid by Purchasers shall be refunded to said parties within 15 days from the filing with the Department of Law of the notice of abandonment, with interest, if any.

The Sponsor may not abandon the Offering Plan after the Effective Amendment is accepted for filing by the Department of Law 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 (½) of one (1%) percent of the total amount of the Offering, (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half (½) of one (1%) percent of the total amount of the Offering, (iii) the taking of any material portion of the property by condemnation or eminent domain. The one-half (½) of one (1%) percent of the total amount of the Offering ("Upset Price") relied upon as the basis for abandonment after effectiveness excludes any such title defects violations, work orders, attorneys fees or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and either are known to the Sponsor or are a matter of public record on the Effective Date.

After the Plan has been declared effective, and prior to or simultaneously with the First Closing, the Declaration and By-Laws will be recorded, and the Floor Plans will be filed in the Kings County Office of the City Register (see "CLOSING OF TITLE TO UNITS").

Purchasers will not be obligated to pay the balance due under his/her Purchase Agreement until a date which is at least thirty (30) days after the amendment disclosing that the Plan has been declared effective has been accepted for filing by the Department of Law and notice thereof provided to Purchasers, unless Purchasers waive such thirty (30) day notice.

This Plan cannot be used 12 months from the Acceptance Date of the Offering Plan, unless it is extended by amendment

CLOSING OF TITLE TO UNITS

The term "Closing of Title" or "Closing", as used herein, means the time, place and procedure by which fee title to the Unit in question is conveyed to the Purchaser pursuant to such Purchaser's Purchase Agreement. Closing will take place concurrently with or after occurrence of the following events:

1. Issuance of a temporary or final Certificate of Occupancy for the Building. If a temporary Certificate of Occupancy is issued, the Sponsor agrees to obtain a permanent Certificate of Occupancy within two (2) years of closing of the first Unit (or at such sooner time as the temporary Certificate of Occupancy, as renewed, replaced or extended, expires);

2. The recording or filing as required by law, of the Declaration, By-Laws, Floor Plans and Architect's and tax authority Certifications required by Section 339-p of the New York Condominium Act;

3. The due recording of the release of every mortgage and other liens affecting the Unit to be closed and its undivided Common Interest as required by Section 339-r of the Condominium Act;

4. The Sponsor has given each Purchaser at least thirty days' prior written notice of the date on which title to his/her Unit will close and of the opportunity to inspect the Unit and Common Elements, such inspection to be during normal business hours and to be undertaken in the company of the Sponsor's Agent;

5. If the Purchaser has requested title insurance, the issuance to the Purchaser (at Purchaser's expense) of a policy of title insurance, in at least the amount of the Purchase Price of the Unit, insuring (i) that the Purchaser has fee title to his/her Unit free and clear of all liens and encumbrances except for Permitted Encumbrances (as hereinafter defined) except any mortgage and related documents which a Purchaser executes as part of the Purchase Price of the Unit, and (ii) the Condominium has been validly created pursuant to the Condominium Act;

6. The Sponsor has amended the Plan to disclose that it has been declared effective and to confirm that any Units to be closed have been constructed substantially in accordance with any applicable plans and specifications; and the Sponsor has complied with the applicable requirements of this section of the Plan;

7. The Sponsor's assigning to each Purchaser all manufacturers' warranties in the Sponsor's possession, if any, for appliances, fixtures and personal property installed in the Purchaser's Unit and, to the Board of Managers,

all manufacturers' warranties in Sponsor's possession, if any, as of the First Closing which relate to equipment and appliances installed in the Common Elements; and,

8. The Sponsor delivers a bargain and sale deed with covenants against grantor's acts in the proper form for recording in the form set forth beginning on page D-1 in Part II of the Plan, free and clear of all liens and encumbrances other than the following "Permitted Encumbrances":

a. The terms, burdens, conditions, covenants, restrictions, easements and provisions, all as set forth in the Declaration, the By-Laws and the Rules and Regulations made thereunder; the Power of Attorney from Purchaser to the Board of Managers; and Floor Plans, all as may be amended from time to time;

b. Any state of facts which an accurate survey or inspection of the Unit would show provided such facts do not render title unmarketable and would not prevent the use of the Unit for dwelling purposes;

c. Covenants, restrictions, easements and agreements of record if any, provided the same do not prevent the use and maintenance of the structure;

d. Zoning regulations and ordinances which are not violated by the existing structures;

e. Consents by the Seller or any former owner of the premises for the erection of any structure or structures on, under or above any street or streets on which any premises may abut;

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

g. Possible lack of right to maintain vault or vaulted areas under and coal chutes in the sidewalks;

h. Projections and encroachments, if any, or retaining walls, doors, ledges, water tables, standpipes, chimneys, lintels, coal chutes, windows, bay windows, trim, coping, cornices, ornamental projections, fences and retaining walls;

i. Mechanics' liens, if any, provided that any reputable title company licensed to do business in the State of New York agrees to insure the Purchaser against the collection thereof out of the Unit but not against the Property;

j. Rights, if any, acquired by any utility or licensed public service company to maintain and operate lines, wires, cables, poles and distribution boxes in, over and upon said Property;

k. Variations if any, between tax lot and lines of record title;

l. Existing Interim Leases, should the same be provided for in an amendment to this Offering Plan;

m. Party wall agreements;

n. Legislative restrictions, if any;

o. Standard printed exceptions contained in the form of title insurance to be issued by the title insurance company insuring the Purchaser's title to the Property, included but not limited to:

(i) Defects and encumbrances arising or becoming a lien after the date of the title policy, except as therein provided;

(ii) Consequences of the exercise and enforcement or attempted enforcement of any governmental war or police powers over the Property;

(iii) Any laws, regulations or ordinances (including, but not limited to zoning, building, environmental protection) as to the use, occupancy, sub-division or improvement of the premises; adopted or imposed by any governmental body, or the effect of any non- compliance with, or any violation thereof;

(iv) Judgments against the insured or estates, interests, defects, objections, liens or encumbrances created, suffered, assumed or agreed to by or with the privity of the insured;

(v) Title to any property beyond the lines of the premises or to areas within or rights or easements in any abutting streets, roads, avenues, lanes, ways or waterways, with a right to maintain train vaults, tunnels, ramps or any other structure or improvement, unless the policy specifically provides that such titles, rights or easements are insured. Notwithstanding any provision in this paragraph to the contrary, the policy, unless otherwise excepted, shall insure the ordinary rights of access and egress belonging to the abutting owners;

(vi) Title to any personal property, whether the same be attached to or used in connection with said premises or otherwise.

p. Service, maintenance and license agreements, if any, of other Units or portions of Common and Limited Common Elements;

q. The lien of any unpaid Common Charges, real estate tax, water and sewer charges provided the same are adjusted at the Closing;

r. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board of Managers) except that the Sponsor shall pay all such assessments due prior to the Closing Date and the Purchaser shall pay all assessments from and after such date (however, the then current installment shall be adjusted at Closing);

s. Any other Declaration or other instrument affecting the Property which the Sponsor 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 demolition, construction, alteration, repair or restoration of the Building;

t. Certificate of Occupancy (temporary or permanent) to be secured by Sponsor;

u. Violations noted or issued of record after the First Closing by any governmental authority. Any violations which the Sponsor is obligated to remove will not be an objection to the closing of Units after the date of First Closing, provided Sponsor agrees in writing with Board of Managers to remove same of record.

A Purchaser is required to accept title to the Property as National Granite Title Insurance Agency, Inc., agrees to insure subject only to the provisions set out above and the standard printed exceptions contained in the form of title insurance policy promulgated exceptions by the New York Board of Title Underwriters. In the event that a Purchaser decides to use the services of a title company other than National Granite Title Insurance Agency, Inc., Purchaser will be obligated to pay FORMAN & ASSOCIATES, pc a fee of $500.00 for its time in coordinating and arranging for Closing with the other title company.

The existence of mortgages, liens and encumbrances, other than the Permitted Encumbrances, shall not be objections to title, provided that properly executed instruments, in form for recording, necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments made for the cost of recording or filing such instruments. The Sponsor will bear the responsibility and cost of recording or filing such instruments, other than recording of mortgages placed on the Unit by the Purchasers.

The Sponsor may abandon the Offering Plan prior to declaring the Plan effective and prior to the execution of Purchase Agreements for 80% of the Units offered under the Plan. In the event that this Offering is abandoned by the Sponsor or in the event the Sponsor is unable to convey title to the Purchaser in accordance with the Purchase Agreement, then the Purchase Agreement will be null and void and neither party will have any rights as against or obligations to the other parties.

At the Closing of Title, Sponsor will convey to the Purchaser all fixtures and articles of personal property which are attached to or used in connection with the operation of the Unit. Such fixtures and articles of personal property (including kitchen appliances, equipment and fixtures) will be conveyed by the Sponsor to the Purchaser in the condition in which they are described in the "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION", in Part II beginning at page A-1. All kitchen appliances and lighting fixtures in the Unit owned by the Sponsor at the Closing of Title will become the property of the Purchaser as of the Closing of Title.

In the event that the net closing adjustments are in favor of the Purchaser, the amount thereof shall be paid or credited to the Purchaser at closing.

If any of the foregoing items to be apportioned cannot be adjusted as of the Closing of Title because they are not fully ascertainable, they shall be apportioned and adjusted at such Closing of Title to the extent reasonably possible and the balance as soon thereafter as the undetermined amounts are ascertained.

If proceedings are pending for the reduction of real estate taxes on the Unit for the tax year in which the closing occurs, the Condominium will continue such proceedings with the attorney previously employed by the Sponsor. The Sponsor shall have the sole right to negotiate and settle all claims in connection with such proceedings. The cost of such proceedings and (in the event taxes are reduced) any refund shall be apportioned between the Sponsor and the Board of Managers according to the ownership of the Property during respective portions of the tax year prior to the Closing of Title. Any refund covering a period prior to the Closing of Title and all expenses incurred in connection with obtaining such refund, shall belong to and be incurred by the Sponsor alone. There are no certiorari proceedings pending at present. If there are any changes the Plan will be amended to so state.

The Sponsor will in no event be liable to the Purchaser in the event of a delay in the Closing of Title caused by a delay in repairing damage resulting from the above

referred to casualty. In repairing damage resulting from the above referred to casualty, Purchasers shall be responsible for any special work ordered by the Purchaser.

Risk of loss to the property by fire or other casualty shall remain with the Sponsor until the closing date as defined herein above. Risk of loss to the individual Unit shall stay with the Sponsor until a Purchaser is given possession, or closing of title to the Unit, whichever occurs first.

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

Any and all representations and obligations which are imposed upon the Sponsor by virtue of this Offering Plan or the General Business Law, the performance of which shall occur after the transfer of title, shall survive delivery of the deed.

The Condominium shall have public liability insurance after it takes title to the Unit. This representation shall survive delivery of the deed.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that the Sponsor has performed and discharged every agreement and obligation on the part of the Sponsor to be performed under the Plan except those (if any) to survive delivery of the deed, which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e. If Sponsor fails to complete Sponsor's improvements as described in this Plan (see "DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION", set forth beginning on page A-1) for a particular Unit, the Sponsor and the Unit Owner in question will prepare a Punch List and enter into an agreement under which the Sponsor will agree to complete the work described on the Punch List following the Closing Date for the Unit in question.

At each closing, the Purchasers will also execute and deliver a Unit Power of Attorney, coupled with an interest, in the form set forth on page C-1 in Part II of the Plan. The Unit Power of Attorney irrevocably designates the Board of Managers as such Unit Owner's attorney-in-fact for the purpose, among other things, of determining and collecting common charges, contracting for necessary services, employing and dismissing personnel, adopting and amending rules and regulations, acquiring, managing, selling, mortgaging, leasing, or otherwise dealing with (but not voting the votes appurtenant thereto) any Unit and the undivided interest in the Common Elements appurtenant thereto acquired by the Board of Managers in accordance with the provisions of the By-Laws set forth on page F-1 in Part II of the Plan.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

The Purchaser will pay the following estimated Closing costs at the time of Closing of Title for the Purchaser's Unit. These estimates are based on current costs and charges, which are subject to change:

(a) If a Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor which will vary depending upon the Purchase Price of the Unit. Fee title insurance charges, if ordered, in accordance with the schedule of rates set by the New York Board of Title Underwriters and filed with the New York State Insurance Department are currently $502.00 on a Purchase Price up to $50,000.00 and $5.43 for each additional thousand dollars or fraction thereof up to a Purchase Price of $100,000.00 and $4.36 for each additional thousand dollars or fraction up to a Purchase Price of $500,000.00 (e.g., a purchase price of $500,000.00 would result in a fee for title insurance of $2,518.00). If a mortgage policy is issued simultaneously with the fee policy, a Purchaser will be entitled to a reduced rate of 70% of the regularly scheduled rate for the fee policy and 21% of the regularly scheduled rate for the mortgage policy if the Condominium contains more than ten (10) Units. The reduced rates apply to initial Sponsor sales. Title insurance will be available from NATIONAL GRANITE TITLE INSURANCE AGENCY, INC., 155 N. Main Street, New City, New York 10956 (845) 639-1415. The Sponsor makes no representations regarding insurance available from other insurers, should a Purchaser choose same. In the event that a Purchaser decides to use the services of a title company other than NATIONAL GRANITE TITLE INSURANCE AGENCY, INC., the Purchaser will be obligated to pay FORMAN & ASSOCIATES, pc a fee of $1,000.00 for its time in coordinating and arranging for Closing with said title company.

(b) Fees for recording the deed and Unit Power of Attorney in favor of the Board of Managers;

The current amount of such fees are $22.00 per document plus $5.00 per page (including cover page), plus a $15.00 company service charge per instrument (e.g.,$52.00 to record a 3 page document);

(c) If the Purchaser obtains a mortgage loan, the Purchaser will pay a mortgage tax, which is currently (subject to certain possible adjustments) 1.75% of the principal amount of the mortgage if under $500,000.00 and 1.875% of the principal amount if the mortgage is $500,000.00 or more less $25.00 (e.g., $4,350.00 for a mortgage of $250,000.00 or $9,350.00 for a mortgage of $500,000.00). If a mortgage tax credit becomes

available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at Closing, each Purchaser electing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. The Sponsor, at Closing, will be reimbursed to the extent of any mortgage tax credit allowed;

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

(e) New York City Real Property Transfer taxes currently 1% of the Purchase Price of a Condominium Unit, if under $500,000.00 and 1.425% of the Purchase Price of a Condominium Unit $500,000.00 or more, plus additional consideration of 1.4% or 1.825% of the purchase price, plus a $50.00 filing fee, will be the sole responsibility of the Purchaser (e.g., $5,040.00 for a purchase price of $499,000.00). Consideration includes both the purchase price of the Unit and the Transfer Tax being paid by the Purchaser. (see "SPECIAL RISKS");

(f) New York State Documentary Stamp taxes presently $4.00 per $1,000.00 of the Purchase Price of a Unit plus additional consideration as set forth in (e) above, will be the sole responsibility of the Purchaser. Consideration includes (e.g., $2,024.00 for a purchase price of $499,000.00) both the purchase price of the Unit and the Transfer Tax being paid by the Purchaser. Consideration includes both the purchase price of the Unit and the Transfer Tax being paid by the Purchaser. (see "SPECIAL RISKS");

(g) Each Purchaser will be required to make a contribution to the Working Capital Fund in an amount equal to one month's estimated Common Charges for such Purchaser's Unit. See Schedule A for the estimate of such amounts;

(h) All costs with regard to any mortgage that the Purchaser will place on his/her Unit; and

(i) Purchaser's proportionate share of the insurance premium on the Condominium for the first year of operation.

For example, a Purchaser purchasing a Unit for $327,500.00 with a mortgage of $261,800.00 can expect closing costs including, but not limited to: fee and mortgage insurance ($1,768.00), mortgage tax ($4,682.40), recording fees ($795.00), Sponsor's attorney ($1,500.00), New York City transfer tax ($3,777.15) and New York State transfer tax ($1,330.00). In addition, Purchasers will be responsible for the fees of their own attorney, the attorney for their lending institution and all charges of their lending institution.

ALL QUOTES FOR RECORDING CHARGES, MORTGAGE, TRANSFER AND OTHER TAXES ARE DESCRIBED GENERALLY HEREIN, ARE SUBJECT TO CHANGE. PURCHASERS SHOULD DISCUSS ACTUAL CHARGES APPLICABLE TO THEM WITH THEIR OWN ATTORNEY.

Those Purchasers obtaining mortgage loans will be responsible for the payment of all Closing costs and expenses in connection therewith in amounts determined by the applicable lender. These costs and expenses will probably include an origination fee ("points"), appraisal fee, fees of lender's counsel, and a fee for mortgage title insurance, as well as other related fees. In addition to the specified costs and expenses, a mortgage on a Unit probably will provide that the Unit Owner deposit monthly with the lender one-twelfth of the estimated annual real estate taxes, water rates, sewer charges and assessments which are assessed or to be assessed against the Unit, together with one-twelfth of the annual fire and casualty insurance policy premium for the Unit, or other amounts, and at the Closing of Title the Purchaser may be required to deposit with the lender, a multiple of the aggregate of one month's real estate taxes, water rates, sewer charges, assessments and insurance premiums, or other amounts so that sufficient funds will be available for the lender to pay real estate taxes, sewer charges, water rates and insurance premiums when due. No representation or warranty is made with respect to the amount of such Closing costs and expenses or the availability or cost of mortgage loans from any source.

It shall be the sole responsibility of the Purchaser to pay the Sponsor's attorney, Forman & Associates, pc, a fee of $1,000.00 at closing for the preparation of closing documents.

If the closing is held at a place other than the office of the Sponsor's attorney, Forman & Associates, pc, or such other place as designated by the Sponsor (but within New York City) there will be an additional fee of $250.00 per Unit payable to the Sponsor's attorney, which will be the sole responsibility of the Purchaser. There will be a reasonable fee for Closings outside of New York City depending upon distance, but in no event less than $350.00.

If the closing is adjourned at other than the Sponsor's request, there will be an additional fee of $250.00 per Unit which will be the sole responsibility of the Purchaser.

In the event that a purchaser defaults, a fee of $250.00 will be payable at closing to the attorney for the Sponsor, Forman & Associates, pc, for preparation of a letter of default.

In the event that a Purchaser decides to use the services of a title company other than National Granite Title Insurance Agency, Inc. The Purchaser will be obligated to pay Forman & Associates, pc a fee of $500.00 for time in coordinating and arranging for Closing with the other title company.

All checks for the above fees must be paid by CERTIFIED or BANK CHECK at the Closing. The above Closing fees are cumulative to the extent applicable to an individual Closing.

Common Charges assessed during the period in which Closing occurs shall be adjusted as of the originally scheduled Closing Date for each Unit. The Board of Managers will fix the amount of such Common Charges to be assessed against each Unit. It is estimated that the Common Charges for the first year of operation of the Building will not exceed the amounts for each Unit set forth in Schedule A in Part I of the Plan, but such amounts may vary to the extent that the costs of services change and/or to the extent the Board of Managers decides to provide increased services or discontinue any present services within the framework of the By-Laws (see "BY-LAWS", beginning on page F-1 in Part II of the Plan).

Real estate taxes for each Unit for the tax year in which title to a Unit closes and the estimated Common Charges and Expenses for each Unit (as shown in Schedule A in Part I of the Plan) for the month in which a Closing occurs, will be apportioned between the Sponsor and the Purchaser of each Unit as of the Closing Date. In the event that a Unit has not been separately assessed on the Closing Date for the current tax year, the apportionment of real estate taxes shall be based upon the projected assessment for the Property and such Unit's percentage interest in the Common Elements as set forth in Schedule A in Part I of the Plan.

If the Units have not been separately assessed for real estate tax purposes prior to the First Closing, the Sponsor will pay an amount equal to the unpaid real estate taxes (or estimates thereof based on current assessments) due for the next ensuing six months (or until the Units are separately assessed, whichever is shorter). Unit Owners will reimburse the Sponsor for their proportionate share of the paid real estate taxes.

The following items will be apportioned between the Sponsor and the Board of Managers on behalf of the Unit Owners as of the First Closing (hereinafter referred to as the "Adjustment Date"):

1. Water and Sewer charges;

2. Charges for electricity and other utilities, if any, for the Common Elements;

3. Charges and receipts in connection with service and maintenance and concession contracts, if any;

4. Wages and payroll expenses, if any;

5. Deposits with utility companies, if any, and fees for assignable permits and leases;

6. Cost of Building supplies on hand (plus sales tax);

7. Insurance premiums; and

8. Other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted as of the Adjustment Date because they are not fully ascertainable, they shall be apportioned and adjusted on the Adjustment Date to the extent reasonably possible and the balance as soon thereafter as the undetermined amounts are ascertained.

Any Closing adjustments Sponsor owes the Board of Managers will be paid by the Sponsor into the Condominium's Working Capital Fund. Any Closing adjustments the Board of Managers owes the Sponsor will be paid by the Board of Managers from the Condominium's Working Capital Fund. However, the Closing adjustment to be paid by the Board of Managers to the Sponsor at the First Closing shall not reduce the Working Capital Fund below $1,000.00. The Sponsor hereby waives all Closing adjustments on the Adjustment Date that will reduce the Working Capital Fund below $1,000.00.

Except as specifically set forth in this Plan, the Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Units including, but not limited to, all selling expenses and commissions payable for initial sale of Units pursuant to this Plan, advertising, printing, architects' and engineers' fees, the fees of Sponsor's attorney, engineering and appraisal costs and governmental filing fees, incurred prior or subsequent to the effective date of the Plan in connection with the obligations of the Sponsor.

RIGHTS AND OBLIGATIONS OF SPONSOR

The Sponsor is using its own capital to complete the renovation of the Units, as set forth herein and represents that it has adequate resources to complete same.

The Sponsor will defend any suits or proceedings arising out of the Sponsor's acts or omissions and will so indemnify the Board of Managers and the Units Owners.

The Sponsor will complete the work set forth in this Offering Plan relating to the Building and the Units contained therein in accordance with the plans filed and approved by the Department of Buildings of the City of New York, and as set forth in this Offering Plan.

The Sponsor may make changes in design, layout and arrangement of Units in accordance with all required amendments to the approved building plans, and substitute equipment or material except that the Sponsor may not:

(a) substitute equipment or materials of lesser quality or design; or,

(b) change the size, location of buildings or units, or of other improvements or Common Elements if such changes adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and contact vendees consent in writing to such changes.

(See also "CHANGES IN PRICES AND UNITS" for further information regarding such changes).

The Sponsor has filed building plans with the Department of Buildings of the City of New York, County of Kings, for eight (8) Residential Units. At the time the Property is conveyed to the Unit Owners, the Sponsor will produce a temporary or permanent Certificate of Occupancy for eight (8) Residential Units. A permanent Certificate of Occupancy will be obtained within two (2) years from the Adjustment Date if not obtained by the Closing Date.

If the Sponsor fails to obtain a permanent Certificate of Occupancy for the Property prior to the First Closing, the Sponsor will be obligated to: (i) hold and maintain all monies received pursuant to all Purchase Agreements in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2)(b) and 352(h), originally established with the Escrow Agent for the purpose of holding such deposits, provided however, that if Sponsor's Architect certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy, then the amount exceeding the sum so certified by the Sponsor's Architect

shall be released from the special escrow account to the Sponsor, or (ii) the Sponsor shall deposit with Escrow Agent an unconditional, irrevocable letter of credit or post a surety bond in an amount the Sponsor's Architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, provided the Sponsor has amended the Plan to disclose such facts and promptly notifies all Purchasers with Purchase Agreements outstanding and not in default beyond any applicable grace period, of such amendment.

In the event the work on the Building as set forth herein is not fully completed at the time the Building becomes occupied, the Sponsor will have the right to enter the premises to complete work the Sponsor deems necessary to fulfill its obligations under this Plan. Any such entry shall be conducted in such a manner as to produce a minimum of discomfort to Unit Owner, and may do so provided:

(a) such work is performed on Common Elements and vacant Units only between 8 A.M. and 10 P.M. on any day;

(b) such work is performed in any occupied Unit only between 8 A.M. and 6 P.M. on non-holiday weekdays;

(c) any damage created by virtue of such work whether to the Common Elements or any Unit is repaired in a good and workmanlike manner.

The Sponsor gives no warranty as to materials or workmanship that shall survive the transfer of the Units or of the Common Elements except those warranties provided for in the Limited Warranty in Part II of the Plan. The Sponsor, however, shall assign to each Unit's Purchaser all warranties, if any, in the Sponsor's possession at the closing for the Unit. All warranties, if any, in the Sponsor's possession as of the First Closing which relate to Common Elements will be assigned to the Condominium at the First Closing. In no event shall the Sponsor be responsible for the partial or total death of any trees, or other landscape improvements; damage to walkways or other concrete areas caused by the application of salt or de-icers; nail pops, ridging, normal lumber shrinkage, normal settlement or any consequential damage resulting therefrom; water problems caused by ice dams; normal plumbing, heating and lumber noises or carpet stretching; normal settlement cracks on concrete foundations, patios, sidewalks, other flat work; leakage resulting from "ice dams" forming on roofs; scuffing on kitchen cabinets or vanity surfaces; and minor chips (nicks) to formica tops, and tubs (edges and surface or grooves). Subsequent to the conveyance of title to a Unit, the Sponsor shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches, mars, breaks or other blemishes in windows, sliding glass doors, screens, electric fixtures, painted surfaces, sinks, basins, tubs, kitchen cabinets and countertops, medicine cabinets, ceramic title, saddles, resilient flooring, woodwork, doors and appliances. The Sponsor has no obligation to make any repair to the Units or the Common Elements except as expressly set forth in the Offering Plan. The Sponsor will not indemnify the Board of Managers except as specifically stated herein, nor will it

defend lawsuits that arise after the Adjustment Date. Nothing herein is intended to abrogate the responsibilities of the Sponsor under the New York State General Business Law, the Offering Plan or 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan). Each prospective Purchaser may have the Building and Units therein inspected by an architect or engineer of his or her choosing to determine the quality of materials and workmanship.

The Sponsor will pay for the authorized and proper work involved in the renovation, establishment and sale of the Units that the Sponsor is obligated to complete under this Plan. All mechanic's liens that are lodged against the Property by virtue of work done by the Sponsor or on the Sponsor's behalf will be promptly discharged or appropriately bonded.

The Sponsor will deliver a set of "As Built" plans to the Condominium thirty (30) days after the "First Closing".

The premises is currently encumbered by a private mortgage held by [redacted] and [redacted] as to a 50% interest and [redacted] as to a 50% interest, dated October 27, 2004, in the sum of $499,000.00, which becomes due on May 1, 2005. The loan documents do not contain any additional requirements for declaring the Plan effective, nor do they contain any provisions that prohibit the Sponsor from leasing or renting individual Units. The mortgagee shall release the individual Units as they close upon request.

The Sponsor is obligated to pay the Common Charges, real estate taxes and assessments with respect to Unsold Units. The Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units and shall fund its financial obligations to the Condominium by means of proceeds from the projected sales of Units in the premises and from other income of the Sponsor in the event that projected sales are not made. After title to the last Unit is closed and there are no Unsold Units, the obligation of the Sponsor under the Offering Plan will cease.

The Sponsor will secure a policy covering fire and liability insurance at Closing, which will be an agreed amount value policy, thus avoiding the requirements of co-insurance. The premium for such policy shall be paid by the Condominium and the cost thereof is provided for in Schedule B (See footnote to Schedule B for further details).

The Property will be conveyed free and clear of all liens except Permitted Encumbrances.

NO BOND OR OTHER SECURITY HAS BEEN FURNISHED TO SECURE SPONSOR'S OBLIGATIONS HEREUNDER INCLUDING SPONSOR'S OBLIGATIONS TO COMPLETE THE CONSTRUCTION SET FORTH HEREIN.

Copies of this Offering Statement-Plan of Condominium Organization and all exhibits or documents referred to herein including Parts A, B and C of the Exhibits, shall be available for inspection by prospective Purchasers and by any person who shall have purchased Units under this Plan or shall have participated in the offering of such Units, at the office of the attorneys who prepared this Offering Plan for the Sponsor, FORMAN & ASSOCIATES, pc, 156 William Street, Suite 800, New York New York 10038, and shall remain available for a period of six years from the date of First Closing for such inspection. All documents may be copied at a reasonable charge after reasonable notice.

Any and all representations and obligations which are imposed upon the Sponsor by virtue of this Offering Plan or the General Business Law, the performance of which shall occur after the transfer of title, shall survive delivery of a deed of a Unit.

The Sponsor will deliver to the Board of Managers all books of account and records pertaining to the Building's operation which are in the Sponsor's possession on the First Closing.

The Sponsor has the right to designate the first members of the Board of Managers of the Condominium, and such members shall have voting control of the Board until the first meeting of Unit Owners. So long as the Sponsor or its designee shall continue to hold at least 50% of the Common Interest of the Condominium, but in no event later than the second anniversary of the First Closing of Units, the Board of Managers may not undertake certain actions without the Sponsor's prior written consent.

After the First Closing and until the first meeting of Unit Owners, the Board of Managers shall consist of three members designated by the Sponsor. The Sponsor shall call the first meeting of Unit Owners, at which time all the Unit Owners, including the Sponsor, or the Sponsor's designee, shall elect a new Board of Managers. However, immediately after such first annual meeting of Unit Owners, the Sponsor shall not have voting control of the Board of Managers unless Sponsor and its designees are able to cast sufficient votes (as owners of the then Unsold Units) to establish such control. The Sponsor, however, retains the right to vote on certain actions taken by the Board of Managers. Please see next section entitled "CONTROL BY SPONSOR".

The Sponsor shall indemnify the Board of Managers and Purchasers against any liability incurred before Closing; in the event that there are any judgments or liens or if litigation has been commenced, the Sponsor shall amend the Plan to so state.

The Sponsor, PARK SLOPE WEST LLC, a New York limited liability company, has its principal office within the State of New York. All Units owned by the Sponsor are Unsold Units. All Units which are Unsold Units retain their character as such, regardless of transfer, until (a) such Units become the property of a Purchaser for bona fide occupancy (by himself/herself or a member of his/her family), or (b) a Holder of such Units or a member of his/her family becomes a bona fide occupant of the Unit.

The Sponsor, and any Successor-Sponsor, agrees to fulfill all its obligations pursuant to the By-Laws, including the payment of all Common Charges thereunder, and the Condominium will have a lien upon the Units to secure payment of all Common Charges by the Sponsor as Successor-Sponsor. The Sponsor represents and warrants that at this time it has the financial resources to enable it to meet the obligations with respect to Unsold Units. HOWEVER, NO BOND OR OTHER SECURITY HAS BEEN FURNISHED BY THE SPONSOR, AND THE SPONSOR'S ABILITY TO PERFORM WILL DEPEND SOLELY UPON ITS FINANCIAL CONDITION.

The Sponsor, and any Successor-Sponsor, may sell, assign, pledge or hypothecate such Units and lease or sublet its Unit(s) without the requirement of any consents. Any Successor-Sponsor acquired subsequently shall have the right to use, lease, sublet, sell, pledge, hypothecate or transfer the Unsold Units subject only to the consent of the Sponsor, without first obtaining the consent of the Board of Managers and without being charged any fee, levy or any assessment arising from such occurrence. The Successor-Sponsor will have the same right as the Sponsor to change the size (either as a result of subdivision, combination, alteration of boundary walls, or otherwise) and/or layout of any Unit owned by them, or any of them, and to reallocate the percentages of Common Charges in connection with such changes, subject only to compliance with the Condominium By-Laws, provided that the total percentage of Common Charges reallocated to all Units will not vary as a result of such reallocation. Such Successor-Sponsor will also have the right to place "For Sale" signs in, at or on the Building, to maintain one or more vacant and Unsold Units in the Building as a sales office and to use Units to store construction materials and supplies. The rights of the Successor-Sponsor may be exercised without the consent or approval of the Board of Managers, its Unit Owners or others and without payment of any charge or fee to the Condominium, or others. In addition, such Successor-Sponsor may resell their Units for any price established by them, provided that any increase in the Cash Purchase Price as set forth in Schedule A will be made by an amendment to this Plan. Individually negotiated decreases in price will not be subject to either prior notice or amendment to this Plan. Notwithstanding the foregoing, the Plan must be amended to reflect a general price change by the Successor-Sponsor affecting a group, line or other category of Units (as distinguished from an isolated price change affecting an individual Unit) or any price change to be advertised. Any subsequent individual Successor-Sponsor may elect to become the occupant of his/her Unit.

The Sponsor and the Successor-Sponsor shall comply with the trust fund and escrow provisions of General Business Law §352-h and §352-e(2-b). The Successor-Sponsor shall provide prospective Purchasers with a copy of the Offering Plan and all filed amendments, until the Units held by the Successor-Sponsor have been sold to bona fide Purchasers.

In the event of dissolution or liquidation of the Sponsor or the transfer of twenty (20%) percent or more of the total number of units in the Condominium, the principals of

the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws and regulations.

CONTROL BY THE SPONSOR

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

The By-Laws are reproduced in Part II, beginning on page F-1. A summary of certain pertinent provisions of these By-Laws is set forth below. The By-Laws limit the number of Board of Managers (hereinafter called "Managers") to not less than three (3) and not more than five (5) members. The first Board of Managers to be elected by the Unit Owners shall consist of five (5) members. The By-Laws contain a provision that a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals after the end of the initial Sponsor control period.

At the time of the First Closing there will be three Managers designated by the Sponsor. The By-Laws provide that the Sponsor shall not exercise voting control of the Board of Managers for more than two (2) years after the closing of the first unit or whenever the Unsold Units constitute less than 50% of the common interests, whichever is sooner. The Sponsor will hold a meeting to elect a new Board of Managers unrelated to the Sponsor within 30 days after the expiration of the control period. The Sponsor-designated Managers will resign in favor of these Managers who have been elected by the Purchasers.

Managers shall be elected by a plurality of the votes cast at a meeting at which a quorum shall be present. When voting for the Board, each Unit Holder shall be entitled to cast for each Board member to be elected the number of votes equal to the percentage of the Common Interest (each .000001%) owned by him/her. The Sponsor or natural persons procured by the Sponsor, or both, shall be entitled to vote all of the votes appurtenant to Units held by it for the Managers. To assure that Purchasers under this Plan will be represented on the Board of Managers, the By-Laws provide that at least one less than a majority of Managers to be elected shall be unrelated to the Sponsor or principal of the Sponsor (i.e., if three (3) Managers are to be elected, at least one (1) must be unrelated to the Sponsor or principals of the Sponsor). In this context, "Sponsor" means the principals of the Sponsor or persons related to them by blood, marriage or business relationship. Additionally, at the time the Sponsor relinquishes control of the Board, a majority of the members of the Board shall be elected by resident owners; the minority of the members shall be elected by all non-resident owners, including the Sponsor and investors.

The By-Laws further provide that after the initial Sponsor voting control period of no more than two years, a majority of the Board of Managers shall be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and it's principals.

The Board of Managers will be responsible for the operation of the affairs of the Condominium, including but not limited to, the fiscal operations, repairs and maintenance of the Common Elements of the Property, replacement and capital improvements to the Common Elements of the Property, the hiring, supervision and discharging of employees and Managing Agent (if any), and the enforcement of the provisions of the By-Laws of the Condominium. The Managers shall serve without compensation or remuneration.

At the First Closing, the Sponsor will agree, in writing, that so long as all Unsold Units constitute, in the aggregate, fifty (50%) percent of the votes appurtenant to the Condominium Units: (i) he/she will vote his/her Unsold Units for not more than a bare majority of the Board of Managers to be elected; and, (ii) at all elections held after the second anniversary of the Closing Date, he/she will vote his/her Unsold Units for not more than one less than a majority of the Board of Managers to be elected.

The Condominium will have a lien on the Units of each Unit Owner to secure payment of Common Charges and other indebtedness under the By-Laws as well as the faithful performance of all other terms, covenants and conditions of the By-Laws.

So long as a majority of the Board of Managers consists of the Sponsor or persons elected by them who do not reside in the Building, said non-resident Board of Managers members elected by the Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required (i) to comply with applicable laws or regulations; or (ii) to remedy any notices of violation; or (iii) to remedy any work order by an insurer.

However, notwithstanding anything contained herein to the contrary, the Sponsor, shall not veto the expenses set forth in Schedule B or other expenses required to comply with applicable laws or regulations or expenses necessary to remedy notices of violations of law or to remedy any work order by an insurer.

Sponsor may exercise veto power over expenses described above, for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner.

