
CONDOMINIUM OFFERING PLAN

FOR

The 1845 83rd Street Condominium

1845 83rd Street
BROOKLYN, NY 11214
KINGS COUNTY

Total Purchase Price of Three (3) Residential Units, Two (2) Parking Garages and
Rear Yard Area Offered: \$1,460,000.00

SPONSOR AND SELLING AGENT:

83RD STREET CONDOMINIUMS LLC
1845 83rd Street
Brooklyn, NY 11214

The Date of the First Offering of this Plan is 12/16/2005.
This Plan may not be used for more than 12 months from such date
unless extended by a duly filed amendment.

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF
THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN.
SEE PAGE 1 OF THIS PLAN FOR SPECIAL RISKS TO PURCHASERS

THIS OFFERING PLAN IS THE 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:
Yevgeny Tsyngauz, Esq.
1635 Bath Avenue
Brooklyn, NY 11214
(718) 621-6600

TABLE OF CONTENTS

PART I	PAGE
SPECIAL RISKS	1
INTRODUCTION	4
DEFINITIONS	8
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	10
LOCATION AND AREA INFORMATION	13
OFFERING PRICES AND RELATED INFORMATION (SCHEDULE A)	14
FOOTNOTES TO SCHEDULE A	15
BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION (SCHEDULE B)	17
FOOTNOTES TO SCHEDULE B	18
BUDGET FOR INDIVIDUAL ENERGY COSTS FOR FIRST YEAR OF CONDOMINIUM OPERATION (SCHEDULE B-1)	21
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-I	22
CHANGES IN PRICES AND UNITS	25
PROCEDURE TO PURCHASE	26
EFFECTIVE DATE	32
TERMS OF SALE	34
UNIT CLOSING COSTS AND ADJUSTMENTS	35
RIGHTS AND OBLIGATIONS OF THE SPONSOR	38
CONTROL BY THE SPONSOR	42
BOARD OF MANAGERS	44
RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS	48
REAL ESTATE TAXES	60
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM	61
OPINION OF COUNSEL	62
WORKING CAPITAL FUND	70
RESERVE FUND	71
IDENTITY OF PARTIES	72
REPORTS TO UNIT OWNERS	73
DOCUMENTS ON FILE	73
GENERAL	73
SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION	74

PART II

DESCRIPTION OF PROPERTY AND SPECIFICATIONS
OR BUILDING CONDITION

PURCHASE AGREEMENT

POWER OF ATTORNEY

FORM OF UNIT DEED

DECLARATION OF CONDOMINIUM

CONDOMINIUM BY-LAWS

ESCROW AGREEMENTS

APPLICATION TO ATTORNEY GENERAL FOR DISPUTE RESOLUTION

PA1

POA1

DD1

DL

BL

EA

AAG

CERTIFICATIONS

SPONSOR AND PRINCIPALS

SPONSOR'S ENGINEER (OR ARCHITECT)

SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

PART I



SPECIAL RISKS

1. The Units in the Building are offered "as is" in their current condition as set forth in this Plan, without any obligation on the part of the Sponsor or the Selling Agent to make any repairs or improvements.

The Building was constructed in 1989. On October 10, 1989, the New York City Building Department issued a Certificate of Occupancy #232330 for the Building authorizing its use as a three-family dwelling. The apartments in the Building were rented from 1989 until January of 2005, when the principals of the Sponsor, Svetlana Borovskiy and Gennadiy Borovskiy, acquired the title to the Building.

2. The existing stove will be the only kitchen appliance supplied by the Sponsor.

3. All down payments will be placed in an IOLA account and will be federally insured up to \$100,000.00; however, the amount above \$100,000.00 will not be federally insured.

4. In the event of an uncured default by the Purchaser in his obligations under the Purchase Agreement, no more than ten (10%) percent of the purchase price may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by the Sponsor for any special or custom work in the Unit ordered by the Purchaser may also be retained as liquidated damages. The Sponsor agrees not to seek the remedy of specific performance in connection with the Purchase Agreement as to which there has been a default by the Purchaser.

If the Purchaser defaults under the Purchase Agreement, the Sponsor shall notify the Purchaser in writing of such default and advise the Purchaser that he or she has thirty (30) days from the mailing date or personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR THE PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD.

"Time is of the essence" means that if such default is not cured within thirty (30) days from the mailing date or personal delivery of such written notice, the Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event the monies held by the Sponsor, but not more than ten (10%) percent of the purchase price, and any other sums incurred by the Sponsor for any special or custom work in the Unit ordered by the Purchaser, will be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement will become null and void. The Sponsor waives any right to seek specific performance in the event of a default by the Purchaser.

5. Risk of loss for fire or other casualty remains with the Sponsor unless and until the Purchaser takes actual possession of a Unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser.

6. THE PURCHASER'S OBLIGATION TO PURCHASE HIS/HER UNIT IS NOT

CONTINGENT ON OBTAINING FINANCING. This means that the Purchaser will be required to proceed to closing, notwithstanding the fact that the Purchaser has failed to obtain mortgage financing; and, if such Purchaser fails to proceed to closing, the deposit may be retained by the Sponsor.

7. The terms of this Plan transfer the statutory obligation to pay New York City Real Property transfer taxes (1.0% of purchase price for Residential Units up to \$500,000.00 and 1.425% for Residential Units over \$500,000.00) and New York State Documentary Stamp Taxes (\$2 per \$500.00) to the Purchaser, so that the cost of such taxes represents an additional closing cost to the Purchaser, and an additional item of consideration on which transfer taxes must be paid. Additionally, the Purchaser is responsible for paying to the Sponsor's attorney a document preparation fee and closing attendance fee of \$1,200.00, and may be responsible for certain other fees such as travel fees and default fees.

8. Housing Merchant Implied Warranty (Article 36-B of the General Business Law), otherwise applicable to the Residential Units, does not apply to this offering because the Building is an existing building occupied or leased for more than three (3) years.

9. The Sponsor or Sponsor-designee will not retain voting control of the Board of Managers for more than five (5) years after the closing of the first Unit or whenever the Sponsor or Sponsor-designee shall transfer title to Units, the percentage Common Interest of which, in the aggregate, equals more than fifty (50%) percent, whichever is sooner.

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

11. The Purchaser will be responsible for heat, hot water, gas, electricity, telephone, air conditioning and cable service.

12. The Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all Residential Units to Purchasers for personal occupancy of Purchasers or their immediate family. 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, the Sponsor reserves the right to rent, rather than sell, Units until there is an upturn in the market. Sponsor's good faith effort to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to broker and prospective Purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities.

The Sponsor does not intend to make a bulk sale of all or some of its Unsold Units. However, if the Sponsor does make a bulk sale of all or some of its Unsold Units, the transferee successor sponsor will be bound by the Sponsor's representations regarding its commitment to

sell Units.

13. Due to the size of the Building, no superintendent, custodian or parking attendant will be required by Section 83 of the Multiple Dwelling Law. It is anticipated that the Unit Owners themselves will provide superintendent, janitorial and parking services, which will consist of cleaning the Commons Elements of the Condominium, and taking out the garbage.

14. Due to the size of the Building, it is expected that the Building will be self-managing. Since the Condominium is self-managing, the Unit Owners will take turns in cleaning the Common Elements of the Condominium, including without limitation entrance hall, floor corridors and parking area, and taking out the garbage.

15. The Purchaser shall be required to pay to the Sponsor \$1,000.00 as partial reimbursement for the cost of preparing the Plan.

16. No bond or other security has been posted to secure Sponsor's obligations under the Plan.

17. The Plan calls for the sale of two (2) parking garages.

A parking garage can only be purchased by a Unit Owner. None of the parking garages will be land-locked. None of the parking garages will be designated handicapped.

INTRODUCTION

The Sponsor is offering for sale three (3) residential units, two (2) parking garages and rear yard area at 1845 83rd Street, Brooklyn, NY 11214, as a Condominium to be known as 1845 83rd Street Condominium (the "Condominium"). The following pertinent information is set forth with respect thereto:

1. The Sponsor may not, under law, offer for sale Condominium Units unless and until an Offering Plan (the "Plan") has been accepted for filing by the New York State Department of Law. The purpose of the Plan is to set forth all the material terms of the offer to sell the Units in the Condominium. The Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. Such an amendment shall be served on:

- i. purchasers who have executed and delivered purchase agreements to the Sponsor or Selling Agent and whose purchase agreements are in effect,
- ii. Unit Owners, and
- iii. any other person entitled to service pursuant to local law or regulation.

2. The Condominium is subject to and complies with Article 9-B of the Real Property Law of the State of New York, as amended (the "Condominium Act").

3. The Sponsor is 83rd Street Condominiums LLC, having an address at 1845 83rd Street, Brooklyn, New York 11214. The Sponsor acquired the property on April 22, 2005.

4. The Plan calls for the sale of three (3) residential units, two (2) parking garages and rear yard area. See Part 1, Schedule A for prices and other information concerning Units. The Condominium will not contain any recreational facilities.

A parking garage can only be purchased by a Unit Owner. None of the parking garages will be land-locked. None of the parking garages will be designated handicapped.

A rear yard area can only be purchased by a Unit Owner.

5. The prices for Units offered herein have been set by the Sponsor alone. They are not subject to review or approval by the New York State Department of Law or any other governmental agency.

6. The Units in the Building are offered "as is" in their current condition as set forth in this Plan, without any obligation on the part of the Sponsor or the Selling Agent to make any repairs or improvements.

The Building was constructed in 1989. On October 10, 1989, the New York City Building Department issued a Certificate of Occupancy #232330 for the Building authorizing its use as a three-family dwelling. The apartments in the Building were rented from 1989 until

January of 2005, when the principals of the Sponsor, Svetlana Borovskiy and Gennadiy Borovskiy, acquired the title to the Building.

7. The Condominium Units will be offered only to individuals over the age of eighteen (18) years, corporations, and other entities that may legally own real property in the State of New York. Neither the Sponsor nor the Selling Agent will discriminate in the sale or lease of Units on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. The Parking Garages will be offered only to Unit Owners. A Rear Yard area will be offered only to Unit Owners.

8. Each Unit Owner will own his Unit in a manner similar in many respects to the ownership of a private home. In addition to outright ownership of his own Unit, he will be entitled to exclusive possession of his Unit together with an undivided interest in and right to use the Common Elements, together with all other Unit Owners and exclusive right to use the Limited Common Elements.

The Limited Common Elements are those areas appurtenant to a particular Unit, the use of which is restricted to the Owner of such Unit, but which are not owned by such Unit Owner.

Each Residential Unit Owner may use his Unit for residential purposes only and for any other legal purposes subject to the provisions of the Declaration of Condominium, By-Laws and Rules and Regulations promulgated pursuant thereto.

A Unit Owner will have the right to vote annually for the Board of Managers, which will conduct the affairs of the Condominium and supervise the operation of the property. A Unit Owner will be required to pay Common Charges in accordance with the Condominium Declaration, By-Laws and Sections 339-i, 339-m of the Real Property Law, and other applicable provisions of the Condominium Act, proportionate to his respective interest in the Common Elements, for the operation and maintenance of the Condominium property as the Board of Managers may determine.

Each Unit Owner will be taxed separately for real estate tax purposes. He may obtain his own mortgage loan on his Unit and pay directly to the mortgage lender the interest and amortization on his mortgage. His Unit will not be affected by any other Unit Owner's separate obligation for such Unit Owner's mortgage or real estate taxes.

The Board of Managers has the authority to manage the Condominium.

Each Unit Owner is obligated to comply with the Declaration, the By-Laws, Rules and Regulations and any other requirements of the Board of Managers.

A Unit Owner may sell or lease his Unit subject only to the right of first refusal exercisable by the Board of Managers, and may mortgage his Unit with an institutional lender subject to the provisions of the By-Laws.

Each Unit Owner will be responsible for the cost of interior maintenance and repairs to his Unit, and for the cost of decorating the interior of his Unit beyond that set forth in section "Description of Property and Specifications" of the Plan. Each Unit Owner will be responsible for the cost of his own liability insurance for occurrences within his Unit as well as for casualty insurance to cover losses to personal possessions within his Unit. A more detailed description of the rights and obligations of Unit Owners is contained in the Declaration and By-Laws of the Condominium. These documents appear in Part II of this Plan.

The price for each Unit, the percentage of Common Interest allocated to each Unit, the estimated annual Common Charges and other financial information are found in Schedules A, B and B1 of Part I of this Plan.

In the opinion of counsel for the Sponsor, each Unit Owner may be entitled to certain deductions for Income Tax purposes. See section "Opinion of Counsel" in Part I of the Plan.

9. The Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all Residential Units to Purchasers for personal occupancy of Purchasers or their immediate family. 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, the Sponsor reserves the right to rent, rather than sell, Units until there is an upturn in the market. Sponsor's good faith effort to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to broker and prospective Purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities.

The Sponsor does not intend to make a bulk sale of all or some of its Unsold Units. However, if the Sponsor does make a bulk sale of all or some of its Unsold Units, the transferee successor sponsor will be bound by the Sponsor's representations regarding its commitment to sell Units.

10. The Board of Managers of the Condominium does not have the right to approve or disapprove Purchasers. There is no limit on the number of Owners who may purchase for investment rather than for personal occupancy. There may always be a substantial percentage of Owners who are non-residents.

11. The agreement to purchase a Unit is reproduced in Part II of this Plan.

12. The rights and obligations of the Sponsor are set forth in Part I of this Plan.

13. A physical description of the improvements constructed or to be constructed may be found in Part II of this Plan.

14. Any controversy among Unit Owners must be resolved by Unit Owners in accordance with the By-Laws, inasmuch as no governmental agency has jurisdiction to regulate the Condominium's internal affairs.

15. The Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at 25 cents per page at the office of the Sponsor's attorney, Yevgeny Tsyngauz, Esq., 1635 Bath Avenue, Brooklyn, NY 11214 for six years from the date of first closing.

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

DEFINITIONS

The definitions set forth herein are for informational purposes and should be read in conjunction with technical definitions appearing in the Declaration, By-Laws, and Condominium Act, all of which appear in Part II of the Plan.

1. Board of Managers. The governing body of the Condominium which will conduct the Condominium affairs and supervise the operation of the Property.

2. Building. The Structure at 1845 83rd Street, Brooklyn, New York, which will comprise the Units and portions of the Common Elements of the Condominium as above described.

3. Common Elements. The land and all parts of the Building other than Units, including without limitation, the lobby, hallways, mechanical and electrical equipment, spaces and any portions of the Building to be set aside for common use.

4. Common Expense. Expenses of operation of the Property, and all sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or By-Laws.

5. Common Interest. The proportionate undivided interest, in fee simple absolute, expressed as a numerical percentage, in the Common Elements, appurtenant to each Unit. The aggregate Common Interest for all Units is 100%. The percentage of Common Interest of the Unit is the basis for the determination of, among other things, the following rights and duties of the Unit Owners:

- (a) Voting power;
- (b) Share of Common Expenses--i.e. operating and other expenses of the Condominium as determined by the Board of Managers;
- (c) Share of any distribution upon termination of the Condominium.