SPECIAL RISK:

THE BY-LAWS MAY BE AMENDED, ALTERED, REPEALED AND ADDED TO BY VOTE OF UNIT OWNERS OF AT LEAST 66-2/3% IN NUMBER AND IN COMMON INTEREST OF ALL UNIT OWNERS AT A MEETING OF UNIT OWNERS DULY HELD FOR SUCH PURPOSE. FOR AS LONG AS THE SPONSOR REMAINS THE OWNER OF ONE OR MORE UNITS, THE BY-LAWS, INCLUDING THE RULES AND REGULATIONS OF THE CONDOMINIUM, MAY NOT BE AMENDED OR MODIFIED IN ANY WAY SO AS TO ADVERSELY AFFECT SPONSOR WITHOUT SPONSOR'S PRIOR WRITTEN CONSENT.

All Board Members shall serve without compensation. Any member of the Board of Managers, who is a designee of the Sponsor, may contract or deal with Sponsor, or a partner, affiliate or entity controlled by the Sponsor, provided said member does not breach its fiduciary obligation.

Any Manager or Officer may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners who have at least 50% of the Common Interest of the Condominium at a Unit Owner's meeting duly called for the purpose; provided, however, that the Manager(s) elected by the Holder(s) of Unsold Units can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Holders of Unsold Units.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Each Unit Owner will have the right to sell or lease his/her Unit without restriction as to price if prior to or simultaneously with the Closing he/she satisfies any arrears in the payment of Common Charges and expenses, and provided that he/she shall first give to the Board of Managers, on behalf of all other Unit Owners, an opportunity to purchase or lease such Unit, at the same price and on the same terms as were offered by the proposed Purchaser, as more specifically provided for in the By-Laws of the Condominium. The Board of Managers, however, may not exercise its right of first refusal to purchase a Unit without the approval of a majority of the Unit Owners and the unanimous consent of the Successor-Sponsor. In any vote of all the Unit Owners, the Unit Owner desiring to sell or lease his/her Unit (the "Transferor") shall have the right to vote in any vote conducted by the Board of Managers for the purpose of determining whether the Board of Managers shall exercise its right of first refusal to purchase or lease the Transferor's Unit. In the event the Board of Managers does not have sufficient funds on hand for a purchase which has been approved by a majority of the Unit Owners, the Board of Managers may either borrow such funds or may assess the Unit Owners for the purchase price by an increase in the Common Charges and Expenses in proportion to their respective interests in the Common Elements. The Board of Managers shall have no liability (except their liability as individual Unit Owners) for payment of any such assessment. The Board of Managers may not discriminate against any person on the basis of race, creed, color, nationality, origin, sex, age, disability, marital status, or other grounds prohibited by law.

A Unit Owner may only sell or lease the entire Unit. A Unit Owner may not sell or rent only a portion of a Unit. No transient tenant may be accommodated in a Unit, except in Unsold Units.

A Unit Owner may sell or lease his/her Unit to his/her spouse or to any of his/her adult children or to his/her parent or parents or to his/her brothers or sisters, or to any one or more of them, without first offering to sell to or obtaining the consent of the Board of Managers, and may devise his/her Unit by will, or have it pass by intestacy, without any such restriction.

The restrictions upon the sale and lease of Units set forth in this Section shall not apply to Units owned or retained by the Sponsor or its designee or to the Successor-Sponsor; each of them shall be free to sell or lease without first offering to sell or lease to, or obtaining the consent of, the Board of Managers.

The restrictions and limitations upon the sale and lease of Units set forth in this section may be amended from time to time by 66-2/3% in number in common interest of all Unit Owners as specifically provided in By-Laws of the Condominium.

In order to provide for congenial occupancy of the Building and for the protection of the values of the Units, the By-Laws provide that the use of the Units shall be

restricted to and be in accordance with the following provisions:

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

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

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

(d) No 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 or claiming jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations, or requirements of any governmental agency having or claiming jurisdiction thereof, relating to any portion of the Property, shall be eliminated by and at the sole expense of the respective Unit Owners or by the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property, or comply with such law.

(e) No "For Sale", "For Rent", "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted on any part of the Property or in any Unit therein, except that these sign restrictions shall not apply with respect to Unsold Units. Each Unit Owner shall keep his/her Unit in good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his/her own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof.

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

The Common Elements consist of the Land and all other parts of the Property that serve and benefit each Unit including, without limitation, the following:

(a) The Land on which the Building is erected and all other land within the boundaries of the Condominium, together with all easements, rights and privileges appurtenant thereto;

(b) All foundations, footings, columns, girders, beams and supports of the Building;

(c) All exterior walls of the Building, not including the portions thereof on the Unit side of the block work or metal studs of such walls; all walls and partitions separating Units from corridors, stairs, and mechanical equipment spaces, other than the portions thereof between the Unit side of such walls and partitions and the block work or studs of such walls and partitions; the block work of all walls and partitions separating Units and containing block work; the studs used in all walls and partitions separating Units and containing studs; and concrete floor slabs;

(d) Halls, corridors, passageways, lobbies, stairs and stairways (excepting those contained entirely within a Unit, if any), landings, and entrances to and exits from the Building;

(e) A portion of the cellar, and other areas used in connection therewith, and all storage spaces and trash rooms except for storage rooms located within the Units;

(f) All space devoted to the lodging or use by the superintendent, if any, if the superintendent is not a Unit Owner or other persons employed in connection with the operation of the Property;

(g) All central and appurtenant installations for services such as power, light, telephone, television, gas, hot and cold water, heat, and heat distribution system, (including all pipes, ducts, chutes, cables, and conduits used in connection therewith) located in Common Areas and all other mechanical equipment;

(h) All tanks, pumps, motors, fans, compressors and control equipment and their appurtenant facilities except if a part of a self-contained mechanical unit located solely within a Condominium Unit;

(i) All sewer pipes;

(j) All portions of common flues used by more than one Unit Owner, and all exterior chimneys connected to a fireplace, if any; and,

(k) All other parts of the Property and all apparatus and installations existing in the Building, on the Property, or in a Unit for common use or necessary or convenient to the existence, maintenance or safety of the Property.

Further restrictions on the use of Units are set forth in the By-Laws and Rules and Regulations made in accordance with the By-Laws, which are set forth in Part II of the Plan. Rules and Regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers as provided in the By-Laws.

Provided that the mortgage shall be substantially in the form of the New York statutory form of mortgage (with such changes as may be necessary to enable a particular lending institution to make the loan), each Purchaser will be permitted to finance his/her purchase of a Unit by obtaining a mortgage on his/her Unit in such amount, and to such percentage of its value, as he/she chooses or is able to secure, from an institutional lender; the Sponsor makes no representations with respect to the availability, amount, rate, term or any other condition or feature of mortgage financing of the Units. However, due to the present market conditions, many banks have established a threshold for the number of units in a condominium to be sold prior to their making loans.

The percentage of interest in the Common Elements applicable to each Unit, ("Common Interest"), as shown in Schedule A was determined by the Sponsor, based upon the approximate proportion which the floor area (i.e. square foot area) of each Unit bears to the total floor area (i.e., total square foot area) of all the Units as of the date of the Declaration and taking into account the substantially exclusive advantages enjoyed by one, but not all the Units as permitted under subsection (1) (ii) of Section 339-i of the Condominium Act.

The total of all Unit Owners' Common Interests equals one hundred (100%) percent, and each percentage determines, among other things, each Unit Owner's share of any distributions of condemnation or insurance proceeds and distributions upon termination of the Condominium. The percentages are not alterable except as set out in "CHANGE IN PRICES AND UNITS" in Part I.

The Board of Managers shall from time to time, but at least annually: prepare a budget for the Condominium; determine the amount of the Common Charges payable by the Unit Owners to be paid monthly by the Unit Owners to meet the Common Expenses of the Condominium; and allocate and assess such Common Charges among the Unit Owners according to the Common Interests in the Common Elements. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operation reserve, for a Reserve Fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common

Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit, or of any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges are based, to all Unit Owners and to their mortgagees of record.

Under the provisions of Section 339-z of the Condominium Act, the Board of Managers on behalf of the Unit Owners shall have a lien on each Unit for unpaid Common Charges assessed against such Unit by the Board of Managers, together with interest thereon. Such lien shall be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on the first mortgage of record on such Unit.

The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which the Sponsor is more than thirty (30) days in arrears, while he is in control of the Board of Managers.

Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the Kings County Office of the City Register, and until all sums secured thereby with the interest thereon shall have been fully paid or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien.

The proceeds from the sale of any Unit pursuant to foreclosure shall be used first to pay the unpaid Common Charges, unpaid assessments, plus reasonable attorney's fees and administrative costs and other lawful liens on the defaulting Unit. Amounts above this, if any, will be the property of the defaulting Unit Owner. If after the sale of the Unit for the nonpayment of the Common Charges or assessments, the sale does not recover the full amount due and owing the Condominium, the Board of Managers has the right to assess all the Unit Owners as a Common Expense for the difference between the amount received by the Condominium from the sale of the Unit and the amount owed to the Condominium.

Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or Purchaser of a Unit shall be entitled to a statement (an "Estoppel Letter") from the Board of Managers, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor Purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement.

No Unit Owner may exempt himself/herself from liability for his/her Common Charges or Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his/her Unit. The liability of each Unit Owner for the payment of the Common Charges and Expenses thereafter assessed or becoming due against his/her Unit shall terminate upon a permissible sale, transfer or other conveyance of such Unit, together with the appurtenant interests in the Common Elements (as defined in the By-Laws) in accordance with the applicable provisions of the By-Laws.

In addition, any Unit Owner may, subject to the terms and conditions specified in the By-Laws, convey his/her Unit together with the said appurtenant interests to the Board of Managers or its nominee on behalf of all other Unit Owners, and in such event be exempt from all Common Charges and Expenses thereafter assessed.

Except as set forth above pursuant to an Estoppel Letter, a Purchaser of a Unit shall be required by the Board of Managers to pay unpaid Common Charges, with interest thereon, and expenses assessed against his/her Unit prior to his/her acquisition of such Unit, except that either (i) a mortgagee acquiring title to a Unit or (ii) a Purchaser at a foreclosure sale shall not be liable and the Unit shall not be subject to a lien for the payment of the Common Charges and Expenses assessed prior to the acquisition of title to such Unit. IN THE EVENT THE BOARD OF MANAGERS FORECLOSES A STATUTORY LIEN FOR UNPAID COMMON CHARGES, AND THE PROCEEDS OF THE FORECLOSURE SALE ARE INSUFFICIENT TO PAY THE UNPAID COMMON CHARGES, THE UNPAID BALANCE MAY BE PROPORTIONATELY CHARGED TO ALL UNIT OWNERS AS A COMMON EXPENSE.

All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decoration of the side of the stairwell doors which do not face into a Unit and the exterior side of windows), electrical (except Common Elements), heating (except Common Elements), and plumbing (except Common Elements) within the Unit or belonging to the Unit Owner, shall be at the Unit Owner's expense, except for structural elements as specifically required herein.

All maintenance, repairs and replacement to the Common Elements (including the exterior walls of the Building and exterior sides of the windows) and the painting and stair well doors which do not face into a Unit shall be made at the direction of the Board of Managers and be proportionately charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner.

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

Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers.

The Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement, provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

The Board of Managers shall obtain and maintain, to the extent obtainable and to the extent determined by the Board of Managers to be appropriate or relevant: (1) fire insurance, with extended coverage, vandalism and malicious mischief endorsements insuring the Building and Units (but not including furniture, furnishings or other personal property supplied to or installed by Unit Owners), together with all service machinery contained therein (collectively, the "Insured Property"), covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the insured property without deduction for depreciation; (2) machinery insurance; (3) water damage legal liability insurance; (4) such other insurance as the Board of Managers may determine. Each of the policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers in the event of casualty or condemnation.

Unit Owners shall be entitled to carry casualty insurance protection for their furniture and any improvements added by the Owners to their Units and for personal liability coverage for their own benefit at their own expense, provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or

diminished by reason of any other insurance carried by a Unit Owner.

A Unit Owner shall grant, and by acceptance of a deed for his/her Unit shall have granted, a right of access to his/her Unit and storage areas, if any, to the Managing Agent and/or any other person authorized by the Board of Managers or the Managing Agent, for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his/her Unit or elsewhere in the Building in which the Unit is located, to remove violations, cure defaults by a Unit Owner, and for any other purpose provided in the Plan, Declaration or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, such entry shall not render the Board of Managers or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Each Unit Owner will deposit with the President of the Board of Managers a key to his/her Unit to allow for entry in any emergency. The Board of Managers may designate responsible individual(s) to hold such keys.

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

Under the provisions of Section 339-j of the Condominium Act, the Board of Managers have the right to enforce any obligation of the Unit Owner by foreclosure of the statutory lien against the Unit for the amount of any unpaid Common Charges; by suit brought to collect same; by injunction; or by other appropriate relief (see "OBLIGATIONS TO PAY COMMON CHARGES AND EXPENSES" in Part I).

Pursuant to Section 339-kk of the Real Property Law, all rental payments from the tenant of a Unit being rented by a non-occupying Unit Owner shall be made payable to the Condominium in the event the non-occupying Unit Owner fails to make payments for common charges, assessments or late fees within sixty (60) days of the expiration of any grace period after they are due. The Board of Managers shall provide written notice to the tenant and the non-occupying Unit Owners that all subsequent rental payments are to be payable to the Condominium and delivered to the address listed on the notice. When payments are once again current, notice shall be given to the tenant and non-occupying Unit Owner within three (3) business days and all subsequent rent payments shall be payable to the non-occupying Unit Owner.

RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS AND SUMMARY OF BY-LAWS AND DECLARATION

The By-Laws and Declaration of the Condominium are reproduced in Part II, beginning on page F-1 and the Declaration on page E-1. A summary of certain pertinent provisions of these By-Laws and Declaration are set forth below.

The By-Laws limit the number of Managers to not less than three (3) no more than five (5). The first Board of Managers to be elected by Unit Owners shall consist of three (3) members.

Annual meetings shall be held each year at the time and place designated by the Board. Special meetings of Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers, or whenever requested in writing by Unit Owners owning at least twenty-five percent (25%) in number and Common Interest of the Condominium.

At the time of the First Closing, the Officers and Managers shall be designated by the Sponsor and will be: DOMENICK TONACCHIO, a principal of the Sponsor; KAREN ABRAMS, ESQ. and associate of Forman & Associates, the Sponsor's attorney and WARREN L. FORMAN, ESQ., the Sponsor's attorney. However, these Officers and Managers will resign in favor of Officers and Managers which will be elected by the Unit Owners at a meeting to be convened within sixty (60) days after the First Closing; they may however, be re-elected at such time by the Unit Owners.

Managers shall be elected by a plurality of the votes cast at a meeting at which a quorum shall be present. When voting for Managers, each Unit Owner shall be entitled to cast for each Manager to be elected the number of votes appurtenant to the common interest attributed to his/her Unit (.000001%). The Holder(s) of Unsold Units, who will be the Sponsor or natural persons procured by the Sponsor, or both, shall be entitled to vote all the votes held by them for the number of Managers listed below. To assure that Purchasers under this Plan will be represented on the Board of Managers, the By-Laws provide that at least one less than a majority of Managers to be elected shall be unrelated to the Sponsor and/or Holder(s) of Unsold Units; (i.e., if three (3) Managers are to be elected, at least one (1) must be unrelated to the Sponsor and/or Holder(s) of Unsold Units). The By-Laws further provide that the Sponsor shall not exercise voting control of the Board of Managers for more than two (2) years after the closing of the first unit or whenever the Unsold Units constitute less than 50% of the common interests, whichever is sooner. The Sponsor will hold a meeting to elect a new Board of Managers unrelated to the Sponsor within 30 days after the expiration of the control period.

In this context, "Sponsor" means the principals of the Sponsor or persons related to them by blood, marriage or business relationship.

The Officers and Board of Managers will be responsible for the operation of the affairs of the Condominium, including but not limited to, the fiscal operation, repairs and maintenance of the Common Elements of the Property, replacement and capital improvements to the Common Elements of the Property, the hiring, supervision and discharging of employees and Managing Agent (if any), and the enforcement of the provisions of the By-Laws. The Officers and Managers shall serve without compensation or remuneration.

Any Manager may resign at any time by written notice delivered in person or sent by certified or registered mail to the President or Secretary of the Condominium. 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.

Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate interest in the Common Elements is at least 50% of the Common Interest of the Condominium (a quorum) at a Unit Owner's meeting duly called for that purpose; provided, however, that the Manager(s) elected by the Holder(s) of Unsold Units can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Holders of Unsold Units.

Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners, shall be filled by vote of a majority of the remaining members of the Board of Managers at a special meeting of the Board of Managers 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 (50%), and each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of the Unit Owners to serve the remaining term. Notwithstanding the foregoing, any vacancy on the Board by a member designated or elected (in its capacity as Successor-Sponsor) by Sponsor, whether arising from resignation, removal, death or otherwise, shall be filled only by Sponsor.

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by the By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep and maintenance of the Common Elements.

(b) Determination of the Common Expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property.

(c) Collection of the Common Charges from the Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adoption and amendment of the Rules and Regulations covering the details of the operation and use of the Property subject to a right of the Unit Owners to overrule the Board.

(f) Opening of bank accounts on behalf of the Condominium and designating the signatories required therefor.

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee (corporate or otherwise), on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board of Managers.

(h) Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

(i) Selling, leasing, mortgaging (but not voting the votes appurtenant to), or otherwise dealing with Units acquired by, and subleasing Units leased by, the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

(j) Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.

(k) Obtaining and reviewing of insurance for the Property, including the Units, pursuant to the By-Laws.

(l) Making of repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(m) With written ratification of Unit Owners, the Board may undertake to commence proceedings to reduce real estate taxes on the Units.

(n) Accumulate reserves for the expenditure of capital improvements as restricted by the By-Laws.

(o) Acquiring any Unit in default as provided in the By-Laws and subletting or selling same on behalf or all Unit Owners.

(p) To enter into and upon the Units when necessary and act with as little inconvenience as possible in connection with the maintenance, care and preservation of the property.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of a member or members of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. The Board of Managers may contract with the Sponsor and affiliated corporations if it is not done in bad faith. The Board of Managers has a fiduciary duty to the Unit Owners and Board Members and may be charged with self-dealing if they do not act in the best interest of the Unit Owners. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by the Board of Managers or by the Managing Agent on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners or except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

OFFICERS

The principal officers of the Condominium shall be the President, the Vice President, who are automatically Board Members, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Managers.

The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and each officer shall hold office at the pleasure of the Board of Managers or until his/her successor is elected or until his/her resignation or upon his/her death.

Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his/her successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

The President shall be the chief executive officer of the Condominium. He/she 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 the Unit Owners from time to time as he/she may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

The Vice-President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him/her by the Board of Managers or by the President.

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he/she shall have charge of such books and papers as the Board of Managers may direct; and he/she 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.

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He/she shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers, and he/she shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

No officer shall be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify each officer against any liability or claims except those arising out of the bad faith or willful misconduct of an officer. It is intended that each officer shall have no personal liability with respect to any contract made by him/her on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of each officer shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the

Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decorating of the stairwell doors which do not face into a Unit and the exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) shall be at the Unit Owner's expense, excepting as otherwise specifically provided herein.

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.

REPAIR AFTER FIRE OR OTHER CASUALTY

In the event of damage to or destruction of the Building containing the Units as a result of fire or other casualty, unless seventy-five (75%) percent or more of the Building containing the Units is destroyed or substantially damaged and eighty (80%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen or bathroom fixtures initially installed therein on the date of recordation of the Declaration, but not including any wall, ceiling, or floor decorations or coverings or other furniture, furnishing, fixtures, appliances or equipment installed in the Units by the Unit Owners). Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Building containing the Units is destroyed or substantially damaged (as determined by the Board of Managers) and eighty (80%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the above paragraph, and the amount of insurance proceeds shall have exceeded the cost of such repairs or restoration, then the excess of such insurance proceeds) shall be divided among all the Unit Owners in proportion to their respective interests in the Common Elements, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his/her Unit, in the order of the priority of such liens.

No portion of insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless the Unit Owners determine not to repair, restore or rebuild the Building.

INSURANCE

The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units (including all of the Units and fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners) together with other service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in the amount to be determined by the Board of Managers but in no event not to be less than eighty (80%) percent of the full replacement cost of the Building, including above noted items but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee, as herein provided; (2) worker's compensation insurance, if the Condominium has employees; (3) disability benefits insurance, if the Condominium has employees; and (4) such other insurance as the Board of Managers may determine. All policies of physical damage insurance shall provide that adjustment of loss shall be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if more than $50,000.00), and that the total proceeds thereof, if $50,000.00 or less, shall be payable to the Board of Managers and if more than $50,000.00 shall be billed to the Insurance Trustee, if any.

All policies of physical damage insurance shall contain waivers of subrogation and the individual Unit Owners as well as the Condominium shall be primary insureds to the extent of their interests shall also appear. Such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the Managing Agent, the Manager and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall 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. Such policies shall be so endorsed as to state that they will in no way conflict with any insurance carried by the Board of Managers.

REPORTS

The Board of Managers, the Managing Agent, or the Secretary shall keep detailed records of the actions of the Board of Managers and the Managing Agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium. In addition, an annual audited financial report of the receipts and expenditures and financial condition of the Condominium, certified by an independent Certified Public Accountant, shall be rendered by the Board of Managers to all Unit Owners within three months after the end of each fiscal year. In addition, the Board of Managers shall also send to each Unit Owner an income tax deduction statement by March 1 of each calendar year.

NOTICE OF MEETING

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

EXAMINATION OF BOOKS AND RECORDS

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

AMENDMENTS TO BY-LAWS

The By-Laws may be modified or amended by the vote of 66-2/3% in number and in common interest of all unit owners at a meeting of unit owners duly held for such purpose. Anything herein contained to the contrary notwithstanding, so long as the sponsor is the owner of one or more unsold units, the By-Laws may not be altered, amended, repealed or added to in any way that adversely affects the Sponsor without the written consent of the Sponsor.

AMENDMENT TO THE DECLARATION

The Declaration may be amended, modified, added to or deleted from by vote of at least 66-2/3% in number and in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by 66-2/3% in

numbers and in Common Interest of all Unit Owners. However Holders of Unsold Units and adversely affected mortgagees and Unit Owners must consent in writing. The Sponsor or its designees has the right to amend the Declaration at any time for the sole purpose of filing Floor Plans required by the New York Real Property Law Section 339-p.

TERMINATION OF CONDOMINIUM

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

SALES, LEASES AND MORTGAGES OF UNITS

No Unit Owner other than the Sponsor or his/her designee, may sell or lease his/her Unit or any interest therein except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer for the sale or lease of his/her Unit ("Outside Offer"), which he/she intends to accept, shall notify the Board of Managers of such offer and of such intention, the name and address of the proposed Purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer ("Board Offer") to sell such Unit to the Condominium, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received an Outside Offer to purchase such Unit or lease such Unit, as the case may be, on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall elect to purchase such Unit or to lease such Unit, title shall close or the lease shall be executed in accordance with the terms of such Offer, but in no event less than 30 days after the giving of notice by the Board of Managers of its election to accept the Board Offer. If the selling Unit Owner's existing mortgage is not satisfied, the Board of Managers will purchase the Unit and assume or take title subject to said existing mortgage, if possible.

In the event the Board of Managers or its designee shall fail to accept such offer within 30 days after receipt of notice as aforesaid, the offering Unit Owner shall be free to contract to sell such Unit, or to lease such Unit, as the case may be, within 30 days after the expiration of the period in which the Board of Managers or its designee might

have accepted such offer, to the person making the Outside Offer. Any such deed to an Outside Offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, that the tenant shall not sublet the demised premises or any part thereof without the prior consent in writing of the Board of Managers, and that the Board of Managers shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The terms of such lease shall be approved in writing by the Board of Managers.

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

The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners and the unanimous consent of Owner(s) of Unsold Units. The Board of Managers may use the Unit in any manner as long as such use is in conformity with all applicable laws, regulations and provisions and the By-Laws particularly Article VI, Section 11 of the By-Laws, see pages F-17 and F-18.

Subject to the provisions described above requiring the Board of Managers to obtain the consent of unit owners and the consent of holders(s) of unsold units, acquisition of units by the board of managers may be made from the working capital and common charges in the hands of the Board of Managers, or if such funds are insufficient, the board of managers may levy an assessment against each unit owner in proportion to his/her ownership in the common elements, as a common charge, or the Board of Managers, in their discretion, may borrow money to finance the acquisition of such unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the unit to be acquired by the Board of Managers.

The provisions describing the Board of Managers' right of first refusal shall not apply with respect to any sale or conveyance by a Unit Owner of his/her Unit, to his/her spouse or to any of his/her children, grandchildren or to his/her parent or parents or to his/her brothers or sisters, or any one or more of them; and they shall not apply to a Unit owned by the Sponsor or Sponsor-designee, or the acquisition or sale of a Unit by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. However, the provisions describing the right of first refusal shall apply with respect to any Purchaser of such Unit from such mortgagee.

NO SEVERANCE OF COMMON ELEMENTS

No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his/her Unit without including therein the Unit Owner's interest in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all Unit Owners.

EASEMENTS

Each Unit Owner shall have an easement in common with the owners of all other Units over Common Elements serving such other Units and located in such other Units. The Sponsor and its designees, successors, assignees, agents and employees shall have an easement to complete construction under the Offering Plan and use of the common property for any lawful purpose including advertisement and sale of the Units.

POWER OF ATTORNEY

Each Unit Owner shall grant the Board of Managers an irrevocable power of attorney coupled with an interest to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same (but not vote the votes appurtenant thereto), to acquire the interest of a Unit Owner in any other Units theretofore acquired by the Board of Managers and to acquire the interest of a Unit Owner in all other assets of the Condominium which are subject to foreclosure or judicial sale. See section entitled "Power of Attorney" on page C-1 of the Plan and the above discussion for a more detailed description of the rights conferred to the Board of Managers under the terms of the Power of Attorney.

TEXT OF DECLARATION AND BY-LAWS

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

TAXES - DEDUCTIONS TO UNIT OWNERS, AND TAX STATUS OF CONDOMINIUM

The following discussion provides a summary of certain significant Federal income tax consequences of, or relating to, the ownership of a Unit and the Federal income taxation of the Condominium. No income tax rulings will be requested from the Internal Revenue Service ("IRS") or any other administrative agency with respect to any of the income tax consequences attributable to the Condominium's activities or ownership of a Unit. Although the Sponsor will receive an opinion of Forman & Associates, pc, (hereinafter referred to as the "Opinion" and "Counsel" respectively) with respect to the includability of Common Charges in the gross income of the Condominium and with respect to the deductibility of mortgage interest and real estate taxes with respect to the Units, such Opinion is not binding on the IRS. Each Purchaser should consult his/her own tax counsel as to the tax consequences of the Plan and of Unit ownership.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of the applicable administrative agency, in particular, the position of the IRS stated in published Revenue Rulings and Revenue Procedures, and judicial decisions. It is emphasized, however, that legislative, judicial or administrative changes may be made which would require modification of such statements or that the IRS or other applicable administrative agency may disagree with Counsel's interpretations and conclusions.

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

Unit Owners who itemize their deductions may, for Federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid or accrued, under Sections 163 and 164 of the Code. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the opinion including but not limited to limitations of interest deductions on residences to first and second homes and passive loss limitations on deductions for investors. Each individual Unit Owner may also, 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.

THERE ARE RECENT CHANGES IN THE TAX LAW THAT WOULD AFFECT DEDUCTIONS PARTICULARLY FOR NON-RESIDENT INVESTORS. IT IS RECOMMENDED THAT EACH PURCHASER CONSULT HIS/HER OWN TAX ADVISOR

REGARDING THE PROPOSED CHANGES IN FEDERAL INCOME TAX CODE.

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners and will have certain discretionary powers over the operating expenses and the application of the assessments. While there is presently no direct authority as to the tax status of the Condominium for Federal income tax purposes, Sponsor's counsel is of the opinion that the Condominium will be treated as an association taxable as a corporation. As a result, the Condominium will be subject to Federal corporate income tax and New York State Corporation Franchise Tax and New York City corporate income tax to the extent of its taxable income, if any.

The Condominium will be deemed to be a management association in the business of rendering services to the members of its organization. As such, its receipt of assessments for operating expenditures will constitute gross income. The Condominium will be entitled to offset against this income the expenses incurred in providing such services. However, it will be deemed to have taxable income to the extent that the Common Charges for operating expenditures exceed the expenses of the management association. Furthermore any interest earned from the temporary investment of the Common Charges will be taxable income to the Condominium.

Under certain circumstances, excess assessments (assessments collected by the Condominium in excess of the actual requirements for the years' operating expenditures) and special assessments may not be includable in the income of the Condominium. Excess assessments will not be included when the management association has no discretion as to the application of the excess funds. See Counsel's Tax Opinion for instances in which the IRS has determined that special assessments and excess assessments were not includable in the Condominium's taxable income.

Furthermore, if the Condominium satisfies the requirements of Section 528 of the Code and if it has filed a timely election to have this section apply, the Condominium may be exempt from Federal income taxes on the Common Charges and will be taxed on its other non-exempt income at the rate of thirty (30%) percent. The general requirements which must be met for Section 528 to apply are the following:

(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;

(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; and,

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

Under the Treasury Regulations issued pursuant to Code Section 528, a Condominium management association must qualify annually for the election under Code Section 528 and make a separate election for each taxable year. Assuming a timely election is filed, it is the opinion of counsel for the Sponsor that, as presently constituted, the condominium meets the general requirements set forth above and would qualify as a homeowners association within the meaning of Code Section 528.

EACH PURCHASER SHOULD CONSULT HIS/HER OWN TAX EXPERT AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF UNIT OWNERSHIP.

NEITHER THE SPONSOR NOR COUNSEL FOR THE SPONSOR MAKE ANY WARRANTY THAT THE UNITED STATES TREASURY DEPARTMENT OR THE NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE OR THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK WILL ALLOW THE DEDUCTIONS, OR EXEMPTIONS OR THAT THE TAX LAW OR THE REGULATIONS OR RULINGS ISSUED THEREUNDER, OR ANY JUDICIAL INTERPRETATION THEREOF, UPON WHICH COUNSEL TO THE SPONSOR BASES ITS OPINION, WILL NOT CHANGE SO AS TO DISALLOW THE DEDUCTIONS OR EXEMPTIONS IN WHOLE OR IN PART.

See section entitled "COUNSEL'S TAX OPINION".

REAL ESTATE TAXES FOR INDIVIDUAL UNITS
ASSESSED VALUATION BEFORE and AFTER RENOVATION

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to any lien arising from the non-payment of taxes on other Units. If the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, the Sponsor or Board of Managers may advance any real estate taxes due and the Unit Owners will make payments towards real estate taxes to the Sponsor or Board of Managers.

THE CITY OF NEW YORK MAY ASSESS EACH UNIT ON A BASIS THAT DIFFERS FROM THE ALLOCATION OF COMMON INTERESTS AND MAY BE EITHER HIGHER OR LOWER THAN REFLECTED IN SCHEDULE "A" IN FUTURE YEARS.

DUE TO POSSIBLE INCREASES IN THE TAX RATE AND/OR POSSIBLE FURTHER INCREASES IN THE PROPERTY'S ASSESSED VALUATION, REAL ESTATE TAXES MAY BE HIGHER THAN AS SET FORTH ABOVE, AFTER THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS.

NO WARRANTY IS OR CAN BE MADE BY SPONSOR OR ANY OTHER PERSON THAT THE NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT OR THE NEW YORK CITY REAL PROPERTY ASSESSMENT DEPARTMENT, OR ANY OTHER AGENCY WITH JURISDICTION, WILL APPROVE SPONSOR'S APPLICATION FOR J-51 TAX BENEFITS, AND NEITHER THE SPONSOR NOR ITS COUNSEL SHALL BE LIABLE IF, BECAUSE OF A CHANGE IN LAWS AND/OR REGULATIONS OR THE INTERPRETATION OF LAWS AND/OR REGULATIONS (OR, AS TO FORMAN & ASSOCIATES, pc IF THE FACTS REPRESENTED BY SPONSOR PROVE INCORRECT) THE PROPERTY FAILS TO OBTAIN IN WHOLE OR IN PART 11-243 BENEFITS. SHOULD TAX BENEFITS BE DENIED, IN WHOLE OR IN PART, THEN THE CONDOMINIUM WILL BE RESPONSIBLE FOR ALL OF THE TAXES DUE AND OWING.

See section entitled "COUNSEL'S TAX OPINION" for further details.

The projected income tax deduction may vary in the future due to changes in real property taxes resulting from changes in the Assessed Valuation, the tax rate or the method of assessing real property.

There are no certiorari proceedings pending to challenge past Assessed Valuations.

The Board of Managers may make its own motion or by vote of a majority of the Unit Owners, to file a petition to challenge the real estate tax assessment in the Units. Otherwise, a Unit Owner shall have the right to individually challenge the real estate tax assessment on his/her Unit by filing the appropriate certiorari petition in a timely fashion. See Article IV Section 2.q. of the By-Laws.

The Sponsor has consulted with Jacob Moseson of Moseson & Associates, 769 Empire Avenue, Far Rockaway, New York 11691, for his opinion on the assessed valuation of the Property, the projected real estate taxes and the eligibility of the building for J-51 benefits. The Sponsor will submit an application and use its best efforts to obtain 11-243 tax benefits for the Condominium.

J-51 benefits are two-fold:

Tax Exemption

In some instances some or all of any increase in a building's assessed valuation, resulting from the conversion, alteration, or improvement of such building or structure, performed pursuant to Section J51, exempt from taxation for a period of fourteen years. The land value shall not be exempt from any increase in assessed valuation.

Tax Abatement

The taxes which are attributable to the non-exempt portion of the assessed valuation, may be abated and reduced by an amount no greater than 8 1/3% of the Certificate of Reasonable Cost to be issued by the Department of Housing Preservation and Development ("HPD") for a period of not less than 6 years and not to exceed 20 years.

Mr. Moseson has estimated that the post rehabilitation assessed valuation will be $271,114.00 and that of the total actual increase, approximately $225,000.00 will be attributable to the alteration of the building. This is a good faith estimate and it is not possible to estimate with any degree of certainty how the City of New York will assess the property.

Mr. Moseson estimated real estate taxes without J-51 benefits for the Condominium's first year of operation as follows:

July 1, 2005 - June 30, 2006

$271,114.00 x $12.620 x 100% = $34,215.00

The 11-243 tax exemption benefits will not be granted during the Condominium's first year of operation. Real estate taxes in the second year of operation are estimated at $-0-.

Mr. Moseson stated that, based upon information supplied by the Sponsor and assuming that a substantial rehabilitation is done, that the Certificate of Eligibility and Reasonable Cost ("CRC") to be issued pursuant to Section J-51 of the NYC Administrative Code will be approximately $150,000.00, with a maximum annual abatement of approximately $15,000.00 until $135,000.00 of the Certificate of Eligibility is used.

Assuming that a J51 Certificate of Reasonable Cost is issued by HPD by April 30, 2006 both the abatement and exemption benefits will commence on July 1, 2006.

J-51 real estate tax exemption commences on the July 1st following issuance of a Certificate is of Eligibility and Reasonable Cost (CRC). In order for the exemption to commence on July 1, 2006, the CRC must be issued by April 25, 2006. If the CRC is issued d after April 25, 2006 the exemption will be delayed until July 1, 2007. The above estimated tax exemption of $225,000.00 will run for 14 years, with 100% exemption for 10 years followed by a 20% phase out of the exemption in each of the succeeding 4 years.

Assuming that the post-rehab Actual Assessed Valuation is $271,114.00 and assuming that a Certificate of Reasonable Cost is $150,000.00 is issued by April 25, 2006, and that both J-51 abatement and exemption benefits, as estimated above, commence of July 1, 2006 and that all of the foregoing assumptions and information supplied by the Sponsor are correct, it is estimated, but not guaranteed that the real estate tax liability for the 2006/2007 tax year will be based on an assessed valuation of $49,783.00. The J-51 abatement should reduce a tax from $6,283.00 to $0.00 per annum for the existing net cubit that will be used as residential.

In general, to qualify for exemption and abatement benefits an application must be submitted to HPD within forty-eight months of the commencement of the work. In addition, with respect to work commenced on or after July 1, 1977 the work must be completed with 36 months after it was begun or by December 31, 2007 whichever is sooner.