6. (a) Common Charges. Each Unit's proportionate share of the Common Expenses in accordance with the Common Interest of the Unit.

(b) Common Profits. The excess of the receipts of the rents, profits and revenue from the Common Elements remaining after the deduction of the Common Expenses.

7. Condominium. The Units and Common Elements constituting the Condominium to be located at 1845 83rd Street, Brooklyn, New York and to be known as 1845 83rd Street Condominium. The word "Property" shall be used interchangeably and shall have the same meaning as the term "Condominium" as defined above.

8. Declaration. The recorded, written instrument by which the Property is submitted to the provisions of the New York Condominium Act, as such instrument may from time to time

be amended, consistent with the law, the provisions of the Declaration and the Condominium By-Laws.

9. Limited Common Elements. Common Elements appurtenant to a particular Unit or Units the use of which is restricted to the Owners of such Unit or Units. The respective responsibilities of such Unit Owners and the Board of Managers for repair and maintenance of Limited Common Elements are set forth in the Declaration and By-Laws.

10. Offering Plan. A statement prepared on behalf of the Offeror (Sponsor), as defined below, designed to disclose all material facts concerning the proposed Condominium, in order to aid prospective purchasers in making informed decisions regarding their purchases.

11. Property. The land and Building located at 1845 83rd Street, Brooklyn, New York.

12. Sponsor. The initial offeror of interests in the Condominium. The Sponsor of the offering is 83rd Street Condominiums LLC.

13. Selling Agent. The entity which will originate and supervise sales of Units. The Selling Agent is the Sponsor having an address at 1845 83rd Street, Brooklyn, New York 11214.

14. Unit. Any space in the Building designated as a Residential Unit. Such Units are part of the Property intended for any type of legal use or uses, and adjoin an exit to a public street or highway or a Common Element or Elements leading to a public street or highway.

15. Unit Owner. The person or persons owning a Unit in fee simple absolute.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

These outline specifications are intended to outline generally the nature of the work, materials and equipment and to indicate the contemplated character of the Building, but shall not be interpreted as enlarging in any manner, directly or indirectly, the obligation or liability of the Sponsor as set forth in this Plan. A more detailed description and approximate two-dimensional floor plans are set forth in section "Description of Property and Specifications" of Part II of the Plan.

Building

The offering consists of three (3) residential apartments, two (2) accessory parking garages and rear yard area in the building located at 1845 83rd Street, Brooklyn, New York 11214.

The building is located in R5 Zoning District, which permits a building of this nature.

R5 Zoning District provides a transition between lower and higher density neighborhoods. It allows residences of all types, including apartment hotels and non-profit residences for the elderly.

Typical R5 development, however, is usually between three-story houses and small apartment buildings.

The Building is not newly constructed. The structure for the Building is classified mainly as a bearing wall type. The structure is considered to be Construction Class II-B. It has protected wood joist for its flooring and roof assemblies. This type of structure has exterior walls constructed of non-combustible materials and assemblies as specified by the New York City Building Department.

The Units in the Building are offered "as is" in their current condition as set forth in this Plan, without any obligation on the part of the Sponsor or the Selling Agent to make any repairs or improvements.

The Building was constructed in 1989. On October 10, 1989, the New York City Building Department issued a Certificate of Occupancy #232330 for the Building authorizing its use as a three-family dwelling. The apartments in the Building were rented from 1989 until January of 2005, when the principals of the Sponsor, Svetlana Borovskiy and Gennadiy Borovskiy, acquired the title to the Building.

The streets beyond lots lines are owned and maintained by the New York City sidewalks, curbs and roadways. 83rd Street is a 60'-0" one-way street. The pavement is composed of asphalt and the existing 15'-0" wide sidewalk and curb fronting the property is poured concrete as directed by the New York City Department of Transportation. The sidewalk slopes away from the Building providing positive drainage without pounding. This site has been graded to conduct

storm water away from the Building. Catch basins are located in the roadway to drain the storm water run-off into the existing New York City Sewer System.

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

The New York City Water Distribution System will furnish water. Water consumption will be a common charge with a meter located in the garage.

Natural gas service is provided by the Keyspan Energy Delivery Company for cooking and domestic hot water and heating. Each Unit will be separately metered and billed. Electric service is provided by the Consolidated Edison of New York. Each Unit will be separately metered and billed. Telephone service is provided by the Verizon Company. Each Unit will be separately billed. The entire sanitary and storm waste is carried from the Building into the existing New York City Sewer System.

Domestic hot water for each Unit will be provided by individual gas hot water heaters, located in the mechanical room provided at the basement floor. The water heaters for the first and second floor are Model #FSG 50 as manufactured by A.O. Smith with a capacity of 50 gallons. The basement water heater is Model #PGXT 50 as manufactured by A.O. Smith with a capacity of 50 gallons. All water heaters have a NYC approval number M.E.A. #402-93-E.

Heating for each Unit will be provided by gas fired heating boilers located in the mechanical room at the basement level. Heat will be distributed to the spaces in each Unit via cast iron radiators. There will be at least one (1) radiator in each habitable room and bathroom, providing adequate space heating to satisfy the minimum requirements of the New York City Building Code. The boiler for each Unit will be Model #P-204-WI manufactured by Burnham with an input rating of approximately 96,000 BTU's. Each boiler has a NYC approval number M.E.A. #96-96-E.

The Building has no elevator. However, it provides an access for the handicapped in that the first floor Residential Unit is located at the grade level. Doors and accessible paths within the units located at that level will comply with the New York City Local Law 58/87 and A.N.S.I., A-117, 1-1986.

Occupancy and Unit Information

<u>Unit No.</u>	<u>Location</u>	<u>Usage</u>	<u>Rooms/Baths</u>
1	Basement	Residential	2/1
2	First floor	Residential	4/2
3	Second floor	Residential	5/2

Parking Garages & Rear Yard Area

The Condominium will have two (2) parking garages. Parking garage #1 is located within the front portion of the basement floor. Its size is approximately 201 sq. ft. Parking garage #2 is located within the rear yard. Its size is approximately 258 sq. ft.

A parking garage can only be purchased by a Unit Owner. None of the parking garages will be land-locked. None of the parking garages will be designated handicapped.

The size of the rear yard is approximately 457 sq. ft. It can only be purchased by a Unit Owner.

Recreational Facilities

Recreational facilities will not be provided in the offering.

Fixtures and Appliances

All Units will be supplied only with a stove in the same condition as it exists at the time of the offering.

Balconies, Decks and Storage Units

The first floor Unit will have an open balcony in the rear of the Building. The second floor Unit will have two open balconies: one in the front and another in the rear of the Building.

The Units Owners will not have separate storage rooms outside their Units.

Dimensions of Units

The approximate physical dimensions of each Residential Unit consists of the area enclosed horizontally by the unexposed faces of the dry wall located at the exterior wall of the Building and the unexposed faces of the dry wall dividing the Unit from corridors, stairs, elevators and other Units. Vertically, each Residential Unit consists of the area measured from the upper face of the sub-floor of the Unit up to the unexposed face of the dry wall forming the upper ceiling of the Unit.

These measurements significantly exceed the actual floor area of the Units.

Completion of Construction and Compliance with Law

The Building is completed. There is a Certificate of Occupancy #232330 issued on October 10, 1989 by the New York City Building Department.

Since 1989, the Building has been used as a three-family dwelling.

LOCATION AND AREA INFORMATION

The premises are located in the Bensonhurst section of Brooklyn. This is a highly developed area essentially residential in character, but served by a rich and diverse assortment of shopping, recreational, medical, religious, and educational facilities, as well as a network of both streets and roads, and urban transportation. The area is served by several MTA buses and the D and M trains. Police, Fire, Water, Sanitation, snow removal and road maintenance are provided by the City of New York. The police precinct serving the community is the 62nd precinct, which is located approximately half a mile away. Medical needs of the community are served by Victory Memorial Hospital, New York Methodist Hospital and Maimonides Medical Center. Students living in the Condominium will be eligible to attend the public schools PS 101, PS 128, PS 163, PS 186, PS 200, PS 212, IS 281, Lafayette High School, New Utrecht High School, Brooklyn Studio School and New Utrecht Evening High School.

The Building is located in R5 Zoning District, which permits the Building of this nature. R5 Zoning District provides a transition between lower and higher density neighborhoods. It allows residences of all types, including apartment hotels and non-profit residences for the elderly. Typical R5 development, however, is usually between three-story houses and small apartment buildings.

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

SCHEDULE A

PURCHASE PRICE, ALLOCATION OF COMMON INTEREST AND ESTIMATED INDIVIDUAL EXPENSES
FOR FIRST YEAR OF CONDOMINIUM OPERATION
September 1, 2005 – August 30, 2006

Unit (1)	Bdrs/Bths (1)	Approx. Sq. Ft. of Unit (2)	Offering Price (3)	% of Common Interest (4)	Monthly Common Charges (5)	Monthly Real Estate Taxes (6)	Monthly Carrying Charges (7)
1	2/1	645	\$350,000.00	24.00	\$108.40	\$102.66	\$211.06
2	3/2	950	\$480,000.00	33.00	\$149.05	\$141.16	\$290.21
3	4/2	1,005	\$515,000.00	35.00	\$158.08	\$149.72	\$307.80
PS1	N/A	201	\$35,000.00	1.50	\$6.77	\$6.42	\$13.19
PS2	N/A	258	\$45,000.00	2.75	\$12.42	\$11.76	\$24.18
Rear Yard	N/A	457	\$35,000.00	3.75	\$16.94	\$16.04	\$32.98
TOTALS:		3,516	\$1,460,000.00	100.00	\$451.66	\$427.77	\$879.43

Notes:

1) The above figures are rounded off to the nearest cent, which may cause slight discrepancies.

2) Unit 2 will have an open balcony. Unit 3 will have two open balconies.

3) Parking garages will be offered for sale to Unit Owners only.

None of the parking garages will be land-locked. None of the parking garages will be designated handicapped.

4) Rear yard area will be offered for sale to Unit Owners only.

5) Annual real estate taxes will be \$5,133.24.

See footnote 5 in Footnotes to Schedule A for a more complete explanation.

6) Each Unit will be responsible for paying the cost of its own individual heat and hot water. See Schedule B1 for an estimate thereof.

FOOTNOTES TO SCHEDULE A

1. The number of rooms in each Unit is computed in accordance with the standards established by the Real Estate Board of the State of New York. See section "Description Of Property And Building Condition" included in Part II of this Plan, for a more complete description of each Unit.

The estimated square footage of each Unit is based on the Floor Plans and Description of Property Report set forth in Part II of the Plan.

The approximate physical dimensions of each Residential Unit consists of the area enclosed horizontally by the unexposed faces of the dry wall located at the exterior wall of the Building and the unexposed faces of the dry wall dividing the Unit from corridors, stairs, elevators and other Units. Vertically, each Residential Unit consists of the area measured from the upper face of the sub-floor of the Unit up to the unexposed face of the dry wall forming the upper ceiling of the Unit.

These measurements significantly exceed the actual floor area of the Units.

2. Offering prices are negotiable, and the Sponsor may enter into a Purchase Agreement to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment to the Plan. In addition, the Sponsor may offer an individual prospective Purchaser other inducements to purchase a Unit, such as reimbursement of Common Charges for a period of time, construction allowances for optional items, or extensions of time periods in the Purchase Agreement to close. The offering prices may only be decreased or increased by a duly filed amendment to this Plan when the change in price is an across the board change affecting one or more lines of Units or Unit models, or is to be advertised in a newspaper or other media, or when the change in price is a price increase for an individual Purchaser. See section "Changes in Prices and Units", for a fuller discussion. See section "Unit Closing Costs and Adjustments", which discloses and explains the additional closing costs and adjustments that a Purchaser has to pay.

3. In accordance with Section 339-i(1)(i) of the Real Property Law, the Common Interest has been allocated to each Unit in the approximate proportion that the fair value of the Unit at the date of the Declaration will bear to the then aggregate fair value of all the Units.

4. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements, and maintenance and operation of the Common Elements. Common Charges exclude repair or decoration to the interior of the Units, separately billed gas, electricity, hot water, heat, air conditioning and cable television service for each Unit and insurance for personal effects and liability. If the Purchaser obtains financing, the Purchaser's debt service will be an additional expense.

Common Charges have been estimated by the Sponsor based on the estimated operating budget annexed as Schedule B to this Plan.

Common Charges have been calculated by allocating to each Unit a share of the Monthly Charges proportionate to the Common Interest which that Unit bears in the Condominium.

5. After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and 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.

Calculations of real estate taxes are arrived at by applying the current tax rate to the assessed value, and then allocating the resulting taxes in direct proportion to the allocation of the Common Interest of the Unit. The current assessed value of the Building is \$35,280. The tax rate used for the calculation is \$14.550 per \$100.00 of assessed value, which is the current tax rate.

Unit Owners will be entitled to deduct real property taxes paid on the Unit for income tax purposes. See "Opinion of Counsel" hereinafter set forth for a more complete discussion.

6. Monthly carrying charges are composed of the monthly Common Charges and the monthly real estate taxes projected against each Unit.

7. Unit Owners who itemize their deductions should, for federal income tax purposes, be entitled to a deduction for real estate taxes in the year in which same are paid or accrued. The projected tax deductions may vary in future years.

See "Tax Opinion Letter" set forth in the Plan for a more complete explanation.

THE FOREGOING SCHEDULE A IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL CARRYING CHARGES OR EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE SET FORTH ABOVE OR THAT SUCH CARRYING CHARGES OR EXPENSES WILL NOT VARY FROM THE AMOUNTS SHOWN IN SCHEDULE A.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

September 1, 2005 - August 30, 2006

Projected Income

Common Charges	\$5,420.00
----------------	------------

Projected Expenses

Heat and Hot Water (1)	\$0.00
------------------------	--------

Electricity (2)	\$500.00
-----------------	----------

Water and Sewer (3)	\$1,400.00
---------------------	------------

Repairs and Maintenance (4)	\$500.00
-----------------------------	----------

Services and Supplies (5)	\$500.00
---------------------------	----------

Insurance (6)	\$1,020.00
---------------	------------

Legal and Accounting Fees (7)	\$1,000.00
-------------------------------	------------

Labor (8)	\$0.00
-----------	--------

Management (9)	\$0.00
----------------	--------

Contingency (10)	\$500.00
------------------	----------

TOTAL	\$5,420.00
--------------	-------------------

Note: All figures are rounded to the nearest dollar.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT OF CONDOMINIUM OPERATION IS DELAYED MORE THAN SIX (6) MONTHS FROM THE BUDGET YEAR PROJECTED IN THE OFFERING PLAN, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY TWENTY-FIVE PERCENT (25%) OR MORE, ALL PURCHASERS WILL HAVE A RIGHT TO RESCIND THEIR PURCHASE AGREEMENTS WITHIN FIFTEEN (15) DAYS AFTER THE PRESENTATION, WHETHER OR NOT THE SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. THE SPONSOR WILL RETURN ANY DEPOSIT OR DOWNPAYMENT TO

PURCHASERS WITHIN TEN (10) DAYS AFTER RECEIPT OF WRITTEN NOTICE OF RESCISSION. IN ADDITION, ALL PURCHASERS WILL HAVE A RIGHT TO RESCIND THEIR PURCHASE AGREEMENTS IN THE EVENT THEIR CLOSING IS NOT SCHEDULED WITHIN TWELVE (12) MONTHS FROM THE COMMENCEMENT DATE OF THE PROJECTED BUDGET.