This legislation and other amendments to the Section J-51 Program include the withdrawal of benefits for the conversion of Class B dwellings to Class A dwellings, restrictions on loft conversions, reduction of the "cap" on maximum abatement benefits and the removal of benefits for "luxury" conversions among other changes. These provisions limit exemptions, in some cases, by creating a sliding scale for the exemption based on the post rehabilitation assessed valuation. In addition, the Certificate of Reasonable Cost would be subject to a dollar limit of $15,000.00 per dwelling unit (based on a unit of 3.5 rooms). This limitation will not apply in the case of the subject property.

No assurances can be given that the Assessed Valuation and/or tax rate will remain the same during the duration of the benefits, and if either increases, the real estate taxes may increase. The ratio of exempt to non-exempt portions of the building's

assessed value shall remain the same throughout the period of tax exemption, notwithstanding any subsequent increase in assessed value during this period.

It should be noted that once J-51 benefits are granted, certain subsequent events could cause their reduction or revocation. Under Section 5-07(e) of the Regulations, the Commissioner of HPD may reduce or revoke past or future tax exemptions or abatements if he finds that the J-51 application contained a false statement as to a material matter or omits a material fact.

All interested parties should be aware that HPD routinely conducts audits and requires that, pursuant to section 5-07(b) of the regulations, all books, records and documents be kept and retained for three years after completion of the application and made available to HPD should such documentation be requested. Failure to comply with audit requirements can result in the reduction or loss of J-51 benefits.

Please note that, after the J-51 application has been approved by HPD, benefits will not actually commence so long as previous real estate taxes and water and sewer charges remain unpaid. The 11-243 real estate tax abatement and exemption benefits to be awarded to this property are not retroactive. All real estate taxes which are due during the period of construction and up to the commencement of benefits must be paid in full.

In addition, once begun, tax abatement and exemption benefits can be revoked in the event that real estate taxes, water charges, or sewer charges remain unpaid for one year after they become due and payable to the City. Failure by one Condominium owner to pay the taxes and/or charges applicable to his/her unit will not jeopardize the benefits of other unit owners.

MOSESON & ASSOCIATES
769 Empire Avenue
Far Rockaway, NY 11691
Telephone (718) 327-5779
Fax (718) 327-5737

December 8, 2004

Park Slope West, LLC
370 4th Avenue
Brooklyn, NY 11215

678 Union Street, Brooklyn
Block:955 Lot:38

To whom it may concern,

You have requested me to advise you with respect to the estimated Real Estate taxes for the tax year of July 2005 to June 2006. The estimated assessed value is 271,114 x the current tax rate of 12.620% will equal taxes of $34,215.00.

Sincerely,

Jacob Moseson

JAN-26-2005 15:01 DT SUPPLY CORPL 718 422 1233 P.01/02

MOSESON & ASSOCIATES
769 Empire Avenue
Far Rockaway, NY 11691

Telephone (718) 327-5779
Fax (718) 327-5737

October 14, 2004

Park Slope West, LLC
370 4th Avenue
Brooklyn, NY 11215

678 Union Street, Brooklyn
Block:955 Lot:38

To whom it may concern,

You have requested our opinion as to the eligibility of the above property for the real estate tax abatement and tax exemption benefits under Section 11-243 of the Administrative Code of the City of New York (Sec. J51) and an estimate of what those benefits would be.

The real estate tax benefits which are available to eligible properties under Section J51 are as follows:

TAX EXEMPTION

In some instances some or all of any increase in a building's assessed valuation, resulting from the conversion, alteration, or improvement of such building or structure, performed pursuant to Section J51, exempt from taxation for a period of fourteen years. The land value shall not be exempt from any increase in assessed valuation.

TAX ABATEMENT

The taxes which are attributable to the non exempt portion of the assessed valuation, may be abated and reduced by an amount no greater than 8 1/3% of the Certificate of Reasonable Cost to be issued by the Department of Housing Preservation and Development ("HPD) for a period of not less than 6 years and not to exceed 20 years. All

interested parties should note that the expiration date of Section 489 of the Real Property Tax Law, which is the enabling legislation for New York City's enactment of the J61 Statute, is December 31, 2007.

This legislation and other amendments to the Section 11-243 Program include the withdrawal of benefits for the conversion of Class B dwellings to Class A dwellings, restrictions of loft conversions, reduction of the "cap" on maximum abatement benefits and the removal of benefits for "luxury" conversions, among other changes. These provisions limit tax exemptions. In some cases, by creating a sliding scale for the exemption based on the post rehabilitation assessed valuation of the property. In addition, the Certificate of Reasonable Cost would be subject to a dollar limit of $15,000 per dwelling unit (based on a unit of 3.5 rooms).

You have advised us that you intend to rehabilitate the above eight family plus store on first floor to a ten unit residential building, that this conversion is "as of right", and that the net cubic content of the building will not be increased. The construction is being performed under the Alteration Type 1 permit. You have advised us that the new Certificate of Occupancy is expected to be issued in March, 2005. Each condominium unit will be issued a tax lot number and the owner of each unit will be responsible for paying its own real estate taxes.

The history of assessed value is as follows:

	Actual Land	Actual Total
2003/2004	$41,503	$46,114
2004/2005	$44,805	$49,783

The post rehabilitation assessed value will be $271,114 and that of the total actual increase approximately $225,000 will be attributable to the alteration of the building. The Department of Finance will allocate the assessed value to the condominium units, usually based upon the percentage of common interest as listed in the Condominium Offering Plan.

Although the aforesaid estimate of the post rehabilitation assessed valuation is a good faith estimate, it is not possible to estimate it with any degree of certainty, and thus such assessed valuation when actually made, may be lesser or greater than as estimated above. In no event, will the firm of Moseson and Associates, the Sponsor, the Sponsor's counsel, or any other person be liable is the assessed valuation when actually made, is lesser or greater than predicted above or if the Administrative Code and the applicable rules and regulations of the City of New York are in the future changed or if the facts as represented to the firm of Moseson and Associates prove to be untrue.

Based on the foregoing, it is our opinion that the Department of Housing Preservation and

Development ('HPD") will consider the property eligible for real estate tax abatement benefits under Section 11-243.

We have estimated based upon information supplied to us by the sponsor and assuming that a substantial rehabilitation is done, that the Certificate of Eligibility and Reasonable Cost (CRC) to be issued pursuant to Section 11-243 of the NYC Administrative Code will be approximately $150,000 with a maximum annual abatement of approximately $15,000 until $135,000 of the Certificate is used.

If a Certificate of Reasonable Cost is issued by April 25, 2006 it is estimated that abatement benefits will commence on July 2006, and exemption benefits will commence on July 1, 2006.

The J51 real estate tax exemption will commence on July 1st following issuance of the Certificate of Eligibility and Reasonable Cost (CRC). In order for the exemption to commence on July 1, 2006, the CRC must be issued by April 25, 2006. If the CRC is issued after April 25, 2006 the exemption will be delayed until July 1, 2007. The above estimated tax exemption of $225,000 will run for 14 years, with 100% exemption for 10 years followed by a 20% phase out of the exemption in each of the succeeding 4 years.

No assurance can be given that the assessed valuation and/or tax rate will remain the same for the duration of the benefits, and if either increases, the real estate taxes may increase. The ratio of exempt to non-exempt portions of the building's assessed value shall remain the same throughout the period of tax exemption, notwithstanding any subsequent increase in assessed value during this period.

Assuming that the post-rehab Actual Assessed Valuation is $271,114 and assuming that a Certificate of Reasonable Cost is $150,000 is issued by April 25, 2006, and that both J51 abatement and exemption benefits, as estimated above, commence of July 1, 2006 and that all of the foregoing assumptions are correct, it is estimated, but not guaranteed that the real estate tax liability for the 2006/2007 tax year will be based on an assessed valuation of $49,783. The J-51 abatement should reduce the tax from $6,283 to $0.00 per annum for the existing net cubit that will be used as residential.

In general, to qualify for exemption and abatement benefits, an application must be submitted to HPD within forty eight months of the commencement of the work [Regulations Section 2.4 (4)]. In addition, with respect to work commenced on or after July 1, 1977 the work must be completed with 36 months after it was begun or by December 31, 2007 whichever is sooner. Regulations Section 2.4 (2) defines the date of completion which includes the date of issuance or re-issuance of a Certificate of Occupancy (including under certain conditions, a temporary Certificate). If none of the provisions of Regulations Section 2.4(2) are applicable, Section 2.4(3) sets forth the

determination of the date of completion.

We also note that once J-51 benefits are granted, certain subsequent events could cause their reduction or revocation. Under Section 6.5 of the Regulations, the Commissioner of HPD may reduce or revoke past or future tax exemption or abatements if he finds that the J-51 application contained a false statement as to a material matter or omits a material fact.

ALL INTERESTED PARTIES SHOULD BE AWARE THAT HPD ROUTINELY CONDUCTS AUDITS AND REQUIRES THAT, PURSUANT TO SECTION 5.2 OF THE REGULATION, ALL BOOKS, RECORDS, AND DOCUMENTS BE KEPT[T AND RETAINED FOR THREE YEARS AFTER COMPLETION OF THE APPLICATION AND MADE AVAILABLE TO HPD SHOULD SUCH DOCUMENTATION BE REQUESTED. FAILURE TO COMPLY WITH AUDIT REQUIREMENTS CAN RESULT IN THE REDUCTION OR LOSS OF J51 BENEFITS.

Please note that, after the J51 application has been approved by HPD, benefits will not actually commence so long as previous real estate taxes, and water and sewer charges remain unpaid. J51 real estate tax abatement and exemption benefits are not retroactive. All real estate taxes which are due during the period of construction and up to the commencement of benefits are not retroactive. All real estate taxes which are due during the period of construction and up to the commencement of benefits must be paid in full.

In addition, once begun, tax abatement and exemption benefits can be revoked in the event that real estate taxes, water charges or sewer charges remain unpaid for one year after they become due and payable to the city. Failure by one condominium owner to pay the taxes and/or charges applicable to its unit will not jeopardize the benefits of other unit owners.

This letter was prepared at the Sponsor's request. The figures set forth herein are approximations derived from material submitted by the Sponsor and are subject to variation. However, no representation is made by this firm that the provisions of the law will apply at the time the alterations to the building are completed, and if they do apply, that HPD will hold that the property is entitled to the benefits conferred by Section 11-243.

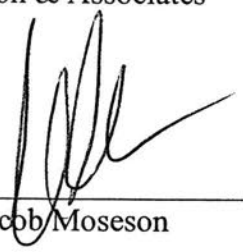
NO WARRANTY IS OR CAN BE MADE BY THIS FIRM THAT HPD OR THE NEW YORK CITY REAL PROPERTY ASSESSMENT DEPARTMENT, OR ANY OTHER AGENCY WITH JURISDICTION WILL APPROVE SPONSOR'S APPLICATION FOR J51 TAX BENEFITS, AND THE WRITER OF THIS LETTER SHALL NOT BE LIABLE IF, BECAUSE OF CHANGES IN LAWS AND/OR REGULATIONS OR THE INTERPRETATIONS OF LAWS AND/OR REGULATIONS OR THE

INTERPRETATIONS OF LAWS AND/OR REGULATIONS OR IF THE FACTS REPRESENTED BY SPONSOR PROVE INCORRECT, THE PROPERTY FAILS TO OBTAIN IN WHOLE OR PART J51 BENEFITS.

We consent to the use of this letter in the Offering Plan.

Very truly yours,

Moseson & Associates



By: Jacob Moseson

Please note: J51 and 11-243 are used interchangeably.

WORKING CAPITAL FUND

At closing of title to each Unit, the Unit Owner for such Unit will contribute an amount equal to one month of estimated Common Charges for such Unit (see Schedule A) to the capital of the Condominium as a Working Capital Fund (see "CLOSING COSTS AND ADJUSTMENTS"). The Working Capital Fund will be held and used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Board of Managers and will be augmented by allocations from the monthly Common Charges collected from each Unit. While the Sponsor controls the Board of Managers (see "CONTROL BY SPONSOR"), the Working Capital Fund will not be used to reduce estimated Common Charges.

The Sponsor, from the first proceeds obtained at the First Closing with a Purchaser pursuant to a Purchase Agreement, will establish a Working Capital Fund in the sum of $3,000.00. This Working Capital Fund will be used (i) to pay the closing adjustments to the extent set forth below and (ii) the balance thereof may be held for working capital, to make repairs and improvements, and for appropriate purposes as determined by the Board of Managers, particularly to meet emergencies not budgeted for in "Schedule B."

If the net closing adjustments referred to below are in favor of the Condominium, the amount thereof will be paid or credited to the Board of Managers. If the net closing adjustments are in favor of the Sponsor, the Sponsor waives any net closing adjustments in its favor on the First Closing which would reduce the Working Capital Fund below the sum of $1,000.00.

No representation is made that the Working Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners.

THE PROPERTY IS OFFERED IN ITS RENOVATED CONDITION EXCEPT AS SET FORTH IN THIS OFFERING PLAN, WITHOUT ANY OBLIGATION BY SPONSOR OR THE CONDOMINIUM TO MAKE ANY OTHER REPAIRS AND/OR IMPROVEMENTS. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON OR WILL PASS UPON THE ADEQUACY OF THE WORKING CAPITAL FUND OR ON THE PHYSICAL CONDITION OF THE BUILDING.

RESERVE FUND

There is no Reserve Fund

There is no reserve fund provided for in the budget. Inasmuch as the building has been completely renovated, it is anticipated that the major components of the building will live out their anticipated life expectancies. Accordingly, the Board of Managers will have to make whatever arrangements they deem necessary to provide for the future replacement of these major building components at such time as they shall need to be replaced.

IDENTITY OF PARTIES

The Sponsor and Selling Agent

The Sponsor is PARK SLOPE WEST LLC, a New York Limited Liability Company, with offices at 370 4th Avenue, Brooklyn, New York, which was formed on July 14, 2003. DOMENICK TONACCHIO is the sole member of PARK SLOPE WEST LLC.

MR. TONACCHIO is the owner of a cabinet manufacturing and plumbing supply company, is an investor in real estate and is involved in the management of several properties. He maintains an office at 370 4th Avenue, Brooklyn, New York.

MR. TONACCHIO has been principal of a Sponsor for the following other offering plans:

Address	File #	Status
328-330 Bergen Street Brooklyn, New York	CD03-0311	Accepted: 03/02/04 Closed: 12/21/04
270 First Street Brooklyn, New York		Submitted, not yet accepted

Simultaneously with the submission of this offering plan, Mr. Tonacchio is involved as a principal in the submission of an offering plan for the conversion of 270 First Street, Brooklyn, New York, which has been submitted to the New York State Department of Law, Investment Protection Bureau, but is not accepted for filing.

PARK SLOPE WEST LLC has not been involved as a Sponsor or Principal of a Sponsor in any public offerings in or from New York.

The Sponsor does not have any prior felony convictions, prior bankruptcy filings, injunctions or judgments against it that would be material to the Offering Plan or to an offering of securities.

Counsel

FORMAN & ASSOCIATES, pc, 156 William Street, Suite 800, New York, New York is counsel for the Sponsor and has been retained by the aforesaid Sponsor and will be compensated by it for the legal representation. WARREN L. FORMAN, ESQ. of said firm prepared this Offering Plan. The Condominium, therefore, does not have independent legal counsel. Forman & Associates, pc does not represent prospective Purchasers. IT IS SUGGESTED AND EXPECTED THAT EACH PURCHASER WILL CONSULT WITH AND BE REPRESENTED BY HIS/HER OWN COUNSEL IN CONNECTION WITH THIS OFFERING. The firm has no financial interest in the

Property, the Sponsor, the Condominium, or any other party interested in this transaction, except for the fee for its services rendered in connection with its preparation of this Plan and representation of the Sponsor.

Architect

The architect, EDWARD C. HICKS, R.A., with offices at 192-18 35th Avenue, Flushing, New York 11358, has examined the physical condition of the Building and has rendered his report thereof as set forth in Part II beginning on page A-1 and has been retained by the Sponsor to provide architectural services in the renovation of the Property. EDWARD C. HICKS is a Registered Architect of New York State, who has been practicing since 1983. He has been involved in many residential projects similar to this. The architect has no financial interest in the Property, the Sponsor, the Condominium, or any other party interested in this transaction, except for the fee for services rendered in connection with such report.

Managing Agent

The managing agent is GOLDIN MANAGEMENT, 25 8th Avenue, Brooklyn, New York and shall manage the Building and perform all janitorial and maintenance functions for the first year of condominium operation. Thereafter, the Condominium shall decide as to whether Goldin Management will continue to manage the building or if it deems it necessary or desirable to employ any other individual(s) or firm(s) for the purpose of managing, operating and maintaining the Building. The Sponsor does not anticipate that such expenditures will be necessary and that the Unit Owners will assume such responsibilities themselves.

See Section entitled "MANAGEMENT".

MANAGEMENT

The Sponsor has received a proposal from GOLDIN MANAGEMENT, 25 8th Avenue, Brooklyn, New York 11217 (718) 230-2600, to manage and maintain the building's financial and maintenance matters for the first year of condominium operation. In a proposal dated December 18, 2004, Martin R. Goldin advised the Sponsor that the annual cost of management would be $10,400.00. This includes a one-time "start-up" fee of $800.00 to get acquainted with the building and a monthly fee of $800.00 for base services. The Managing Agent will perform the following services: develop an annual budget for the Condominium, attend annual meetings, handle accounts receivable, accounts payable, coordinate maintenance for the building and manage any construction and/or major renovations to the building.

The Board of Managers will have the obligation to reimburse the Managing Agent for any expenses advanced on behalf of the Condominium and will be required to indemnify the Managing Agent against liability for acts properly performed by it pursuant to their agreement. The Management Agreement will not be assignable by the Managing Agent. Either party may cancel the agreement 30 days written notice to the other.

REPORTS TO UNIT OWNERS

It will be the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(1) A financial statement of the Condominium prepared by a certified public accountant or public accountant by a specified date which shall be set by the Board of Managers. Such statement shall be certified while the Sponsor is in control of the Board of Managers;

(2) Prior notice of the annual Unit Owners' meeting; and

(3) A copy of the proposed annual budget of the Condominium by a specified number of 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 in compliance with Section 20.4(d) of Title 13 NYCRR, the regulations governing vacant Condominiums.

DOCUMENTS ON FILE

The Sponsor shall keep copies of the Plan, all documents referred to in the Plan, and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and for copying at a reasonable charge at the office of FORMAN & ASSOCIATES, pc, 156 William Street, Suite 800, New York New York 10038 for six (6) years from the date of the first closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first unit.

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. True copies of the Declaration, Deed, Affidavit, Purchase Agreement, By-Laws and Rules and Regulations are contained in Part II hereof. Statements made herein as to the provisions of such documents are qualified in all respects by the contents of such documents.

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or the Condominium or any person or persons, which might become a lien against the Property or which, in any way, will materially or adversely affect this Plan or the operation of the Condominium.

In accordance with the provisions of the Laws of the City of New York, the Sponsor represents that the Sponsor, the Condominium, and the Sponsor will not discriminate against any person because of his/her race, creed, color, sex, national origin, ancestry, disability, marital status or on any basis prohibited by civil rights laws in the sale of Units offered by this Plan, or in the leasing of any Unit in the Building.

The Sponsor reserves the right to amend this Plan at any time (a) before this Plan is declared effective provided that, if the amendment effects any material change in this Plan for uncontracted Units and is not made for the purpose of declaring this Plan effective or increases Schedule B by more than 25%, anyone who has previously submitted an executed Purchase Agreement to the Sponsor shall be given not less than 15 days in which to elect to reaffirm or to cancel the Purchase Agreement and, in the latter event, to obtain a refund, in full, of the Down Payment made therewith; or (b) after this Plan is declared effective, subject to the rights of persons who have previously submitted executed Purchase Agreements to the Sponsor unless, at the election of the Sponsor, anyone who has submitted to the Sponsor an executed Purchase Agreement is given an election to reaffirm or cancel his/her agreement as provided in the preceding clause (a) of this sentence.

Any material misrepresentation of fact or untrue statement set forth herein may be a violation of the Martin Act.

With the exception as to any willful material representation or other fraudulent acts, in the event any of the material representations and warranties set forth in the Plan shall be untrue or incorrect on or prior to the date of the First Closing for an individual Unit, or if the Sponsor shall fail to pay or perform any of its foregoing undertakings, then the sole contractual right or remedy of a Purchaser in good standing under the Plan shall be to rescind his/her Purchase Agreement and be refunded his/her entire Down Payment, with interest. Such rescission, as to a Purchaser who first became an occupant of the Building after the Plan was originally presented shall be conditioned on the cancellation of the Use and Occupancy Agreement, if the Plan is subsequently

amended to provide for prior occupancy of the Unit and surrender of possession of his/her Unit within thirty (30) days after the exercise of such right to cancel. Those Purchasers electing to proceed, nevertheless, with the purchase of their Units will not be entitled to any credit against, or abatement in the purchase price and will have no claim or right of action against the Sponsor or the Condominium by reason thereof, except that there shall be no limitation on Purchaser's remedies as to any defaulted obligation to be paid or performed by the Sponsor subsequent to the Closing Date.

The Sponsor represents that the Property has not previously been the subject of any prior public offering.

The Sponsor will comply with the newly enacted law requiring the installation of carbon monoxide detector devices.

As of the date the Offering Plan is accepted for filing, neither the Sponsor, nor any representative or agent thereof will have raised funds or made any preliminary offering or binding agreements to or with prospective Purchasers with respect to any Unit in the Building.

No contract or agreement, written or oral, has been entered into for the sale or transfer of any of the Units offered in the Plan.

No deposits or advances of funds have been taken by or on behalf of the Sponsor in connection with the reservation, sale or transfer of such Units, prior to submission of the Plan to the New York State Department of Law.

None of the Units in 270 First Street, Brooklyn, New York were occupied by residential or commercial tenants as of the date of submission of the Plan to the New York State Department of Law.

No person has been authorized to make any statement or representation which is not expressly contained herein. Information, data or representations not contained herein, or in the exhibits referred to herein, must not be relied upon. This Plan may not be changed or modified orally.

Any references in this Plan to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

The "DESCRIPTION OF THE PROPERTY, SPECIFICATIONS AND BUILDING CONDITION", prepared by EDWARD C. HICKS, R.A., has been included in this Plan and all statements and representations made in this Plan with respect thereto, have been made in reliance upon the said architect in preparing same and his authority as an expert.

The Sponsor agrees to pay such interest on deposits as a court may consider just and proper as part of an order granted pursuant to Section 354 of the General Business Law.

SPONSORS STATEMENT OF BUILDING CONDITION

The Sponsor hereby adopts the "DESCRIPTION OF THE PROPERTY AND BUILDING CONDITION" as set forth in Part II of this Plan at page A-1. With reference to the Sponsor's preparation of such material, it consulted with EDWARD C. HICKS, R.A., with offices at 192-18 35th Avenue, Flushing, New York 11358. The Sponsor represents that it does not know of any material defects, or need for major repairs except as set forth in the "DESCRIPTION OF THE PROPERTY AND BUILDING CONDITION". To the best of the Sponsor's knowledge, the description accurately describes the condition of the Building and its equipment. (See "DESCRIPTION OF PROPERTY AND BUILDING CONDITION" in Part II of the Plan).

The Property is offered in its renovated condition without representation or warranty, express or implied, except as expressly set forth herein. Neither the Sponsor nor the Condominium shall have any obligation to make repairs or improvements of any kind to the Building or the Property except as expressly set forth in this Plan However, the Sponsor represents that it will maintain and operate the Building until the First Closing in substantially the manner and condition as on the date the Plan was accepted for filing, normal wear and tear excepted.

The Sponsor represents that it, at its sole cost and expense, shall cure or cause to be cured all notices or violations, municipal ordinances, orders or requirements issued by the Department of Buildings, Department of Housing, Preservation and Development, Fire Department, Labor Department, Health Department or other municipal departments having jurisdiction against or affecting the Property on the First Closing. The Sponsor represents that it will eliminate all known dangerous and hazardous conditions of which it has received notice. The Sponsor shall comply with all work orders received from mortgagees. Except for hazardous conditions which shall be cured prior to closing, in the event that the Sponsor has not cured violations by the First Closing, the Sponsor shall cure said violations within 180 days thereafter.

If any violations are not cured prior to the First Closing, the Sponsor's attorney will hold the funds required to cure such violations, an amount to be determined by an independent Architect or Engineer in a special escrow account at North Fork Bank, 90 West Broadway, New York, New York 10007, until such violations are removed from record.

The building is subject to the Housing Merchant Implied Warranty. The coverage includes the following: (a) for one (1) year, the Unit must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for items not covered by code, the construction must be in accordance with locally accepted building practices; (b) for two (2) years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation; and (c) for six (6) years, the Unit must be free from physical defects in the

structural elements (foundation, floors, walls, roof framing) which make it unsafe or unlivable.

In this Offering Plan, the Housing Merchant Implied Warranty is limited. It excludes all consequential and incidental damages, except as required by New York law. Since this is a "gut" renovation, no federal, state or local laws apply concerning lead-based paint.

Neither the Sponsor nor the Condominium makes any representations or warranties as to the condition of the Building other than as set forth above and in the "DESCRIPTION OF THE PROPERTY AND BUILDING CONDITION" as set forth in Part II of this Offering Plan, upon which the Sponsor has relied entirely. Prospective purchasers are urged to carefully review this report particularly those sections of the report which may indicate that repairs and/or improvements to the Building or Units may be required. PROSPECTIVE PURCHASERS ARE CAUTIONED TO CAREFULLY INSPECT THE PHYSICAL CONDITION OF THE UNIT WHICH THEY INTEND TO ACQUIRE. ALL UNITS ARE TO BE CONVEYED IN THEIR RENOVATED CONDITION EXCEPT AS SPECIFICALLY SET FORTH HEREIN.

FORMAN & ASSOCIATES, PC

Counsellors at Law

Warren L. Forman

Karen Abrams

156 William Street – Suite 800
New York, New York 10038
(212) 791-5500
Fax (212) 791-5544

Gina Costa
Paralegal

COUNSEL'S TAX OPINION

February 10, 2005

PARK SLOPE WEST LLC
370 4th Avenue
Brooklyn, New York 11215

Re: Offering Plan for the Conversion to Condominium Ownership of Premises: 678 Union Street, Brooklyn, New York

Ladies & 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 to individual persons who purchase Residential Units for residential use ("Unit Owners") under the Offering Plan for the PARK SLOPE WEST CONDOMINIUM (the "Plan") and the Federal income tax treatment of the Common Charges received by the condominium association of the condominium (the "Condominium"). We make no opinion or representation as to possible tax benefits or obligations as they would relate to corporations or partnerships which might hold a residential unit.

In connection with rendering this opinion, we have reviewed the Plan, the schedules and exhibits thereto, the Declaration of the Condominium Plan (the "Declaration"), the By-Laws of the Condominium (the "By-Laws"), the relevant sections of the Internal Revenue Code of 1986, as amended, (the "Code"), including the Regulations promulgated thereunder by the Treasury Department (the "Treas. Regs"), the New York State Tax Law, the Administrative Code of the City of New York, revenue rulings, case law and such other materials as we have deemed relevant.

FACTS

You have advised us that, to the best of your knowledge, the following statements are an accurate summary of the relevant facts, and our opinion is conditioned upon the accuracy of such facts.

PARK SLOPE WEST LLC, a New York limited liability company, (the "Sponsor") will apply to the Department of Law of the State of New York to establish the premises located at 678 Union Street, Brooklyn, New York as a condominium pursuant to the provisions of New York State's Condominium Act. See Article 9-B of the Real Property Law of the State of New York.

The Condominium will consist of ten (10) Residential Units (the "Units"). Each holder of a Unit will own his/her own Unit plus an individual interest in the elements common to all Units (the "Common Elements"). Each unit owner will be entitled to the exclusive ownership and possession of his/her unit and will receive a separate deed to the Unit.

The Condominium will be operated by a Board of Managers which, pursuant to Article III, Section 2 of the By-Laws, will act only as an agent of all Unit Owners. The Board of Managers will be comprised of at least three (3) but not more than five (5) members, who shall each be elected by the Unit Owners. See Article IV, Section 1 of the By-Laws. The primary function of the Board of Managers will be to supervise the maintenance and operation of the Common Elements, and collect charges (the "Common Charges") necessary to maintain and operate the Common Elements.

In accordance with New York Real Property Law Article 9-B, Section 339-i(1)(i) of the Condominium Act, the percentage interests of the respective Units in the Common Elements have been determined on the basis of the approximately proportion that the fair market value of the Unit bears to the aggregate fair value of all the Units.

DISCUSSION

I. Mortgage Interest and Real Estate Taxes and Other Deductions

Under the Condominium Act, each Unit Owner will own his/her Unit and its appurtenant interest in the Common Elements in fee simple, and each Unit will be taxed as a separate tax lot for real estate tax purposes. See Sections 339-g and 339-y of the Condominium Act. Each Unit Owner may mortgage his/her Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. See Article VIII, Section 11 of the By-Laws. Failure to pay his/her share of the Common Charges will result in the Board of Managers having a lien on the Unit for the unpaid Common Charges. See Section 339-Z of the

Condominium Act.

The deductibility of the mortgage interest and real estate taxes paid or accrued by the Unit Owner during his/her taxable year will be governed by sections 163 and 164 of the Code. Section 163 of the Code allows a taxpayer to deduct all interest paid or accrued during the taxable year on qualified indebtedness. To be entitled to this deduction for interest, there is no requirement that the debt arise out of a trade or business or be profit-motivated; however, the indebtedness must be bona fide. However, if such indebtedness is not in connection with the Unit Owner's trade of business or for investment, such deductions will be limited to qualified interest. Qualified residential interest generally is interest on a debt which is secured under local law by the taxpayers primary residence or a second home. Furthermore, such interest may not be in excess of the lesser of the fair market value of the property or the taxpayer's original basis in the Unit only adjusted by improvements and qualified indebtedness increased by amounts borrowed for qualified medical expenses incurred after August 16, 1986 and qualified educational expenses incurred after August 16, 1986. However, the taxpayer's basis in the residence is determined without other adjustments in basis such as depreciation. If a Unit Owner has more than two residences he/she will not be able to deduct his/her interest on the mortgage. Furthermore, if a taxpayer refinanced or received an equity loan, interest deductions would be limited to the original basis in the Unit adjusted only by improvements and qualified education and medical expenses as discussed above. Section 164 of the Code allows a taxpayer to deduct real estate taxes paid or accrued during the taxable year. Since Sections 339-g and 339-y of the Condominium Act provide that each Unit and its common interest shall be taxed as a separate tax lot for real estate purposes, Unit Owners shall be entitled to deduct real estates tax paid or incurred on their Units during the taxable year. In no event shall the aggregate of the assessment of the individual Units plus their common interests exceed the total valuation of the Property were it assessed as a single parcel. See Section 339-y of the Condominium Act.

The deduction under Section 163 of the Code for interest is subject to certain other provisions of the Code which may limit the amount of the deduction in any one taxable year. For example under Section 461(g) of the Code, prepaid interest is not deductible by a cash basis taxpayer in the year of payment but must be allocated to the taxable year or years to which it is chargeable. However, the payment of "points" (bank origination fee) is deductible under certain circumstances in the year of payment, provided that the indebtedness was incurred by the taxpayer in connection with the purchase or improvement of his/her principal residence, and the other requirements of Code Section 461(g)(2) are complied with.

We note that a taxpayer who purchases a Unit for investment may find his/her interest deduction limited by Code Section 163(d). Under this Section, a taxpayer other than a corporation will be subject to a ceiling on his/her deductions including interest to

the total of net investment income. Investment interest is defined as interest paid or accrued on indebtedness incurred or continued to purchase or carry property for investment. Net investment income is the excess of investment income less investment expense. To the extent that the taxpayer has investment interest (defined as the gross income from interest, dividends, rents, royalties, net short term capital gains and recapture income), he/she will only be able to deduct such interest against net investment income and will not be able to use such deductions to offset earned income or income from his/her trade or business. See generally Code Section 163(d).

We also note that Code Section 265(2) may impact on the interest deduction otherwise allowable to a taxpayer in the event that he/she incurs debt to finance his/her purchase of a Unit rather than liquidate his/her portfolio of tax exempt securities. Under these circumstances Code Section 265(2) may disallow the taxpayer's interest deduction since he/she would be deemed to have incurred the debt to "continue to carry" the tax-exempt obligations. However, revenue rulings have made an exception for debt incurred to purchase the taxpayer's principal residence, so that only the taxpayer who is purchasing for investment should consider the possible impact of this section.

In Revenue Ruling 64-31, 1964-1 C.B. 300, the Internal Revenue Service (the "Service") considered the deductibility of mortgage interest and real estate taxes incurred by the owner of a condominium unit. The Service ruled that Sections 163 and 164 of the Code, respectively, permitted these deductions by the Condominium Unit Owner provided that he/she itemized his/her deductions in filing his/her Federal income tax returns.

In our opinion, under Code Sections 163 and 164 respectively, a Unit Owner will, for Federal income tax purposes, be entitled to a deduction for qualified interest paid or accrued with respect to any mortgage indebtedness and for real estate taxes paid or accrued with respect to his/her ownership of a Unit during a taxable year, in accordance with his/her method of accounting and in accordance with the limitations discussed herein.

Prospective purchasers should be aware of the possible impact of the alternative minimum tax. Section 55 of the Code provides for an alternative minimum tax to twenty-one (21%) percent of the taxpayers adjusted gross income, after certain exclusions and deductions are allowed. If the alternative minimum tax exceeds the tax otherwise payable by the taxpayer on his/her income, it becomes the tax due. The effect of the alternative minimum tax is to cut back the tax benefits of itemized deductions, which include deductions for real estate taxes and mortgage interest. Prospective purchasers should consult with their tax professionals to determine whether they will be subject to the alternative minimum tax, and also with regard to possible recent changes in the alternative minimum tax.

Unit Owners who lease their Units to another in connection with a Unit Owner's trade or business, for the purposes of investment, or for the production of income, as well as Unit Owners who have home/office combinations are allowed deductions for depreciation. However, under the Act accelerated depreciation has been eliminated and a longer (27.5) year straight-line recovery period is now used for residential real estate. The result of this is that depreciation deductions have been reduced and it will take an investor 27.5 years to recover his/her investment in the property. Furthermore, depreciation deductions may not exceed the adjusted basis of the Unit in the taxable year in which the deduction is incurred and further deductions are limited in the case of home/office combinations to the Unit Owners net income from the business. However, any amount disallowed in a taxable year may be carried forward in succeeding taxable years subject to new income limitations in such years and provided the depreciation deduction meets the requirements of Section 167(a) of the Code.

Code Section 465 provides specific "at risk" provisions and special partnership "at risk" provisions. Section 465 provides that an investor in certain specified types of activities cannot deduct the losses incurred in such activities for a given year that are in excess of the amounts that the investor has "at risk" in such activities at the end of the year.

Further, the Act has extended the "at risk" rules to the holding of real property with an exception for qualified nonrecourse financing secured by real property used in the activity to the effect that the taxpayer is treated "at risk" with respect to such financing. Nonrecourse means that no person is personally liable for the repayment of the debt. Qualified nonrecourse financing includes financing secured by real property used in the activity and loaned by a Federal State or local government or instrumentality; or guaranteed by same or loaned by a Qualified Person. Qualified Persons are those actively engaged in the business of lending money. Such would generally, include governmentally regulated banks, savings and loan associations, credit unions, or a pension trust. Qualified Persons do not include any person from whom the property was acquired, (or a person related to such person), or who receives a fee with respect to the taxpayers' investment (or a person related to such a person). Seller or promoter financing are therefore not considered qualified nonrecourse financing.

Investors are advised that their aggregate allowable deductions and losses from an investment herein, may, for a number of reasons, be limited to the amount of their investment herein as adjusted.

Pursuant to the Act losses from passive activity will be limited in deductibility in any tax year, to passive investment income for that tax year. Investors are advised to seek tax council in regard to what constitutes a passive activity and passive investment

income.

Deductions from passive activities, to the extent that they exceed income from all such activities (exclusive of portfolio income), generally may not be deducted against other income of the taxpayer. Similarly, credits from passive activities generally are limited to the tax allocable to the passive activities. Suspended losses and credits are carried forward and treated as deductions and credits from passive activities in the next taxable year. When the taxpayer disposes of his/her entire interest in an activity, any remaining suspended loss incurred in connection with the activity is allowed in full.

Rental activity is by definition passive income. Losses from passive activity can with one exception discussed below, only be deducted from passive income and cannot be used to offset non-passive income. However an individual who actively participates in managing rental activity may offset up to $25,000.00 of above income provided his/her adjusted gross income does not exceed $100,000.00. Starting at $100,000.00 the amount of the offset is reduced and is totally eliminated for adjusted gross incomes of $150,000.00 and above. Examples of actively participating in rental activity would include approving new tenants, deciding on the terms of such tenants leases, arranging for repairs and approving expenses and capital improvements within the Unit.

The Act requires that net passive activity loss (the excess of aggregate passive activity loss after subtraction of aggregate passive income for a taxable year), will not be allowed as a deduction in a taxable year, but instead will be "suspended" as above. Loss from a passive activity generally are deductible only against income from that or another passive activity. Disallowed passive activity loss for a taxable year will be carried over ("suspended") and treated as a deduction in the immediately subsequent year against passive activity income. A taxpayer's passive activity income must be reduced first by current and suspended passive deductions before non-passive and net operating loss may be considered in calculating his/her return, except for those actively involved in managing rental activity provided the adjusted gains income of the investor does not exceed $100,000.00.

The "At-Risk" and "Investment Interest" deduction limitations (see above) must be applied in calculation of a passive activity loss before application of the passive loss limitation.

The deferment of a deduction pursuant to the "At-Risk" of "Investment Interest" provisions for a tax year are not also deferred pursuant to that tax year's passive loss limitation. The "At-Risk" and "Investment Interest" deductions, although previously subject to suspension in later years may be subject to the passive loss limitation.

If several of the taxpayers passive activities produce loss in any one year, the amount carried over is calculated by taking the net loss from each activity for that

taxable year and dividing it by the aggregate net loss from all activities that produced net losses that tax year.

Suspended passive activity losses may be carried forward indefinitely (but not back) and may be allowed in subsequent years against passive activity income.

Non-passive loss and net operating losses may be taken into account only after passive income is reduced by current and suspended activities (although not below zero).

Losses carried over are allowed in full upon a taxable disposition of the passive activity interest. Loss on disposition will be deducted first against gain recognized on disposition then against net income for that taxable year from passive activities, then finally against other income.

In the event of installment sales, the suspended loss will be released pro-rata as installment gain is recognized.

In the event of disposition caused by the death of an investor/taxpayer, the carried over loss will be available to the extent carry-over loss exceeds any gain from the decedent/taxpayer's interest at the time of death (or, if applicable, alternate valuation date). Passive losses carried over equal to such gain may not be utilized.

In the event of gift of an interest suspended loss is added to the basis of the interest prior to disposition. Proportionate loss is added if only a portion of the interest is given away. In either event, the donee's basis is affected by the loss. Suspended losses of the donor are eliminated when added to the donee's basis and the remainder of losses continue to be suspended in the donor's hands.

Dispositions in transactions pursuant to §351, 721 or 1031 of the Internal Revenue Code of 1954 as amended by the Act (non taxable transactions) do not release suspended losses. See referenced I.R.C. Sections for analysis.

Credits arising from passive activity generally will be treated in the same manner as deductions so that credits from passive activity may not be used to offset tax attributable to other taxes (non-passive) of income. Generally, credit in regard to passive activities may be carried forward indefinitely (not back).

It is also our opinion that each 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. See Section 615 of the New York State Tax Law. It should be noted, however, that for New York City income tax purposes, the benefit of

such deduction may be reduced if the Unit Owner has more than the specified amount of tax preference items. See Sections 615, 622 and 623 of the New York State Tax Law; Sections T46-115.00, T46-122.0 and T46-123.0 of the City Code.

II. Common Charges - Federal Income Taxation of the Condominium

A. Introduction

In accordance with the New York Condominium Act, Section 339(i) and (M), similar to other Condominiums, the Common Charges will be borne by the Unit Owners and assessed and collected by the Board of Managers. The Common Charges will be used to fund annual operational costs and capital improvements or to establish and maintain reserve funds therefor. In determining whether Common Charges will be includable in income of the Condominium or the Unit Owners and the tax effect of such assessment and collection, it is necessary to set forth our analysis with respect to the tax status of the Condominium and its exemption from Federal income taxation.

B. Tax Status of the Condominium

A condominium under New York law is not a corporation but a unincorporated association. See General Associations Law of the State of New York and Section 339-v of the Condominium Act. Such an unincorporated association may be treated as a partnership or as an association taxable as a corporation for Federal income tax purposes.

The Treasury Regulations in Section 301.7701-2(a)(i) set forth the factors to be considered in determining whether an association will be treated for Federal income tax purposes as a partnership or as a corporation. Two of the six factors enumerated therein as characteristic of a corporation having associates, an objective to carry on business and divide the gains, are shared by both partnerships and corporations and are therefore irrelevant to the inquiry. Treas. Regs. section 301.7701-2(a)(2). Of the remaining four characteristics of centralization of management, continuity of life, free transferability of interest and limited liability, the condominium possess three: centralization of management via the Board of Managers, continuity of life pursuant to Article VI, IX of the By-Laws, and a modified form of free transferability of interest. Since an unincorporated organization will be treated as a corporation if it has more corporate characteristics than non-corporate characteristics, (see Treas. Regs. Section 301.7701-2(a)(3), Phillip G. Larson, 66 T.C. 159 (1976) acq., Rev. Rul. 79-106, 1979-1 C.B. 448), it is our opinion that, although there exists no direct authority on this point, that the condominium will be treated as an association taxable as a corporation for Federal income tax purposes.

In such event, and in the absence of any specific exception, the Condominium would be subject to Federal corporate income tax, New York State Corporation Franchise Tax and the New York City General Corporation Tax to the extent of its taxable income, if any. Additional assessments to meet this tax liability would be required. The additional amount received through this assessment may itself be subject to tax. Old Colony Trust v. Commissioner, 279 U.S. 716 (1029), cf. Revenue Ruling 74-75 1974-1 C.B. 19.

C. Taxation of Common Charges

Assuming that the Condominium is treated as an association taxable as a corporation, the receipt of Common Charges, or substantially all of such Common Charges, may be excluded from the income of the Condominium in the event that (i) the Condominium is acting as agent of the Unit Owners as to collection and receipt of such funds; (ii) the Condominium is not acting as agent and receives the Common Charges as non-taxable contributions of capital, or receives the Common Charges as service income which is fully offset by the Condominium's service expenses; or (iii) the Condominium elects to be taxed under Code Section 528 and the condominium has only "exempt function income" within the meaning of such Section.

1. Condominium as Agent of the Unit Owners. In Revenue Ruling 75-370, 1975-2 C.B. 257, the shareholders of a condominium management corporation approved special accounts which were not commingled with the general funds of the condominium management association.

The assessments could be used only to replace the roof and the elevators located in the common elements of the condominium property. The Service ruled that these special assessments were not includable in the Condominium's gross income since they did not benefit the condominium which had a fiduciary obligation to expend the funds collected in the manner approved by its Unit Owners. The Service found that there was an agent and principal relationship between the condominium and its Unit Owners insofar as the special assessments were concerned.

However Rev. Rul. 75-370 specifically exempted funds collected by a condominium management corporation to provide services for which it was formed such as the maintenance of the common elements. Thus, funds collected by the Board for painting, general repairs, gardening and janitorial services would constitute gross income to the Condominium.

Article IV, Section 2 of the By-Laws provides that the Board of Managers will act as the agent of the Unit Owners. Article VI, Section 12 of the By-Laws requires that all capital improvements in excess of $50,000.00 be approved by a vote of the Unit

Owners. If Common Charges for such special capital improvements are specifically designated for capital improvements, deposited in special accounts and not commingled with the general funds, then such Common Charges should not be included in the income of the Condominium, according to Revenue Ruling 75-370, supra. Common Charges for assessments of less than $50,000.00 or operational expenditures would not be excluded from the income of the Condominium, based on the theory that the Condominium is acting as the agent of the Unit Owners as to these Common Charges, because the Board of Managers does not have mere ministerial powers with respect to the operations of the Condominium.

2. Assessments as Non-Taxable Contributions to Capital. Under certain circumstances, special assessments for specific capital improvements may be considered non-taxable contributions to the capital of the association, pursuant to Code Section 118.

In Revenue Ruling 75-371, 1975-2 C.B. 52, the condominium management corporation collected special assessments which were assessed pro-rata upon each unit owner to replace outdoor furniture. The By-Laws required that any assessments had to be approved at a stockholder meeting by a majority vote of the unit owner-stockholders. The special assessment was approved and the proceeds were deposited in a special account and were not commingled with the general assessment funds. The assessment could only be used for the specific purpose intended. The Service held that the Special Assessment was a nontaxable contribution to the capital of the condominium management corporation. Id.; See also Rev. Rul. 74-563, 1974-2 C.B. 38 (special assessments to pave a parking lot of the homeowners association are contributions to the capital of the associations).

Under the Plan the Unit Owners must approve all special improvement in excess of $50,000.00. Therefore, as to such amounts of Common Charges which are specifically designated for capital improvements, deposited in special accounts and not commingled with the general funds, such Common Charges should not be characterized as income of the condominium, according to Revenue Ruling 75-371, supra, but would constitute contributions to the capital of the Condominium. Even if a special capital assessment is not specifically voted upon and approved by the Unit Owners of the Condominium, there is judicial authority which would support the characterization of such assessment as capital contribution. See, Concord Village, Inc., 65 T.C. 142 (1975).

It should be noted that if the special assessments are treated as contributions to the capital of the Condominium, the subsequent expenditure of these funds (together with any other funds accumulated by the Condominium) may be viewed by the Service as a distribution to the Unit Owners, taxable under Section 301 of the Code. Each Unit Owner may therefore be subject to tax on his/her pro-rata share of the amounts

expended.

Rev. Rul. 75-371 went on to distinguish special assessments from assessments collected for the purpose of normal operating expenses and excess assessments, which could be returned directly to the individual unit owner-stockholders. These general assessments and the excess assessments which are not credited to subsequent taxable years or returned to the Unit Owners, were held to constitute gross income to the condominium under Section 61 of the Code.

We note however that to the extent to which the Condominium will be deemed to have service income by virtue of its performance of its management functions, it will be entitled to deduct as business expenses its expenditures required to provide such services from its gross income. See Concord Village, Inc., 65 T.C. 142, 157 (1975); Park Place, 57 T.C. 767, 778 (1972). Thus, it will have taxable income only in the amount of the excess of its income from all sources over its allowable deductions.

3. Excess Common Charges. Any amount of net income attributable to overassessments might constitute taxable income of the Condominium for the taxable year of receipt, even if such excess is distributed or applied to the subsequent year's assessments. However, in Revenue Ruling 70-604, 1970-2 C.B. 9, a condominium management corporation was held not to have taxable income where the stockholders decided at an annual meeting at the end of the year to distribute the excess pro-rata to the stockholders, or to apply such excess to reduce the assessments for the taxable year over and above the actual expenses paid and incurred for the purposes described above, since such excess, in effect, has been returned to the stockholders. Id. In Concord Village, Inc., supra, the Tax Court held that the excess reserve fund for the corporation is income of the cooperative housing corporation because the board of the corporation had discretion with respect to its disposition and the stockholders did not have the right to determine the use of such excess. In effect, a management association will not earn income when it has no discretion as to the application of the excess.

In the instant case, we understand that the Board of Managers will have discretion as to the application of the excess Common Charges, and that the Condominium does not intend to return excess Common Charges, if any, but intends to apply such excess to the next year's expenditures. Therefore, it is possible that the excess common charges will constitute taxable income to the Condominium.

A Condominium may be subject to income tax in much the same manner as a regular business corporation. Thus, to the extent that the Condominium's gross income for the year exceeds its allowable deductions, it will have taxable income. Gross income includes all income received whether received from Unit Owners as a whole as maintenance charges, or from Unit Owners in return for specific services such parking

leases, laundry receipts, and vending machines, plus any income derived from non-owners as in the case of the rental of commercial space and interest on working capital funds.

To offset the Condominium's gross income, it is allowed to deduct all expenditures which it has paid or accrued for taxes, interest, insurance, management services, and other expenses attributable to the building.

The deductions for expenses incurred in providing services to its tenant-stockholders are limited, however, by Section 277 of the Code. These expenditures, called "membership expenses", may be deducted only to the extent that the Condominium has derived income from its Residential Unit Owners (called "membership income"). The excess of membership expenses over membership income is not allowable as a loss in the taxable year incurred, but must be applied against membership income in the succeeding taxable year or years. See I.R.S. §277(a); Prop. Regs. 1.277-1(d)(1)(ii).

The purpose of Section 277 is to prevent membership organizations such as Condominiums from using its losses incurred in providing services to its members to offset commercial income. The Proposed Regulations issued by the Treasury do not impose any time limits on the carryover, see Prop. Regs. 1.277-1(e)(1), but do provide that carryovers will be lost if the Condominium should fail to qualify in any taxable year. Prop. Regs. 1.277-1(e)(2).

According to Schedule B of the Plan the Condominium does not anticipate the receipt of commercial income. However, interest received from the investment of the Working Capital Fund will be "non-membership income" which will be taxable to the extent it exceeds any expenses incurred in producing this income.

Section 277 of the Code would be applicable to income received from the rental of commercial or professional space plus any income received by the Condominium from non-rental sources such as investment income from the Working Capital Fund.

If the total of the income from this source or any other source unrelated to the furnishing of services to its members exceeds the aggregate of the expenses attributable to earning such income, such excess income will be taxable to you. In such event, if the Working Capital Fund or any budgeted reserve for contingencies is insufficient to pay the resulting taxes, it may be necessary to increase the maintenance charges payable by Unit Owners to cover such tax payment.

In 1996, in a case involving a conventional cooperative, the United States Tax Court ruled that Subchapter T of the Code, not Section 277, applied to housing cooperatives that qualify under Section 216 of the Code. Subchapter T requires

allocation of "patronage" and "non-patronage" source income. Since condominiums, by their nature, are "membership organizations" and do not share the dichotomy of shareholder/patron and non-shareholder/non-patron, they should be taxed under §277 as set forth above and not under Subchapter T.

4. Election to be Taxed Under Code Section 528. Code Section 528 provides a tax exemption for an organization that qualifies as a "homeowners association" which term includes a "condominium management association". A "condominium management association" is defined as an organization organized and operated to provide for the acquisition, construction, management, maintenance, and care of a condominium, provided substantially all of the units are used by individuals for residences. See Code Sections 528(c)(1)(A), and 528 (c)(2). "Substantially all" the units will be considered used by individuals for residences if at least 85% of the total square footage of all units within the project is used, or is intended to be used, by individuals for residential purposes or purposes auxiliary to residential use, such as storage rooms, laundry and maintenance areas. See Treas. Regulations, Section 1.528-4(b). The organization itself will be considered "organized and operated" for the acquisition, construction, management, maintenance, and care of such condominium, if the facts and circumstances indicate such to be the case. See Treas. Regs. Section 1.528-2. However if the articles of the Condominium reflect that is the purpose of the association, then the condominium management association will be presumed to be operated for such purpose. See Treas. Regs. Section 1.528-2(a). We also note there are no non-residential units under the Plan.

In addition to the organization and operation test, the tests set forth below must be satisfied under code Section 528(c)(1) in order for a condominium to qualify as a "homeowner's association".

(1) Sixty (60%) percent or more of the gross income of the organization must be "exempt function income," that is, income derived from the payment of dues or fees from the residential unit owners in their capacity as owner-members rather than in the capacity as customers for services. Code Section 528(c)(1)(A) and Treas. Regs. Sections 1.528-5, and 1.528.9. "Exempt function income" includes income which is attributable to assessments that arise as a result of the members' ownership interest, either based on value or size of their units, and used for the purpose of enhancing or maintaining the value of the residences. See Treas. Reg., Section 1.528-9(a). For example, the regulations indicate that assessments for the purpose of paying real estate taxes, removing garbage, or removing snow is "exempt function income". See Treas, Reg Section 1.528-9(b). Income attributable to the use of laundry machines and interest earned on sinking funds is not exempt function income; See Treas. Regs. Section 1.528-9(c). Any assessments attributable to special capital improvements, which are treated as capital contributions, are not included in gross income, and therefore, are not part of the calculation of the gross income test. See Treas. Regs.

Section 1.528-9(a).

(2) Ninety (90%) percent or more of the expenditures of the organization for the taxable year must be used for the acquisition, construction, management, maintenance and care of the organization's property. See Code Section 528(c)(1)(C). These expenditures include operating and capital expenditures during the taxable year. Investments in a reserve fund for future expenditures are not included in this calculation.

(3) No part of the net earnings of the organization may inure to the benefit of any individual. See Code Section 528(c)(1)(D). The Code expressly excludes benefits received by a unit owner attributable to the homeowners association performing its exempt function, such as the benefit from the homeowners association acquiring, constructing, managing, maintaining and taking care of the association property.

(4) The organization must properly and timely elect to have Code Section 528 apply for the taxable year. See Code Section 528(c)(1)(E).

Based upon our understanding of the manner in which the Condominium will be operated, it is our opinion that the Condominium will be eligible to qualify as a homeowners association within the meaning of Code Section 528(c)(1) for any taxable year provided the Condominium properly and timely elects to be taxed under Section 528 for such taxable year so long as it remains as it is presently constituted. However, because of the nature of these tests, we cannot express an opinion at this time as to whether the Condominium would qualify to make such election.

The qualification as a homeowners association means that all "exempt function income" will not be included in income and subject to tax. See Code Sections 528(b) and 528(d)(1). However, as noted above, "non-exempt function income," such as interest earned on the working capital fund and the operation of certain services, reduced by expenses attributable thereto, will be subject to the corporate tax rate. See Code Section 528(b). If the Condominium should have excess Common Charges constituting "exempt function income" which would otherwise be includable in taxable income, the Condominium could elect to have Section 528 apply and realize no taxable income attributable to such excess Common Charges, provided the Condominium has satisfied all applicable requirements for the taxable year. While we can't offer an opinion as to future situations and events, it is our opinion, based upon the budget and projections of the Sponsor that the Condominium will be eligible for taxpayer status under Code Section 528 should it elect to take such exemption for its first year of operation.

III. Tax Benefits

The Sponsor has advised that it intends to apply for 11-243 tax benefits for the Condominium. Please see the section entitled "REAL ESTATE TAXES FOR INDIVIDUAL UNITS, ASSESSED VALUATION BEFORE AND AFTER RENOVATION" for a full discussion of the Condominium's eligibility for real estate tax benefits.

Based on the opinions set forth by Jacob Moseson of Moseson & Associates, we believe that the Condominium will qualify under the conditions as set forth in the Statute and the Regulations and that the Condominium will be eligible for tax benefits on the increase in assessed valuation attributable to the renovation.

NO WARRANTY IS OR CAN BE MADE BY THE SPONSOR OR THE SPONSOR'S COUNSEL THAT THE NEW YORK CITY DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT OR THE NEW YORK CITY REAL PROPERTY ASSESSMENT DEPARTMENT, OR ANY OTHER AGENCY WITH JURISDICTION WILL APPROVE THE SPONSOR'S APPLICATION FOR 11-243 TAX BENEFITS OR THAT THE PER UNIT ASSESSED VALUATIONS WILL FALL WITHIN THE PARAMETERS SET FORTH. NEITHER THE SPONSOR NOT ITS COUNSEL SHALL BE LIABLE IF, BECAUSE OF CHANGE IN LAWS AND/OR REGULATION OR THE INTERPRETATION OF LAWS AND/OR REGULATIONS (OR, AS TO FORMAN & ASSOCIATES, PC, IF THE FACTS PRESENTED BY THE SPONSOR PROVE INCORRECT) THE PROPERTY IS ASSESSED IN EXCESS OF THE PARAMETERS PROJECTED HEREIN, AND THE PROPERTY FAILS TO OBTAIN IN WHOLE OR PART 11-243 BENEFITS. SHOULD TAX ABATEMENT BE DENIED, IN WHOLE OR PART, THEN THE UNIT OWNERS WILL BE RESPONSIBLE FOR ALL OF THE TAXES DUE AND OWING.

THE OPINIONS EXPRESSED ABOVE ARE BASED ON OUR INTERPRETATION OF THE NEW YORK REAL PROPERTY LAW AND THE APPLICABLE RULES AND REGULATIONS OF THE DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT, AS ALL OF SAME EXIST ON THE DATE HEREOF. WHILE WE BELIEVE OUR OPINIONS ARE WELL-FOUNDED, THEY ARE NOT INTENDED, AND SHOULD NOT BE CONSTRUED AS WARRANTIES THAT THE EXISTING REQUIREMENTS OF 11-243 OR THE REGULATIONS WILL BE SATISFIED. YOU SHOULD BE AWARE OF THE POSSIBILITY THAT THE NEW YORK REAL PROPERTY LAW UPON WHICH WE HAVE PREDICATED OUR OPINION MAY IN THE FUTURE BE REVISED IN A MANNER ADVERSE TO YOU AND THE UNIT OWNERS OF THE CONDOMINIUM. FINALLY WE HAVE NOT PASSED ON THE ACCURACY OF ANY FIGURES OR ESTIMATES AND DO NOT WARRANT THE AMOUNT OF THE REAL ESTATE TAX ABATEMENT IF ANY TO BE GRANTED.

IV. Conclusion

WE EXPRESS NO VIEW 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 THE TAX CONSEQUENCES OF THE PLAN UNDER THE LAWS OF ANY OTHER STATE OR FOREIGN JURISDICTION. THIS OPINION DOES NOT FULLY DISCUSS THE TAX CONSEQUENCES WHICH MAY RESULT FROM THE OWNERSHIP OR THE LEASING OF A UNIT TO ANOTHER, IN CONNECTION WITH A UNIT OWNER'S TRADE OR BUSINESS, FOR PURPOSES OF INVESTMENT, OR FOR THE PRODUCTION OF INCOME, NOR DISCUSS AT ALL THE TAX CONSEQUENCES WHICH MAY RESULT TO A FOREIGN UNIT OWNER BY REASON OF HIS FOREIGN STATUS. THIS OPINION ALSO DOES NOT CONSIDER THE TAX CONSEQUENCES WHICH MAY ARISE IF UNITS ARE ACQUIRED AND/OR LEASED BY THE BOARD OF MANAGERS OR THE ISSUE OF WHETHER A UNIT OWNER MAY BE DEEMED TO BE A RESIDENT OF NEW YORK STATE DUE TO OWNERSHIP OF A UNIT AND THE ATTENDANT INCOME, ESTATE OR OTHER TAX CONSEQUENCES. WE THEREFORE ADVISE EACH PERSON CONTEMPLATING THE PURCHASE OF A UNIT TO CONSULT HIS/HER OWN TAX ADVISOR AS TO ALL SUCH TAX MATTERS, AS WELL AS WITH RESPECT TO THE TAX MATTERS DISCUSSED IN THIS OPINION.

The opinions expressed herein are based solely upon our current understanding and interpretation of the existing law, regulations, decided cases and rulings of administrative agencies and upon information set forth herein. If there has been any misstatement of a fact or omission of any fact which may be material, or any amendment or change in the By-Laws or the Plan, we should be notified, since any such omission, misstatement or change may require modification of part or all of this opinion. Moreover, it should be specifically noted that this opinion is not binding on the Service, the New York State Department of Taxation and Finance, or the New York City Department of Taxation, and that such entities may not agree with any or all of the views stated above. Further, the Federal and State tax laws and Regulations and the rulings and decisions there- under may change and thereby effect the views stated above in whole or in part.

IN OUR OPINION, THE UNIT OWNERS WILL BE ELIGIBLE FOR THE REAL ESTATE TAX BENEFITS DESCRIBED ABOVE, WITHIN THE LIMITATIONS SET FORTH ABOVE. HOWEVER, THIS OPINION IS NOT A GUARANTEE: IT IS BASED ON EXISTING RULES OF LAW AND NO ASSURANCES CAN BE GIVEN THAT THE TAX LAWS UPON WHICH COUNSEL BASED 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 INTERNAL REVENUE SERVICE RULINGS ON WHICH COUNSEL RELIED WHICH CAUSE THE CONDOMINIUM TO CEASE TO MEET THE REQUIREMENTS OF SECTION 528 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR THE NEW YORK STATE TAX LAW, AS AMENDED, AND UNIT OWNERS NOT TO BE ENTITLED TO INCOME TAX DEDUCTIONS (OR WHICH CAUSE UNIT OWNERS NOT TO BE OR TO CEASE TO BE ENTITLED TO THE BENEFITS OR THE LEVEL OR DURATION OF BENEFITS DESCRIBED ABOVE.

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

Very truly yours,
FORMAN & ASSOCIATES, pc

By: _____
Warren L. Forman

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FORMAN & ASSOCIATES, PC

June 23, 2005

PARK SLOPE WEST LLC
370 4th Avenue
Brooklyn, New York 11215

RE: Offering Plan for the Conversation to Condominium Ownership of Premises: 678 Union Street, Brooklyn, New York

Ladies & Gentlemen:

You have requested our opinion concerning compliance with Real Property Law §339(i) in assigning the percentage of common interest to each Unit.

It is our opinion that, based upon the information provided by Martin R. Goldin in her letter dated May 19, 2005, the Condominium is in compliance with Real Property Law Section 339(i)(1)(ii) in assigning the percentage of common interest to each Unit based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the then aggregate floor area of all the units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all units in a part or parts of the common elements.

Very truly yours,
FORMAN & ASSOCIATES, pc

By: _____
Warren L. Forman

WLF:ch

PART II

ARCHITECT'S REPORT

PREMISES KNOWN AS THE PARK SLOPE WEST

678 Union Street
Brooklyn, New York

Tax Block Number 955
Tax Lot Number 38



Prepared By:

Edward C. Hicks, R.A.
192-18 35th Avenue
Flushing, N.Y. 11358

718-445-8038
August 12, 2005

This "Report" describes the buildings known as **THE PARK SLOPE WEST CONDOMINIUM** located in the Borough of Brooklyn, County of Kings, City and State of New York:; in the Park Slope section of Brooklyn, located in Tax Block 955 and designated as Tax Lot 38.

ZONING AND PERMISSIBLE USE

The site is located in an R6 zone, as designated on Map 16c of the 1961 Zoning Resolution (ZR). This zone permits residential use as- of- right.

STATUS OF CONSTRUCTION

The existing building constructed in 1920 will be altered, as per plans which were filed with, and approved by; the Brooklyn Office of the New York City Department of Buildings.

We have no information on what alterations were done prior to the purchase of this building.

Before the project began we hired Singer Environmental Group who did on site inspection and found no asbestos. He issued an ACP 5 to be filed with the plans and applications to obtain approvals and permits. Upon completion of the project we had Singer Environmental Group come back to do an onsite follow up inspection to verify that there is no asbestos present in the Building.

Building was entirely gutted, all new steel reinforcement on each floor and all new wood, beams, new flooring. New electrical service, new electrical risers and new lines and circuit breakers in every apt. All new waste, and water lines through out the entire building. All new plumbing fixtures though out the building. All new sheetrock walls,

new tile in the bathrooms and new hardwood floors, new solid wood doors inside the units and new fire proof entrance door to each unit through out all units in the building. Entire lobby is redone with granite floors, all steel stairs with granite landings throughout entire building.

Construction that remained were the 4 exterior walls that were made of load Bearing brick and the foundation and footings were of stone and concrete.

The building plans have been assigned, Building Department application number:

Building number	Application Number
678	301680820

The class of construction is a class 3 non-fireproofed structure, as described under the 1938 Administrative Building Code. The existing building will have new floor construction, and a Certificate of Occupancy will be issued when the work is completed to the satisfaction of the Department of Buildings.

The building has taken a year to be completely renovated. At the present time all the units in the building are vacant.

Site

The site is located 142'-0" from the corner formed by the intersection of the South westerly side of Union Street and the westerly side of 5th Ave. The site has a 25'-0" street frontage along Union Street and extends to a depth of 80'-0" to the rear lot line. The site has an area of approximately 2,000 square feet.

Streets

Union Street 80'-0" wide, two-way street. The streets beyond the lot lines are New York City sidewalks, curbs and roadways. The existing concrete sidewalk and curb will be replaced when construction is near completion as is required for all new C. of O. buildings.

The asphalt-paved roadway, fronting the property, will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion.

A catch basin is located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. It is located on Union Street.

Street lighting is provided by the City of New York, and consists of vertical stanchions surmounted with mercury arc lamps.

UTILITIES

Water, will be provided by the City of New York, and water consumption will be a common charge.

Natural **Gas,** will be provided by the Keyspan Energy Delivery Company; for cooking and heating; and each unit will be separately metered and billed directly.

Electricity, will be provided by the Consolidated Edison Company, and each unit will be separately metered and billed directly.

Telephone service, will be provided by the Verizon Company, and each unit will be billed directly.

The entire **Sanitary** waste, will be carried from the building into the existing New York City Sewer System. All of the **Storm** water runoff will be carried to the existing N.Y. City Sewer System.

SUB-SOIL CONDITIONS

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

BUILDING SIZE

There is one (1) building; with a cellar and five (5) stories. The building has a total height of approximately 52-0" measured from the adjoining grade to the roof above. The lowest level in the building will be the cellar with a floor to ceiling height of approximately 8'-0".

The ceiling height in the all 10 units is measures 9'-00"

The approximate measurement; (gross square footage) are as follows:

Cellar	approximately	1406.25 Sq. Ft.
First Floor	approximately	1406.25 Sq. Ft.
Second Floor	approximately	1406.25 Sq. Ft.
Third Floor	approximately	1406.25 Sq. Ft.
Fourth Floor	approximately	1406.25 Sq. Ft.
Fifth Floor	approximately	1406.25 Sq. Ft.

Structure System

The structural system for the building is classified mainly as a bearing wall type. The structure foundation of the building and the brick walls were in excellent condition.

There will be a line of steel columns and girders to reinforce the support system at each floor of the building.

There are no visual signs of settlement or cracks in the foundation or any sign of deteriorated mortar, spalling cracks, bulges, leaning and moisture penetration or any other sign of distress in foundation.

The foundations consist of stone and mortar on earth,

for support of the load bearing masonry walls. The steel columns rest on new 3'-0" x 3'-0" x 1'-6" deep poured concrete 3500 psi resting on well tamped earth. The exterior walls are of load bearing brick 8" to 12" thick.

The interior floor at the cellar will be a concrete slab on grade.

The cellar floor, walls and ceiling are brand new and the are no visual signs of deteriorated mortar, spalling cracks, bulges, leaning and moisture penetration or any other sign of distress on cellar floor, walls and ceiling.

The interior floor assembly at the upper floors will be new 3x10 Douglas- Fire wood joists no. 2 structure grade which will be supported by the masonry bearing exterior wall and the steel columns and girders. The flat roof above the fifth floor level will be a new Bituminous built-up layered roofing system over 1/2" and 5/8" plywood sheathing with 15 lb building paper between the two (2) layers of plywood. MEA # 50-70-M.

The parapets, lintels and sills are in good condition and were not replaced. There are no visual signs of settlement or cracks or any sign of deteriorated mortar, spalling cracks, bulges, leaning and moisture penetration or any other sign of distress on parapets, lintels and sills.

The copings were replaced when the new roof was installed. The bulkhead was build new with metal studs and c joists and than covered and stucco.

There are no visual signs of settlement or cracks on copings and bulkheads or any sign of deteriorated mortar, spalling cracks, bulges, leaning and moisture penetration or any other sign of distress copings and bulkheads.

The construction classification the building will be non fireproof construction class 3 as per section C26-254.0 of the 1938 New York City Building Code.

EXTERIOR OF BUILDING

The exterior walls all around the building are load bearing brick.

The exterior front and back brick walls were pointed and the and the rear wall was coated with thoroseal.

The interior surfaces of the masonry walls, at the exterior of the building, shall be finished with fiberglass batt insulation with a minimum R value of 11 and gypsum wall

board.

There are no visual signs of settlement or cracks in the exterior wall brickwork or any sign of deteriorated mortar, spalling cracks, bulges, leaning and moisture penetration or any other sign of distress on exterior wall brickwork.

The exterior wall composition shall have a maximum thermal performance value (Uo) of 0.215 to comply with Table 502.2 of the New York State Energy Conversation Construction Code.

WINDOWS

Windows are replaced with new all aluminum double hung, double glass insulated tilt in windows and locks.

Windows are to be top and bottom sash lift rails with sash security lock type as manufactured by All Season Windows. d 0.3 cfm per square foot in compliance with Table 502.1.4.2 of the New state Energy Conservation Construction Code. The manufacturer guarantees one year, parts and hardware and five years glazing. Windowsills shall be constructed of masonry. Lintels above window opening shall be of steel lintels and or masonry.

There will be no lot line windows in the building.

None of the windows are leaking, have rotted sashes or frames, have loose glazing or missing putty.

The sponsor reserves the right to be provided windows by different manufacturers, which are equal to or better than noted above.

AREAWAYS

There will be one areaway at the rear of the building for Units 1A and 1B.

The areaway will be excavated to the cellar floor level, and shall contain a stair leading to the rear yard area. The areaway will have a width of approximately 4'-0" perpendicular to the rear façade of the building and a depth of 10'-0" measured parallel to the rear façade of the building.

The areaway shall be of concrete construction, with reinforced concrete retaining walls at the side of the property. The perimeter walls along the open sides of the areaway shall be protected with non-corrosive metal railing to a minimum height of approximately three feet six inches above the adjacent finished grade.

EXTERIOR ENTRANCES

There will be six (6) new exterior entrances in to the building, two (2) to the front and three (3) new to the rear and one (1) new to the roof.

The main entrance, located at the first floor level at the front of the building is new solid wood mahogany frame and door with the stain glass and two stained glass panels on both sides, this will provide access to all the units located at the first floor level, and to the units at the upper floors as well as the cellar floor level via the common exit stair. The new cellar door is steel diamond plate that is located in front of the building which provides access to the building cellar.

Two (2) exterior wood doors at the rear of the building shall be providing access to the backyard and shall be used by unit 1A and 1B only. One (1) basement door shall be located at the cellar floor level and will also provide access from the rear yard area to the common storage areas.

One (1) new door located at the roof level shall provide access to the roof

common area and access to the roof rights for apartment 5A and 5B.

Exterior entranced doors and other doors to the exterior may be wood or metal and glass and do not have to be fire rated.

MAILBOXES

U.S. Approved type mailboxes will be provided for each unit at a central location at the first floor level of the building.

ROOF AND ROOF STRUCTURES

There will be a flat roof located above the fourth level of the building.

The flat roof area will be accessed via the common stair hall. The roof finish shall be of the built-up type, as manufactured by John Mansville, on (2) layers of plywood roof board and batt insulation and supported by wood joist rafters.

M.E.A. # 50-70-M.

Penetration of ducts, pipes, skylights, stair bulkheads etc. shall be properly flashed and waterproofed. Batt insulation, with a minimum R value of 19, shall be provided at the underside of the roof in the space between the wood joist rafters. The expected life span of the roof type is ten (10) to fifteen (15) years. No bond or guarantee other than the five (5) year warranty on all construction materials and workmanship will be furnished.

The new roof that was installed in 2004 is in excellent condition and there is no active leaks from the roof.

Only units 5A and 5B will have access to the roof with a common area. There can be no type of construction e.g., deck, roof garden, storage space etc., done on the roof areas without filing plans with and obtaining a permit from the

New York City Department of Buildings. The financial responsibility for the replacement of the roof or common elements in or passing through the unit and who has the decision making power on that subject, shall be indicated in the Declaration.

In the event that a condominium unit owner wishes to construct on the roof, or in the cellar, the Cooperative Corporation or Board of Managers of the Condominium may regulate any one or more of the following aspects of the construction:

(a) Time periods during which work is permitted,

(b) The manner, in which construction debris will be handled.

(c) Measures, which must be taken to prevent compromising the security of the building during construction,

(d) The interruption of services during construction,

(e) Liability insurance for contractors during construction,

The above requirements shall also be in compliance with the rules and regulations of the N.Y. City Department of Buildings. The occupancy of cellar spaces shall be as per the approved plans of the Board of Standard and Appeals and the N.Y. City Department of Buildings.

ROOF DRAINAGE

The flat roof areas will be pitched slightly to the rear of the building where the roof is drained into two individual leader lines coming down into one drain line at a minimum slope of approximately 1/4" per foot. The un-off from the roof areas will then be transported via the vertical leaders and horizontal drains to the New York City storm sewer located under union street.

SKYLIGHTS

There will be five (5) skylights in the building. It will be located at the roof above the bedroom and living room in apartments 5A and 5B.