FOOTNOTES TO SCHEDULE B

1. Heat and Hot Water. Heat and hot water is provided to each individual Unit by separate gas fire furnaces and hot water heaters servicing each Unit. Each Purchaser will pay separately for the heat and hot water supplied to his/her Unit. No heat is provided to the Common Areas of the Building. See Schedule B1 hereinafter set forth for an estimate of individual heat and hot water charges.

2. Electricity. The Sponsor has obtained an estimate from Roz-A-Light Electric, 247 Van Brunt Street, Brooklyn, New York 11231, of approximately \$500.00 per year of electrical usage for the Common Areas based on 7,665 kilowatt hours at 0.15 cents per kilowatt hour. The projected cost in Schedule B includes a 10% allowance for inflation, and all applicable New York State and New York City taxes.

3. Water and Sewer. Projected water and sewer costs are based upon a current New York City estimate of 200 gallons, or 26.73 cubic feet, per day per Residential Unit, current charges of \$1.44 per 100 cubic feet of water consumed, and sewer charges of \$2.29 per 100 cubic feet of water consumed. Projected figure also includes a 10% allowance for inflation.

4. Repairs and maintenance of the Building. The budgeted figure is based on normal maintenance and repairs to the Commons Elements of the Building and its systems and equipment. Insofar as this is a newly constructed building it is not anticipated that any major repairs will be required. The budgeted figure includes such items of regular maintenance as cleaning, painting and minor mechanical, carpentry, or electrical work. Individual Unit Owners will be responsible for the cost of interior repairs, decorations, and painting of their respective Units, and the maintenance of their appliances.

5. Services and Supplies. They include items expected to be consumed in the normal course of the Building operation, including light bulbs, cleaning supplies, paints, and hardware items.

6. Insurance. The following estimate for the cost of insurance is not based upon existing coverages for the Building. The estimate is based upon coverages suggested and premiums estimated by B.R. Brokerage, Inc., 7501 15th Avenue, Brooklyn, New York 11228 ("Insurance Agent"). Although the projection is considered to be reasonable, there can be no guarantee that the estimate premium will not escalate or that such coverage will continue to be available. The insurance proposal provides for the following coverages:

Fire Insurance, Special Form,

Replacement Cost	
(Deductible \$2,500.00)	\$550,000.00
Broad Form Liability per occurrence:	\$1,000,000.00
Broad Form Liability in aggregate:	\$2,000,000.00
Personal Injury:	\$1,000,000.00

The Sponsor, at the sole cost and expense of the Condominium, will cause to be delivered to the Condominium on the closing date, policies providing the insurance described above or binders therefor, on the terms that provide:

- (1) that each Unit Owner will be an additional insured party;
- (2) that there will be no cancellation without notice to the Board of Managers;
- (3) a waiver of subrogation;
- (4) a waiver of invalidity because of the acts of the insured and Unit Owners; and
- (5) a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

In the opinion of the Insurance Agent, the amount of fire insurance is adequate, and the inclusion by the insurance company of the Agreed Amount clause avoids a co-insurance penalty.

In the opinion of the Insurance Agent, the amount of insurance is adequate to repair or replace the Building if it were totally destroyed. However, the policy does not guarantee the replacement of individual fixtures, and improvements installed by individual Unit Owners.

The policy includes officers' and directors' liability but does not include umbrella coverage, boiler coverage, or blanket fidelity coverage, which can be provided at extra cost.

Purchasers are advised of the desirability of obtaining additional insurance, at their own cost and expense, to cover such risks as fire and casualty losses to Unit contents, replacements, additions, up-graded fixtures and improvements, and liability coverage for occurrences within the Unit or, where applicable, on the Limited Common Elements pertinent to the Units.

7. Legal and Accounting Fees. Based upon a quote from Anatoly Tobiyash, CPA, located at 2225 65th Street, Brooklyn, New York 11204, \$600.00 of the budgeted item will be used for preparation of certified financial statement for the first year of operation and City, State and Federal tax returns. The balance of the budgeted figure, \$400.00, anticipates minor legal services during the first year of operation, but would be insufficient to cover any substantial litigation.

8. Labor. Due to the size of the Building, no superintendent, custodian or parking attendant is required by Section 83 of the Multiple Dwelling Law. It is anticipated that the Unit Owners themselves will provide superintendent, janitorial and parking services, which will consist of cleaning the Commons Elements of the Condominium, and taking out the garbage.

In the event the Board of Managers should, at any time, employ a superintendent, parking attendant or janitorial personnel, same will be an additional expense to the annual operation

budget, which may result in an increase in Common Charges.

9. Management. Due to the size of the Building, it is expected that the Building will be self-managing. In the event the Board of Managers should, at any time, employ a managing agent, this will represent an additional cost of approximately 6% to 10% of the annual operation budget, which would require a concomitant increase in Common Charges.

Since the Building is self-managing, the Unit Owners will take turns in cleaning the Common Elements of the Condominium, including without limitation entrance hall, floor corridors and parking area, and taking out the garbage.

10. Contingency Fund. The contingency fund is intended to provide for any unanticipated expenses or unanticipated increases in the projected expenses. The contingency fund is not intended as a reserve for capital expenditures. The budget does not provide for a reserve for capital expenditures.

SCHEDULE B1

BUDGET FOR INDIVIDUAL ENERGY COSTS FOR FIRST YEAR OF CONDOMINIUM OPERATION

September 1, 2005 - August 31, 2006

Heat and hot water is provided to each individual Unit by separate gas fired furnaces and hot water heaters serving each Unit. The following are estimates received from Major Mechanical & Iron Work, Corp., 1421 63rd Street, Brooklyn, New York 11219, for the cost of providing heat and hot water for each residential Unit indicated. The costs set forth below do not include domestic cooking gas.

The heating characteristics of all Units are similar; all Units have similar shape, square footage and facilities. Therefore, the estimated heat and hot water costs for each Unit are as follows:

UNIT #	HEAT THERMS	COST OF HEAT THERMS	HOT WATER THERMS	COST OF HOT WATER THERMS	ESTIMATED TAXES	ESTIMATED INFLATION FACTOR	TOTAL, COST OF HEAT AND HOT WATER
1	1430	\$1730.30	540	\$653.40	\$95.35	\$247.90	\$2726.00
2	1430	\$1730.30	540	\$653.40	\$95.34	\$247.90	\$2726.00
3	1430	\$1730.30	540	\$653.40	\$95.34	\$247.90	\$2726.00

Notes:

- The above estimate assumes the following:
 - Current Brooklyn Union gas rate of 1.21 per therm;
 - Estimate of 16 hours per day at 70 degrees;
 - Estimate of 8 hours per night at 60 degrees.
- Taxes are based on current New York City and New York State sales taxes applicable to the sale of natural gas use for home heating purposes.
- An inflation factor of 10% is assumed with regards to the heating costs.
- The cost of providing hot water for domestic use (washing, bathing, etc.) is based on normal estimated usage for a family of 5, and is highly dependent on both on the number of people located in the Unit, and their pattern of usage.
- The above table includes only gas used for heating and hot water and does not include gas used for cooking or any other purpose.

Yevgeny Tsyngauz, Esq.
1635 Bath Avenue
Brooklyn, NY 11214
(718) 621-6600

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

April 22, 2005

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

Re: The 1845 83rd Street Condominium
1845 83rd Street
Brooklyn, New York

Dear Sir/Madam:

I am the attorney for the Sponsor and I have had four (4) years of experience in preparing contracts of sale and closing tile to the condominium units and as such have requisite experience to prepare this compliance letter. I am not the selling agent or managing agent for the above-referenced property.

I have reviewed the pertinent data with respect to the fair value of the units and other pertinent information with respect to the units. Based on these factors, and the annexed letter of Boris Sigalov, the allocation of common interest is being made pursuant to Real Property Law Section §339-i(1) subparagraph (i), which provides:

“(i) Such interest shall be in the approximate proportion that the fair value of the unit at the date of declaration bears to then aggregate fair value of all the units.”

I certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this letter is not contingent on the conversion of the property to a condominium or on the profitability of the offering.

Very Truly Yours

Yevgeny Tsyngauz

MARK INTERNATIONAL INC.
1580 Hylan Boulevard
Staten Island, NY 10305
(718) 987-4500

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

April 22, 2005

83rd Street Condominiums LLC
1845 83rd Street
Brooklyn, New York 11214

Attn.: Gennadiy Borovskiy

Re: The 1845 83rd Street Condominium
1845 83rd Street
Brooklyn, New York

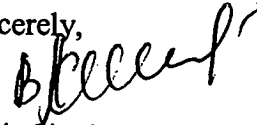
Dear Mr. Borovskiy:

You have requested an opinion from me with regards to your allocation of common interest to units in your proposed condominium at 1845 83rd Street, Brooklyn, New York, pursuant to section 339-i(1)(i) of the New York Real Property Law. You have informed me that the method of allocation chosen is to evaluate the approximate fair value of the individual unit in proportion to the anticipated aggregate fair value of all units on the day the condominium declaration will be filed. You have further informed me that the factual basis of calculating the percentage of common interest consists of the size, layout, and location within the premises of each individual unit; and, the anticipated selling price of each unit. Based on my review of the foregoing factors, I have concluded that the proposed allocation of common interest to individual units is in compliance with section 339-i(1)(i) of the New York State Real Property Law

I have been a licensed real estate broker and salesman in excess of 10 years and have extensive experience in the sale, management and rental of cooperative and condominium units in Kings County. I have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in offering plans for the sales thereof. I am not, in any way, associated with you or any other participants in this project, and have no beneficial interest in your business, or in profitability of the project. This is an opinion only as to the relative value

provided to me in such reasonable inquiries as to the validity thereof as I deemed appropriate under the circumstances; and is not intended as a guarantee of the actual value of any individual unit. I consent to the inclusion of this letter in your offering plan.

Sincerely,

A handwritten signature in black ink, appearing to read 'Boris Sigalov', written over the word 'Sincerely,'.

Boris Sigalov

CHANGES IN PRICES AND UNITS

Changes in Prices

The offering prices set forth in Schedule A may only be decreased or increased by a duly filed amendment to this Plan when the change in price is an across the board change affecting one or more lines of Units or Unit models, or is to be advertised in a newspaper or other media, or when the change in price is a price increase for an individual Purchaser. As set forth in the footnotes to Schedule A offering prices are negotiable, and the Sponsor may enter into a Purchase Agreement to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment to the Plan.

In addition, the Sponsor may offer an individual prospective Purchaser other inducements to purchase a Unit, such as reimbursement of Common Charges for a period of time, construction allowances for optional items, or extensions of time periods in the Purchase Agreement to close.

Changes in Units

The Sponsor represents that no changes will be made in the size and number of Units, their respective percentage of Common Interests, or in the amount and quality of Common Elements except by amendment to the Plan. In the event that the Declaration has already been filed at the time of such change, the Declaration will also be appropriately amended with the consent of all Unit Owners directly affected.

No material change in the size or layout of a Unit, or in the percentage of Common Interest directly affecting a Unit will be made with respect to a Unit for which a Purchase Agreement has been executed and delivered to the Sponsor and the Purchaser thereunder is not in default, unless the Purchaser consents thereto.

No material change in the size or in the quality of Common Elements will be made, unless all Purchasers consent.

PROCEDURE TO PURCHASE

The form of the Purchase Agreement is contained in Part II of the Plan. When a prospective Purchaser has decided to purchase a Unit, a Purchase Agreement in substantially such form will be executed in quadruplicate and returned with deposit to the Sponsor's attorney, Yevgeny Tsyngauz, Esq., with offices at 1635 Bath Avenue, Brooklyn, New York 11214. Such Purchase Agreement will not be binding upon the Sponsor until a copy executed by the Sponsor is delivered to the Purchaser.

Among the important provisions of the Purchase Agreement are the following (the Sponsor is sometimes hereinafter called as "Seller"):

1. Deposit. The required deposit will be ten (10%) percent of the purchase price. However, such deposit may be increased for special work or materials (if offered) ordered by the Purchaser and itemized in the Purchase Agreement. Such deposit may also be decreased as an accommodation to the Purchaser, but in no case will deposit be less than \$1,000.00.

2. Statutory requirement. The Sponsor will comply with the escrow and trust fund requirements of Sections 352-e(2-b) and 352-h of the General Business Law and Part 20 of Title 13 NYCRR, and all funds paid by Purchasers will be handled in accordance with these statutes and regulations.

3. Escrow, trust fund.

(i) All deposits or advances made by Purchasers prior to closing of each individual Unit, whether received before or after the date of consummation of this Plan, shall be placed within five (5) days after the Purchase Agreement is signed by the Purchaser and the Sponsor, in a separate Interest-On-Lawyer's-Account ("IOLA") pursuant to Section 497 of Judiciary Law. The name of the account is "Yevgeny Tsyngauz, Esq., IOLA", and the number of the account is [REDACTED]. The account is maintained in JPMorgan Chase Bank at 8523 Bay Parkway, Brooklyn, New York 11214 (the "Bank"). The Bank is covered by federal bank deposit insurance to a maximum of \$100,000.00 per individual depositor.

(ii) All funds received from Purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed to the order of "Yevgeny Tsyngauz, as escrow agent".

(iii) Only Yevgeny Tsyngauz, Esq., whose office address is 1635 Bath Avenue, Brooklyn, New York 11214 and telephone number is (718) 621-6600 (the "Escrow Agent"), shall be a signatory on the account and shall be authorized to release funds.

(iv) The form of the Escrow Agreement is contained in Part II of the Plan.

(v) 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 in the Bank, and will provide the Purchaser with the account number. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, he or she 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 Part 20 of Title 13 NYCRR and requisite notice was timely mailed to the Purchaser.

Before funds are transferred to a new account, or if the Escrow Agent is replaced, the Plan will 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.

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

The Escrow Agent will hold funds in escrow until

- (a) a writing signed by both the Sponsor and the Purchaser directing the release of funds; or
- (b) a determination of the Attorney General pursuant to the dispute resolution provisions contained in (vii) below; or
- (c) a judgment or order of a court of competent jurisdiction; or
- (d) if there is no written agreement between the Sponsor and the Purchaser to release the escrowed funds, the Escrow Agent will not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions contained in Part 20 of Title 13 NYCRR and has so notified the Escrow Agent in accordance with such provisions;
- (e) an amendment abandoning the Offering Plan is filed with the Department of Law, in which event all deposits of Purchasers will be returned to them.