The skylight shall be wire glass with a metal wire screen above and below. The skylight shall be a minimum of twenty square feet with a minimum 144 square inch ridge vent.

INTERIOR STAIRS

The interior stairs are all new steel stair filled with concrete on treds and landings and covered with granite with metal handrails and with a non-combustible enclosure.

INTERIOR DOORS AND FRAMES

One (1) new solid mahogany door with stained glass is providing the entrance from main lobby in to the building hallway. All interior entrance doors and frames in to the apartments are new steel fire rated. All other interior doors and frames in the common stair hallways, mechanical spaces and gas and electrical meter rooms are to be new fireproof self-closing metal doors with a minimum fire rating of 1 1/2 hr. and with metal frames.

All interior doors and frames in the apartments are new solid wood and all door knobs are a stainless finish.

INTERIOR STAIRS

There will be one (1) new interior stair located at the rear and on (1) new interior stair located in front of the building. The front stairs will provide access from the graded level to the cellar floor level. Areaways shall be of concrete construction. The area

around the stairwell shall be protected with metal guardrails to be a minimum height between 2'-6" and 2'-10" above the nosing of treads. The minimum spacing between vertical railings shall be approximately four inches (4") as required by the N.Y. City Building code.

TERRACES

There will be no terraces in the building.

FIRE ESCAPES

There will be a metal fire escape located at the second through fourth floor levels in the front of the building, to provide a second means of egress as required by the 1938 NYC Building code.

Fire escapes shall be constructed of A36 steel and supported with A36 steel beams and channels. Fire escapes shall be protected at the perimeter with metal guardrails, with a minimum height of three feet, six inches (3'-6") above the metal fire escape level. The minimum spacing between vertical railings shall be approximately four inches (4") as required by the N.Y. City Building code.

YARDS

The building will have one (1) yard area; in the rear. The yard area to the rear of the building will be approximately 24'-0" feet in depth. The yard area in the rear of the building will be a limited common element to units 1A and 1B located at the first floor.

The back yard is dirt landscaped with sod and bushes. The fence around the back yard is PVC fence 6' high.

There is one yard drain located underneath the rear door to the back yard.

COMMON AREAS

The common areas in the building shall be the entry lobby interior stair halls, corridors and parts of the cellar area where the mechanical rooms and separate storage room for each unit are located will be new sheetrock walls with the new paint. Floors is a new concrete over new plywood.

Lobby floor is new concrete over new plywood with the new granite top, lobby walls new sheetrock with the new paint and granite over. Halls, corridors and cellar area

ELEVATORS

There will be no elevator in the building.

LAUNDRY AREAS

Each residential unit will be provided with a laundry closet within the unit, with hookups to accommodate a washing machine and dryer.

The laundry equipment will be 24" washer /gas dryer unit by Whirlpool model # 31BE1B4C or equivalent will be provided by sponsor.

Laundry equipment shall be N.Y. City M.E.A. or B.S.A. approved.

PLUMBING AND DRAINAGE

All the plumbing water lines and waste lines and fixtures in the building installed are new. There are no active or any kind of leaks in the building from any piping.

Water will be supplied to the units through connections from the building to the New York City Water Distribution System. There will be a minimum 2" copper water main conveying the water into the building. Each unit is to be supplied with cold water from 1/2" copper piping. Each unit will have its own hot water heating unit, located in the mechanical room in the cellar level.

The building relies on normal New York City water pressure for raising the water to each floor at the proper psi. levels.

DOMESTIC HOT WATER

Domestic hot water will be provided for each residential unit by gas fired domestic hot water heaters, located in the mechanical room in the cellar level. The hot water heater for each of the units shall be Model # PGXH40 as manufactured by A.O. Smith, with a N.Y. City approved number (M.E.A. # 403-93-E). Each unit has an input rating of approximately 44,000 B.T.U. per hour and an efficiency rating of approximately eighty five (85%) percent, which will be adequate to provide hot water for each unit. Sponsor guaranties boiler safety inspection before the first closing.

The sponsor reserves the right to provide hot water heaters of different manufacturers which are equal to or better than listed above.

HEATING

Heating shall be provided by new gas-fired boilers as manufactured by Burnham. Heating of each unit shall be achieved by supplying heated water copper pipes and baseboard radiators to the different spaces within each unit. The typical boilers for the units located at the cellar level shall be **Burnham** Series 2 model #203nsl-te12. M.E.A. # 96-96-E, with a rated capacity of approximately 62,000 B.T.U. per HR is new. Separate **A O Smith** water heater model # PGHT-50 is new.

All aspect of heating system including boilers, burners, pumps, valves, regulating devices, radiators, convertors and piping are brand new. System was never out of

service.

Each boiler will operate at an efficiency rate of approximately eighty five percent (85%) which will be adequate to provide heat for each unit. The heating system shall be capable of maintaining a minimum space temperature of 70 degrees Fahrenheit in compliance with Table 12-1 of the N.Y. City Building Code.

The sponsor reserves the right to provide furnaces by different manufacturers, which are equal to or better than those listed above.

COOLING

Cooling of each residential unit to be provided by the owner.

CHIMNEYS

There shall be a vertical metal flue, located at the exterior of the building for the ventilation of boiler room equipment. The flue shall be manufactured by Amerivent and shall have a B.S.A. approval number (**M.E.A. 294-56 SM.).**

There are no visual signs of settlement or cracks on the chimney or any sign of deteriorated mortar, spalling cracks, bulges, leaning and moisture penetration or any other sign of distress on the chimney.

The sponsor reserves the right to provide flues by different manufacturers, which are equal to or better than those listed above.

VENTILATION

The spaces that require mechanical ventilation in the units are the interior bathrooms, kitchenettes, and laundry rooms. These spaces shall be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of

exhaust ventilation shall be 50 cfm., for bathroom and toilet room areas as required by the New York City Building Code. Exhaust equipment shall be New York City M.E.A. or B.S.A. approved.

SANITARY SEWAGE SYSTEM

The sanitary water will be conveyed to the New York City sewer system via extra heavy cast iron, sewer pipes located in the building, which leads to a house trap of heavy cast iron. The house trap will be located in the cellar area towards the front of the building. Beyond the house trap there will be an extra heavy cast iron pipe conveying the sewage to a 6" sanitary drain. The 6" sanitary drainpipe will then be connected to an existing 24" combined sewer located in the roadway beneath First Street.

STORM DRAINAGE SYSTEM

The storm drainage system will consist of external roof drains, vertical leaders, exterior area drains and below grade horizontal drains.

The run-off from the surface drains (which drain the paved areas) and also from the roof areas will be conveyed directly to the existing combined sewer in the roadway beneath Union Street. All horizontal storm drainpipes shall be of extra heavy cast iron.

REFUSE DISPOSAL

Refuse disposal will be the responsibility of each individual unit occupant. They will collect their own garbage and carry it to the outside, where it will be collected by the New York City Sanitation Department.

GAS SUPPLY

Gas service will be provided by the Keyspan Energy Delivery Company. The gas

will be used for domestic cooking, and for heating. All piping shall be of black iron.

ELECTRICAL SYSTEM

The electrical service to each building will be brought in from the terminal point of the Consolidated Edison Co. The service supplied to the building, shall be a 208 volt three phase service, providing 300 Amps, to the building.

Each residential unit will be supplied with approximately 70 amps. There will be a minimum of (11) main panels in the building. One (1) 100 amp panel for each unit and one 100 amp panel for the common spaces.

The main feed will bring the service to a minimum of eleven separate meters to the building, one (1) each for service to the individual units and one (1) for the common areas in the building.

All the electrical wiring and lighting fixtures in the building have been replaced with

new. There are no electrical defects in the building.

There will be approximately six (6) circuits equipped with circuit breakers for each residential unit; which will separate air condition equipment, laundry equipment, kitchen appliances, lights and outlets.

The electrical service will be adequate for modern usage including A/C and modern appliances.

Following is a light fixture schedule for all units in the building by unit numbers.

Unit #	Living Room	Dining Area	Bedroom	Kitchen	Bathroom	Laundry	Hallway closet	Bedroom closet	Backyard
Unit 1A	1	1	1	1	2	1	1	1	1
Unit 1B	1	1	1	1	2	1	1	1	1
Unit 2A	1	1	1	1	2	1	1	1	

Unit 2B	1	1	1	1	2	1	1	1
Unit 3A	1	1	1	1	2	1	1	1
Unit 3B	1	1	1	1	2	1	1	1
Unit 4A	1	1	1	1	2	1	1	1
Unit 4B	1	1	1	1	2	1	1	1
Unit 5A	1	1	1	1	2	1	1	1
Unit 5B	1	1	1	1	2	1	1	1

INTERCOM

Each unit will be equipped with an intercom at the entrance door, which will permit voice contact between the inside of the residential units and the exterior. The intercom shall be Model LAF 3, manufactured by Airphone.

The sponsor reserves the right to provide equipment, which is equal or better than listed above.

TELEVISION AND RECEPTION FACILITIES

Each apartment will be wired for Time Warner Cable Television by sponsor.
Each apartment has 3 phone jacks, 2 cable TV connections and 2 computer connections.

PUBLIC AREA LIGHTING

Lighting fixtures shall be provided at the front entrances, providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination, or its equivalent. There shall also be provided (in the yard areas to the rear) at least one light, each of at least forty (40) watts, incandescent illumination.

The above requirements shall be in compliance with the New York City Housing

Maintenance Code and Multiple Dwelling Laws.

The are 2 common area lights in the hallway and 5 on each landing on the staircase in side of the building and 2 common area lights outside in front of the building.

GARAGES AND PARKING AREA

There will be no parking spaces provided.

UNITS

There will be a total of ten (10) residential units, in the condominium.

There will be two (2) residential units, located on each of the first through fifth floors.

Units 1A and 1B will be used in conjunction with parts of the rear yard. There will also be common mechanical, storage and meter rooms located at the cellar floor level.

UNITS 1A and 1B will each consist of:

One bedroom, one bathroom, living/dining room, kitchenette/laundry closet and cellar storage lockers.

UNITS 2A and 2B:

One bedroom, one bathroom, living/ dining room, kitchenette, laundry close and cellar storage lockers.

UNITS 3A and 3B:

One bedroom, one bathroom, living/dining room, kitchenette, laundry closet and cellar storage lockers.

UNITS 4A and 4B:

One bedroom, one bathroom, living/dining room, kitchenette, laundry closet and cellar storage lockers.

UNITS 5A and 5B:

One bedroom, one bathroom, living/dining room, kitchenette, laundry closet and cellar storage lockers.

UNIT SIZE:

The approximate, net square footage for each unit are as follows:

Unit 1 A	First Floor	560 sq. ft.
Unit 1B	First Floor	560 sq. ft.
Unit 2A	Second Floor	595 sq. ft.
Unit 2B	Second Floor	595 sq. ft.
Unit 3A	Third Floor	595 sq. ft.
Unit 3B	Third Floor	595 sq. ft.
Unit 4A	Fourth Floor	595 sq. ft.
Unit 4B	Fourth Floor	595 sq. ft.
UNIT 5A	Fifth Floor	595 sq. ft.
UNIT 5B	Fifth Floor	595 sq. ft.

UNIT INTERIORS

The units will be finished as described herein.

The finished floor of the living, dining and bedroom areas shall be solid wood. Thereafter unit owners may finish with carpeting or other materials of their own choice and at their own expense.

The walls and ceilings shall be gypsum wallboard. When finished, the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, mirrors, etc. of their own choice.

Kitchen will have ceramic tile covering the floors, and gypsum wall board walls

and ceilings.

Full bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub and shower. Bathrooms shall have ceramic tile floors. Tile around the bathtubs shall extend to the ceiling. All other bathroom walls shall be moisture resistant gypsum wallboard. Everything is brand new and in excellent condition.

UNIT FINISHES

When completed, the following interior finishes will be installed.

	Room	Floors	Base	Walls	Ceilings
1.	Living Room	Wood	Wood	G.W.B. Painted	G.W.B. Painted
2.	Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3.	Kitchenette	Wood	Wood	G.W.B. Painted	G.W.B. Painted
4.	Bathroom	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
5.	Laundry Closet	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted

Note:
G.W.B.: Gypsum Wallboard

1. All appliances not specified within this report are to be supplied by the unit occupant.

FIXTURE SCHEDULE

A. Water closets shall be new by American Standards model number 2464.019

and shall be of white, floor mounted. Water closets are also to be equipped with a vacuum breaker and shall meet water saving performance standards as per New York

City, Local Law 29/89.

B. Pedestal Sink shall be new by American Standards, model number 0228.0800

and shall be of white; with faucet by Delta model 3530NN.

C. Bathtubs shall be new by American Standards Whirlpool, model number 2675018 white. and shower body by Delta model number 1333.

The sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than to listed above.

KITCHEN EQUIPMENT

The kitchen will generally be provided with the following fixtures, appliances and equipment:

1. All new wood, wall and base cabinets and new granite countertops.
2. New stainless steel sink by Artisan, with faucet by Hamat model #30361
3. One, new Four burner, 24" gas stainless steel range by Premiere, model #P24S340BP.
4. One, new Refrigerator by Equator model #CFR1200S.
5. One, new Microwave by Frigidaire model #PLMV169DC.

All kitchen fixtures, appliances and equipment is new and in excellent condition.

Note: Additional kitchen appliances and fixtures will be the responsibility of the unit owners.

The sponsor reserves the right to provide fixtures and appliances by different manufacturers, which are equal to or better than those listed above.

Note: Additional kitchen appliances and fixtures including additional gas ranges will be the responsibility of the unit owners.

The sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than those listed above.

HANDICAPPED ACCESS

The building provides access for the handicapped in that the first floor residential units are located approximately at grade level. Doors and accessible paths within the units shall comply with N.Y. City Local Law 58/87 and A.N.S.I., A117.1-1986.

VIOLATIONS AND PERMITS

There are no current violations on the building. All required permits and sign off, including a Certificate of Occupancy or Temporary Certificate of Occupancy will be obtained by the Sponsor prior to the first closing.

LANDSCAPE

There back yard in the building will be landscaped as following: cultivate, rough and amend soil, 500 square feet of fresh sod,2 cherry laurel, 1 andromeda and 15 perennials.

SCHEDULE A TO THE DECLARATION OF THE PARK SLOPE WEST CONDOMINIUM

678 Union Street, Brooklyn, New York
Tax Block Number, 955

Parcel 1

Building Number, 678

Tax Lot to be F/ K/ A, 38

Beginning at a point on the south side of First Street Distant 142'-0" east of the corner formed by the intersection of Union Street and 5th Avenue. Running thence west 25'-0", thence south 80'-0", thence east 25'-0" thence north 80'-0" to the point of the beginning.

SCHEDULE B TO THE DECLARATION OF THE PARK SLOPE WEST CONDOMINIUM

678 Union Street, Brooklyn, New York
Tax Block Number, 955

Parcel 1

Building Number 678
Tax Block Number to be F/K/A 38

Unit	Tax Lot	Percentage of common interest	Location	SQ. F.T.	Rooms/Baths	Limited Common Areas: Sq. F.T.
1A			First Floor	560	4/1	s: 32 y: 200
1B			First Floor	560	4/1	s: 32 y: 200
2A			Second Floor	595	4/1	s: 32
2B			Second Floor	595	4/1	s: 32
3A			Third Floor	595	4/1	s: 32

3B			Third Floor	595	4/1	s: 32
4A			Fourth Floor	595	4/1	s: 32
4B			Fourth Floor	595	4/1	s: 32
5A			Fifth Floor	595	4/1	r: 150 s: 32
5B			Fifth Floor	595	4/1	r: 150 s: 32

Note:

- r: Denotes Roof area above 5th floor.
- s: Denotes storage area at cellar floor.
- y: Denotes areaway and yard area at rear

PARAPETS:

The existing parapet at the front of the building is of masonry. The parapet walls at the party lot lines walls of the building are of masonry. The perimeter of parapet walls shall be provided with non-corrosive metal flashing. The top of masonry parapet walls shall be capped with a cast stone coping, anchored to the parapet walls. The minimum height of parapet walls and railings shall be 3'-6" above the adjacent finished roof.

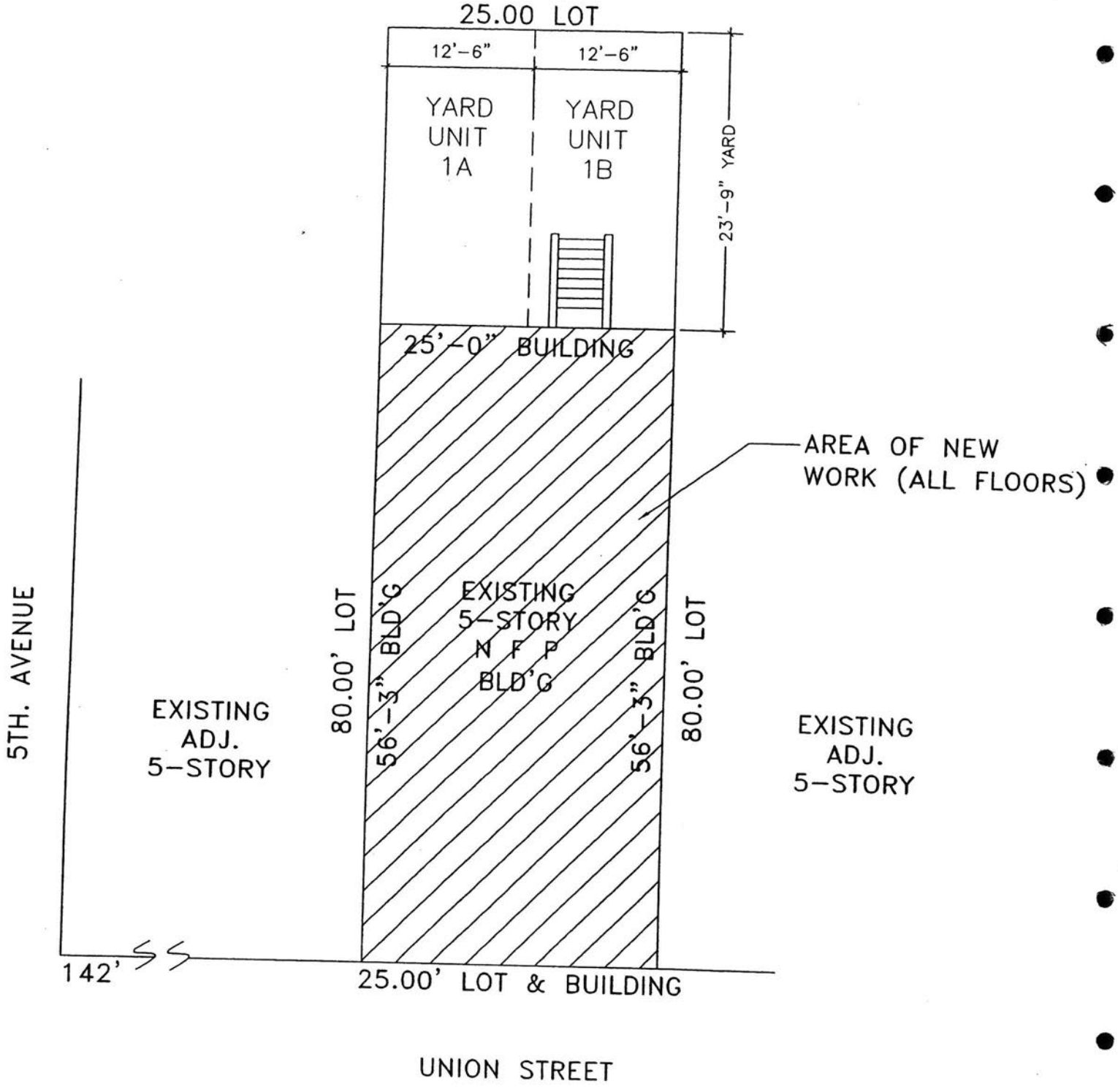
SMOKE AND CARBON MINOXIDE DETECTORS:

There will be hardwired smoke detectors and carbon monoxide detectors provided within the units at a maximum distance of fifteen feet from bedroom doors, as required by the New York City Building Code.

Presented By:

Edward C. Hicks, R.A.

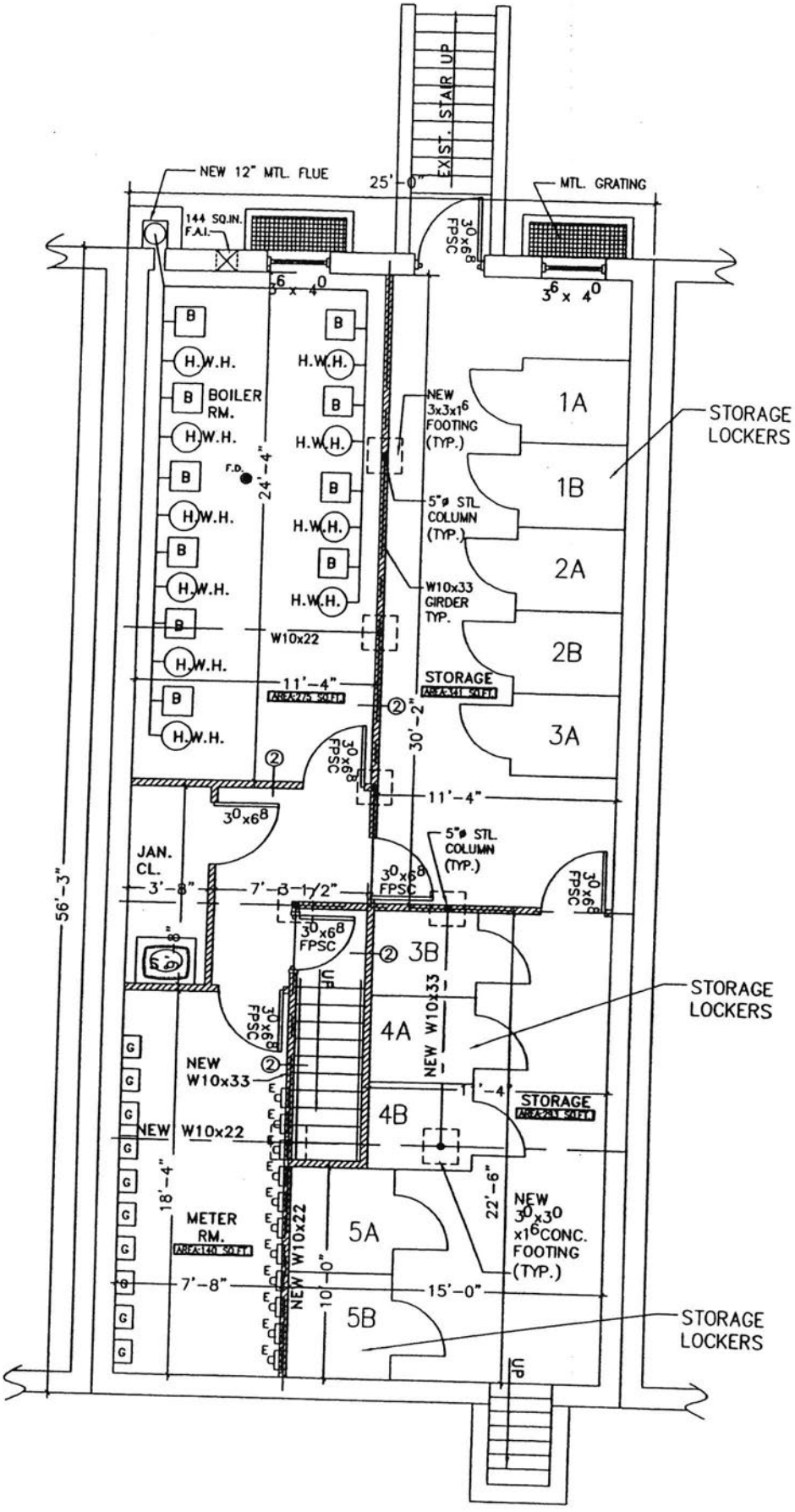




PLOT PLAN:

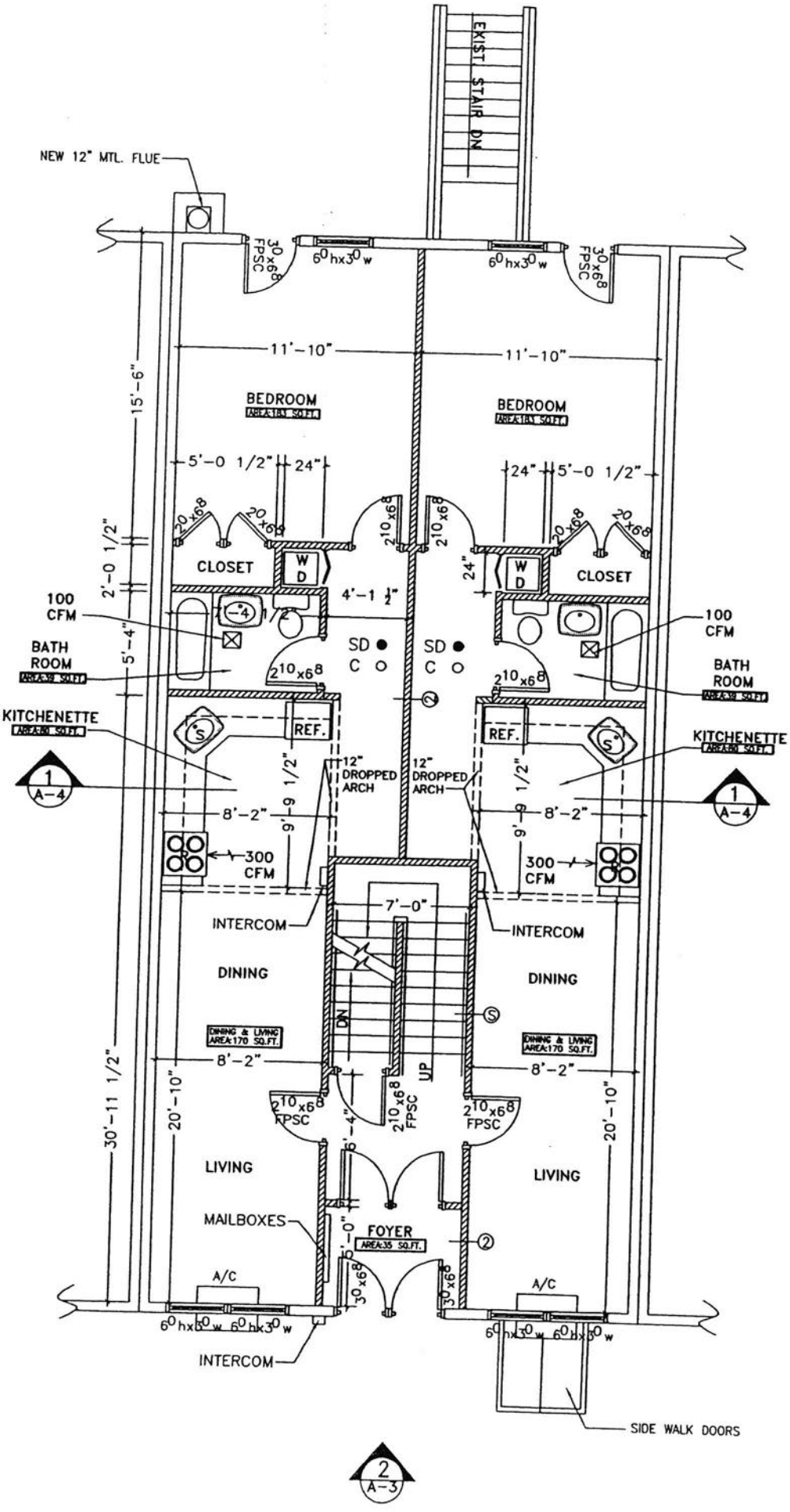
SCALE: 1/8" = 1'-0"

N



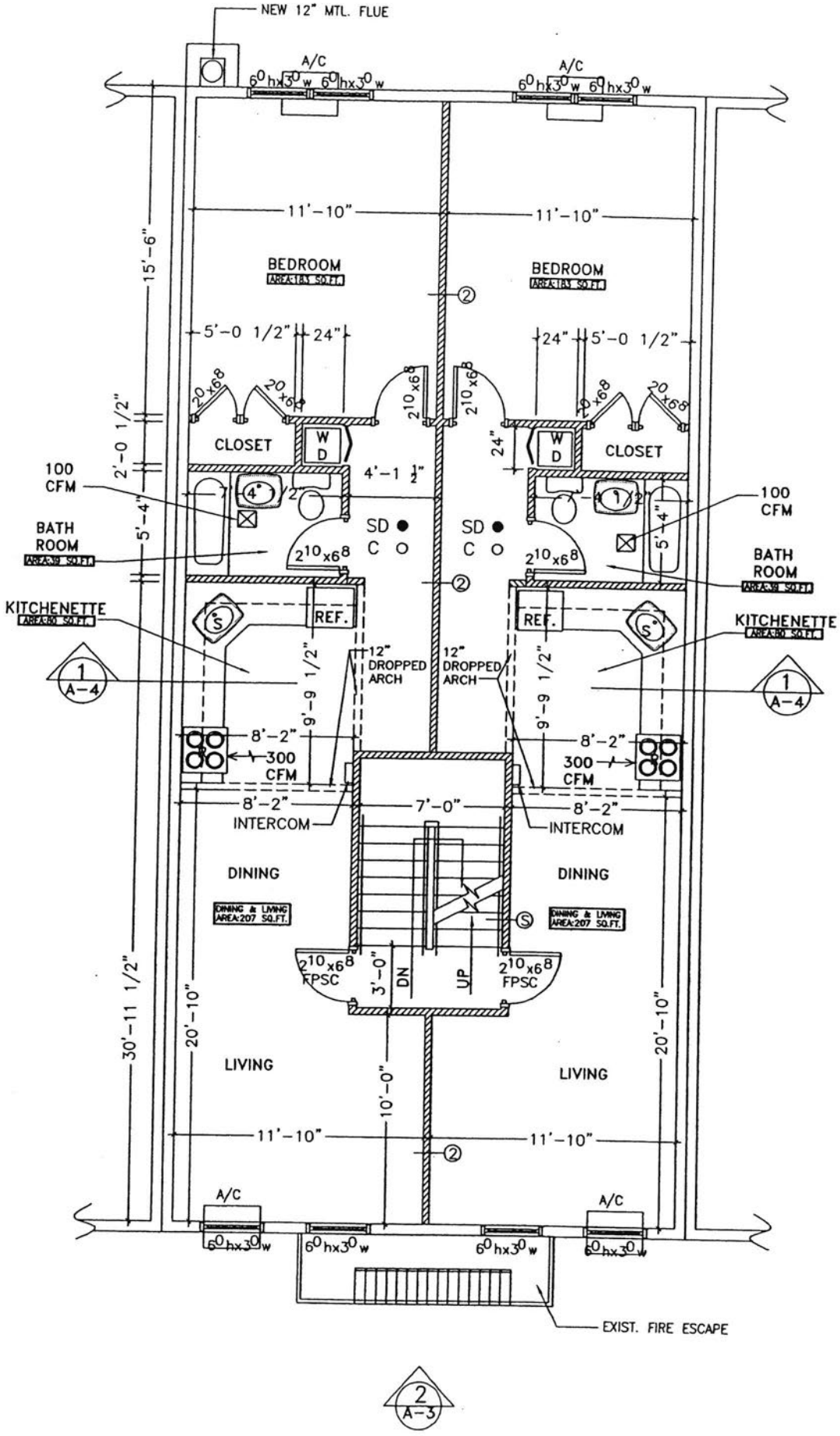
CELLAR FLOOR PLAN

Scale: 1/4" = 1'-0"



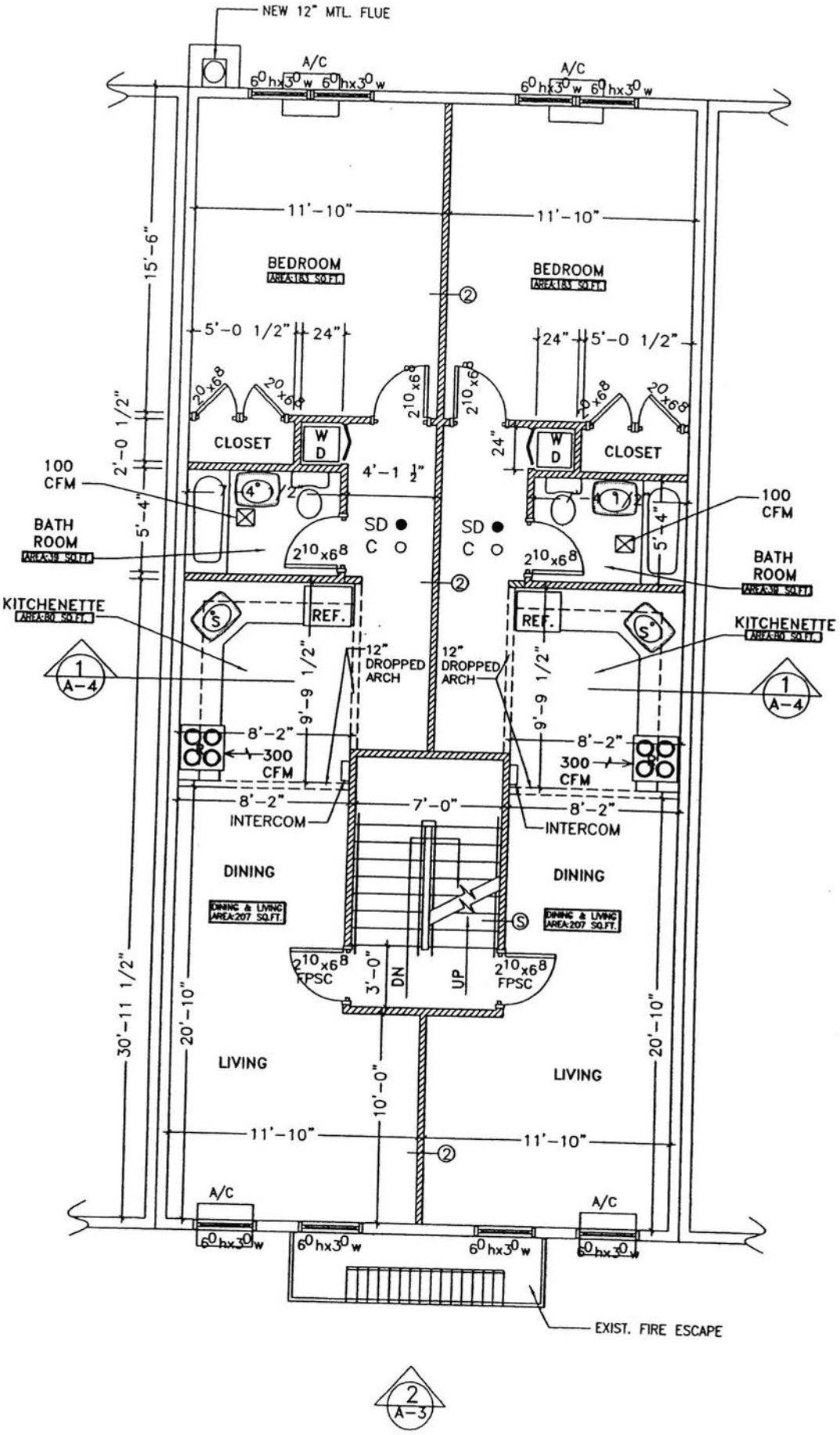
FIRST FLOOR PLAN

Scale: 1/4" = 1'-0"