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

- (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan;
- (b) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

(vii) In the event of a dispute, the Sponsor will apply and the Purchaser or the Escrow

Agent holding the deposits in escrow may apply to the Attorney General for a determination on the disposition of the deposit and any interest earned thereon. A form for this purpose is contained in Part II of the Plan. The party applying for a determination will contemporaneously send to all other parties a copy of such application.

Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser or the Escrow Agent will abide by any interim directive issued by the Attorney General.

If the application permitting release of funds is granted, the deposit and any interest earned thereon will 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 will act upon the application within 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 will continue to hold the deposit and any interest earned thereon until:

- (a) both the Sponsor and the Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and the Purchaser; or
- (b) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent; or
- (c) the Escrow Agent deposits the disputed amount into court.

In no event will 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 the Purchaser.

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

(viii) Any provision of any contract or agreement, whether oral or in writing, by which the Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. This provision will prevail over any conflicting or inconsistent provision in the Offering Plan or in a Purchase Agreement.

(ix) The Sponsor may amend the Plan to provide for surety bond or letter of credit in lieu of continuing to maintain the funds in the escrow account.

4. Compliance with Section of 71-a(3) of the Lien Law.

The Plan and the Purchase Agreement comply with Section of 71-a(3) of the Lien Law or other applicable provisions of law.

5. Default of the Purchaser. In the event of an uncured default by the Purchaser in his obligations under the Purchase Agreement, no more than ten (10%) percent of the purchase price may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by the Sponsor for any special or custom work in the Unit ordered by the Purchaser may also be retained as liquidated damages. The Sponsor agrees not to seek the remedy of specific performance in connection with the Purchase Agreement as to which there has been a default by the Purchaser.

If the Purchaser defaults under the Purchase Agreement, the Sponsor shall notify the Purchaser in writing of such default and advise the Purchaser that he or she has thirty (30) days from the mailing date or personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR THE PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD.

"Time is of the essence" means that if such default is not cured within thirty (30) days from the mailing date or personal delivery of such written notice, the Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event the monies held by the Sponsor, but not more than ten (10%) percent of the purchase price, and any other sums incurred by the Sponsor for any special or custom work in the Unit ordered by the Purchaser, will be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement will become null and void. The Sponsor waives any right to seek specific performance in the event of a default by the Purchaser.

6. Closing of Title. After the Plan has been declared effective and a certificate of occupancy for the Building has been issued, the Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such Purchaser's closing date. The closing date shall be no earlier than thirty (30) days after the date on which written notice is given to the Purchaser. However, the Purchaser may waive this 30-day requirement to a lesser time period.

The Purchaser will be allowed one reasonable adjournment of up to fifteen (15) days, on five (5) days' written notice by the Purchaser to the Sponsor.

The Sponsor expects the first closing of title to occur on September 1, 2005. If such date is delayed twelve (12) months or more, the Sponsor will offer the Purchasers the right of rescission.

At closing, the Sponsor will deliver to the Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to the Purchaser. Such deed will be in the form contained in Part II of the Plan, executed and acknowledged by the Sponsor and the Purchaser in form for recording.

7. Power of Attorney. At the closing of title to the Unit, the Purchaser will be required to sign a power of attorney to the Board of Managers of the Condominium, and return it to the Sponsor. If the Purchaser refuses to either sign the power of attorney or return it to the Sponsor, he or she will be in a default of his obligations under the Purchase Agreement.

8. Rescission of the Purchase Agreement. At the Sponsor's option, the Purchaser will be afforded:

(i) not fewer than seven (7) days after delivering an executed Purchase Agreement together with the required deposit to rescind the Purchase Agreement and have the full deposit refunded promptly. The Purchaser must either personally deliver a written notice of rescission to the Sponsor or Selling Agent within the seven (7) day period or mail the notice of rescission to the Sponsor or Selling Agent and have the mailing post-marked within the seven (7) day period; or

(ii) not fewer than three (3) business days to review the Plan and all filed amendments prior to executing a Purchase Agreement.

9. Risk of Loss. Risk of loss for fire or other casualty remains with the Sponsor unless and until the Purchaser takes actual possession of a Unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser.

10. Financing Contingency. The Purchase Agreement is not contingent upon the Purchaser obtaining a mortgage commitment.

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

12. Rejection of the Purchase Agreement. Within thirty (30) days after delivery by the Purchaser of an executed Purchase Agreement, together with the required deposit, the Sponsor will either:

- (a) accept the Purchase Agreement and cause to be returned to the Purchaser the fully executed counterpart thereof, or
- (b) reject the Purchase Agreement offer and refund the deposit tendered.

If the Sponsor takes no action within said thirty (30) day period, the Purchase Agreement shall be deemed null and void.

13. Assignment of Purchase Agreements. Purchase Agreements are not assignable without the Sponsor's written consent which may be withheld for any reason or for no reason.

14. Effectiveness of the Plan. The Purchase Agreement is contingent upon effectiveness of the Plan. If the Plan is abandoned, the Purchase Agreements will be cancelled

and the deposit returned to the Purchaser.

15. Condition of the Unit. The Purchaser will represent to the Sponsor that that he has examined the Unit and that his execution of the Purchase Agreement will constitute acceptance of the Unit and the Buildings and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein, in their present condition on the date of the Purchase Agreement, subject to reasonable use, wear, tear and natural deterioration between the date of the Purchase Agreement and the Closing Date and subject to any other obligations of the Sponsor under the terms of the Plan. See Paragraph 18 of the Purchaser Agreement in Part II of the Plan.

16. Inability to Perform. The Sponsor's liability under the Purchase Agreement for failure to complete and/or deliver or have delivered title for any reason whatsoever shall be limited to the return of the money deposited thereunder, and upon the return of said money, the Purchase Agreement will be null and void and the parties released from any and all liability hereunder. The Sponsor will not be required to bring any action or proceeding or otherwise incur any expense in excess of \$7,300.00 (i.e. one-half of 1% of the total offering amount), excluding legal fees, to render the title to the Unit marketable or to cure any objection to title. See Paragraph 20 of the Purchaser Agreement in Part II of the Plan.

17. Fixtures. The Sponsor will provide the Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the purchase price of the Unit.

EFFECTIVE DATE

The Sponsor's offer to sell the Units hereunder is contingent upon the Plan being declared effective in accordance with relevant conditions and time periods. All Purchase Agreements are contingent upon such effectiveness. In declaring the Plan effective, the following will govern:

1. The closing of the first Unit will not occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.
2. The Plan may be declared effective when bona fide purchasers, including investors, have signed Purchase Agreements for at least fifteen (15%) percent of the Units, which is equal to one (1) Unit offered under the Plan. The Plan must be declared effective when the Purchase Agreements have been accepted by the Sponsor for eighty (80%) percent or more of the Units, which is equal to three (3) Units offered under the Plan.
3. The Plan will not be declared based on the Purchase Agreements:
 - (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or
 - (ii) if the Purchaser was not afforded at least three (3) business days to review the Plan and all filed amendments prior to executing a Purchase Agreement; or
 - (iii) with 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 a limited partner, except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.
4. If the Sponsor, at its option, abandons the Plan before the Plan is declared effective, within twenty (20) days after abandonment, all monies paid by Purchasers will be refunded to them in full.
5. The Sponsor may not abandon the Plan after effectiveness for any reason other than:
 - (i) a defect in title which cannot be cured without litigation or cannot be cured for less than \$7,300.00, i.e. one-half of 1% of the total offering amount;
 - (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than \$7,300.00, i.e. one-half of 1% of the total offering amount;

- (iii) the taking of any material portion of the Property by condemnation or eminent domain.

The dollar amount relied upon as a basis for abandonment after effectiveness will exclude any attorneys fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

6. The Plan will be declared effective either by (i) an amendment to the Plan or (ii) by written notice sent by mail or personally delivered to every purchaser. If the Plan is declared effective by notice, then within five (5) days after service of such notice, an amendment to the Plan reflecting that it has been declared effective will be submitted for processing to the Department of Law.

TERMS OF SALE

The term "Closing of Title" (alternatively called simply as "closing") as used herein is intended to signify the passage of title to a particular Unit or Units from the Sponsor to the Purchaser(s) thereof.

1. At closing, the Sponsor will deliver to the Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to the Purchaser. Such deed will be in the form contained in Part II of the Plan, executed and acknowledged by the Sponsor and the Purchaser in form for recording.
2. Risk of loss for fire or other casualty remains with the Sponsor unless and until the Purchaser takes actual possession of a Unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser
3. Title to each Unit and its Appurtenant Interest in the Common Elements will be conveyed at closing free and clear of all liens, encumbrances and title exceptions other than those described in the Plan and the proposed Unit deed and any state of facts an accurate survey would show, provided that such state of facts does not render title unmarketable.
4. All personal property located within the Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor is included in the conveyance in the conveyance unless specifically excepted in this Plan.
5. The Declaration, By-Laws and Floor Plans for the Condominium and such other documents, as required by law, will be recorded with the Kings County Office of the Register of the City of New York prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act.
6. All existing mortgages will be satisfied at or prior to the closing of the first Unit.

UNIT CLOSING COSTS AND ADJUSTMENTS

Closing Costs

1. **General.** At the time of closing, each Purchaser of a Unit will pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of the Sponsor resulting from the closing adjustments described below. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior notice or amendment:

- (1) If such Purchaser elects to obtain fee title insurance, he or she will pay a premium therefor to his or her title insurance company which will vary depending upon the amount of insurance requested. The premium for fee title insurance should be \$714.00 for the first \$100,000.00 and an additional fee insurance of \$4.00 for each \$1,000.00 or fraction thereof;
- (2) A fee for recording the deed and Unit Owner's Power of Attorney of \$15.00 for each instrument plus \$8.00 per page, together with a service charge to the title company for such recording of approximately \$10.00-\$15.00 per instrument;
- (3) If a Purchaser obtains a mortgage loan, he or she will pay:
 - (a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed;
 - (b) a mortgage recording tax in the amount provided for by law (at the date of the Plan, the tax is 1.75% of the face amount of the mortgage for mortgages under \$500,000.00 and 1.875% for mortgages of \$500,000.00 or more);
 - (c) a premium through Tiger Abstract Corp. for the mortgage title insurance policy;
 - (d) costs of filing the UCC-1 Financing Statements (approximately \$15.00);
 - (e) all costs and expenses in connection with such loan in amounts determined by the lender, including without limitation, loan origination fees, commitment fees, application fees, appraisal fees, credit reports, lender attorney fees, tax service fees, underwriting fees, messenger fees, bank document preparation fees and escrow reserve for the payment of annual real estate taxes and PMI premiums. **SPONSOR MAKES NO REPRESENTATION OR WARRANTY AS TO SUCH LENDER'S CLOSING COSTS OR EXPENSES OR AS TO THE AVAILABILITY OF SUCH FINANCING.**
- (4) Although usually the Seller's expense, the Purchaser shall pay the New York City Real Property transfer tax due to the City of New York. This tax is in the amount of one percent (1%) of the total purchase price of the Residential Unit up to \$500,000.00 and 1.425% of the total purchase price of the Unit over \$500,000.00. The Purchaser will also pay the New York State deed documentary stamps (currently \$2.00 pre \$500.00, or fractional portion thereof of the purchase price). The amount of such real property transfer tax and deed documentary stamps are added to the purchase price as additional consideration upon which such real

property transfer tax and deed documentary stamps is based. The total amount of such transfer tax and deed documentary stamps are then added to the purchase price and the transfer tax and transfer tax and deed documentary stamps is calculated in accordance with the percentages set forth above.

- (5) The Purchaser will be required to deposit the sum of \$750.00 with the Board of Managers for the initial contribution to the working capital fund.
- (6) The Purchaser shall be obligated to pay a fee of \$1,200.00 to Yevgeny Tsyngauz, Esq. for services rendered in connection with the preparation of the closing documents and the conduct of the closing, plus an additional \$250.00 if the closing takes place outside the office of Sponsor's attorneys and an additional \$250 if the Purchaser fails to close on the date set forth in the notice of closing.
- (7) The Purchaser will also pay to the Sponsor \$1,000.00 as partial reimbursement for the cost of preparing the Plan.

The above closing fees are cumulative to the extent applicable to an individual Unit.

2. *Mortgage Tax Credit*

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

"In the event the proceeds of a construction mortgage were applied to construction of a unit of condominium submitted to the provisions of this article, or in the event that a Unit submitted to the provisions of this act was subject to a blanket mortgage, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each unit is first conveyed, there shall be allowed a credit against the mortgage recording taxes that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the Purchaser's pro rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage."

In the event that a mortgage tax credit becomes available, pursuant to the above Section, it is specifically understood that such credit shall inure to the benefit of the Sponsor. Accordingly, at closing, each Purchaser obtaining a mortgage shall 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.

3. *Example of Closing Costs for One of the Units of the Condominium*

Unit 3

\$515,000.00 Purchase Price	
\$412,000.00 Loan Amount, if applicable	
Title Insurance Fee (Owner's Policy)	\$2,577.00
Title Insurance (Loan Policy), if applicable	\$537.00
Deed and Power of Attorney Recording	\$225.00
Mortgage Recording Tax, if applicable	\$7,210.00

New York City Transfer Tax	\$7,772.00
New York State Deed Documentary Stamps	\$2,098.00
Working Capital Fund Contribution	\$750.00
Document Preparation Fee	\$1,200.00
Offering Plan Reimbursement Fee	\$1,000.00
Total:	\$23,369.00

Closing Adjustments

At the closing of the title to each Unit, the Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the closing: (i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, and escrows for real estate taxes, if any; (ii) Common Charges for the month in which title closes; and (iii) insurance premium.

In the event that Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, the Sponsor will place in escrow in the name of the Board of Managers an amount equal to the real estate taxes attributable to the Unsold Units, which will be levied against the parcel for the six month period following the first closing, or until the Units are separately assessed, whichever is sooner, and will collect at each Unit closing the estimated amount of taxes attributable to such Unit for the balance of the six month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and the Sponsor will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

In the event that the Unit has not been separately assessed for the then current fiscal tax year at the time of closing, the apportionment of real estate taxes will be based on the Unit's pro rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. Installments for tax assessments due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title.

THE ENTIRE CONTENTS OF THIS SECTION, AS SAME MAY BE REVISED OR AMENDED, WILL BE DEEMED TO BE INCORPORATED IN THE PURCHASE AGREEMENT FOR EACH UNIT.

RIGHTS AND OBLIGATIONS OF SPONSOR

1. The Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all Residential Units to Purchasers for personal occupancy of Purchasers or their immediate family. 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, the Sponsor reserves the right to rent, rather than sell, Units until there is an upturn in the market. Sponsor's good faith effort to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to broker and prospective Purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities.

2. The Sponsor has no obligation to defend any suits or proceedings nor to indemnify the Board of Managers and the Unit Owners, except as to claims arising out of the acts, omissions or representations of Sponsor, as limited herein. All obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. However, nothing herein shall prevent an individual Unit Owner from bringing an action in the nature of a derivative action against the Board of Managers. During the time the Sponsor controls the Board, it is within its sole power to enforce the obligations of the Sponsor pertaining to the Common Elements and, therefore, the Sponsor agrees that during such period it will in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding the Sponsor, at a special meeting of the Unit Owners called for such purposes.