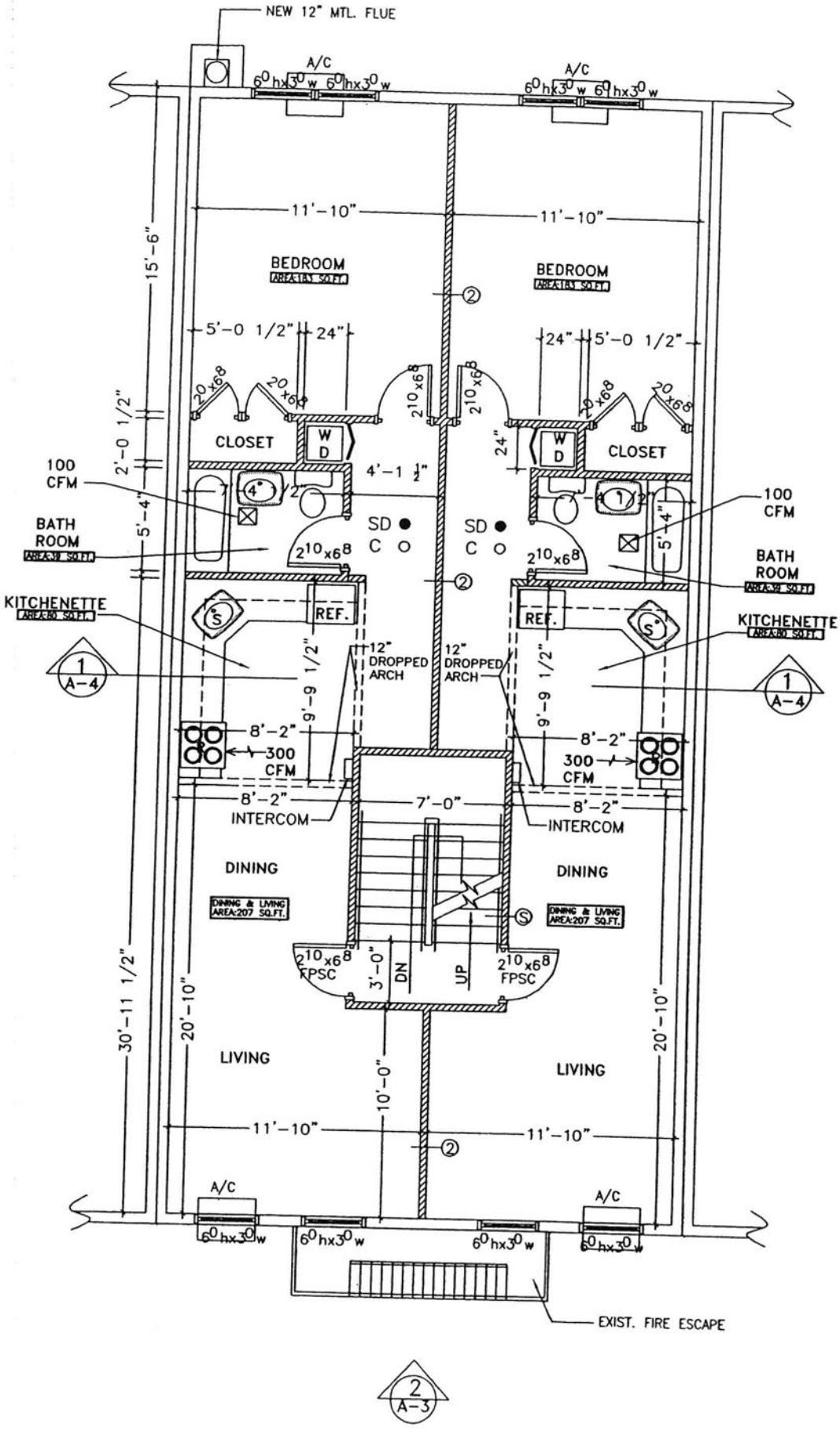
SECOND FLOOR PLAN

Scale: 1/4" = 1'-0"



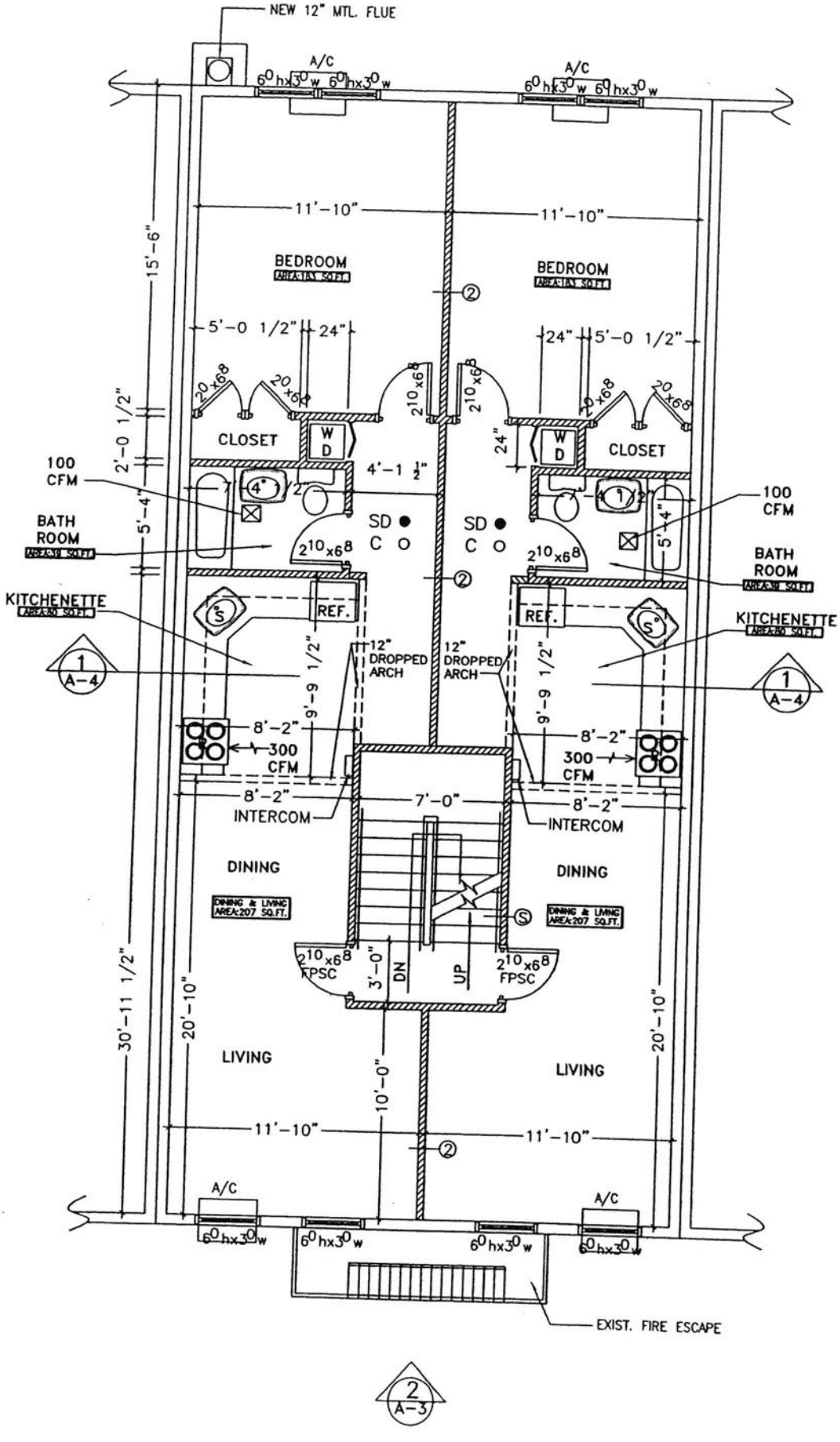
THIRD FLOOR PLAN

Scale: 1/4" = 1'-0"



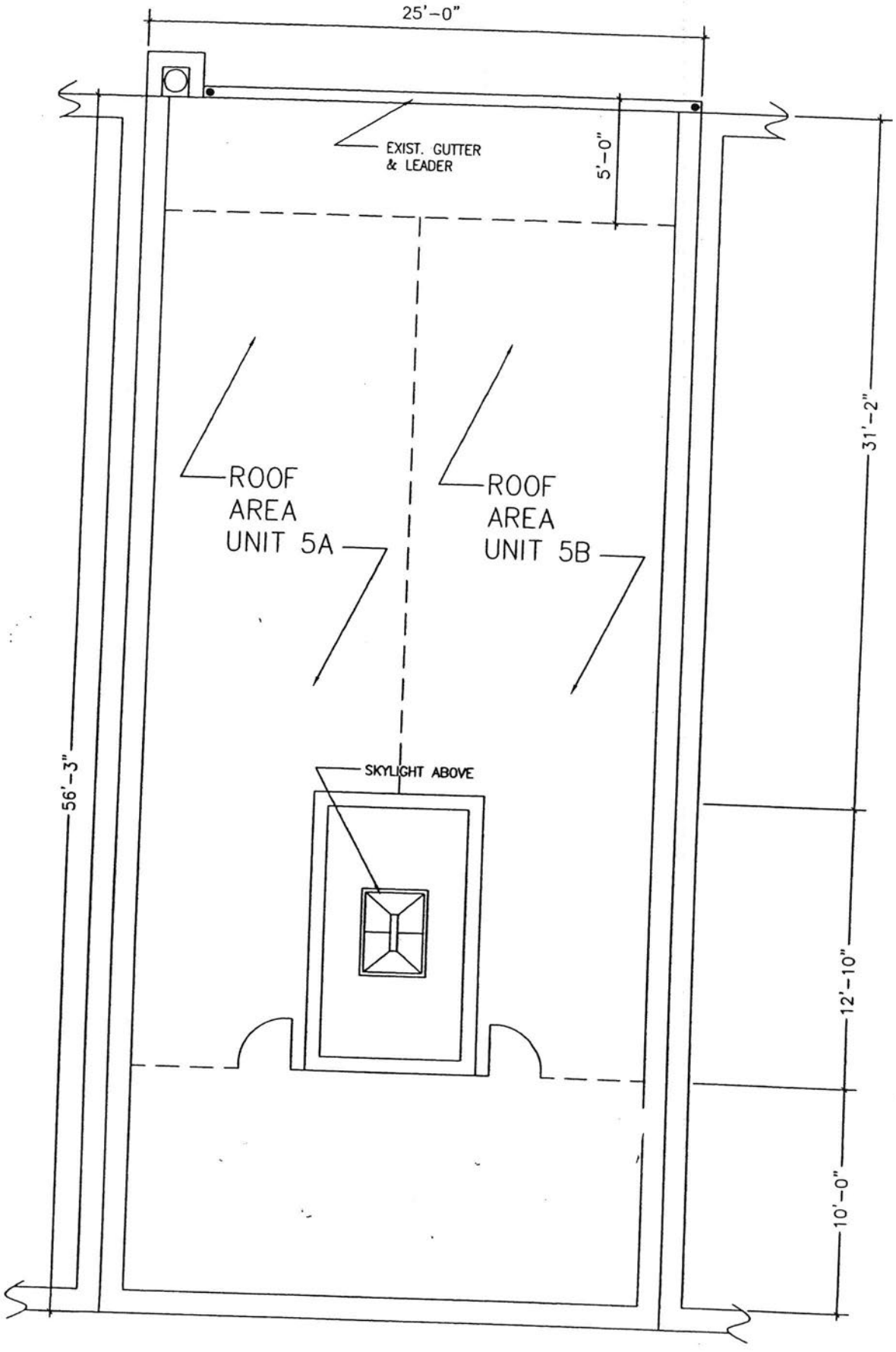
FOURTH FLOOR PLAN

Scale: 1/4" = 1'-0"



FIFTH FLOOR PLAN

Scale: 1/4" = 1'-0"

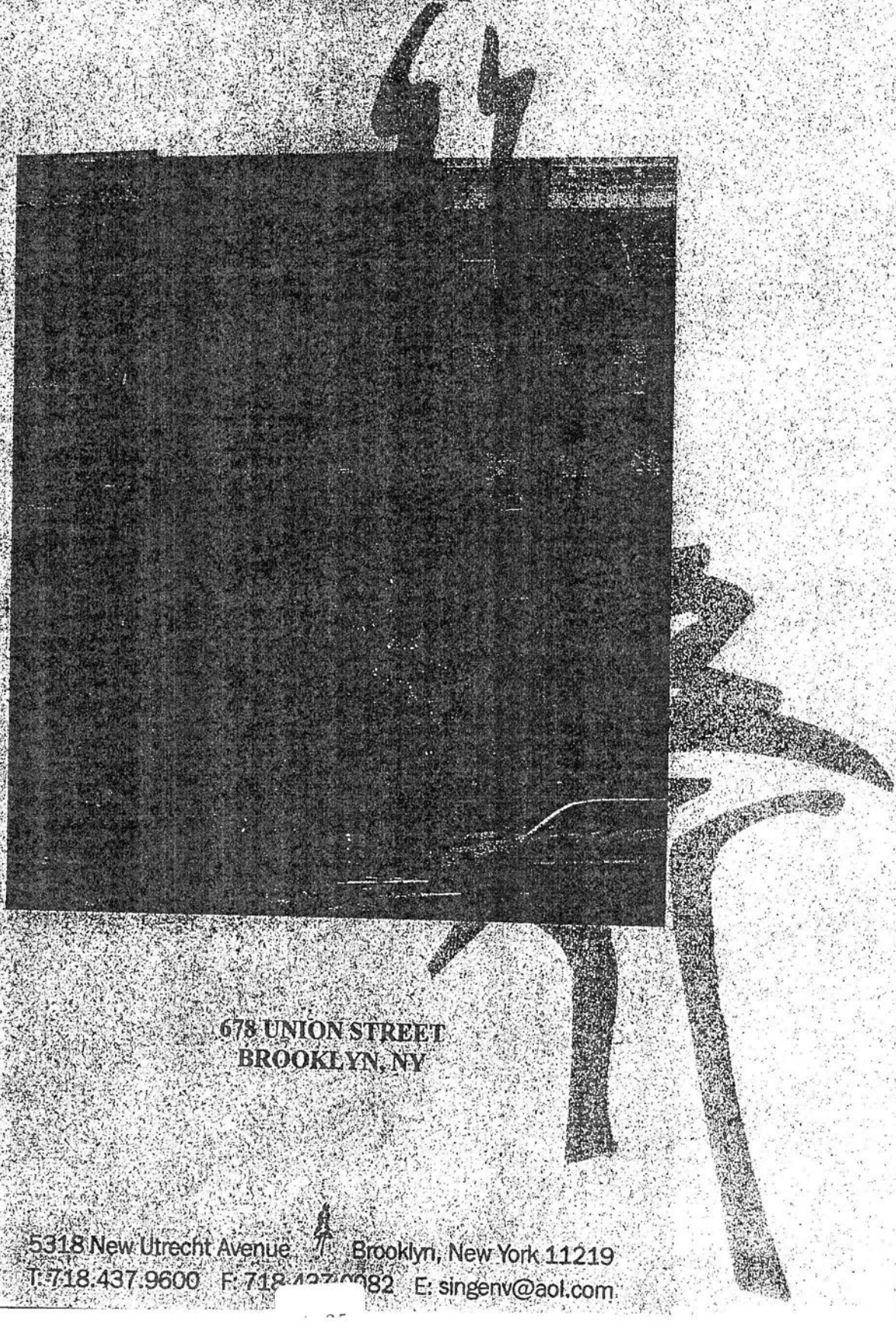


1 ROOF PLAN

Scale: 1/4" = 1'-0"

SINGER
environmental group

ASBESTOS STUDY



678 UNION STREET
BROOKLYN, NY

5318 New Utrecht Avenue Brooklyn, New York 11219
T: 718.437.9600 F: 718.437.0982 E: singenv@aol.com

ASBESTOS STUDY

PROPERTY ADDRESS: 678 UNION STREET
BROOKLYN, NY

PREPARED FOR: ATTORNEY GENERAL
120 BROADWAY
NEW YORK, NY 10271

PREPARED BY: SINGER ENVIRONMENTAL GROUP, LTD
5318 NEW UTRECHT AVENUE
BROOKLYN, NY 11219

DATE: AUGUST 1, 2005

INTRODUCTION

Singer Environmental Group, Ltd. Was formed to meet the needs of clients wishing to comply with Federal, State and City regulations regarding asbestos abatement requirements as well as the identification of hazardous or potentially toxic chemicals and substances.

SCOPE OF THIS ASBESTOS STUDY

To thoroughly inspect all accessible areas and facilities in the cellar areas, public areas, and four apartment of the residential building located at 678 UNION STREET in the borough of BROOKLYN, N.Y. including all mechanical equipment, boiler piping, duct work, insulation and other facilities to determine the presence of asbestos. If asbestos is detected, to determine quantity and condition (friable or stable) and to determine what action, if any, should be taken to conform with the latest requirements of the asbestos code. Additional recommendations are made as to whether or not removal, encapsulation or enclosure is required for each area and facility in which asbestos containing materials are presented.

No core samples were taken from any walls, ceilings, rough flooring, structural beams unless so noted with the Survey Findings section of this report. The assessment presented in this asbestos survey is based on the professional opinion of the Asbestos Inspector. Observations made herein and conclusions drawn are not to be considered a warranty or guarantee, and are based on inspection of those areas directly visible and observable, without the removal or alterations of an item or structure and reflect conditions seen on the day of inspection.

SURVEY FINDINGS

GENERAL

A visual inspection of the subject property took place on July 28, 2005 by Shemon Singer, who was accompanied by the building super, Louis.

This building consists of 5 floors plus cellar containing 10 apartment units.

ASBESTOS CONTAINING MATERIALS

Asbestos is the generic name of a group of naturally occurring hydrated mineral silicates that are characterized by fibers or bundles of fine single crystal fibers. The New York City Department of Environmental Protection defines asbestos containing materials as "any material which contains more than one percent asbestos by weight." Asbestos materials were used for many years in a variety of insulating and thermal barrier properties. The durability of asbestos fibers and their small size and fibrous shape make asbestos an unusual environmental contaminant. Water infiltration's, contact during routine maintenance and age are major factors breaking down asbestos containing materials and creating exposure problems.

NO VISIBLE AND/OR FRIABLE ACM WAS NOTED DURING THIS INSPECTION.

Rooms/areas/facilities in the cellar areas, public areas, and four random/accessible apartment were inspected as part of this asbestos survey.

Cellar

Boiler Room, Hallway, Electric Meters,
Storage Closet, Gas Meter Room,
Slop Sink Room — No visible and/or friable ACM.

RECOMMENDATIONS

The following are recommendations based on the asbestos survey conducted at 678 UNION STREET, BROOKLYN, NY.

On July 28, 2005 an asbestos survey of the cellar areas, public areas, and five apartments at the above-mentioned property was conducted for the determination and location of asbestos containing materials. The inspection covered various facilities on each of the aforementioned areas.

Within each of the rooms/areas/facilities inspected piping insulation (e.g. on hot and cold water supply piping, heat risers) was checked at exposed/accessible locations for possible asbestos content.

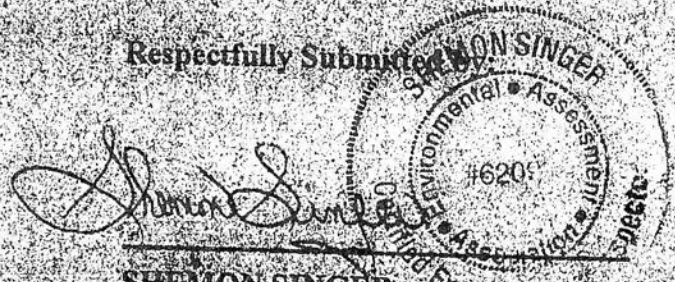
According to the Environmental Protection Agency and included in the publication EPA 560/5-85-024 "Guidance for Controlling Asbestos Containing Materials (ACM) in Buildings", asbestos containing materials in buildings are found in three forms: (1) steel; (2) in insulation around hot and cold pipes, ducts, boilers, and tanks; and (3) in a non-friable state in products such as ceilings and floor tiles, wallboards and outside in material such as shingles and roofing materials. In general, ACM in the first two categories is of greatest concern, especially if it is friable, causing the material to release fibers into the air.

NO VISIBLE AND/OR FRIABLE ACM WAS NOTED DURING THE TIME OF THIS INSPECTION.

Singer Environmental Group, Ltd. Has conducted this asbestos survey as an aid in determining the presence of asbestos containing materials. Conclusions drawn are not to be considered as a warranty or guarantee, and are based solely upon those areas directly visible and observable, without the removal or alterations as seen on the day of inspection.

Singer Environmental Group, Ltd., their principals and employees are indemnified for any future changes or conditions of deterioration in or on the subject property. Inasmuch as each has made no guarantees of the premises, expressed or implied in connection with this report, any liability which each may have shall be limited to the fee for the inspection of the property.

Respectfully Submitted by:



SHEMON SINGER
EAA CERTIFIED ENVIRONMENTAL INSPECTOR
NO. 6209
AUGUST 1, 2005

PURCHASE AGREEMENT

PARK SLOPE WEST CONDOMINIUM

Date of this Agreement:_____

Purchaser(s) Name:_____

Address:_____

Unit No:_____ Common Charges:_____

Percentage Interest in Common Property: _____

Total Purchase Price..... $_____

10% Down Payment:..... $_____

Amount of Mortgage, if applicable..... $_____
(see # 10)

Balance Due at Closing..... $_____

Purchaser(s)' Attorney: _____

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

_____

Broker's Name & Address & Telephone No.: _____

_____

WHEREAS, PARK SLOPE WEST LLC, a New York limited liability company, having an office at 370 4th Avenue, Brooklyn, New York 11215 (hereinafter called the "Seller"), has prepared a Condominium Plan and desires to offer for sale, pursuant to Article 9-B of the Real Property Law of the State of New York, Condominium Residential Units to be situated on the land owned by it located at 678 Union Street, Brooklyn, New York, and I am desirous of purchasing a Condominium Unit in such Condominium;

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

1. Offering Plan Read. As Purchaser, I have received and read the Offering Statement Plan of Condominium Organization (the Plan) with respect to premises at 678 Union Street, Brooklyn, New York.

Said Plan, including all documents set forth in Part II thereof, and any amendments thereto are incorporated herein by reference with the same effect as if set forth at length. I hereby accept the Plan (and all of said amendments thereto, if any) and agree to abide and be bound by the terms and conditions thereof. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

2. Sale of Unit. I hereby agree to purchase and the Seller agrees to sell the Condominium Unit in the PARK SLOPE WEST CONDOMINIUM designated above as shown on the plot plan which forms a part of the Offering Plan, together with the percentage of undivided interest in the Common Elements appurtenant thereto above stated for the Total Purchase Price set forth above.

3. Delivery of Deed; Adjustments. The Closing of Title shall take place at an office to be designated by Seller pursuant to the notice provisions as set forth in Part I of the Plan. The Seller shall be entitled to a reasonable adjournment in the closing of title in the event of delay by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements. If I am not ready to close title at the date and time fixed pursuant to the contract, any adjournment granted at my request shall be upon the condition that all adjustments, shall be made as of the date originally fixed for the closing of title. Nothing herein contained shall be construed to require Seller to grant any adjournment not reasonable in duration.

4. Payment of Unit. The Down Payment has been made on the signing of this Agreement, receipt of which (by check subject to collection) is hereby acknowledged by the Seller. The Balance Due at Closing (including the proceeds of the mortgage loan referred to herein, if any) shall be payable at the closing of title, as herein provided, by my certified check drawn on, or a cashier's check of, a bank or trust company which is a member of the New York Clearing House Association to the order of "FORMAN & ASSOCIATES, pc, SPECIAL UNION STREET, ESCROW ACCOUNT", or as otherwise directed by Sponsor's attorney.

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

6. Seller's Failure to Convey. It is specifically understood and agreed that in the event the Seller shall be unable to deliver or cause to be delivered a deed to the premises to me in accordance with this agreement because of the inability of the Seller to complete the filing of the premises as part and parcel of a condominium plan in accordance with the Offering Plan of the PARK SLOPE WEST CONDOMINIUM and any amendments thereto, then the Seller shall immediately notify me and thereupon this agreement shall terminate and the sole liability between the parties shall be the return by the Seller to me of the my down payment with interest, under this agreement.

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

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

9. Purchase of Unit Without A Mortgage Loan. I may, at my option, pay the Purchase Price "all cash" without obtaining a mortgage. In the event I exercise this option, the provisions of this agreement which refer to the mortgage to be obtained by me shall be deemed deleted.

10. Contract Subject to Purchaser Receiving Mortgage Commitment. This contract is subject to my obtaining a loan commitment in the amount of not less than $_____ at the prevailing rate of interest with monthly payments computed on not less than a 25 year payout. I shall have thirty (30) days from the signing of this contract to obtain said mortgage commitment. I shall accept any conventional commitment offered by the lending institution of my choice, whether that be a "fixed", "roll-over", "variable rate", "adjustable", or any other form of mortgage, however designated. I represent that, to my knowledge, I should be able to qualify for such a mortgage and that I am creditworthy. In the event that I fail to obtain a commitment within said thirty (30) day period, either party may cancel this Purchase Agreement on five (5) days written notice to the other, by personal delivery or by certified mail, return receipt requested, whereupon this Purchase Agreement shall become null and void and my Down Payment shall be returned by the Seller. I shall apply for a Mortgage and notify Seller within ten (10) days from the date hereof as to the identity of the lending institution to which I have applied and further shall immediately (within five days) notify the Seller when a loan commitment or declination has been obtained or refused and deliver a copy of such commitment or declination to the Seller's attorneys within five (5) days receipt thereof. IN THE EVENT THAT THE SPONSOR'S ATTORNEY DOES NOT RECEIVE A NOTICE OF DECLINATION OR OF A FAILURE TO OBTAIN A COMMITMENT WITHIN FIVE DAYS AFTER THE EXPIRATION OF SAID 30 DAY TIME PERIOD (OR ANY EXTENSION THEREOF), I SHALL BE EXPECTED TO CLOSE WHETHER OR NOT I HAVE RECEIVED FINANCING, UNLESS THE SELLER CANCELS THE PURCHASE AGREEMENT.

My failure to apply for a Mortgage or to provide information to the Lender promptly upon request or to accept the commitment or extension thereof issued to me by the Lender on the terms set forth herein shall constitute an event of default for which Seller shall have the right to cancel this Agreement and to retain the Down Payment as provided herein as liquidated damages.

Once a bank commitment is issued, I will be required to use due diligence in obtaining and maintaining any and all extensions necessary to maintain such commitment in force and effect or to obtain another commitment. Such extension might be at a higher interest rate and I may be required to pay an additional "origination fee" or other such charges that the lending institution requires. Failure to do so will constitute a default under the Purchase Agreement. If I am unable to obtain an extension or new commitment in spite of such due diligence on or before the Closing Date or within thirty (30) days after expiration of my commitment whichever is longer, I shall notify the Seller within five days of the time period specified by certified mail, return receipt requested, whereupon this Agreement shall become null and void and the Down

Payment shall be returned by the Seller.

11. Closing Costs and Adjustments. I further agree to pay at the closing of title those costs applicable to a closing where I either obtain a mortgage or where I do not obtain a mortgage, whichever is applicable. Said costs shall include but not be limited to the actual cost of title examination; cost of mortgage insurance; bank's attorneys' fees for preparation of the documents necessary for the mortgage loan; mortgage origination fee; bank credit and appraisal fee; survey costs, if applicable; mortgage recording taxes; New York State and New York City real property transfer taxes; private mortgage insurance (if applicable); and any other governmental charges assessed on a loan or the transfer of title. In addition thereto, I will contribute one month's common charges to the Condominium as an initial working capital fund contribution. I also agree to apportion with Seller such taxes, insurance premium adjustments, utility charges and common charges as may be determined to be due at the time of closing. In addition, it shall be my sole responsibility to pay the Sponsor's attorney a fee of $1,000.00 at closing for the preparation of closing documents. If the closing is held at a place other than the office of the Sponsor's attorney or such other place as designated by the Sponsor (but within New York City) there will be an additional fee of $250.00 per Unit which will be the sole responsibility of the Purchaser. Fees for closings outside of New York City will depend upon distance, but in no event shall such fee be less than $350.00. If the closing is adjourned other than by the Sponsor, there will be an additional fee of $250.00 per Unit payable to the Sponsor's attorney, which will solely be my responsibility to pay. In the event a Purchaser defaults, a fee of $250.00 will be payable at closing for preparation of a letter of default. Such fee will be my sole responsibility. In the event that I decide to use the services of a title company other than National Granite Title Insurance Agency, Inc. I will be obligated to pay a fee of $500.00 for the time in coordinating and arranging the Closing with the other title company. The above closing fees are cumulative to the extent applicable to an individual closing.

12. Seller Right to Mortgage Tax Credit. I agree that any mortgage tax credit received pursuant to Section 339-ee of the Real Property law will inure to the benefit of the Seller.

13. Escrow of Deposits. The Offering Plan provides that the Seller will hold all monies received directly or through its agents or employees in trust until the closing of title to a Unit. Such funds will be held as trust funds pursuant to Section 352-h and 352-e(2) (b) of the General Business Law, in a special account entitled "FORMAN & ASSOCIATES, p.c., SPECIAL UNION STREET, ESCROW ACCOUNT" in NORTH FORK BANK, 90 West Broadway, New York, New York 10007. The signature of a member of the firm of FORMAN & ASSOCIATES, pc, 156 William Street, Suite 800, New York, New York, Attorneys for Seller shall be required to withdraw such funds. The funds existing in the trust account will be payable to the Seller after the closing of title to the Unit covered by this Purchase Agreement. In the event of my default under this Purchase Agreement, which default continues for thirty (30) days after notice of such default from the Seller to me, the Down Payment (to a maximum of 10% plus the actual

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

14. Default and Liquidated Damages. I agree that if I shall fail to pay the balance of the Cash Purchase Price when due, as herein provided, or, if I am otherwise in default hereunder as such term is defined herein, the Seller may elect to cancel this Agreement by written notice to me at my residence or at the address stated above, by certified mail, and at the expiration of 30 days after the date of mailing thereof (unless I shall have theretofore paid the balance of the Cash Purchase Price in full) said notice shall be effective and this Agreement shall be deemed cancelled and all rights of the parties thereunder shall terminate except that the amount of my Down Payment shall be paid over to the Seller as liquidated damages, such liquidated damages not to exceed 10% of the Cash Purchase Price plus the cost of any special work in the Unit ordered by me, together with any interest earned thereon. Any payments made by me in excess of said sum together with any interest earned thereon shall be refunded to me within 15 days thereof. TIME IS OF ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD. The notice of default is hereby deemed a notice to vacate as well if I occupy the unit under the terms of any use and occupancy agreement. In the event of such cancellation, the Seller shall have the right to sell the Unit to another purchaser as though this agreement had never been made and without accountability to me for the proceeds received on any sale to another.

In the event I enter into an interim lease with the Seller, any default under the interim lease by me (including, but not limited to, the payment of use and occupation charges or any other obligations under the lease) shall be deemed a default under the Purchase Agreement; any default under the Purchase Agreement shall also be deemed a default under the interim lease; and any rescission under the Purchase Agreement by me shall be deemed a default under the interim lease.

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

16. Construction of Unit by Seller. The Seller agrees, at its own cost and expense to renovate the aforementioned Unit in accordance with the requirements as to

materials and workmanship of the local municipal authorities having jurisdiction and further agrees that when completed, same will be in substantial accordance with the plans as filed with the Building Department. In the event the Unit is substantially completed and provided a temporary or permanent Certificate of Occupancy for the Building or Unit is issued, I agree to accept a letter agreement from the Seller wherein the Seller shall agree to complete all unfinished items within thirty (30) days from the date of the closing of title, weather permitting.

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

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

18. Sellers Right to Make Changes in Material, etc. The Seller reserves the right to: (a) make changes or substitutions of materials or construction for items as set forth in the Offering Plan or building plan, provided any such changes are of comparable value and quality and are required and/or approved by the lending institution.

19. Closing Deed; Power of Attorney. The closing deed shall be in proper statutory form for recording, as set forth in the Offering Plan as Exhibit D; shall be a Bargain and Sale Deed with covenants against grantor's acts; shall be duly executed and acknowledged by the Seller at the Seller's expense and shall contain such a description of the premises as shall be acceptable and/or approved so as to validly convey under the Condominium Act, the Unit and the undivided interest in the common elements referred to herein. At the closing of title, I agree to execute and deliver to Seller the Power of Attorney in the form as shown in the Offering Plan, Exhibit C, beginning on page C-1.

20. Marketable Title, Subject to. The Seller shall give and I shall accept a good and marketable title (subject to the terms of the Declaration and By-Laws as filed and of the Offering Plan), free and clear of all liens and encumbrances except for the Permitted Encumbrances as described in the Offering Plan, and such title National Granite Title Insurance Agency, Inc., will approve and insure for mortgages and/or fee title insurance. Fee title insurance, if ordered by me, shall be purchased at my own cost and expense.

21. Seller's Failure to Convey. The Seller's liability under this agreement for failure to complete and/or deliver title for any reasons other than Seller's willful default, shall be limited to the return of the money paid hereunder, with interest, and upon the return of said money, this agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding or otherwise incur any unreasonable expense to render the title to the premises marketable or to cure any objection to title.

22. Acceptance of Deed Full Compliance by Seller; Waiver of Jury Trial. Anything to the contrary herein contained notwithstanding, it is specifically understood and agreed by the parties hereto that the acceptance of the delivery of the deed at the time of the closing of title hereunder shall constitute full compliance by the Seller with the terms of this agreement and none of the terms hereof, except as otherwise herein expressly provided, shall survive the delivery and acceptance of the deed. All representations contained in the Offering Plan shall survive delivery of the deed. The parties hereto do hereby agree that trial by jury in any action, proceeding or counterclaim arising out of or from this agreement is hereby waived.

23. Delivery of Transferable Warranties. At the closing of title the Seller will deliver the certificates and warranties delivered to them and transferable to me or to the Condominium and it is further agreed that title will not close until either a temporary or permanent Certificate of Occupancy has been issued covering the Building in which the Unit is located. Seller's liability pursuant to any manufacturers' warranties are limited solely to the extent that such warranties are delivered to Seller, transferable to me or to the Condominium and then only as against such manufacturer.

24. Lack of Labor/Materials; Seller's Right to Cancel. The parties hereto do hereby agree that the Seller may cancel this agreement by forwarding its check in the full amount paid by me, with interest, together with a notice in writing, addressed to me, at the address hereinabove set forth in the event of the occurrence of either of the following: (1) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of material necessary in the construction of residential housing and such restriction shall prevent the Seller from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the dwellings; or (2) that the Seller is unable to obtain materials from its usual sources due to strike, lockouts, war, military operations and requirements, national emergencies, or the installation of public utilities is restricted

or curtailed.

Prior to the acceptance of the Purchase Agreement for 80% of the Units, in the event that insufficient funds are raised through the Offering to effectuate the purchase of the Units and the consummation of the Plan, or if I rescind my Purchase Agreement in accordance with the terms and conditions contained therein, or if the Plan is abandoned, then such monies shall be fully returned to me if I am in good standing under my Purchase Agreement, with interest earned thereon, within fifteen (15) days after the date of abandonment of the Plan as hereinafter provided. If I default under my Purchase Agreement and if I have failed to cure the default within the applicable grace period, or if my Purchase Agreement had previously been cancelled, the Seller shall retain as liquidated damages all payments made thereunder (but in no event to exceed ten (10%) percent of the Total Cash Purchase Price plus the cost incurred of any special work in the Unit ordered by me), together with any interest earned thereon (hereinafter collectively called the "Liquidated Sum"). Any such sums deposited in excess thereof (together with any interest earned on such excess amounts) will be refunded to me within fifteen (15) days thereafter.

The Seller has the option not to close title to the Condominium Unit described herein if less than 80% of all of the Condominium Units have not been contracted for, the Declaration has not been filed at such time, and the Offering Plan has not been declared effective. In the event Seller exercises such option, it shall forthwith return my down payment with interest.

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

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

27. Possession Prior to Closing. It is expressly understood and agreed that I shall in no event take possession of the premises prior to the time of the delivery of the deed and full compliance by me with the terms of this agreement and should I violate this provision, I consent that the Seller shall have the right to remove me from the premises as a squatter and intruder by summary proceedings. Upon my unauthorized possession, I shall be deemed in default hereunder at the option of the Seller, and upon such election, the amount paid hereunder shall belong to the Seller as liquidated

damages (to a maximum of 10% of the purchase price plus the actual cost of any special work ordered). It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to me whether same is delivered to the property on or after the closing of title herein.

28. Execution of Required Documents. I agree to deliver to Seller all documents and to perform all acts required by the Seller to carry out the provisions of the Offering Plan, establish the Condominium and conform to the provisions of all applicable laws and regulations. This paragraph shall survive delivery of the deed.

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

30. Default Under Purchase Agreement. Should I violate, repudiate, or fail to perform any of the terms of this agreement ("default"), which default continues for thirty (30) days (except where otherwise indicated) after written notice of such default from the Seller to me, Seller will retain all of the monies paid on account hereunder as liquidated damages to a maximum of 10% of the purchase price, plus the actual cost of any special work ordered, in which event the parties shall be discharged of all further liability hereunder. This provision shall apply whether or not renovation has commenced and regardless of any sale of the Unit subsequent to my default. TIME IS OF THE ESSENCE IN CURING A DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE FINAL THIRTY (30) DAY GRACE PERIOD. No further adjournment, extension or grace period will be granted.

31. Binding Nature of Purchase Agreement, Assignability; Notice. The parties agree that the stipulations and agreements herein contained shall be binding upon them, their respective heirs, executors, administrators and/or assigns. Any notice to be given hereunder shall be in writing and sent by certified mail to the parties at the address above given or at such address as either party may hereafter designate to the other in writing. This Purchase Agreement will not be recorded or filed in any office of public record. This Purchase Agreement may not be assigned. This Agreement is not binding on the Seller and the Seller is not obligated to me to consummate the transaction contemplated herein, unless and until such time as Seller has executed a counterpart of this Agreement and thereafter delivered such executed counterpart to me.

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

33. Entire Agreement. This agreement states the entire understanding of the parties and the Seller shall not be bound by any oral representations and/or

agreements. Any conflict between this Purchase Agreement and the Plan as amended shall be resolved in favor of the Plan.

34. Time to Accept Purchase Agreement. If this Agreement shall not be accepted by the Seller within twenty (20) days of the date hereof by the delivery or mailing to me of such endorsed and fully signed copy, this Purchase Agreement shall be deemed to be rejected and cancelled and my deposit shall be promptly refunded to me.

PARK SLOPE WEST LLC
Sponsor

By:_____

PURCHASERS

_____

_____

LIMITED WARRANTY

Warranty No.: _____

NAME OF PURCHASERS: _____

ADDRESS OF PURCHASERS _____

_____

ADDRESS OF UNIT WARRANTED: 678 UNION STREET
BROOKLYN, NEW YORK

NAME OF SPONSOR: PARK SLOPE WEST LLC

ADDRESS OF SPONSOR: 370 4TH AVENUE
BROOKLYN, NEW YORK 11215

WARRANTY DATE: _____

SPONSOR'S LIMIT OF TOTAL LIABILITY: $_____

This Limited Warranty Excludes All
Consequential and Incidental Damages,
Except as Required By New York State Law.

1. ***To Whom Given***. This Limited Warranty is extended to the Purchasers named on page 1, while the Purchasers own the Unit. It does not extend to subsequent owners of the Unit or other persons.

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

3. ***Final Inspection of Unit***. Before the Purchasers move into the Unit or accept the Deed, the Sponsor will set up an appointment for final inspection of the Unit with the Purchasers. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature -- such as mars, chips, dents, cracks, or scratches -- that may have occurred during the final stages of finishing the Unit, or any unfinished work caused by back-orders beyond the Sponsor's control. The Sponsor may also point out other defects known to have occurred during the construction process and that remain uncorrected at the time of the inspection.

All defects or flaws found on final inspection of the Unit will be itemized on a Final Inspection Sheet, which will include a schedule for each item that will be corrected. The Final Inspection Sheet will be signed by the Purchasers and the Sponsor before occupancy of the Unit or transfer of the Deed.

When the Purchasers move into the Unit or accept the Deed, the Sponsor's responsibility is limited to:

(a) completion of items shown on the Final Inspection Sheet, as provided in the Final Inspection Sheet; and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as listed below. The purpose of the Limited Warranty is to identify the Sponsor's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Unit.

4. ***Limited Warranty***. This Limited Warranty excludes all other warranties on the construction and sale of the Unit and its components, both express and implied. There are no warranties which extend beyond the fact hereof.

5. ***Warranty Coverages and Periods***. The Warranty Period for all coverages begins on the Warranty Date shown on page 1. (This Warranty Date is the date that the Purchasers, or member of the Purchasers' family, take title to the Unit or any person begins residential occupancy of the Unit, whichever date is earlier). It ends at the expiration of the coverages shown below:

FIRST YEAR BASIC COVERAGE: For one (1) year from the Warranty Date, the Unit will be free from latent defects that constitute:

(a) defective workmanship performed by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor;

(b) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

Workmanship, materials and design will be considered to be defective if they fail to meet the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for Units in New York City, the Building Code of the City of New York) or if they fail to meet the Accepted Standards.

TWO YEAR MAJOR SYSTEM COVERAGE: For two (2) years from the Warranty Date, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Sponsor are warranted to be free from latent defects that constitute defective installation by the Sponsor.

Installation will be considered to be defective if the Sponsor's workmanship upon the installation fails to meet the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for Units in New York City, the Building Code of the City of New York) and the Accepted Standards.

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

The Electrical System means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation Systems mean: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: For six (6) years from the Warranty Date, the Unit will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

(a) defective workmanship performed by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor;

(b) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

Workmanship, materials and design will be considered to be defective if they fail to meet the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for Units in New York City, the Building Code of the City of New York) or if they fail to meet the Accepted Standards.

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

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

6. ***Exclusive From All Coverages***. The following are excluded from the Basic Coverage, Major System Coverage, and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than: (i) the Sponsor; (ii) an agent of the Sponsor; or (iii) a subcontractor of the Sponsor.

(b) Loss or damage caused by defective materials provided by any person other than: (i) the Sponsor; (ii) an agent of the Sponsor; or (iii) subcontractor of the Sponsor.

(c) Loss or damage caused by defective design, provided by any person other than a design professional retained exclusively by the Sponsor.

(d) Patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Unit prior to acceptance of the Deed or occupancy of the Unit ought to have revealed.

(e) Defects in outbuildings including, but not limited to, detached garages and detached carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Unit); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences;

landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvements or any other improvements not a part of the Unit itself.

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

(g) Damage to real property which is not part of the Unit covered by this Limited Warranty and which is not included in the purchase price of the Unit.

(h) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance, or improper operation by anyone other than the Sponsor, its employees, agents, or subcontractors; or

(ii) failure by the Purchasers or anyone other than the Sponsor, their employees, agents, or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(iii) failure of the Purchasers to give notice to the Sponsor of any defects or damages within a reasonable time; or

(iv) changes in the grading of the ground by anyone other than the Sponsor, its employees, agents, or subcontractors; or

(v) changes, alterations or additions made to the Unit by anyone after the Warranty Date shown on page 1; or

(vi) dampness or condensation due to failure of the Purchasers or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Unit.

(j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable changes in the underground water table.

(k) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damage which the Unit Owner has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage.

(p) Bodily injury or damage to personal property.

(q) Failure of the Sponsor to complete construction of the Unit.

(r) Loss or damage which arises while the Unit is being used primarily for non-residential purposes.

(s) Loss or damage due to abnormal loading on the floors by the Unit Owner which exceeds design loads as mandated by the Building Code.

(t) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair.

(u) Consequential damages (except where required by state law).

(v) Any claim not filed in a manner set forth below in paragraph "8", "Step By Step Claims Procedures".

7. ***Warranty***. If a defect occurs in an item covered by this Limited Warranty, the Sponsor will repair, replace or pay the Purchasers the reasonable cost of repairing or replacing the defective item(s) within a reasonable time after the Sponsor's inspection or testing discloses the problem. The choice among repair, replacement or payment is solely that of the Sponsor.

In no event will the Sponsor's total liability, for deficiencies under this Limited Warranty, exceed the Sponsor's Limit of Total Liability shown on page 1.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to: (i) the repair of damage to the load-bearing portions of the Unit themselves which is necessary to restore their load-bearing function; and (ii) the repair of those items of the Unit damaged by the Major Structural Defect which made the Unit unsafe, unsanitary or otherwise unlivable.

When the Sponsor finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must be signed and delivered to the Sponsor.

8. ***Step By Step Claims Procedures***.

(a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Sponsor, identified on page 1, no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Sponsor by that deadline, the Sponsor will have no duty to respond to any complaint or demand, and any or all claims may be rejected. NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Sponsor, Purchasers or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Sponsor's response to any complaint or request, other than a timely and properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Sponsor, including, but not limited to, the Sponsor's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to the Notice of Warranty Claim, or any other complaint or request of the Purchasers, the Sponsor and the Sponsor's agents will have the right to inspect and test the portion of the Unit to which the claim, complaint or request relates. The Purchasers and occupants of the Unit must provide reasonable access to the Sponsor and the Sponsor's agents during normal business hours to complete inspection, testing and repair or replacement.

(d) The Sponsor will complete inspection and testing within a reasonable time under the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Sponsor will determine whether to accept or reject the claim. If the Sponsor rejects the claim, the Sponsor will give written notice of that decision to the claimant at the address shown on the Notice of Warranty Claim Form. If the Sponsor accepts the claim, the Sponsor will take corrective action within a reasonable time under the circumstances and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Warranty Claim Form. The Sponsor will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to weather conditions, Acts of God, availability of materials, and other events beyond the Sponsor's control.

9. ***Legal Actions***.

(a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Sponsor in any Court or forum unless notice of the claim or cause of action has been received by the Sponsor in a timely and properly commenced Notice of Warranty Claim Form as provided in paragraph "8" above.

(b) No suit, action and proceeding against the Sponsor under this Limited Warranty may be commenced in any Court or forum after the later of: (i) the date of expiration of the applicable warranty coverage under paragraph "5" of this Limited Warranty; or (ii) sixty (60) calendar days after the Warrantor has given written notice of rejection of claim or completion of corrective action as provided in clause "8(d)" above.

10. ***General Provisions***.

(a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Sponsor and the Purchasers, their heirs, executives, administrators, successors and assigns.

(c) Should any provisions of the Limited Warranty be deemed unenforceable by a Court of competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

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

(e) This Limited Warranty is to be governed in accordance with the laws of New York State.

DATED:

Brooklyn, New York

_____

, Purchaser

PARK SLOPE WEST LLC
Sponsor/Seller

BY: _____

NOTICE OF WARRANTY CLAIM FORM

Dear Unit Owner(s):

To ask the Sponsor to correct a defect in your Unit that you think is covered by the Sponsor's Limited Warranty, you must complete this form and deliver it to the Sponsor. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Sponsor is aware of the problem, fill out this form and deliver it to the Sponsor.

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

Your Name: _____

Mailing Address: _____

Telephone No.: _____

Limited Warranty No.: _____

Warranty Date: _____

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

_____

_____

_____

_____

_____ _____

Signature Date

_____ _____

Signature Date

This page intentionally left blank.

POWER OF ATTORNEY

The undersigned, _____ the Owner of Unit No.____ in the Condominium known as the PARK SLOPE WEST CONDOMINIUM, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration dated _____, and recorded in the Kings County office of the Register of the City of New York on _____, 200__ as CRFN _____ and on the Floor Plan on file in said office as CRFN ____, do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of the PARK SLOPE WEST CONDOMINIUM, jointly, true and lawful attorneys-in-fact for the undersigned, with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units 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 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, and on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present.

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

This power of attorney shall be irrevocable.

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

_____

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

On , 200__, before me, the undersigned, a notary public in and for the said state, personally appeared ,
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 (s)he executed the same in his capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

POWER OF ATTORNEY

PARK SLOPE WEST CONDOMINIUM

OWNERS:
UNIT:
BLOCK: 955
LOT:

RECORD AND RETURN TO:

Forman & Associates, pc
156 William Street, Suite 800
New York, New York 10038

TITLE NO.

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UNIT DEED

THIS INDENTURE made on _____, between PARK SLOPE WEST LLC, having an office at 370 4th Avenue, Brooklyn, New York 11215, ("Grantor"), and _____, residing at _____, ("Grantee"),

WITNESSETH:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit No. _____ in the building known as 678 Union Street, Brooklyn, New York, (the "Building") and also designated and described as Unit No. _____ in the Declaration comprising the PARK SLOPE WEST 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 _____, and recorded in the Kings County Office of the Register of the City of New York, on _____ as CRFN _____ (hereinafter called the "Declaration") which Unit is also designated as Tax Lot No. _____ on the Floor Plan of the Building, certified by EDWARD C. HICKS, Registered Architect, on _____, and filed simultaneously with said Declaration in the Office of the Register as CRFN _____ (hereinafter called the "Unit"). The land area of the Property is described as follows:

ALL THAT CERTAIN plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Union Street, distant 142 feet westerly from the corner formed by the intersection of the southerly side of Union Street with the westerly side of 5th Avenue;

RUNNING THENCE southerly parallel with 5th Avenue and part of the distance through a party wall, 80 feet;

THENCE westerly parallel with Union Street, 25 feet;

THENCE northerly parallel with 5th Avenue and part of the distance through a party wall, 80 feet to the southerly side of Union Street;

THENCE easterly along the southerly side of Union Street, 25 feet to the point or place of Beginning.

SAID PREMISES being commonly known as 678 Union Street, Brooklyn, New

York.

TOGETHER with any strips or gores adjoining the above described premises on any of the sides thereof;

TOGETHER with an undivided _____% interest in the Common Elements of the Property described in said Declaration (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any fire escapes, pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Units;

TOGETHER with the appurtenances and appurtenant interests as defined by the By-Laws and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with and *SUBJECT* to all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

SUBJECT to easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or of the Common Elements, after damage, condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units.

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 in the Property and serving such other Units;

TOGETHER with and *SUBJECT TO EASEMENTS*, rights of way, restrictions and encumbrances created by the Declaration for the PARK SLOPE WEST CONDOMINIUM recorded in the Kings County Office of the Register of the City of New York on _____, as CRFN _____.

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

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid;

The use for which the Unit is intended is that of a residence and/or professional office as permitted by the By-Laws and the Declaration;

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 By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Condominium Act shall control.

In compliance with Section 13 of the New York Lien Law, this deed is subject to the trust fund provision of Section 13 of the New York Lien Law.

This conveyance is made in the normal and usual course of business.

IN WITNESS WHEREOF, the Grantor has duly executed this deed the day and year first above written.

PARK SLOPE WEST LLC

By:_____
Name: Domenick Tonacchio
Title: Member

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

On , before me, the undersigned, a notary public in and for the said state, personally appeared **Domenick Tonacchio**, 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

UNIT DEED

PARK SLOPE WEST CONDOMINIUM

OWNER:
UNIT:
BLOCK: 955
LOT:

RECORD AND RETURN TO:

TITLE NO.

DECLARATION

Establishing a Plan for Condominium Ownership of Premises located at 678 Union Street, Brooklyn, New York, 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: PARK SLOPE WEST CONDOMINIUM

SPONSOR: PARK SLOPE WEST LLC
370 4th Avenue
Brooklyn, New York 11215

DATE OF DECLARATION:

The land affected by the within instrument lies in Section __, Block ___, Lot __, on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York.

Record and Return:

FORMAN & ASSOCIATES, pc
Attorneys for Sponsor
156 William Street, Suite 800
New York, New York 10038
(212) 791-5500

Declaration establishing a Plan for Condominium Ownership of Premises to be known as the PARK SLOPE WEST CONDOMINIUM, located at 678 Union Street, Brooklyn, New York, Borough of Brooklyn, County of Kings, City and State of New York, pursuant to Article 9B of the Real Property Law of the State of New York.

PARK SLOPE WEST LLC, a New York limited liability company, whose principal office is situated at 370 4th Avenue, Brooklyn, New York 11215, hereinafter referred to as the "Sponsor", does hereby declare:

1. SUBMISSION OF PROPERTY: Sponsor hereby submits the land hereinafter described, together with the Building and improvements thereon erected (the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York.

2. AREA AND LOCATION OF LAND: The land ("Land") consists of all that certain tract, plot, piece and parcel of land situate, lying and being in the County of Kings, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Sponsor in fee simple absolute.

3. NAME OF CONDOMINIUM: The Condominium shall be known as the PARK SLOPE WEST CONDOMINIUM.

4. DESCRIPTION OF THE BUILDING: Sponsor has renovated the Property for which a permanent Certificate of Occupancy is being obtained.

   678 Union Street (the "Building") consists of a cellar, and five stories. The Building shall contain a total of ten (10) Residential Units. There is a main entrance on Union Street. The Building is located in an R6 District which permits attached multiple dwellings.

5. THE UNITS: Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate square foot area; location; number of rooms; the portion of the Common Elements, including Limited Common Elements to which the Unit has immediate access and the percentage of interest in the Common Elements. The location of each Unit is more clearly designated on the Floor Plans (as hereinafter defined) and reference should be made thereto for the statement of the location of each Unit.

   As shown on the Floor Plans of the Building (the "Floor Plans"), certified by EDWARD C. HICKS, Registered Architect, and intended to be filed in the Kings County Office of the Register of the City of New York, simultaneously with the recording of this Declaration, the approximate physical dimensions of each Residential Unit consists of the area enclosed horizontally by either the

unexposed face of the dry wall when located at an exterior wall of the Building, or, where there are no dry walls, the interior exposed face of the masonry and concrete exterior walls of the Building and the unexposed faces of the dry walls dividing the Residential Units. Vertically, each Residential Unit consists of the space between the upper face of the subfloor and the upper face of the dry wall ceiling. Doors and windows which open from a Residential Unit shall be deemed part of the Unit. No residential Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Residential Unit which are utilized for or serve more than one Residential Unit.

6. COMMON ELEMENTS: The Common Elements of the Condominium consist of the entire Property, including all parts of the Building and improvements thereon other than the Units. Common Elements are comprised of General Common Elements and Limited Common Elements. They include, without limitation, the following:

A. General Common Elements

(1) The land on which the Building is physically erected;

(2) All foundations, columns, girders, beams, supports, bearing walls; those portions of the exterior walls and insulation beyond the exterior face of the Building or, where applicable, those portions of the exterior walls beyond the interior face of the exterior wall; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the unexposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing the Residential Unit; lobby; storage and utility areas located beyond the unexposed face of the dry walls enclosing the Residential Unit and the entrances to and exits from the Building;

(3) All installations outside the Units for services such as gas, power, light, telephone and water;

(4) All sewer pipes and drainage pipes;

(5) Portions of the roof and the cellar, the boiler room and meter areas, public hallways and stairways, and the laundry room, if any, as shown and delineated on the Floor Plans;

(6) All other apparatus and installations existing in the Building for common use or necessary or convenient to the existence,

maintenance or safety of the Building;

B. Limited Common Elements. Each Unit Owner (his/her guests, invitees, lessees and residents of his/her Unit) shall have the exclusive use of any balcony, terrace or courtyard to which there is direct access from the interior of the Unit. The following are Limited Common Elements as discussed in the footnotes to Schedule A of the Offering Plan.

a. The rear yard shall be deemed a Limited Common Element, and shall be exclusively used and maintained by the Owner(s) of Units #1A and #1B, who shall be responsible for its repair and maintenance, except that, anything to the contrary herein notwithstanding, the use of the rear yard shall be subject to the conditions and limitations set forth below. The Owner(s) may modify their portion of the rear yard by erecting, a deck, (which may require a permit from the Department of Buildings), or, e.g., additional rooms, interior stairs, etc., (which will require a permit from the Department of Buildings), or an unenclosed structure (provided no zoning variance is required), at his/her own expense, if allowed by law, provided such work is done in a good and workmanlike manner in accordance with any applicable rules and regulations of the Board of Managers of the Condominium and governmental agencies having jurisdiction thereof. However, certain structures cannot be built as of right and require a variance from the Board of Standards and Appeals. An application for a variance may be opposed by the Board of Managers of the Condominium. The Board of Managers of the Condominium may regulate the following aspects with regard to construction: the time periods during which work is permitted; the manner in which construction debris will be handled, the measures which must be taken to prevent compromising the security of the building under construction and liability insurance for contractors during construction.

i. The Condominium and its agents shall have the use of this space for the following purposes, subject to the following obligations:

(a) Access to Common Elements for inspection, repair and maintenance purposes to the extent that same affect the repair and maintenance of the Building's structure, which shall be the sole and only obligation of the Condominium with regard to the rear yard;

(b) For ingress and egress from the Building in case of fire or for other emergency;

(c) For any purpose as required by law, appropriate governmental rule or regulation or the Building's Certificate

of Occupancy.

ii. The Owner(s) of Units #1A and #1B shall have exclusive use of and shall be solely responsible for the maintenance of their portion of the rear yard as shown on the floor plans.

b. The roof area shall be deemed a Limited Common Element, and shall be exclusively used and maintained by the Owner(s) of Units #5A and #5B, who shall be responsible for its repair and maintenance, except that, anything to the contrary herein notwithstanding, the use of the roof area shall be subject to the conditions and limitations set forth below. The Owner(s) may modify their portion of the roof area by erecting, a deck, (which may require a permit from the Department of Buildings), or, e.g., additional rooms, interior stairs, etc., (which will require a permit from the Department of Buildings), or an unenclosed structure (provided no zoning variance is required), at his/her own expense, if allowed by law, provided such work is done in a good and workmanlike manner in accordance with any applicable rules and regulations of the Board of Managers of the Condominium and governmental agencies having jurisdiction thereof. However, certain structures cannot be built as of right and require a variance from the Board of Standards and Appeals. An application for a variance may be opposed by the Board of Managers of the Condominium. The Board of Managers of the Condominium may regulate the following aspects with regard to construction: the time periods during which work is permitted; the manner in which construction debris will be handled, the measures which must be taken to prevent compromising the security of the building under construction and liability insurance for contractors during construction.

i. The Condominium and its agents shall have the use of this space for the following purposes, subject to the following obligations:

(a) Access to Common Elements for inspection, repair and maintenance purposes to the extent that same affect the repair and maintenance of the Building's structure, which shall be the sole and only obligation of the Condominium with regard to the roof area;

(b) For ingress and egress from the Building in case of fire or for other emergency;

(c) For any purpose as required by law, appropriate governmental rule or regulation or the Building's Certificate of Occupancy.

ii. The Owner(s) of Units #5A and #5B shall have exclusive use of and shall be solely responsible for the maintenance of their portion of the roof area as shown on the floor plans.

c. The storage areas in the cellar shall be deemed a Limited Common Element, and shall be exclusively used and maintained by the Owner(s) of Units #1A, #1B, #2A, #2B, #3A, #3B, #4A, #4B, #5A and #5B, who shall be responsible for its repair and maintenance, except that, anything to the contrary herein notwithstanding, the use of the roof area shall be subject to the conditions and limitations set forth below. The Owner(s) may modify their portion of the storage areas in the cellar, (which may require a permit from the Department of Buildings), or, e.g., additional rooms, interior stairs, etc., (which will require a permit from the Department of Buildings), or an unenclosed structure (provided no zoning variance is required), at his/her own expense, if allowed by law, provided such work is done in a good and workmanlike manner in accordance with any applicable rules and regulations of the Board of Managers of the Condominium and governmental agencies having jurisdiction thereof. However, certain structures cannot be built as of right and require a variance from the Board of Standards and Appeals. An application for a variance may be opposed by the Board of Managers of the Condominium. The Board of Managers of the Condominium may regulate the following aspects with regard to construction: the time periods during which work is permitted; the manner in which construction debris will be handled, the measures which must be taken to prevent compromising the security of the building under construction and liability insurance for contractors during construction.

i. The Condominium and its agents shall have the use of this space for the following purposes, subject to the following obligations:

(a) Access to Common Elements for inspection, repair and maintenance purposes to the extent that same affect the repair and maintenance of the Building's structure, which shall be the sole and only obligation of the Condominium with regard to the storage areas in the cellar;

(b) For ingress and egress from the Building in case of fire or for other emergency;

(c) For any purpose as required by law, appropriate governmental rule or regulation or the Building's Certificate of Occupancy.

ii. The Owner(s) of Units #1A, #1B, #2A, #2B, #3A, #3B, #4A, #4B, #5A and #5B shall have exclusive use of and shall be solely responsible for the maintenance of

their storage areas in the cellar as shown on the floor plans.

7. USE OF UNITS:

A. Each of the Residential Units may be used for private residential use, except that a Residential Unit Owner may use his/her Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Units may also be used as professional offices by a resident thereof provided such professional use does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use is obtained. Notwithstanding the foregoing, the Sponsor may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

8. DETERMINATION OF PERCENTAGES IN COMMON ELEMENTS: The percentage of Common Interest allocated to each Unit, pursuant to Section 339-i(1)(ii) of the Real Property Law of the State of New York, is based upon the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the aggregate area of all the Units, but such proportion shall reflect the substantially exclusive advantage enjoyed by one or more but not all Units in a part or parts of the Common Elements.

9. ENCROACHMENTS: If any portion of the Common Elements now encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Building, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Building or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Building shall stand.

10. EASEMENTS

A. Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his/her Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom

and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building.

B. The Sponsor and its designees, their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across the Property for: (i) construction, installation and development thereon of recreation facilities, if any; (ii) for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines for the benefit of the Condominium; (iii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables; and (iv) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

C. The Sponsor, its designees and their successors, assigns, invitees, licensees, contractors, employees and tenants: (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in and access to Units and Common Elements consistent with the purposes of a certain Offering Plan for the Property dated _____, 2005 as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements; and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or the residents of any property adjacent to the Property, or users of the Recreation Facilities, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as to not unreasonably

to interfere with the use of the Units.

D. The user of any easement granted by subparagraphs B and C of this Paragraph 10 shall have the responsibility of repairing any damage resulting therefrom.

11. POWER OF ATTORNEY TO BOARD OF MANAGERS: Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same, or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Managers or its designee, corporate or otherwise on behalf of all Unit Owners, and to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise deal with any such Units so acquired or to sublease any Unit so leased by the Board of Managers.

12. ACQUISITION OF UNITS BY BOARD OF MANAGERS: In the event any Unit Owner shall surrender his/her Unit together with: (i) the undivided interest in the Common Elements, general and limited, appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium; (hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase from any Unit Owner who has elected to sell the same, a Unit, together with the Appurtenant Interests, pursuant to the By-Laws, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, the Unit shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease covering any Unit leased to the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers, or its designee on behalf of all Unit Owners in proportion to their respective Common Interests.

13. PERSON TO RECEIVE SERVICE: For the period during which the Sponsor is in control of the Board of Managers, PARK SLOPE WEST LLC, the Sponsor, with an office at 370 4th Avenue, Brooklyn, New York 11215, is hereby designated to receive notice of process in any action which may be brought against the Condominium. After the Sponsor relinquishes control of the Board of Managers, notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the Office of the Condominium, 678 Union Street, Brooklyn, New York.

14. UNITS SUBJECT TO DECLARATION, BY-LAWS AND RULES AND REGULATIONS: All present and future Owners, tenants, subtenants and

occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering unto occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

15. AMENDMENT TO DECLARATION: This Declaration may be amended, modified, added to or deleted from by the vote of at least 66 2/3% in number and in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by 66 2/3% in number and in Common Interest of all Unit Owners, provided however:

(1) No amendment, modification, addition or deletion which shall adversely affect the lien or any mortgage may be made without the written consent of the mortgagee;

(2) No amendment which shall change the percentage of Common Interests allocated to any Unit or Unit(s) may be made without the written consent of such Owner. No amendment which shall change the percentage of Common Interests allocated to any Unit or Unit(s) may be made without the written consent of the mortgagee(s) of such Unit, or Units, if any;

(3) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against the Sponsor, its designee, or any Unsold Unit until the Sponsor or such designee shall consent thereto in writing. The Sponsor hereby reserves to itself and its designee(s) the right to amend this Declaration at any time without the requirement of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of reflecting the changes in the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing of the floor plans at the same time as said amendment to the Declaration and the Floor Plans, provided a verified statement of a registered architect or licensed professional engineer is also filed which certifies that the plans being filed simultaneously with such amendment, fully and fairly depicting the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p of the New York Real Property Law will be filed with such amendment.

No such amendment shall be effective until recorded in the Kings County Office of the Register of the City of New York.

16. CHANGES IN UNSOLD UNITS: For any Unit owned by the Sponsor or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsor or its designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change in the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and (iv) reapportion among such Units affected by such change in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consents will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any, pursuant to Purchase Agreements with the Sponsor or its designees for a Unit adversely affected as a result of the above changes, will be given the right to rescind their Purchase Agreements and receive a refund of any deposit or Down Payment. The above changes, if made, will be disclosed in an amendment to the Offering Plan for the Property. The provisions of this paragraph 16 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designee(s).

Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior or subsequent to this Declaration.

17. INVALIDITY:

A. If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall 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 with the same force and effect as if, immediately after the recording of this Declaration or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act.

B. Subject to the terms of paragraph (a) of this Clause 17, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration or the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions as a covenant running with the Land.

18. TERMINATION OF CONDOMINIUM: The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. The Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. 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 the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until all lienors have first been paid off out of his/her share of such proceeds.

19. COMMON EXPENSE: Common Expenses of the Condominium mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws.

20. DEFINITION OF "SPONSOR-DESIGNEE": The term "Sponsor-designee" as used in this Declaration shall mean any person or entity designated by the Sponsor to acquire title to a Unit. A "Sponsor-designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

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.

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 nor the intent of any provision thereof.

23. GENDER: The use of the masculine gender in this Declaration shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural whenever the context so requires.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by its duly authorized representative this ___ day of _____, 2005.

PARK SLOPE WEST LLC
Sponsor

By:_____
Name: Domenick Tonacchio
Title: Member

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

On _____, 2005, before me, the undersigned, a notary public in and for the said state, personally appeared **Domenick Tonacchio**, 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

SCHEDULE "A"

TO THE DECLARATION OF

PARK SLOPE WEST CONDOMINIUM

ALL that certain plot, piece or parcel of land with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Union Street, distant 142 feet westerly from the corner formed by the intersection of the southerly side of Union Street with the westerly side of 5th Avenue;

RUNNING THENCE southerly parallel with 5th Avenue and part of the distance through a party wall, 80 feet;

THENCE westerly parallel with Union Street, 25 feet;

THENCE northerly parallel with 5th Avenue and part of the distance through a party wall, 80 feet to the southerly side of Union Street;

THENCE easterly along the southerly side of Union Street, 25 feet to the point or place of Beginning.

SAID PREMISES being commonly known as 678 Union Street, Brooklyn, New York.

SCHEDULE B

TO THE DECLARATION OF

678 UNION STREET, BROOKLYN, NEW YORK

UNIT	PERCENTAGE INTEREST IN COMMON ELEMENTS	TAX LOT NUMBER	APPROX. SQUARE FOOT AREA	LOCATION	NO. OF ROOMS	LIMITED COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS
1A						
1B						
2A			TO BE FILLED UPON RECORDING			
2B						
3A						
3B						
4A						
4B						
5A						
5B						

BY-LAWS

of

PARK SLOPE WEST CONDOMINIUM

ARTICLE I

Purpose of Business

Section 1. Unit Ownership: The Property, located in the Borough of Brooklyn, County of Kings, City and State of New York at 678 Union Street, Brooklyn, New York, (hereinafter called the "Property") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Kings County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as the PARK SLOPE WEST CONDOMINIUM.

Section 2. Applicability Of By-Laws: The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the Buildings and all other improvements thereon (including the Units, the Common Elements and Limited Common Elements), 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, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units".

Section 3. Application: All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Office: The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE II

Meetings of Unit Owner

Section 1. Annual Meeting: The Annual Meeting of the Unit Owners of the Condominium, for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Brooklyn, City of New York, at such time and place, each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the President or a Vice President or the Secretary or an assistant Secretary. Such notice shall state the time when and the place within the state where it is to be held, and the Secretary shall cause a copy thereof to be delivered personally or mailed to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before the meeting. If mailed, it shall be directed to each such Unit Owner at his/her address as it appears in the records of the Condominium, unless he/she shall have filed with the Secretary of the Condominium a written request that notices intended for him/her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers. It shall also be the duty of the Secretary to call such meetings whenever requested in writing by Unit Owners owning at least twenty-five percent (25%) in number and Common Interest of the Condominium. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 1 of this Article to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless the holders of all the Units of the Condominium be present thereat in person or by proxy. Except that there shall be a meeting commenced within sixty days after the closing of the First Unit to be sold to elect a Board of Managers.

Section 3. Waiver of Notices: The notice provided for in the two foregoing sections is not indispensable, but any Unit Owners' meeting shall be valid for all purposes if all the Unit Owners of the Condominium are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such Unit Owners as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of Unit Owners, except where otherwise provided by law, Unit Owners representing, in person or by proxy, 51% of the percentage of Common Interest to the Units shall constitute a quorum; in case a

quorum shall not be present at any meeting, the holders of a majority of the Units represented may adjourn the meeting to some future time and place. No notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting. Only those Unit Owners who, if present at the original meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of Unit Owners, each Unit Owner present in person or by proxy shall be entitled to cast the votes appurtenant to his/her Unit at the time of service of notice of such meeting or at such prior date, not more than forty days before such meeting, as may be prescribed by the Board of Managers as the date for determining which Unit Owners of record are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the Unit Owner but need not be acknowledged or witnessed, and the person named as proxy by any Unit Owner need not himself be a Unit Owner of the Condominium. Voting by Unit Owners shall be viva voce unless any Unit Owner present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the number of votes appurtenant to his/her Unit, and in addition, the name of the proxy of such ballot if cast by a proxy. For a period of two years, or so long as the Sponsor, its successor, offerors or designees continue to have among them 50% or more of Common Interest of the Condominium, whichever first occurs, it shall have the right to designate two of the three Directors (see Article IV, Section 1).

Section 6. Title to Units: Title to Units may be taken in the name of an individual or in the names of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust, estate, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section. The above shall not constitute consent or condonation of any activity not permitted under existing certificate of occupancy, zoning requirements or other applicable law or regulation.

Section 7. Number of Votes: Any or all of such Owners (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each .000001% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to the vote at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Unit Owner shall be entitled to one vote for each .000001% of Common Interest attributable to his/her Unit per member to be elected. If Units are owned by more than one person as joint tenants, tenants by the entirety or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit as a single vote. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not

be entitled to vote. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted or entitled to vote at any regular or special meeting of Unit Owners.

Section 8. Majority of Unit Owners: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than 51% of the percentage of Common Interest appurtenant to all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 7 of this Article II. Unless otherwise provided by these By-Laws, decisions require a majority (51%) of the Common Interest of the Condominium.

Section 9. Inspectors of Election: Inspectors of election shall not be required to be appointed at any meeting of Unit Owners unless requested by a Unit Owner present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

Section 10. Order of Business: So far as consistent with the purpose of the meeting, the order of business of each meeting of Unit Owners shall be as follows:

1. Call to order.
2. Presentation of proofs of due calling of the meeting.
3. Roll call and presentation and examination of proxies.
4. Reading of minutes of previous meeting or meetings, unless waived.
5. Reports of officers and committees.
6. Appointment or election of inspectors of election, if requested.
7. If the Annual Meeting or Special Meeting called for that purpose, the election of Managers.
8. Unfinished business.
9. New business.
10. Adjournment.

ARTICLE III

Officers

Section 1. Designation: The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers: The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers and until their successors are elected, their resignation or death.

Section 3. Removal of Officers: Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his/her successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Condominium. He/she shall preside at all meetings of the Unit Owners and of the Board of Managers. He/she 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 the Unit Owners from time to time as he/she may in his/her discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice-President: The Vice-President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him/her by the Board of Managers or by the President.

Section 6. Secretary: The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he/she shall have charge of such books and papers as the Board of Managers may direct; and he/she 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.

Section 7. Treasurer: The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He/she shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers, or the Managing Agent, in such depositories as may from time to time be designated by the Board of Managers, and he/she shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Agreements, Contracts, Deeds, Checks, Etc.: All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Compensation of Officers: No officer shall receive any salary or other compensation from the Condominium for acting as such or for services rendered in an official capacity.

Section 10. Liability of Officers: No officer shall be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify each officer against any liability or claims except those arising out of the bad faith or willful misconduct of an officer. It is intended that each officer shall have no personal liability with respect to any contract made by him/her on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of each officer shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

ARTICLE IV

Managers

Section 1. Number: The number of Managers of the Condominium shall be not less than three (3) nor more than five (5), as may from time to time be herein provided

and, in the absence of such provision shall be three (3). Commencing with the first election of Managers by Unit Owners of the Condominium, and until changed by amendment of this By-Law provision, as hereinafter provided, the number of Managers shall be five (5). The number of Managers shall not be decreased to a number less than the number of Managers then in office except at any Annual Meeting of Unit Owners. However, during the period the Sponsor, its Successor Offeror(s) or Designee(s) continue to hold 50% or more of the percentage of Common Interest of the Condominium, or for the period of the first two years from the date of the initial closing on units, whichever first occurs, the number of Managers shall remain fixed at three (3). There shall always be an odd number of Managers. At the end of the period of the Sponsor's control of the Board of Managers, a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. The Managers shall hold office until their successors have been elected and hold their first meeting. But in any event, the members of the Board of Managers shall serve a term of one year each. Each Manager may be re-elected for another term however.

After the initial sponsor voting control period of no more than two years, 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. The Sponsor will hold a meeting to elect a new Board of Managers unrelated to Sponsor within 30 days after the expiration of the control period.