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

4. The Sponsor will pay all Common Charges, special assessments and real estate taxes with respect to Unsold Units. The Sponsor represents that the Sponsor has the financial resources to meet its obligations with respect to Unsold Units. The Sponsor will fund its financial obligations to the Condominium from its own existing capital. No bond or other security has been posted to secure Sponsor's obligations.

5. The Sponsor agrees to procure fire and casualty insurance, as set forth in Schedule B, pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance. Such insurance will provide that each Unit Owner and Unit Owner's mortgagee is an additional insured and that there will be no cancellation without notice to the Board of Managers and Unit Owners. The insurance policies will also contain waivers of subrogation, waivers of invalidity due to acts of insured and Unit Owners and waivers of pro-rata reduction of liability of the insurer due to other insurance carried by individual Unit Owners.

6. In the event of the dissolution or liquidation of the Sponsor or the transfer of twenty percent (20%) or more of the total number of the Units in the Condominium, the principal 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 Plan, applicable law or regulations.

7. The Sponsor will endeavor, in good faith, to sell in a reasonably timely manner, all Residential Units to Purchasers for personal occupancy of Purchasers or their immediate family. 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, the Sponsor reserves the right to rent, rather than sell, Units until there is an upturn in the market. Sponsor's good faith effort to sell to Purchasers will include listing Unsold Units with brokers, showing Unsold Units to broker and prospective Purchasers or their representatives, filing update amendments to the Plan and otherwise engaging in customary sales activities.

The Sponsor does not intend to make a bulk sale of all or some of its Unsold Units. However, if the Sponsor does make a bulk sale of all or some of its Unsold Units, the transferee successor sponsor will be bound by the Sponsor's representations regarding its commitment to sell Units.

8. The Building is completed. There is a Certificate of Occupancy #232330 issued on October 10, 1989 by the New York City Building Department.

The Sponsor may not change the size or location of the Building or the Units or other improvements or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners consent in writing to such change and all affected contract vendees are given the right to rescind their Purchase Agreements and receive a refund of any deposit or downpayment thereunder.

9. All Units, Common Elements and Limited Common Elements offered pursuant to this Plan are sold as described in this Plan. Neither the Sponsor nor any principal thereof makes any warranty whatsoever regarding materials, workmanship or any other aspect of the Units, Common Elements, Limited Common Elements or any portion thereof.

Housing Merchant Implied Warranty (Article 36-B of the General Business Law), otherwise applicable to the Residential Units, does not apply to this offering because the Building is an existing building occupied or leased for more than three (3) years.

10. The Sponsor will assign to the Purchaser, upon the closing of title to his Unit, all manufacturers' warranties with respect to equipment and appliances installed in his Unit. The Sponsor will assign to the Board of Managers, upon the recording of the Declaration, all manufacturers' warranties with respect to equipment and appliances installed in the Common Elements. The Sponsor undertakes to do the above only to the extent that warranties are actually made by such manufacturers and only to the extent such warranties are assignable.

11. The Sponsor will pay for the authorized and proper work involved in the establishment and sale of the Condominium that the Sponsor is obligated to complete under the

Plan. The Sponsor will cause all mechanics liens with respect to such construction to be promptly discharged or bonded.

12. The Sponsor will deliver a set of "as-built" plans to the Board of Managers.

13. Except as specifically set forth herein, no bond or other security has been furnished to secure the Sponsor's obligations including the Sponsor's obligations to complete construction of the Condominium.

14. The Sponsor's Rights of Access, Alterations, Repairs.

(a) General.

As a condition of the sale of Units pursuant to this Plan, the Sponsor reserves to himself, his successors, assigns, designees, invitees, contractors, agents, employees and tenants any and all easements and rights of access, in and to Units and Common Elements, consistent with the purposes of the Plan and the Sponsor's rights and obligations thereunder. For a more complete discussion, see the Declaration set forth in Part II of the Plan.

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

Without in any way limiting the generality of rights reserved in Paragraph (a) above; the Sponsor wishes to inform prospective Purchasers that such rights specifically include the following:

(1) The right to maintain general and sales and leasing office(s) and personnel on the premises, to post signs, and to conduct other activities in connection with promotion, sales or leasing, such as inspection and display of vacant or leased Units, as well as all Common Elements, by and to prospective Purchasers or lessees;

(2) Right of access in and to Units and Common Elements for purposes of construction, repair, correction, alteration, finishing and servicing the Property.

(3) Right to show vacant or leased Units.

(4) Utility and other easements for the benefit of Unit Owners and Common Elements.

(c) Alterations.

The Sponsor (and his successors, assigns and designees) shall have the right without the consent of the Board of Managers to alter any Unit(s) or Common Element(s) subject to filing amended plans and/or specifications, consistent with this offering.

(d) Repairs, Interference

The Sponsor will repair damage resulting from the exercise of the above rights of access and to exercise such rights so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners.

The Sponsor will also repair damage from a casualty or other cause before the closing of a Purchaser's Unit. No Purchaser shall be required to accept a damaged Unit.

CONTROL BY SPONSOR

Title to all Units which have not been sold by the time of the first Unit closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide Purchasers. Such sales do not require a right of first refusal to the Board of Managers. Until the first annual meeting of the Condominium, the Board of Managers shall consist of three persons designated by Sponsor. Accordingly, until such first annual meeting, Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners.

The Sponsor or Sponsor-designee will not retain voting control of the Board of Managers for more than five (5) years after the closing of the first Unit or whenever the Sponsor or Sponsor-designee shall transfer title to Units, the percentage Common Interest of which, in the aggregate, equals more than fifty (50%) percent, whichever is sooner. The Sponsor, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers the Sponsor will not use such vote to elect a particular individual to the Board of Managers which would, by the election of such individual, give the Sponsor voting control of the Board.

A meeting will be held to elect new members of the Board of Managers unrelated to the Sponsor within thirty (30) days of the expiration of the control period.

The Board of Managers currently consists of two (2) members designated by the Sponsor. They are Gennadiy Borovskiy and Svetlana Borovskiy.

The number of Managers elected at the first meeting will be three (3).

So long as the Sponsor or Sponsor-designee will continue to own: (i) Units representing forty (40%) percent or more in Common Interest (2 Units or more), the Sponsor or Sponsor-designee shall have the right to elect one less than a majority of the members of the Board of Managers, i.e. two (2) members; or (ii) Units representing less than forty (40%) percent in Common Interest (less than 2 Units), the Sponsor or Sponsor-designee shall have the right to elect at least one (1) member of the Board of Managers.

As long as the Sponsor or Sponsor-designee shall continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than twenty five (25%) percent, but in no event later than five (5) years following the closing of the first Unit, whichever is sooner, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) increase the number, or change the type, of employees provided for in Schedule B, (ii) make any addition, alteration or improvement to the Common Elements or to any Unit or (iii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed ten (10%) percent of the budgeted expenses of

the Condominium or (iv) borrow money on behalf of the Condominium, except when necessary to comply with applicable law or regulations, or remedy any notice of violation or an insurer's work order(s). As long as the Sponsor or Sponsor-designee shall continue to own a Unit, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) amend the Declaration, the By-Laws or the Rules and Regulations attached thereto so as to in any way adversely affect the Sponsor or Sponsor-designee or (ii) interfere with the offer and sale or leasing of Units or the operation of general, sales or leasing offices at the Property or interfere with actions necessary for construction, renovation, repair or correction at the Property, as required by the Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding these restrictions, the Sponsor or Sponsor-designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law or regulations, or remedy any notice of violation or an insurer's work order(s). The Sponsor may not veto expenses described in Schedule B.

Members of the Board of Managers will serve without compensation, as will all officers of the Condominium.

Except for a member of the Board of Managers designated by the Sponsor or Sponsor-designee, a member of the Board of Managers may be removed from office with or without cause but the affirmative vote of Unit Owners owning more than fifty (50%) percent of the Common Interest of the Condominium. A member of the Board of Managers designated by the Sponsor or Sponsor-designee may only be removed by the Sponsor or Sponsor-designee and only they shall have the right to designate a replacement.

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

BOARD OF MANAGERS

The affairs of the Condominium will be governed by the Board of Managers in accordance with the By-Laws set forth in Part II of the Plan.

The number of Managers which shall constitute the whole Board of Managers will be three (3). Until succeeded by the Managers elected at the first meeting of Unit Owners called for such purpose, Managers need not be Unit Owners; thereafter, all Managers, other than representatives of the Sponsor, will be Unit Owners, the principal or officer of a Unit Owner or the spouse of a Unit Owner.

The By-Laws of Condominium don't provide that after the initial sponsor control period expires the majority of the Board of Managers must be comprised of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals.

The first Board of Managers shall consist of two (2) members designated by the Sponsor, and they are Gennadiy Borovski and Svetlana Borovskiy. They are managers and principals of the Sponsor.

Within sixty (60) days after the closing of title to Units whose aggregate Common Interest equals more than fifty (50%) percent, the Sponsor will call a special Unit Owners meeting for the purpose of electing a Board of Managers pursuant to Section I of the By-Laws. At such meeting, the Board of Managers will resign and a new Board will be elected by the Unit Owners. Thereafter, annual meetings will be held on or about the anniversary of such date each succeeding year. At such meetings, there will be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article II of the By-Laws.

The Owner or Owners of each Unit, or some person designated by such Owner or Owners to act as proxy on his or their behalf, who need not be an Owner, will be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy will be made in writing but need not be acknowledged or witnessed and will be filed with the Secretary at or previous to the time of the meeting and will be revocable at any time by written notice to the Secretary by the Owner or Owners so designating. Any or all of such Owners may be present at any meeting of Unit Owners. The Owners of each Unit (including the Sponsor or Sponsor-designee, if the Sponsor or his designee will then own one or more Units) will be entitled to cast one vote for each 1% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to a vote at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Unit Owner: (i) will be entitled to one vote for each 1% of Common Interest attributable to his Unit per member to be elected, and (ii) will not have the right to cumulate his votes in favor of any one or more members to be elected. If one or more Units are owned by more than one person as joint tenants, tenants-in-common, tenants by the entirety or in the name of a corporation or partnership or other entity permitted for herein, the persons owning said Unit will agree among themselves and cast the votes for their Unit. A fiduciary will be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or his designee will not

be entitled to vote.

The members of the Board of Managers will 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 will indemnify and hold harmless each of the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful misconduct of the members of the Board of Managers. It is intended that the members of the Board of Managers will 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 members 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 the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers will be limited to such proportion of the total liability thereunder as his 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, will 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 will have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder will be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

The principal officers of the Condominium will be the President, the Secretary and the Treasurer, all of whom will 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, but no other officers, each must be both a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner. The officers of the Condominium will be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and will hold office at the pleasure of the Board of Managers and until their successors are elected.

The President will be the chief executive officer of the Condominium. He will preside at all meetings of the Unit Owners and of the Board of Managers. He will 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 members of committees created by the Board of Managers from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

The Secretary will keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he will have charge of such books and papers as the Board of Managers may direct; and he will 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 will have the responsibility for Condominium funds and securities and will 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 will 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 will, 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.

The officers of the Condominium will have the same rights and liabilities as the members of the Board of Managers regarding their personal liability to the Condominium and indemnification by the Unit Owners.

No officer or member of the Board of Managers will receive any salary or compensation from the Condominium for his services as Officer or Manager.

Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers. Notice of special meetings shall be given by mail, telegraph or personal delivery to each member of the Board of Managers and shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers will be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Managers.

It will be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners as defined in Article III of the By-Laws having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business will be transacted at a special meeting except as stated in the notice for such meeting.

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 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.

At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor or Sponsor-designee, may be removed without cause by the affirmative vote of Unit Owners whose aggregate Common Interest exceeds fifty (50%) percent of the Common Interest of the Condominium, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the Unit Owners will be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by the Sponsor or Sponsor-designee may only be removed by the Sponsor or a Sponsor-designee and only they will have the right to designate a replacement. If a member of the Board of Managers ceases to be a Unit Owner, the principal or officer of a Unit Owner or the spouse of a Unit Owner, unless such member is the Sponsor or a Sponsor-designee, he will be deemed to

have resigned, effective as of the date such ownership interest ceased.

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. However, for as long as the Sponsor or his designee remains the Owner of one or more Units, the By-Laws, including the Rules and Regulations of the Condominium attached thereto, may not be amended or modified in any way so as to adversely affect the Sponsor or his designee, in the Sponsor's sole discretion, without the Sponsor's prior written consent.

The Declaration may be amended, modified, added to or deleted from by the affirmative 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:

- a. no amendment, modification, addition or deletion which shall adversely affect the lien of any mortgage may be made without the written consent of the mortgagee;
- b. no amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner(s); no amendment which shall increase the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagee(s) of such Unit, or Units, if any;
- c. no amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against Sponsor, its designee, or any Unsold Unit until Sponsor or such designee shall consent thereto in writing.

The Sponsor reserved to himself and his designee(s) the right to amend the 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 filing the Floor Plans required by Section 339-p of the Real Property Law for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p.

The Sponsor will pay for all costs involved in amending the Declaration.

No such amendment will be effective until recorded in the Kings County Office of the Register of the City of New York.

**RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND
THE BOARD OF MANAGERS**

Sale or lease of Units by Unit Owners/Right of First Refusal

Each Unit Owner has the right to sell or lease his or her Unit subject to the following restrictions contained in Article VIII of the By-Laws:

Any Unit Owner who receives a bona fide offer for the sale of his Unit together with: (i) the undivided interest in 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 his 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 Unit (such proposed sale or lease, as the case may be is hereinafter called an "Outside Offer"), which he intends to accept, must give notice by hand or 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 must offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Board of Managers, or his 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 will 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 exercise a right of first refusal 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 his 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 elects to exercise a right of first refusal 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 his designee, corporate or otherwise, title will close or a lease will 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 (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner, if such Unit, together with the Appurtenant Interests, is to be sold, will convey the same to the Board of Managers, or to his 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 will pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner will execute and deliver to the Board of Managers, or to his designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or his designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer. The terms of the lease will not be subject to state or local law.

In the event the Board of Managers or his 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 to notify the offering Unit Owner within such (30) day 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 sixty (60) days after the expiration of the thirty (30) day period in which the Board of Managers or his 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 will 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 will be consistent with the By-Laws and will provide that it may not be modified, amended, extended or assigned, without the prior written consent of the Board of Managers, and that the tenant will 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 will 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 form of any such lease for Residential Units will be the then current form of apartment lease recommended by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers. In the event the offering Unit Owner will not, within such sixty (60) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner will so contract to sell or lease his Unit within such sixty (60) day period, but such sale or lease will not be consummated pursuant to the terms of such Outside Offer, 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 must be required to again comply with all of the terms and provisions of Article VIII of the By-Laws.

The above restrictions will not apply with respect to any sale or conveyance or lease by a Unit Owner of his Unit, together with the Appurtenant Interests, to his spouse or to any of his children or to his parent or parents or to his brothers or sisters, or any one or more of them, or to any Unit owned by the Sponsor or 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 or to the sale or lease of a Commercial Unit. However, the restrictions will apply with respect to any purchaser of a Unit from a mortgagee.

Any purported sale or lease of a Unit in violation of the above restrictions will be voidable at the election of the Board of Managers.

Acquisition or lease of Units by the Board of Managers, or his 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

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 of the By-Laws, 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 or leased by the Board of Managers.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

Mortgaging of Units by Unit Owners

No Unit Owner shall mortgage his Unit, except by a first and/or second mortgage made to a bank, savings bank, trust company, savings and loan association, credit union or similar banking institution whether organized under the laws of New York State, the United States or any other state, foreign banking corporation licensed by the Superintendent of Banks of New York or regulated by the Comptroller of the Currency to transact business in New York State, insurance company duly organized or licensed to do business in New York State or a purchase money mortgage made to the Sponsor, Sponsor-designee, or to the seller of the Unit. Any such mortgage must 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. Such approval will be in the sole and absolute discretion of the Sponsor or the Board of Managers as the case may be. 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 therefor.

Common Charges and Assessments

No Unit Owner will be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he will have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against his Unit and until he will have satisfied all unpaid liens against such Unit, except permitted mortgages.

The Board of Managers will from time to time, at least annually, prepare a budget for the Condominium, determine the amount of 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 Common Interests. The Board of Managers, in apportioning expenses for insurance on the Building may take into consideration higher premium rates on some Units than on others. The Board of Managers may also specially allocate and apportion profits and expenses to Residential and Commercial Units based on

special or exclusive use or availability or exclusive control of particular Unit Owners in a manner different than in proportion to a Unit Owner's respective interest in the Common Elements. The Common Expenses will 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 Article VI of the By-Laws and the fees and disbursements of the Insurance Trustee, if any. The Common Expenses will 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 his 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 will also, where necessary, impose an assessment or additional Common Charge in order to meet any unanticipated Common Expense. The Board of Managers will 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 will 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 will 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.

All Unit Owners will be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of Article VI of the By-Laws at such time or times as the Board of Managers will determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of the 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 the By-Laws, provided that his Unit is free and clear of liens and encumbrances, other than permissible mortgages and the statutory lien for unpaid Common Charges, convey his Unit, together with the Appurtenant Interests to the Board of Managers, or his 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 will be liable for the payment of Common Charges assessed and unpaid against such Unit prior to the acquisition by him of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit will not be liable for and such Unit will not be subject to a lien for the payment of Common Charges assessed prior to the foreclosure sale.

The Board of Managers will assess Common Charges against the Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charges due from

any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Managers will also take prompt action to collect any assessment due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date thereof. Common Charges and assessments must be paid by the fifth day of the month in which they are due or they will be deemed to be late. The Board of Managers will have the right to place a lien against a Unit whose Owner fails to pay common charges for the Unit within fifteen days of same becoming due and payable.

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 will 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 late fees charged by the Board of Managers and attorneys' fees incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers will 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-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in the payment of Common Charges or assessments will not be permitted to vote at any regular or special meeting of Unit Owners

In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner will be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action will be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, will have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same (but not to vote the votes appurtenant to). A suit to recover a money judgment for unpaid Common Charges will be maintainable without foreclosing or waiving the lien securing the same.

The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-z of the Real Property Law on Units in which the Sponsor is more than 30 days in arrears of Common Charges while it is in control of the Board of Managers.

Repairs

All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except painting the exterior side of Unit entrance door), windows (except painting the exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures, air conditioning units and appliances, if any, within the Unit or belonging to the Unit Owner will be at the Unit Owner's expense, excepting as otherwise specifically provided in the By-Laws.

All maintenance, repairs and replacements to the General Common Elements as defined

in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows will be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense will 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, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, all necessary waterproofing of the Limited Common Elements except as set forth below, and 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) the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements, including but not limited to painting, decorating and/or maintenance, waterproofing, repair and/or replacement of decking, tile or other terrace or roof deck surface adjacent to the Units, terrace or roof railings and/or means of roof or terrace access constructed or installed by or at the request of the Unit Owner, or as a result of the Unit Owner's negligence, misuse or neglect.

A Unit Owner must grant a right of access to his Unit, to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his 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 Unit or elsewhere in the Building, or remedying any condition which would violate the provisions of any mortgage encumbering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by the By-Laws, provided that requests for entry will be made in advance and that any such entry will be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry will 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 for in Section 15 of the By-Laws, any costs for repairs will be borne in accordance with the provisions of Section 10 of Article VI of the By-Laws.

Additions, Alterations and Improvements

Subject to the provisions of Section 2 of Article II of the By-Laws, whenever in the judgment of the Board of Managers the Common Elements will require additions, alterations or improvements (but not maintenance) costing in excess of \$50,000.00, and the making of such additions, alterations or improvements will have been approved by a majority of the Unit Owners, the Board of Managers will proceed with such additions, alterations or improvements and will assess all Unit Owners for the cost thereof as a Common Expense. 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 will constitute part of the Common Expenses.

Except as provided below, no Unit Owner can make any addition, alteration or

improvement in or to his Unit which is structural or which affects the exterior of the Building or the value of other Units, without the prior written consent thereto of the Board of Managers which consent shall not be unreasonably withheld. In connection with the approval of any addition, alteration or improvement by a Unit Owner as required herein, the Board of Managers may require that such Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work. Such agreement may include, but shall not be limited to, provisions for adequate insurance, indemnification of the Condominium and the Board of Managers, submission of all plans and specifications to the Board of Managers, and restrictions on the hours during which the work may be done. 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 must be executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialman 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 to any addition, alteration or improvement to be made by a Unit Owner in accordance with the provisions of Section 13 of the By-Laws, such consent will be deemed to provide that any such work will be at the Unit Owner's sole cost and expense, that work will be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work will be done by reputable contractors with adequate liability, property damage and worker's compensation insurance (certificates of which must be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, will be maintained in their entirety by said Unit Owner who will 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 such addition, alteration, or improvement, or due to improper design or construction of such addition, alteration, or improvement, and such approval will further provide that the Unit Owner will reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and for any services provided in connection with such addition, alteration, 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 Section 13 of the By-Law which require the consent of the Board of Managers in connection with an addition, alteration or improvement in or to a Unit which is structural or which affects the exterior of the Building or the value of other Units will not apply to Units owned by the Sponsor, his designee, or a Commercial Unit Owner. The Sponsor, his designee, or a Commercial Unit Owner will not need such consent. All other provisions of Section 13 of the By-Laws will apply to all Units. For example, with respect to such addition, alteration or improvement to a Sponsor-owned Unit, or a Commercial Unit, such work will be at the sole cost and expense of the Sponsor and/or his designee or a Commercial Unit Owner, and will be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances. All work must be done by reputable contractors with adequate liability, property damage and worker's compensation insurance (certificates of which must be delivered

to the Board of Managers prior to the commencement of construction). Any such additions, alterations or improvements, will be maintained in their entirety by the Sponsor, his designee, or a Commercial Unit Owner, as the case may be, who will 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 any addition, alteration, or improvement, or due to improper design or construction of the structural addition, alteration, or improvement. Additionally, the Sponsor, his designee and/or a Commercial Unit Owner, as the case may be, will reimburse the Board of Managers any reasonable out-of-pocket expenses incurred by the Board of Managers for any services provided in connection with such addition, alteration, or improvement.

Non-structural additions, alterations or 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 except that the Board of Managers may require that the Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work as required for additions, alterations or improvements which require the consent of the Board of Managers, prior to commencing such work.

Insurance

The Board of Managers will 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 improvements, 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 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 the 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 will 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 will 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, if any, 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 will contain waivers of subrogation and of any

reduction of pro-rata liability of the insured as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium will be primary insureds to the extent as their interests will 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, must be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies if so requested in writing by them.

The Board of Managers will 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 will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least \$1,000,000.00 covering all claims for bodily injury with respect to any one occurrence.

Unit Owners will 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 will not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Such policies will be so endorsed so as to state that they will in no way conflict with any insurance carried by the Board of Managers.

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

In the event of a fire or other casualty which damages or destroys less than seventy-five (75%) percent of the Building containing the Units, the Board of Managers will be required to arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen and bathroom fixtures and floor coverings initially installed therein by the Sponsor, but not including any wall, ceiling or floor decorations or coverings or other improvements, furniture, furnishings, fixtures, appliances or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, as the case may be, will 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 will 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 and Unit Owners whose percentage of Common Interest totals seventy-

five (75%) percent in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Property will 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 Section 3 of Article VI of the By-Laws, and the amount of insurance proceeds will have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) will be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

“Promptly repair” shall mean repairs which must begin not more than sixty (60) 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 (90) days after the Insurance Trustee notified the Board of Managers and Unit Owner or Unit Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary. If there is no Insurance Trustee, then the aforementioned sixty (60) and ninety (90) day periods shall be from the date of notification by an insurance adjuster retained by the Board of Managers. “Promptly resolve” shall mean not more than sixty (60) days from the date of receipt of said insurance funds.

Restrictions on Occupancy and Use

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 will be used only for a private residence, except that a Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinance, building code or other rules and regulations of governmental authorities having jurisdiction thereof. Notwithstanding the foregoing, the Sponsor or Sponsor-designee will have the right, without charge, (i) to maintain general, sales or leasing 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 or Units and to comply with its obligations.

b. The Common Elements will be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incidental to the use and occupancy of Units.

c. No nuisances will be allowed on the Property nor will 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 immoral, improper, offensive, or unlawful use will be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof will be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, must be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever will have the obligation to maintain or repair such portion of the Property.

e. No portion of a Unit other than the entire Unit, including any Limited Common Elements appurtenant thereto may be rented.

f. No bird or animal will be kept or harbored in the Building unless the same in each instance is expressly permitted in writing by the Board of Managers. Any such consent, if given, shall be revocable at any time by the Board of Managers. In no event shall dogs be permitted in any of the public portions of the Building unless carried or on a leash. The individual Unit Owners who keep an animal in the Building will each indemnify the Board of Managers and hold it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of the Unit Owner having any animal in the Building. No pigeons or other birds or animals will be fed from the window sills, terraces, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

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

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

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

j. No sign, notice, lettering, or advertisement may 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 may anything be projected out of any window of the Building without similar approval.

k. No radio or television aerial may be attached to or hung from the exterior of the Building without the written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, may allow the installation of any hook-up necessary to provide cable television service to the Units. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit may fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone will be liable for any damage or injury

caused by any radio, television, or other electrical equipment.

REAL ESTATE TAXES

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

The Property is taxed by the City of New York, which through the Department of Finance, has assessed the property at the value of \$35,280.00, and imposes a tax rate of 14.550%. The real estate taxes payable in Schedule A are determined by allocating the amount due in conformity with the allocation of Common Interests. The City of New York is not bound by the allocation of Common Interests, and may allocate on a different basis. All figures are estimates.

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

The projections set forth herein are based on current New York City Tax rate and assessment procedures. No guarantee or warranty is or can be made that the tax rate will not change in the future, or that the assessed value of the property will not rise due to changes in assessment practices and policies or increases in market value which are reflected in the assessed value.

INCOME TAXES DEDUCTIONS TO UNIT OWNERS AND **TAX STATUS OF CONDOMINIUM**

Unit Owners who itemize their deductions should, for Federal Income Tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid, or accrued, under Section 163 and 164 of the Internal Revenue Code. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the Counsel's Tax Opinion Letter, attached hereto and made a part hereof. Each individual Unit Owner should, for New York State and New York City Income Tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid, or accrued, during the taxable year.

The affairs of the Condominium will be governed by the 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, the Sponsor's counsel is of the opinion that the Condominium will not be treated as an association taxable as a corporation due to the fact that it will qualify as an exempt homeowner's association under Section 528 of the Internal Revenue Code. As a result, the Condominium will not be subject to Federal Corporate Income Tax on its taxable income, if any.

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

A more detailed statement of the tax factors involved may be found in the Counsel' Tax Opinion.

No warranty or guaranty is made that the United States Treasury Department or the New York State Department of Taxation and Finance or the New York City Director of Finance will allow the aforementioned deductions, and no representation or warranty is made that the tax law or the regulations or rulings issued thereunder, or any judicial interpretation thereof, may not change so as to disallow the deductions in whole or in part. Neither Sponsor nor its attorney shall be liable if, for any such reason, it is held that the Unit Owners are not entitled to such income tax deductions or to special exemptions as aforesaid.

Each Purchaser should consult with his or her own attorney or tax adviser with regard to tax consequences of this purchase.

Yevgeny Tsyngauz, Esq.
1635 Bath Avenue
Brooklyn, NY 11214
(718) 621-6600

COUNSEL'S TAX OPINION

April 22, 2005

83RD STREET CONDOMINIUMS LLC
1845 83rd Street
Brooklyn, New York 11214

Attn.: Gennadiy Borovskiy

Re: 1845 83rd Street Condominium
1845 83rd Streets
Brooklyn, New York

Dear Mr. Borovskiy:

You have requested my opinion concerning (I) the availability of certain deductions for Federal, New York State, and New York City Income Tax Purposes to persons who purchase units for residential use ("Unit Owners") under the Offering Plan for The 1845 83rd Street Condominium (the "Plan"), and (ii) the Federal Income Tax Treatment of the Common Charges Received by the condominium association of the condominium (the "Condominium").

In connection with rendering this opinion, I have prepared the Plan and the Schedules and Exhibits thereto, the Declaration of the Condominium Plan (the "Declaration"), the By Laws of the Condominium (the "By-Laws"), and reviewed the relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), 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, relevant case law and such other materials as I have deemed relevant.

Facts

The Sponsor will apply to the Department of Law of the State of New York to convert the premises located at 1845 83rd Street, Brooklyn, New York to a condominium ownership pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"). The Condominium shall consist of three (3) Units allocated for residential use. Each Unit Owner will own his own Unit and an 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 Unit and will receive a separate deed to the Unit.

The affair of the Condominium will be governed by the Board of Managers which, pursuant to the By-Laws, will act only as an agent of all Unit Owners. The Board of Managers will be comprised of at least three members, who shall each be elected by the Unit Owners. 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.

Discussion

Deductibility of Mortgage Interest and Real Estate Taxes

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. Each Unit Owner may mortgage his Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Failure to pay his or her share of the Common Charges will result in the Board of Managers having a lien on the Unit for the unpaid Common Charges.

The deductibility of the mortgage interest and real estate taxes paid or accrued by the Unit Owner during his or 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 bona fide indebtedness. Section 164 of the Code allows a taxpayer to deduct real estates tax paid or incurred on his Unit 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 purposed, Unit Owners shall be entitled to deduct real estates tax paid or incurred on their Units during the taxable year.