Section 2. Powers and Duties: The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, as agent of all Unit Owners and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers, which shall include, but shall not be limited to, the following:

a. Contracting for the necessary services for operation, care, upkeep and maintenance of the Common Elements.

b. Determination of the Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property.

c. Collection of the Common Charges and expenses of the Condominium from the Unit Owners.

d. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

e. Adoption and amendment of rules and regulations covering the details of the operation and use of the Property subject to a right of the Unit Owners to overrule the Board (See Article VI, Section 16).

f. Opening of bank accounts on behalf of the Condominium and designating the signatories required therefore.

g. Purchasing or leasing or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their Owners to the Board of Managers.

h. Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

i. Acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property as Condominium, as described in the Declaration and these By-Laws.

j. Selling, leasing, mortgaging (but not voting the votes appurtenant to), or otherwise dealing with Units acquired by, and subleasing Units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

k. Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.

l. Obtaining and reviewing of insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof.

m. Making of repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

n. Negotiation and settlement of all claims and actions relating to the Condominium.

o. Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of a majority of all Unit Owners shall be required for the borrowing of any sum in excess of $50,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Unit Owners. If any sum borrowed by

the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (o) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his/her 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 shall have filed or shall have the right to file against the Unit Owner's Unit.

p. Levying fines against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Property.

q. The Board may undertake to commence proceedings to reduce real estate taxes on the Units.

r. Have the right to accumulate reserve for capital expenditures within limits otherwise stated herein.

s. To enter into and upon the Units when necessary and act with as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property.

Section 3. Election: The Managers shall be elected at the Annual Meeting of Unit Owners or at a Special Meeting called for that purpose as provided by law, by a plurality of votes cast at such meeting. Their term of office shall be until their respective successors are elected and qualify. But in any event, the members of the Board shall serve a term of one (1) year.

Section 4. Quorum: A majority of the Managers then authorized by these By-Laws shall constitute a quorum.

Section 5. Vacancies: Vacancies in the Board of Managers resulting from death, resignation or otherwise may be filled without notice to any of the Unit Owners by a vote of a majority of the remaining Managers present at the meeting at which such election is held even though no quorum is present, which may be at any regular meeting of the Board of Managers or any Special Meeting thereof called for such purpose. In the event of the failure to hold any election of Managers at the time designated for the annual election of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a Special Meeting of Unit Owners to elect a new Board of Managers or fill such vacancy shall be called and the vacancy shall be filled in the manner provided in the resolution call for such meeting. In case of a reduction of the authorized number of Managers by amendment of these By-Laws, the Managers, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 6. Meetings: The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by any

Manager of the Condominium or upon the written request of any Managers then holding office, upon notice given to each Manager, by delivering personally, mailing or telegraphing the same to him/her at least two (2) days prior to such meeting at the last address furnished by him/her to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine but until otherwise determined by the Board of Managers shall be at least monthly. Any meeting of the Managers at which all the members shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of Managers may be held either at the principal office of the Condominium or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Managers by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Managers, each Manager shall be entitled to one vote. The vote of a majority of the Board of Managers present at the time of a vote of a duly constituted meeting shall be the act of the Board of Managers.

Section 7. Resignation and Removal: Any Manager may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. 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.

Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners owning at least 51% of the Common Interest of the Condominium at a Unit Owners' meeting duly called for that purpose; provided, however, that the Manager(s) elected by the Successor-Sponsor (a Unit owned or retained by the Sponsor or its designee, or a Unit for which a prospective Purchaser is in default under the terms of his/her Purchase Agreement past any applicable cure period, or a Unit the Sponsor has not sold, or a Unit that is acquired individually or collectively by one or more members of a group that consists of the Sponsor or a partner of the Sponsor, or by a group that consists of the Sponsor or a partner of the Sponsor and a person or persons joined with the Sponsor or any entity or individual(s) as designated by the Sponsor) can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Successor-Sponsor.

Section 8. Annual Cash Requirements: The Board of Managers shall, from time to time, determine the cash requirements as defined in the Condominium's By-Laws and fix the terms and manner of payment of Common Charges. The Board of Managers shall have discretionary power to prescribe the manner of maintaining and operating the Building, to be paid as aforesaid by the Unit Owners. Every such determination by the Board of Managers shall be final and conclusive as to all Unit Owners and any expenditures made by the Condominium's officers or its agent under the Board of Managers or with the approval of the Board of Managers of the Condominium shall, as against the Unit Owners, be deemed necessarily and properly made for such purpose. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required:

(i) to comply with applicable laws or regulations; or

(ii) to remedy any notices of violation; or

(iii) to remedy any work order by an insurer.

Sponsor may exercise veto power over expenses described above, for a period ending not more than five (5) years after the closing of the first unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner.

However, notwithstanding anything contained herein to the contrary, the Sponsor, as Successor-Sponsor, or other Successor-Sponsor, shall not veto the expenses set forth in Schedule B, or expenditures required to comply with applicable laws or regulations.

The Condominium may take any of the actions enumerated in clauses (i) through (iv) above, if the cost of such actions, when added to all other budgeted expenses of the Condominium (excluding debt service), shall not result in increasing the Common Charges for any year of operation by more than 5% from the previous year's Common Charges.

Section 9. Rules and Regulations: The Board of Managers may from time to time adopt and amend such rules and regulations as it may deem necessary in respect to the Building of the Condominium for the health, safety and convenience of the Unit Owners. Copies thereof and of changes therein shall be furnished to each Unit Owner.

Section 10. Managing Agent and Manager: The Board of Managers may employ for the Condominium a Managing Agent and/or a Manager at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to the Manager or Managing Agent, all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (k), (n), (o) and (p) of Section 2 of this Article VI.

Section 11. Compensation: No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 12. Liability of the Board of Managers: The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these

By-Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 13. Committees: The Board of Managers may by resolution create such committees as it shall deem appropriate and such committees shall have such powers and authority as the Board of Managers shall vest therein. The members of any such committee, at least one of whom shall be designated by the Sponsor or a Sponsor-designee, so long as the Sponsor or Sponsor-designee has the right to designate a member of the Board, shall be appointed by the President of the Condominium. Such committee shall not have power to do any act which the Executive Committee may not do under subsections (a) - (d) of Section 8 of Article IV.

ARTICLE V

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 Managers, any Manager, Unit Owner or mortgagee, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such Manager or Unit Owner or mortgagee at such address as appears on the books of the Condominium.

Section 2. Service of Notice Waiver: Whenever any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI

Operation of the Property

Section 1. Determination of Common Expenses and Fixing of Common Charges: The Board of Managers shall from time to time, at least annually, prepare a budget for the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners according to their respective percentage of the Common Elements. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Section 2 of this Article VI and the fees and disbursements of the Insurance Trustee. The Common Expenses shall also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium for a general operating reserve, and for a reserve fund for replacements, to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Unit(s). The Board of Managers shall also, where necessary, impose an assessment or additional Common Charge in order to meet any unanticipated Common Expense. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such charges are based, to all Unit Owners and to their mortgagees, if so required.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required:

(i) to comply with applicable laws or regulations; or
(ii) to remedy any notices of violation; or
(iii) to remedy any work order by an insurer.

Sponsor may exercise veto power over expenses described above, for a period ending not more than five (5) years after the closing of the first unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner.

However, notwithstanding anything contained herein to the contrary, the Sponsor, as Successor-Sponsor, or other Successor-Sponsors, shall not veto the expenses set forth in Schedule B, entitled "PROJECTED BUDGET FOR FIRST YEAR OF OPERATION" or expenditures required to comply with applicable laws or regulations.

The Board of Managers may take any of the actions enumerated in clauses (i) through (v) above, if the cost of such actions, when added to all other budgeted expenses of the Condominium (excluding debt service), shall not result in increasing the Common Charges for any year of operation by more than 5% from the previous year's maintenance charges.

Section 2. Insurance: The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners), together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in an amount to be determined by the Board of Managers but in no event to be less than eighty (80%) percent of the full replacement cost of the Building, including above noted items but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Manager and the Insurance Trustee, as herein provided; (2) worker's compensation insurance, if the Condominium has employees; (3) disability benefits insurance if the Condominium has employees; and (4) such other insurance as the Board of Managers may determine. All policies of physical damage insurance shall provide that adjustment of loss shall be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if more than $50,000.00), and that the total proceeds thereof, if $50,000.00 or less, shall be payable to the Board of Managers and if more than $50,000.00 shall be payable to the Insurance Trustee, if any.

All policies of physical damage insurance shall contain waivers of subrogation and the individual Unit Owners as well as the Condominium shall be primary insureds to the extent their interests shall also appear. Such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the Managing Agent, the Manager and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall 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. Such policies shall be so endorsed as to state that they will in no way conflict with any insurance carried by the Board of Managers.

Section 3. Repair or Reconstruction After Fire or Other Casualty: In the event of damage to or destruction of the Building containing the Units as a result of fire or other casualty, unless seventy-five (75%) or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals eighty (80%) in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) or more of the Building containing the Units is destroyed or substantially damaged (as determined by the Board of Managers) and Unit Owners whose percentage of Common Interest totals eighty (80%) percent in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective percentage of interest in the Common Elements, after first payment out of the share of each Unit Owner the amount of any unpaid liens on his/her Unit, in the order of the priority of such liens.

Whenever in this Section the words "prompt repair" are used it shall mean repairs are to begin not more than sixty days from the date the Insurance Trustee notified the Board of Managers and the Unit Owner or Unit Owners that it shall hold proceeds of insurance funds sufficient to pay the estimated costs of such work; or not more than ninety days after Insurance Trustee notified said Board of Managers and Unit Owner or Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary, or in the event there is no Insurance Trustee, not more than sixty days from the date of receipt of insurance funds on account of such damage or destruction and wherever the words, "promptly resolve" are used it shall also mean not more than sixty days from the date of receipt of said insurance funds.

Section 4. Payment of Common Charges: All Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 8 of this Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his/her Unit subsequent to a sale, transfer or other conveyance by him/her (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his/her Unit is free and clear of liens and encumbrances, other than permissible encumbrances and the statutory lien for unpaid Common Charges, convey his/her Unit, together with the "Appurtenant Interests" to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed and unpaid against such Unit prior to the acquisition by him/her of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for and such Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the foreclosure sale.

Section 5. Collection of Common Charges and Assessments: The Board of Managers shall assess Common Charges against the Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner which remains unpaid for more than 30 days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner which remains unpaid for more than 30 days from the due date thereof.

Section 6. Default in Payment of Common Charges or Assessments: In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owner shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorney's

fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-aa of the Real Property Law of the State of New York. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners.

Section 7. Foreclosure of Liens for Unpaid Common Charges: In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental after judgment of foreclosure for the use of his/her Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have power to purchase such Unit at foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey or otherwise deal with same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. The proceeds from the sale of any Unit pursuant to this section shall be used first to pay the unpaid Common Charges and/or assessments of such defaulting Unit Owner, plus reasonable attorney's fees and administrative costs and any other lawful liens on the defaulting Unit. If after the sale of the Unit for the nonpayment of Common Charges and/or assessments, the sale does not recover the full amount due and owing, the Board of Managers has the right to assess all the Unit Owners as a Common Expense for the difference between the amount received by the Condominium from the sale of the Unit and the amount owed to the Condominium.

Section 8. Statement of Common Charges and Assessments: The Board of Managers shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 9. Abatement and Enjoinment of Violations by Unit Owners: The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these 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 hereof (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.

Section 10. Maintenance and Repairs:

a. All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except painting exterior side of Unit entrance door), windows (except painting exterior side of windows), electrical (except General Common Elements), plumbing (except General Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, excepting as otherwise specifically provided herein.

b. All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed (a) by the Board of Managers as a Common Expense, or if it involves structural maintenance, repairs or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner, having direct and exclusive access thereto), or (b) by the Unit Owner having direct and exclusive access thereto at his/her sole cost and expense, if involving nonstructural ordinary maintenance, repairs or replacements or as a result of the Unit Owner's acts or omissions.

Section 11. Restrictions on Use of Units: In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

a. The Residential Units shall be used for private residences only, except that a Unit Owner may use his/her Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Any Residential Unit may also be used as a professional office by a resident thereof provided such professional use does not violate zoning regulations and provided further that the prior consent of the Board of Managers to such professional use is obtained. Notwithstanding the foregoing the Sponsor or Sponsor-designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction of the Building and to comply with its obligations.

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

c. No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

d. No 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.

e. No portion of the Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit including the Limited Common Elements appurtenant thereto) may be rented.

Section 12. Additions, Alterations or Improvements by Board of Managers: Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements (but not maintenance) costing in excess of $50,000.00, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements costing $50,000.00 or less may be made by the Board of Managers without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Section 13. Additions, Alterations or Improvements by Unit Owners: No Unit Owner shall make any structural addition, alteration or improvement in or to his/her Unit, or which affects the exterior of the Building or the value of other Units, without prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. Any application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or material man on account of such addition, alteration or improvement,

or to any person having any claim for injury to person or damage to property arising therefrom.

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurance (the certificate 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 area 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, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers 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, addition or improvement; 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 any request by a Unit Owner for approval of such work.

The provisions of this Section 13 which require the consent of the Board of Managers in connection with a structural addition, alteration or improvement shall not apply to Units owned by the Sponsor or its designee. All other provisions of this Section 13 shall apply to all Units.

Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers.

Section 14. Use of Common Elements and Facilities: A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-designee shall have the right to use the Common Elements, without charge, for the purposes set forth in Section 11 of this Article VI.

Section 15. Right of Access: A Unit Owner shall grant a right of access to his/her Unit to the Manager or Managing Agent and/or any other person authorized by the Board of Managers for the purpose of making inspections or for the purpose of correcting any condition originating in his/her Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his/her Unit or elsewhere in the Building in which the Unit is located, provided that requests for entry

are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 15, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI. Each Unit Owner will be required to give a copy of his/her keys to his/her Unit to the President of the Board of Managers who shall designate an authorized person or persons to keep the keys and use them as provided in these By-Laws.

Section 16. Rules of Conduct: Rules and regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. A majority vote of Unit Owners at a meeting may overrule the Board. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof as Schedule A.

Section 17. Water Charges and Sewer Rents: Water shall be supplied to all of the Units and the Common Elements through one or more building meters or pursuant to a frontage charge and the Board of Managers shall pay, as a Common Expense, all charges for water consumed on the Property and in the Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Property as of the date of closing of title to such Unit promptly after such charges shall have been billed.

Section 18. Electricity: Electricity shall be supplied by the public utility company serving the area directly to each Unit through separate meters and each Unit Owner shall be required to pay the bills for electricity consumed or used in his/her Unit. The electricity serving the Common Elements shall be metered by one or more meters, and the Board of Managers shall pay the bills for such consumption as a Common Expense.

ARTICLE VII

Mortgages

Section 1. Notice to Board of Managers: A Unit Owner who mortgages his/her Unit shall notify the Board of Managers of the name and address of his/her mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units".

Section 2. Notice of Unpaid Common Charges: The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default: The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

Section 4. Examination of Books: Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

ARTICLE VIII

Sales, Leases and Mortgages of Units

Section 1. Sales and Leases: No Unit Owner other than the Sponsor or Sponsor-designee may sell or lease his/her Unit or any interest therein except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer for the sale of his/her Unit together with: (i) the undivided interest of the Common Elements and any Limited Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; (iii) the interest of such Unit Owner in any other assets of the Condominium; as defined in the Declaration, (hereinafter collectively called the "Appurtenant Interests"), or a bona fide offer for a lease of his/her Unit; (hereinafter called an "Outside Offer"), which he/she intends to accept, shall give notice by certified or registered mail to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Board of Managers, or its designee, corporate or otherwise, on behalf of the Owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers on behalf of the other Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect, by notice given within five (5) days after making such election, and in any event, within said thirty (30) day period, to such Unit Owner, by certified or registered mail, to purchase such Unit, together with the Appurtenant Interests, 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 other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium in accordance with the terms of such offer but in no event less than forty-five days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner of such Unit, together with the Appurtenant Interests to be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers, or to its designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or its designee fails to notify the offering Unit Owner of its decision to accept such offer within thirty (30) days after receipt of notice as aforesaid or fails to notify the offering Unit Owner within said period of its decision not to accept such offer, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be within thirty (30) days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer, to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer. Any such deed to any Outside Offeror shall provide that acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, and that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers, and that the Board of Managers shall have power to terminate such lease and/or bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease for Residential Units shall be in a form approved by the Board of Managers. In the event the offering Unit Owner shall not, within such thirty (30) day period, contract to sell such Unit to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease his/her Unit within such thirty (30) day period, but such sale or lease shall not be consummated pursuant to the material terms (including, but not limited to, length of lease, purchase price of apartment, rental of a Unit) of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to

the same or another Outside Offeror on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VIII.

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

Section 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers: The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of Unit Owners having 51% of the Common Interest appurtenant to the Units of the Condominium and the unanimous consent of Successor-Sponsor.

Section 3. No Severance of Ownership: No Unit Owner shall execute any deed, mortgage, or other instrument conveying or mortgaging title to his/her Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest or interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal: The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of Managers in which event the Unit, together with the Appurtenant Interests, may be sold, conveyed, or leased, free and clear of the provisions of such section.

Section 5. Certificate of Termination of Right of First Refusal: A certificate, executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner, or have been duly waived by the Board of Managers and the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers in favor of all persons who rely thereon in good faith. Such certificates shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VIII or in respect to whom the provisions of such section have been waived, upon request.

Section 6. Financing of Purchase of Units by Board of Managers: Acquisition or lease of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be made from the working capital and Common Charges in the possession of the Board of Managers, or, if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner, other than the offering Unit Owner, in proportion to his/her ownership in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Section 6 and 7 of

Article VI, or, the Board of Managers, in its discretion, may borrow money to finance the acquisition or lease of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired by the Board of Managers. Notwithstanding the above, no assessment may be levied under this Section 6 against any mortgagee who has acquired title to a Unit, whether by foreclosure or deed in lieu thereof.

Section 7. Exceptions: The provisions of Section 1 of this Article VIII shall not apply in respect to any sale or conveyance or lease by a Unit Owner of his/her Unit, together with the Appurtenant Interests, to his/her spouse or to any of his/her children or to his/her parent or parents or for his/her brothers or sisters, or any one or more of them, or to any Unit owned by the Sponsor of Sponsor-designee, or to the acquisition or sale of any Unit, together with the Appurtenant Interests, by a mortgagee herein authorized who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. However, the provisions of this section shall apply with respect to any purchaser of a Unit from a mortgagee or resale of other individuals discussed in this Section.

Section 8. Gifts and Devises, etc.: Any Unit Owner shall be free to convey or transfer his/her Unit by gift or to devise his/her Unit by will, or to pass the same by intestacy, without restriction.

Section 9. Such Units as are Acquired by the Board of Managers or its Designee, on Behalf of All Unit Owners as Tenants in Common: In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners may not partition with respect to such Unit, except as specifically provided in the New York Real Property Law.

Section 10. Payment of Common Charges and Assessments: No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his/her Unit unless and until he/she shall have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against his/her Unit and until he/she shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 11. Mortgage of Units: No Unit Owner shall mortgage his/her Unit, except by a first and/or second mortgage made to a bank, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender or a purchase money mortgage made to the Sponsor, or to the seller of the Unit. Any such mortgage shall be substantially in the form on file with the Board of Managers, except for such changes or additions as may be required in order to permit the particular institutional lender to make the mortgage loan, or to the extent permitted by the Board of Managers. A mortgage may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, prior to the Sponsor's relinquishing control of the Board of Managers, or

the Board of Managers, subsequent to the release of control by the Sponsor or the Board of Managers as the case may be. However, the Sponsor or Successor-Sponsor may mortgage any of their Units to any person without the prior approval of the Board of Managers or any other person. Prior to or simultaneously with the closing of any mortgage, the Unit Owner must satisfy all arrearages for unpaid Common Charges or assessments and discharge any liens therefore.

Section 12. Proceeds from the Sale of a Unit: If the Condominium acquires a Unit pursuant to Article VIII of the By-Laws and later sells the Unit, the proceeds from the sale shall be first used to pay any debts acquired by the Condominium in connection with the acquisition and sale of the Unit. Any balance after the payment of these charges shall be used by the Board of Managers for the benefit of the Units in any manner that the Board deems necessary and proper including but not limited to keeping the proceeds as a reserve fund for contingencies for such Units and/or distributing all or part of the excess proceeds from the sale among the Unit Owners according to the percentage of Common Elements that the Unit Owners possesses.

ARTICLE IX

Condemnation and Termination

Section 1. Condemnation: In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to $50,000.00 or less, and to the Insurance Trustee if such award amounts to more than $50,000.00. If eighty (80%) percent or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that eighty (80%) or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Section 2. Termination: The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of

or against such withdrawal. 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 the Unit Owners in proportion to their respective Common Interests. However, no payment shall be made to a Unit Owner until all liens to which his/her Unit are subject are paid off.

ARTICLE X

Records

Section 1. Invalidity: The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 2. Captions: The captions herein are inserted only as a matter of convenience and or reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 3. Gender: The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 4. Waiver: No restriction, condition, obligation, or provision contained in these By-Laws, 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 thereof which may occur.

Section 5. Insurance Trustee: The Insurance Trustee, if selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of the holders of 3 or more Unit first mortgages). In the event that the Insurance Trustee shall resign, the new Insurance Trustee shall also be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of the holders of 3 or more Unit first mortgages). The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense of the Condominium.

Section 6. Definition of "Mortgagee": As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" shall include the holder of any construction loan mortgage which shall be a lien on a unit.

ARTICLE XI

Amendments to the By-Laws

Section 1. Amendment to By-Laws: These By-Laws may be modified or amended by the vote of 66 2/3% in number and in Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

For as long as the Sponsor remains the Owner of one or more Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be amended or modified in any way so as to adversely affect Sponsor without Sponsor's prior written consent.

ARTICLE XII

Conflicts

Section 1. Conflicts: These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XIII

Arbitration

Section 1. Procedure: Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2. Variation by Agreement: The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the Civil Practice Law and Rules of the State of New York and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3. Binding Effect: The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Cost and Expenses: (a) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his/her 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, shall constitute Common Expenses.

SCHEDULE A

RULES AND REGULATIONS
PARK SLOPE WEST CONDOMINIUM

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

2. Except as set forth above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted on any part of the Property, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted on any part of the Property or in any Unit therein nor shall any Unit be rented for transient, hotel or motel purposes. The right is reserved by the Sponsor, its designee and the Board of Managers, or its agent, to place "For Sale", "For Rent" or "For Lease" or similar signs on any unsold or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one (1') foot by two (2') feet. Additionally, the right is reserved by Sponsor and its designee to maintain and staff one or more vacant and Unsold Units in the Building as a sales office and/or model Unit. Sponsor and its designee shall have the right to place "For Sale", "For Rent" or "For Lease" signs or similar signs on the Building or elsewhere on the Property without regard to size.

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

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

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

6. Each Unit Owner shall keep his/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 Residential Unit, any dirt or other substances.

7. 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, which approval may not be unreasonably refused.

8. 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 the Building, 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.

9. 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 comply with all requirements of law and regulations of the Board of Managers regarding recycling of trash. All Unit Owners shall separate their trash into "recyclable" and "nonrecyclable" materials. The Board of Managers may designate from time to time the types of materials which must be separated for recycling; the types of containers or binding to be used by Unit Owners for the disposal of designated recyclable materials; the locations where designated recyclable materials shall be deposited. The Board of Managers may also establish other regulations regarding recycling of trash. Any costs incurred by the Board of Managers in the enforcement against a Unit Owner of recycling requirements imposed by law or by the Board of Managers, including (but not limited to) legal fees and fines or penalties imposed on the Board of Managers by any government agency, shall be payable by the Unit Owner.

10. 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.

11. 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.

12. No bird, dog or other animal shall be kept or harbored in the Building unless the same in each instance be expressly permitted in writing by the Board of Managers. The Unit Owners shall indemnify the Board of Managers and hold it

harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having any animal in the Building.

13. No radio or television aerial shall be attached to or hung from the exterior of the Building without written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television service to the Units.

14. 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 Building Rules and Regulations.

15. The Board of Managers may retain a passkey to each Residential Unit. No Residential Unit Owner shall alter any lock on any door leading into his/her Residential Unit without the prior consent of the Board of Managers. If such consent is given, the Residential Unit Owner shall provide the Board of Managers with a key for their use.

16. No Unit Owner or any visitor, guest, patient, employee or any client of a Unit Owner shall be allowed in the electrical 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 Unit Owner shall interfere in any manner with any portion of the lighting apparatus which are part of the Common Elements and not part of the Unit Owner's Unit.

19. No Unit Owner shall use or permit to be brought into the Building any inflammable oils or fluids such as gasoline, kerosene, naptha, benzene or other explosives or articles deemed extra hazardous to life, limb, or property without in each case obtaining the written consent of the Board of Managers.

20. The Unit Owner shall not be allowed to put his/her name on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purpose.

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

22. 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.

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

24. The Common Elements are intended for the purpose of affording pedestrian movement within the Condominium and of providing access to the Units. No part of the Common Elements shall be obstructed 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; 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.

25. No 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 or 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.

26. These Building Rules may be added to or repealed at any time by the Board of Managers.

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IMPLIED WARRANTY

ARTICLE 36-B - WARRANTIES ON SALE OF NEW HOMES

Section 777. Definitions [Eff. March 1,1989].

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

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

2. "Building Code" means the Uniform Fire Prevention and Building Code promulgated under Section Three Hundred Seventy-Seven of the Executive Law, Local Building Code standards approved by the Uniform Fire Prevention and Building Code Council under Section Three Hundred Seventy-Nine of the Executive Law, and the Building Code of the City of New York, as defined in Title Twenty-Seven of the Administrative Code of the City of New York.

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

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

5. "New Home" or "Home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in Section Seven Hundred Twenty-One of this chapter, or any house or unit in which the builder has resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

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

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

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

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

(c) In the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

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

Section 777-a. Housing Merchant Implied Warranty [Eff. March 1, 1989].

1. Notwithstanding the provisions of Section Two Hundred Fifty-One of the Real Property Law, a Housing Merchant Implied Warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A Housing Merchant Implied Warranty shall mean that:

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

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

(c) Six years from and after the warranty date the home will be free from material defects.

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

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

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

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

4. (a) Written notice of a warranty claim for breach of a Housing Merchant Implied Warranty must be received by the builder prior to the commencement of any action under paragraph "(b)" of this subdivision and no later than thirty (30) days after the expiration of the applicable warranty period, as described in subdivision "1" of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

(b) An action for damages or other relief caused by the breach of a Housing Merchant Implied Warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision "1" of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph "(a)" of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, and not exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

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

5. Except as otherwise provided in Section Seven Hundred Seventy-Seven-b of this Article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a Housing Merchant Implied Warranty shall be void as contrary to public policy.

6. Except as otherwise provided in Section Seven Hundred Seventy-Seven-b of this Article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

Section 777-b. Exclusive or Modification of Warranties [Eff. March 1, 1989].

1. Except in the case of a Housing Merchant Implied Warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a Housing Merchant Implied Warranty, the builder or seller of a new home may exclude or modify all warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A Housing Merchant Implied Warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a Limited Warranty in accordance with the provisions of this subdivision:

(a) A copy of the express terms of the Limited Warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

(b) A copy of the express terms of the Limited Warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

(c) The language of the contract or agreement for sale of the home must conspicuously mentioned the Housing Merchant Implied Warranty and provide that the Limited Warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the faces hereof."

(d) The Limited Warranty shall meet or exceed the standards provided in subdivision "4" and "5" of this section.

4. A Limited Warranty sufficient to exclude or modify a Housing Merchant Implied Warranty must be written in plain English and must clearly disclose:

(a) That the warranty is a Limited Warranty which limited implied warranties on the sale of the home; the words "Limited Warranty" must be clearly and conspicuously captioned at the beginning of the warranty document.

(b) The identification of the names and address of all warrantors.

(c) The identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the Limited Warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners.

(d) A statement of the product or parts covered by the Limited Warranty.

(e) The clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided however:

(i) Any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

(ii) Any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

(f) What the builder and other warrantor will do when a defect covered by the warranty does arise, and the time which the builder and any other warrantor will act.

(g) The term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a Housing Merchant Implied Warranty, as defined in subdivision "1" of section Seven Hundred Seventy-Seven-a of this Article.

(h) Step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to bonding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process.

(i) Any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a Limited Warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the Limited Warranty, where the court

finds that such limitation or exclusion would cause the Limited Warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. (a) This Article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under Section 5-322.1 of the General Obligations Law.

(b) This Article shall preempt any local law inconsistent with the provisions of this Article. This Article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

(b) Nothing in this Article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

ESCROW AGREEMENT

AGREEMENT made this ___ day of _____, 2005, between PARK SLOPE WEST LLC, ("SPONSOR"), as Sponsor of the Offering Plan, and FORMAN & ASSOCIATES, pc, ("ESCROW AGENT"), as Escrow Agent.

WHEREAS, PARK SLOPE WEST LLC is the Sponsor of an Offering Plan to convert to condominium ownership the premises located at 678 Union Street, Brooklyn, New York, which premises is also known as the PARK SLOPE WEST CONDOMINIUM; and

WHEREAS, FORMAN & ASSOCIATES, pc is authorized to act as 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 and

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers. The escrow account has been opened with NORTH FORK BANK, at its branch located at 90 West Broadway, Brooklyn, New York. The account number is _____.

1.2 The name of the account is FORMAN & ASSOCIATES, pc, SPECIAL UNION STREET, ESCROW ACCOUNT.

1.3 ESCROW AGENT is the sole signatory on the account.

1.4 The escrow account shall be an interest-bearing account as disclosed in the Offering Plan.

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

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or

endorsed by the purchaser to the order of FORMAN & ASSOCIATES, pc, UNION STREET, ESCROW ACCOUNT for the PARK SLOPE WEST CONDOMINIUM Offering Plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser 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 in the bank indicated in the Offering Plan, provide the account number, and disclose the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the 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 Offering Plan shall not relieve SPONSOR of its fiduciary obligation pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in: (a) a writing signed by both SPONSOR and purchaser; (b) a determination of the Attorney General; or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

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

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the New York State 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. RECORD KEEPING

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

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

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

5. GENERAL OBLIGATIONS OF ESCROW AGENT

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

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

6. RESPONSIBILITIES OF SPONSOR

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

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

7. TERMINATION OF AGREEMENT

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

(a) Written notice given by SPONSOR to ESCROW AGENT or 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 New York State Department of Law providing for a successor

ESCROW AGENT; or

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

(c) All shares or 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 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 principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by an financial institution under any circumstances.

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 duly executed this Agreement as of the day and year first written above.

ESCROW AGENT:
FORMAN & ASSOCIATES, pc

By: _____
Name: Warren L. Forman
Title: Authorized Person

SPONSOR:
PARK SLOPE WEST LLC

By: _____
Name: Domenick Tonacchio
Title: Member

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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 Offering Plan.

Re: PARK SLOPE WEST CONDOMINIUM
678 Union Street, Brooklyn, New York

File No.: _____

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:

[ ] cooperative.
[ ] condominium.
[ ] homeowners association.

[ ] 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. Offering Plan Information:

(a) Date of filing of Offering Plan: _____

(b) Offering Plan:

[ ] has been declared effective. Approximate Date: _____
[ ] has not been declared effective.

(c) If effective, the Offering 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 Purchase Agreement or Subscription Agreement was signed: _____.

(c) Date(s) of down payment(s): _____

(d) Total amount of down payment(s): _____

(e) Names and addresses of purchasers or subscribers affected by this application:

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____

_____

_____

_____

15. I am contemporaneously sending a copy of this application to the following persons:

_____

_____

_____

_____

Note: You are required to mail a copy of this application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities, I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone Number: (Home) _____ (Business) _____

Mailing Address: _____

_____

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS' PURSUANT TO SEC. 20.4(b) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED.

Re: 678 Union Street
Brooklyn, New York

The undersigned, certifies as follows:

I am the Sponsor and the principal of the Sponsor of the Condominium Offering Plan for the captioned property. I understand that I have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

I have read the entire Offering Plan. I have investigated the facts set forth in the Offering Plan and the underlying facts. I have exercised due diligence to form a basis for making this certification. I jointly and severally certify that the Offering Plan does, and that all documents submitted hereafter by me which amend or supplement the Offering Plan will:

(1) set forth the detailed terms of the transaction and be complete, current and accurate;

(2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(3) not omit any material fact;

(4) not contain any untrue statement of a material fact;

(5) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(7) not contain any representation or statement which is false, where we: (i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth, or (iv) 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. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

PARK SLOPE WEST LLC

By: _____
Name: Domenick Tonacchio
Title: Member

PRINCIPAL OF SPONSOR:

_____
DOMENICK TONACCHIO

Sworn to before me this
25 day of _____, 2005

_____
NOTARY PUBLIC

GINA A. COSTA
Notary Public, State of New York
No. 01CO6053408
Qualified in New York County
Commission Expires January 08, 2007

CERTIFICATION OF SPONSOR'S ENGINEER
OR ARCHITECT PURSUANT TO SEC. 20.4(c)
OF THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED.

Re: 678 Union Street
Brooklyn, New York

The undersigned, certifies as follows:

The Sponsor of the Offering Plan for Condominium ownership of the captioned property retained me to prepare a report describing the renovation of the property (the "Report"). I visually inspected the existing portions of the renovated property on May 20, 2004, and I examined the building plans and specifications that were prepared by SFS Associates dated December, 2003 and prepared the Report dated December 6, 2004, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the Report.

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

I understand that I am responsible for complying with Article 23-A of the General Business Law of the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to this Report.

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

(i) set forth in narrative form the physical condition of the entire property as it will exist upon completion of the renovation provided that the renovation is in accordance with the plans and specifications that I examined.

(ii) in my professional opinion, afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property as it will exist upon completion of renovation, provided that the renovation is in accordance with the plans and specifications that I examined;

CERTIFICATION OF ARCHITECT
Page 2

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, or suppression;

(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 representations or statement made;

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Sworn to before me this
14 day of April, 2005

Lucille Rocco
NOTARY PUBLIC

LUCILLE ROCCO
Notary Public, State of New York
No. 41-4931200
Qualified in Queens County
Commission Expires 7/18/06

EDWARD C. HICKS
Registered Architect

By: Edward C. Hicks

GOLDIN Management

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET PURSUANT TO SECTION 20.2 (c), NEWLY CONSTRUCTED, VACANT OR NON-RESIDENTIAL, CONDOMINIUMS OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLES 23-A AS AMENDED

May 19, 2005

New York State Department of Law
120 Broadway, 23rd Floor
New York, NY 10271
Attn: Investment Projection Bureau

RE: Park Slope West Condominium
678 Union Street
Brooklyn, NY 11215

The undersigned certifies as follows:

The sponsor of the condominium offering plan for the captioned property (the "**Plan**") retained our firm to prepare and review Schedules B & B1, containing projections of income and expenses for the first year of condominium ownership. My experience in this field includes being a licensed real estate broker, active in brokerage and property management since 1987. Since then, I have managed numerous new construction buildings which underwent condominium conversions similar to the one contemplated for the captioned property. This work involved the following buildings:

- 675 Sackett Street, Brooklyn, NY 11217
- 58 Thomas Street, New York, NY 10013
- 330-350 2nd Street, Brooklyn, NY 10013

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B & B1.

I have reviewed the Schedule and investigated the facts set forth in the Schedules and the facts underlying them with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedules B & B1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operational expenses for the projected first year of condominium operation.

I certify that Schedules B & B1:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;
(ii) afford potential investors, purchasers and participants an adequate basis upon which to form their judgment concerning the first year of condominium operation;
(iii) do not omit any material fact;
(iv) do not contain any untrue statements of a material fact;
(v) do not contain any fraud, deception, concealment, or suppression;

25 8th Avenue • Brooklyn, NY 11217 • www.goldinmgmt.com
Phone: (718) 230-2600 • Fax: (718) 230-4268 • mgoldin@goldinmgmt.com

(vi) do not contain any promise or representations as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I:

- (a) knew the truth;
- (b) with reasonable effort could have known the truth;
- (c) made no reasonable effort to ascertain the truth; or
- (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties and the General Business Law and Penal Law.

Martin R. Goldin

Sworn to before me this
19th day of May 2005

Notary Public

GINA A. COSTA
Notary Public, State of New York
No. 01CO6053408
Qualified in New York County
Commission Expires January 08, 2007