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 obligation fees) 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 principle residence, and the other requirements of Section 461(g) (2) of the Code are complied with.

I note that the taxpayer who purchases a Unit for investment may find his interest deduction limited by Section 163(d) of the Code. Under this Section a taxpayer other than a corporation will be subject to a ceiling on his deduction for investment interest. Investment interest is defined as interest paid or accrued on indebtedness incurred or continued to purchase or carry property for investment. To the extent that the taxpayer has investment income (defined

as the gross income from the interest, dividends, rents, royalties, new short term capital gains and recapture income), he or she increases his or her ceiling on the deduction for investment interest. See generally Section 163(d) of the Code. I also note that Section 265(2) of the Code 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 or her portfolio of tax exempt securities. Under these circumstances Section 265(2) of the Code may disallow the taxpayer's interest deduction since he or 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.

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 the Sections 163 and 164 of the Code, respectively, permitted these deductions by the Condominium Unit Owner provided that he or she itemized his or her deductions in filing his or her federal income tax returns.

In my opinion, under Sections 163 and 164 of the Code, a Unit Owner should, for Federal Income Tax purposes, be entitled to a deduction for interest paid or accrued with respect to mortgage indebtedness and for real estate taxes paid or accrued with respect to his or her method of accounting.

It is also my opinion that each Unit Owner should, 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; Section T46-115.00, T46-122.0 and T46-123.0 of the City Code.

The foregoing discussion applies primarily to Residential Unit Owners. Referenced sections of the Code are not applicable to Commercial Unit Owners. However, insofar as the Commercial Unit Owners will be using the Unit for business purposes, other sections of the Code may allow such deductions. Purchasers of Commercial Units are strongly urged to consult with their own tax advisors with regards to the deductibility of the mortgage interest and real estate taxes.

Common Charges - Federal Income Taxation of the Condominium:

A condominium under New York law is not a corporation but an un-incorporated association.

The Treasury Regulations in Section 301.7701-2(a)(i) set forth six factors to be considered in determining whether an association will be treated as an un-incorporated association for Federal Income Tax purposes. Of these factors, the Condominium possesses five

(an objective to carry on business, divide the gains, centralization of management, continuity of life, free transferability of interest). Since an un-incorporated organization will be treated as a corporation if it has more corporation characteristics than non-corporate characteristics, (see Treas. Regs. Section 301.7701-2(a) (3), Philip G Larson, 66 T.C 158 (1976) acq., Rev. Rul. 79-106, 1979-1 C.B. 448), it is my opinion that, although there exists no direct authority on this point, the Condominium should not 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 not be subject to Federal Corporate Income Tax.

Assuming that the Condominium is treated as an association taxable as a corporation, the receipt of substantially all of 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 the collection and receipt of such funds; or (ii) the Condominium is not acting as agent and 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 Section 528 of the Code and the Condominium has only "exempt function income" within the meaning of such Section.

In Revenue Ruling 75-370, 1975-2 C.B. 257 the shareholders of the 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 I.R.S. 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-stockholders. The I.R.S. found that there was an agent and principal relationship between the condominium and its unit owner-stockholders 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.

The By-Laws provide that the Board of Managers will act as the agent of the Unit Owners. If Common Charges for 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 operational expenditures would not be excluded from the income of the Condominium, because the Board of Managers does not have mere ministerial powers with respect to the operations of the Condominium.

Under certain circumstances, special assessments for specific capital improvements may be considered non-taxable contributions to the capital of the association, pursuant to Section 118 of the Code. In Revenue Ruling 75-371, 1975-12 C.B. 52, the condominium management collected special assessments, which were assessed pro-rata upon each unit owner to replace outdoor furniture. The By-Laws required that any assessment 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 non-taxable 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 association)

Under this Plan the Unit Owners must approve all special improvements. 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 pro-rate 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 unit-owners were held to constitute gross income to the condominium under Section 61 of the Code. I note, however, that to the extent to which the Condominium will be deemed to have functions, it will be entitled to deduct as business expenses its income. See Concord Village, Inc., 65 T.C. 142, 157 (1975) ; Park Place, 57 T.C. 767, 778 (1972). Thus, it should have taxable income only in the amount of the excess of its income from all sources over its allowable deductions.

Any net income attributable to over-assessments might constitute taxable income of the Condominium for the year of receipt, even if such excess is distributed or applied to the subsequent year's assessments. In effect, a management association will not earn income when it has no discretion as to the application of the excess, and, conversely, will have income where it does have such discretion. Since the Board of Managers will have discretion as to application of excess Common Charges, and does not intend to return excess Common Charges, if any, but intends to apply such excess to the next year's expenditures, it is possible that any excess Common Charges will constitute taxable income to the Condominium.

Section 528 of the Code 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 residence. See Sections 528 (c)(1)(A) and 528 (c)(2) of the Code. "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 purposed 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. The Treas. Regs. Section 1.528-2. However if the articles of the Condominium reflect that it is the purpose of the association, then the condominium management association will be presumed to be operated for such purpose. See Regs. Section 1.528-2(a).

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

- (1) Sixty percent (60%) 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. Section 1.528-5 and 1.528.9. "Exempt function income" includes income which is attributable to assessments that arise as a result of the member's ownership interest, either based on value or size of their units, and used for the purpose of enhancing or maintaining the value of the residence. See Treas. Regs., 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. Regs. 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 attributed 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 percent (90%) 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 (cc)(1)(c). These expenditures include operating and capital expenditures during the taxable year. Investments in reserve funds 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 and taking care of the associating 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 my understanding of the matter it is my opinion that the Condominium should be eligible to qualify as a homeowners association within the meaning of Code Section 528 (c)(1) and that, to the extent the condominium has income in excess of its expenses, that income should not be subject to federal income taxation.

Conclusion

I express no views as to any Federal, New York State and/or New York City tax consequences or as to any aspect of the Plan other than those tax consequences and aspects explicitly discussed in this opinion, or as to the tax consequences of the Plan under the laws of any state or foreign jurisdiction. This opinion does not discuss the tax consequences which may result from ownership or the leasing of a Unit to another, in connection with the Unit Owner's trade or business, for purposes of investment, or for the production of income, or 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 resident of New York State due to ownership of a Unit. I, 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 my current understanding and interpretation of the existing law, regulations, decided cases and ruling of administrative agencies and upon information set forth herein. If there has been any misstatement of a fact of omission of any fact which may be material, or any amendment of exchange in the By-Laws of the Plan, I 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 Internal Revenue 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 thereunder may change and thereby effect the views stated above in whole or in part.

NO WARRANTIES ARE MADE THAT THE INTERNAL REVENUE SERVICE, THE DEPARTMENT OF TAXATION AND FINANCE OF THE STATE OF NEW YORK OR THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK WILL ALLOW INCOME TAX DEDUCTIONS. FURTHER, NO WARRANTIES OR REPRESENTATIONS ARE MADE THAT THE TAX LAW UNDERLYING THIS OPINION WILL NOT CHANGE AND IN NO SUCH EVENT WILL THE SPONSOR-SELLER, THE SPONSOR-SELLERS COUNSEL, THE CONDOMINIUM BOARD, THE SELLING AGENT OR ANY OTHER PERSON CONNECTED WITH THIS OFFERING BE LIABLE IF FOR ANY REASON IT SHALL BE DETERMINED THAT UNIT OWNERS DO NOT MEET OR AT ANY FUTURE TIME CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE OF 1986, THE NEW YORK

TAX LAW OR THE NEW YORK CITY ADMINISTRATIVE CODE OR ANY AMENDMENT OF ANY THEREOF. MOREOVER, NONE OF THE AFORESAID MAKES ANY WARRANTIES WITH RESPECT TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF ANY UNITS OFFERED UNDER THE PLAN EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND NO ONE ELSE HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED HEREIN.

Very truly yours

Yevgeny Tsyngauz

WORKING CAPITAL FUND AND RESERVE FUND

Working Capital Fund

At the time of the closing of title to the Unit to a bona fide Purchaser, each Purchaser shall pay into the Working Capital Fund of the Condominium the sum of \$750. The initial working capital will be used for payment by the Board of Managers of any net closing adjustment expenses owed to the Sponsor at the closing of title to the first Unit and to pay for insurance premiums and other items in the budget which will be payable prior to the time that sufficient monthly Common Charges and assessments have accrued to pay these items. While the Sponsor is in control of the Board of Managers of the Condominium, the Working Capital Fund will not be used to reduce the Common Charges. If any portion of the Working Capital Fund is used during this period, such amount will be repaid to such fund out of Common Charges collected and the entire balance of such fund will be turned over to the new Board of Managers at such time as the Sponsor turns over control.

The initial Working Capital contribution described herein is intended as a one time payment to be made by the Purchaser at the time of the closing of title to the first Unit (subject to the right of the Board of Managers to make assessments for additional Working Capital as permitted by law, the Condominium Declaration and By-Laws and the provisions of this Plan). Such payment shall not confer any rights thereto on the Purchaser of a Unit.

No representation is made that the Working Capital Fund will be sufficient to accomplish the purpose set forth above, or other purposes as determined by the Board of Managers in its discretion. If additional funds are required, it may be necessary to increase Common Charges or separately assess all Unit Owners.

Should monies be required by the Condominium for capital expenditures such as renewal or replacement of building components or systems or to remedy major building defects, the Board of Managers of Condominium could vote to obtain loans for required expenditures as provided by the New York Real Property Law. Section 339-jj of the Real Property Law states:

- "1. To the extent authorized by the declaration or the by-laws, the board of managers, on behalf of the unit owners, may incur debt. In addition, subject to any limitations set forth in the declaration or the by-laws, the board of managers, on behalf of the unit owners, may incur debt for any of the purposes enumerated in paragraph (b) of subdivision two of section three hundred thirty-nine-v of this article, provided that (a) such debt is incurred no earlier than the fifth anniversary of the first conveyance of a unit and (b) the incurrence of such debt shall require the consent of a majority in common interest of the unit owners.
2. In connection with a debt incurred by it, the board of managers, on behalf of the unit owners, may (a) assign the rights in and to receive future income and common charges, (b) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds, (c) agree that, to the extent of any amounts due under any of the provisions of the agreements under which the debt was incurred and

subject to the provisions of subdivision two of section three hundred thirty-nine-1 of this article, all common charges received and to be received by it, and the right to receive such funds, shall constitute trust funds for the purpose of paying such debt and the same shall be expended for such purpose before expending any part of the same for any other purpose, and (d) agree that at the lender's direction it will increase common charges to the extent necessary to pay any amount when due under any of the provisions of the agreements under which the debt was incurred. The preceding sentence shall not be construed to authorize the board of managers to create a lien on the common elements. Any such assignment may provide that, in the event of a default, the lender shall have the right of the board of managers to file liens in the lender's name on units for unpaid common charges pursuant to sections three hundred thirty-nine-z and three hundred thirty-nine-aa of this article and the right to foreclose such liens pursuant to section three hundred thirty-nine-aa of this article."

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

Reserve Fund

No provision has been made to establish a Reserve Fund for the Condominium.

IDENTITY OF PARTIES

Sponsor

The Sponsor is 83rd Street Condominiums LLC, having an office at 1845 83rd Street, Brooklyn, New York 11214. The principals of the Sponsor are Gennadiy Borovskiy and Svetlana Borovskiy, having an office at 1845 83rd Street, Brooklyn, New York 11214.

- (i) There are no prior felony convictions of the Sponsor, Gennadiy Borovskiy or Svetlana Borovskiy;
- (ii) There are no prior bankruptcies, convictions, injunctions against the Sponsor, Gennadiy Borovskiy or Svetlana Borovskiy that may be material to the Plan.

Gennadiy Borovskiy has been a computer programmer since 1998. Svetlana Borovskiy has been a computer programmer since 1997. Currently, she is also a real estate agent.

Neither the Sponsor nor the principals of the Sponsor have taken part in any public offerings in New York within the past five (5) years.

Selling Agent

The Selling Agent for the Property is the Sponsor, having an office at 1845 83rd Street, Brooklyn, New York 11214.

Sponsor's Attorney

The law firm of Yevgeny Tsyngauz located at 1635 Bath Avenue, Brooklyn, New York 11214 represents the Sponsor in connection with this Plan. Yevgeny Tsyngauz, Esq. prepared the Plan. Yevgeny Tsyngauz, Esq. will handle closings for the Sponsor and act as the escrow agent for the downpayments.

Sponsor's Professional Engineer

Peter J. Mugavero, R.A., having an office at 8609 18th Avenue, Brooklyn, New York 11214 prepared the specification for the Building. Mr. Mugavero has no financial interest in the Property, Sponsor, Condominium, Selling Agent, or any other party interested in this transaction, except for his fee for services rendered in connection with his report. Mr. Mugavero has been a registered architect for more than 12 years. He designed and supervised the construction of many condominiums and residential and commercial buildings.

REPORTS TO UNIT OWNERS

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

- i. a financial statement of the Condominium prepared by a certified public accountant or public accountant by March 1 of each year; such statement shall be certified while the Sponsor is in control of the Board of Managers;
- ii. prior notice of the annual Unit Owners' meeting; and
- iii. a copy of the proposed annual budget of the Condominium at least 30 days prior to the date set forth for adoption hereof by the Board of Managers; while the Sponsor is control of the Board of Managers such budget shall be certified by an expert in compliance with Section 20.4(d) of Part 20 of Title 13 NYCRR.

DOCUMENTS ON FILE

The Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at 25 cents per page at the office of the Sponsor's attorney, Yevgeny Tsyngauz, Esq., 1635 Bath Avenue, Brooklyn, New York 11214 for six years from the date of first closing.

The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the Kings County Office of the Register of the City of New York at the time of the closing of the first Unit.

GENERAL

There are no lawsuits or administrative or other proceedings pending the outcome of which could materially affect this offering, the Property, the Condominium, the operation of the Condominium or Sponsor's capacity to perform all of its obligations under the Plan.

The Property has not, to Sponsor's knowledge, been the subject of any prior cooperative or condominium offerings. The Sponsor has not entered into any preliminary binding agreements. The Sponsor has not collected money from prospective purchasers.

In accordance with the provisions of the laws of the United States and the State of New York, the Sponsor represents that the Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law in the sale of Units offered by the Plan or in the leasing of any Unit.

If there is a material amendment to the Plan that adversely affects Purchasers, the

Purchasers shall have a right to rescind Purchase Agreements within fifteen (15) days after the date of service of the amendment. The Sponsor shall return any deposit or downpayment to the Purchasers who rescind.

Neither the Sponsor nor anyone acting on its behalf has entered into any contracts or agreements, written or oral, for the sale or transfer of any of the Units offered in the plan, as of the date the Plan is accepted for filing.

Neither the Sponsor nor anyone acting on its behalf has taken any deposits or advances of funds in connection with the reservation, sale or transfer of such Units, as of the date the Plan is accepted for filing.

All of the Units offered in the Plan are vacant.

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

The Sponsor adopts the Description of Property and Building Condition set forth in Part II of the Plan. The Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property and Building Condition.

PART II

83rd STREET CONDOMINIUM
1845 83rd STREET,
BROOKLYN, NEW YORK
DESCRIPTION OF PROPERTY
and SPECIFICATIONS

December 13, 2005

LOCATION AND USE OF PROPERTY

This "report" describes the condominium located in Block 6315, Zoning Lot 51; Kings County, Brooklyn, New York.

ZONING AND PERMISSIBLE USE

The building lies within the residential zone district R5 recorded from Map 22d of the New York City Zoning Resolution dated 08/03/93. The New York City Zoning Resolution, as per Section 22-12, permits Use Group 2 Residential Uses as-of-right.

STATUS OF BUILDING

The building consists of three (3) residential units as stated on the Certificate of Occupancy #232380 issued on October 10, 1989. The building complies with Section 27-282 of the NYC Building Code for Type II-B Construction. The building was erected under New Building Application # 232/87 and was completed in 1989 thus making the building sixteen (16) years old.

An accessory parking garage is located within the rear yard. The garage complies with Section 27-282 of the NYC Building Code for Type II-B Construction.

There have been no past alterations to the building. The building remains the same from when it was originally constructed in 1989.

The lower apartment is accessible at grade level and therefore complies with LL58 of 1987 in regards to the handicapped access law.

SITE

The site is located on the North side of 83rd Street 220.00' West of the corner formed by the intersection of the northerly side of 83rd Street and the westerly side of 19th Avenue:

The land and premises:
begin at the aforementioned point
and runs north 100.00'
thence west 30.00'
thence south 100.00'
thence east 30.00' to the point of the beginning.
The area is 3,000 square feet or 0.0688 acres.

UTILITIES

- Water: The City of New York Water Distribution System will furnish water. Water consumption will be a common charge with a meter located in the garage.
- Gas: Natural gas service is provided by the *Keyspan Energy Delivery Company* for cooking and domestic hot water and heating; and each unit is separately metered and billed directly.
- Electric: Electric service is provided by the *Consolidated Edison Company of New York*. The electrical service provided to each unit is adequate for a full complement of modern appliances.
- Service to the building feeds three (3) 100 amp electrical mains located within the garage at the basement floor.
- The basement apartment's main panelbox has 12 breakers with a 120 amp subfeed breaker.
- The rating for the panel is 125 amp maximum bus.
120/240 VAC / phase 3 wire. 208Y/120 VAC / phase 3 wire.
- The first floor apartment's main panelbox has 12 breakers with a 90 amp subfeed breaker.
- The rating for the panel is 125 amp maximum bus.
120/240 VAC / phase 3 wire. 208Y/120 VAC / phase 3 wire.
- The second floor apartment's main panelbox has 12 breakers with a 90 amp subfeed breaker.
- The rating for the panel is 125 amp maximum bus.
120/240 VAC / phase 3 wire. 208Y/120 VAC / phase 3 wire.
- The 24 breaker subpanels on located on the basement, first floor and second floor.
- The subpanel has a 125 amp maximum rating.
120/240 VAC / phase. 208Y/120 VAC / phase.
- 15 amp circuits are provided for general fixtures and 20 amp circuits are provided for appliances and air-conditioning.
- Each unit is individually metered.
- The electrical service is adequate and in fair condition.
- Telephone: Telephone service is provided by the Verizon Company and each unit is billed directly.
- Sanitary/Storm: The entire sanitary and storm waste is carried from the building into the existing NYC Sewer System.

SUB-SOIL CONDITIONS

Foundation walls were designed to meet all code requirements. There is no evidence of ground water infiltration through the foundation walls and little, if any potential flood damage due to the water table or from any other bodies of water. The ground surface area of the site appears stable.

STREET

The street beyond the lot lines are owned and maintained by the City of New York City sidewalks, curbs and roadways. 83rd Street is a 60'-0" one-way street. The pavement is composed of asphalt and the existing 15'-0" wide sidewalk and curb fronting the property is poured concrete as directed by the New York City Department of Transportation. The sidewalk slopes away from the building providing positive drainage without ponding. This site has been graded to conduct storm water away from the building. Catch basins are located in the roadway to drain the storm water run-off into the existing New York City Sewer System.

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

LANDSCAPING AND ENCLOSURES

The side yard of the building consists of concrete paving. The rear yard of the building has a planting area as well as a paved area. The paved areas are pitched to prevent storm water run-off. A 6'-0" high fence encloses the rear and side perimeter of the property.

BUILDING SIZE

There is one (1) building consisting of (3) stories. The building height is approximately 34'-0" measured from the average grade to the top of the roof. The approximate measurements (gross square footage) are as follows:

Condo Lot # 1001	Open Space (Within Rear Yard)	457 SF
Condo Lot # 1002	Garage # 1 (Within Building)	201 SF
Condo Lot # 1003	Garage # 2 (Within Rear Yard)	258 SF
Condo Lot # 1004	Basement Apartment	645 SF
Condo Lot # 1005	First Floor Apartment	950 SF
Condo Lot # 1006	Second Floor Apartment	1,005 SF

The total number of residential units are as follows:

Basement	1 (one) one-bedroom apartment
First Floor	1 (one) two-bedroom apartment
Second Floor	1 (one) three-bedroom apartment

WINDOWS

All windows are wood with insulated glass as per minimum requirements of the New York State Energy Code. Visual inspection of the windows indicates that the windows are in fair conditions with no apparent leaks. The sashes and frames are not rotten and does not have any loose glazing or missing putty.

STRUCTURAL SYSTEMS

The structure system for the building is classified mainly as a bearing wall type. The structure is considered to be Construction Class II-B. It has protected wood joist for its flooring and roof assemblies. This type of structure has exterior walls constructed of non-combustible materials and assemblies as specified by the Building Department requirements of the City of New York.

The foundation consists of spread footings of reinforced concrete on earth, for support of the bearing walls. The foundation walls are constructed of reinforced concrete. The interior floor at the Basement is a concrete slab on grade. The floor and roof assembly is a plywood sub-floor, which is supported by wood joists, which in turn will be supported by the masonry bearing walls.

The structure system for the building including the stairs, doors and frames, partitions sidewalk and yard pavement are in fair condition.

EXTERIOR OF BUILDING

The exterior walls are of load bearing brick bonded to load bearing concrete masonry blocks. All exterior walls are insulated with batt insulation having the proper "R" factor for compliance with the New York State Energy Conservation Construction Code.

Visual inspection of the exterior of the building shows no apparent deteriorate mortar, spalling, cracking bulging leaning moisture penetration or any other signs of distress in the foundation, basement floors/walls/ceilings, exterior brickwork, chimney and balconies.

CHIMNEY AND CAPS

Approved type galvanized metal dual wall chimney flue with anti-down draft gas vent cap. Top of flue shall be a minimum 3'-0" above any part of roof within 10'-0" of flue.

HANDICAPPED ACCESS

This structure provides access for the handicapped in that the first floor residential unit is located at grade level. Doors and accessible paths within the units located at that level, shall comply with New York City Local Law 58/87 and A.N.S.I., A117. 1-1986.

ROOF AND ROOF STRUCTURE

There is a pitched roof above the second floor level. The roof is constructed with wood joists, exterior grade plywood and asphalt shingles.

Penetrations of pipes through the roof are properly flashed and waterproofed. Batt insulation material was provided at the underside of the roof in the space between the joists.

Visual inspection of the roof indicates the roof to be in fair conditions with no evidence of any apparent active leaks.

ASBESTOS

The building was erected in 1989 and no asbestos containing material was used during construction.

ROOF DRAINAGE

The roof is pitched to permit storm water to flow toward drains without ponding. The drains carry the flow of water to the house storm line where it enters the New York City Sewer System. All lintels are steel angles with a standard brick coursing.

INTERIOR STAIRS

The common interior stairs are equipped with a sprinkler system. The handrails are at a height of 2'-8" as required by the NYC Building Code.

INTERIOR DOORS AND FRAMES

All interior doors to the common stair hallways, mechanical spaces and garage are fireproof metal doors with a minimum fire rating on one and one-half (1 1/2) hours and with metal frames.

Swing type room entry doors are solid core or hollow core doors. Closet doors to be swing type, sliding type or bi-fold type, solid core or hollow core doors.

Apartment entry doors are metal self-closing, 1 1/2 hour rated with an STC rating equaling 35.

Apartment Entry	Key Lock, Security chain
Bedroom Doors	Passage
Closet Doors	Passage
Bathroom Doors	Privacy

RATED PARTITIONS BETWEEN UNITS

Party walls between units and common spaces are constructed with wood or metal studs covered with two layers of 5/8" gypsum board on both sides.

FLOOR CONSTRUCTION & FINISHES

Basement floor is a 4" concrete slab with welded wire mesh.

Basement floor is finished with ceramic tile throughout.

First and Second floor construction consists of wood framing with a plywood sub floor.

All unit Living/Dining Rooms and Bedrooms on the First and Second floor are covered with hardwood flooring. All Bathroom and Kitchen floors are finished with ceramic tile and base.

Underside of floor joists to receive one layer of 5/8" type "X" sheetrock.

Public indoor space walls and ceilings and all unit walls and ceilings to receive one coat of primer with two coats of white sand paint for ceilings and two coats of off-white semi-gloss paint for walls.

PLUMBING AND DRAINAGE

The City of New York Water Distribution System furnishes water. Water consumption will be a common charge with a meter located in the garage.

The sewage system carries both waste and sanitary sewage from each apartment unit. Sewage is carried by gravity to local city sewers. The roof storm drainage system is adequate to carry runoff without ponding. Water is disposed of by drains located in all paved area to the NYC storm sewer.

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

Each unit is to be supplied with cold water from three quarter inch (3/4") copper piping. Each unit will have its own hot water heating unit, located in the mechanical room at the Basement floor.

The building relies on normal New York City water pressure so that no water tanks are required.

The plumbing and drainage appears to be in fair condition with no evidence of leaks.

SPRINKLERS

An approved type sprinklers system is installed in the common stairwell as required by the New York City Building Code. The wet sprinkler is attached to the domestic water line and has pendant heads within the stairwell at the basement, first and second floors.

The Sprinkler system appears to be in fair condition with no evidence of leaks.

DOMESTIC HOT WATER

Domestic hot water will be provided for each residential unit, by individual gas hot water heaters, located in the mechanical room provided at the Basement Floor.

The water heaters for the first and second floor are Model # FSG 50 as manufactured by A.O. Smith with a capacity of 50 gallons. The basement water heater is Model # PGXT 50 as manufactured by A.O. Smith with a capacity of 50 gallons. All water heaters have an NYC approval number (M.E.A. # 402-93-E).

Each hot water heater has a minimum efficiency rating of approximately eighty (80%) percent, which will be adequate to provide hot water for each unit.

The existing hot water heaters are in fair condition shall be useful for an additional 5 years.

HEATING

Heating for each unit is provided by gas fired heating boilers located in the mechanical room at the basement level. Heat will be distributed to the spaces in each unit via cast iron radiators. There are at least one (1) radiator in each habitable room and bathroom, providing adequate space heating to satisfy the minimum requirements of the New York City Building Code.

The boiler for each unit (3 total) shall be Model # P-204-WI, manufactured by Burnham, with an input rating of approximately 96,000 BTU's. Each boiler has an NYC approval number (M.E.A. # 96-96-E).

Each boiler has a minimum efficiency rating of approximately eighty (80%) percent, which will be adequate heat for each unit. The system will maintain an inside temperature of 68 degrees Fahrenheit with an outside temperature of 0 degrees Fahrenheit with an allowance for a 3 degree Fahrenheit swing.

The existing boilers are in fair condition shall be useful for an additional 5 years.

GAS SUPPLY

Natural gas for cooking, heating and domestic hot water is supplied by Keyspan Energy. Natural gas is metered through individual meters for each unit. The meters are located in the basement in the garage. Gas pipe is made of black iron.

The gas piping appears to be in fair condition with no evidence of leaks.

CHIMNEY

A vertical metal flue, located in the building for the ventilation of the boiler room equipment is provided. The flue is B.S.A. and M.E.A. approved.

AIR CONDITIONING

Approved type air conditioning sleeves are installed as follows:

Basement floor has no air-conditioning sleeves provide.

First floor has one in the living room and one in two bedrooms.

Second floor has one in the living room and one in two bedrooms.

Air conditioning units will not be provided.

VENTILATION

The spaces that require mechanical ventilation in the units are the interior bathrooms. These spaces are equipped with vertical ducts and fan, which terminate to the outside air. The minimum rate of exhaust ventilation shall be fifty (50) cfm for the bathroom as required by the New York Building Code. Exhaust equipment shall be New York City M.E.A. or B.S.A. approved.

SMOKE DETECTORS

Smoke detectors to be provided for each dwelling unit as per the New York City Building Code. All detectors to be approved by the Board of Standards and Appeals.

CARBON MONOXIDE DETECTORS

Carbon Monoxide detectors to be provided for each dwelling unit as per the New York City Building Code. All detectors to be approved by the Board of Standards and Appeals.

ASBESTOS DISCLOSURE

This statement is to disclose that there is no asbestos made products, partially or in whole, within this condominium as per approved plans.

SANITARY DRAINAGE SYSTEM

The sanitary waste will be conveyed to the New York City sewer system via extra heavy cast iron, sewer pipes which leads to a house trap of extra heavy cast iron. The house trap will be located within accessory garage # 1 in the basement area towards the front of the building. Beyond the house trap there is an extra heavy cast pipe conveying the sewage to a six inch (6") combined house sewer which be connected to the existing eight inch (8") sanitary city sewer located in the roadway of 83rd Street.

STORM DRAIN SYSTEM

The storm water collected from the front half portion of the roof will be collected and conveyed to the New York City sewer system via extra heavy cast iron, sewer pipes which leads to a house trap of extra heavy cast iron. The house trap will be located within accessory garage #1 in the basement area towards the front of the building. Beyond the house trap there will be an extra heavy cast pipe conveying the sewage to a six inch (6") combined house sewer which be connected to the existing eight inch (8") storm city sewer located in the roadway of 83rd Street.

MAILBOXES

U.S. approved type mailboxes are provided for each unit.

BALCONIES

The First Floor has a common porch/balcony in the front yard as well as a private balcony in the rear. The rear balcony has a stair that leads to the rear yard.

The Second Floor has two (2) balconies, one in the rear and one in the front.

The balconies are constructed with steel and concrete and has a wrought iron railing and each has a respective incandescent light fixture.

EXTERIOR STAIRS

There is one (1) exterior stair located in the front yard of the building providing access to the first and second floor entrance door. The stair is constructed of concrete block, brick and pre-cast concrete pavers. There is also a rear stair constructed of wood, which extends from the rear yard to the first floor balcony.

The perimeter of the stairwell is protected with a wrought iron railings, to a minimum height of approximately 3'-0" above the adjacent grade. The spacing between the vertical members of the railings shall be a maximum of five (5) inches as required by the New York City Building Code.

ELEVATORS

The building does not contain elevators.

METAL WORK AT ROOF LEVEL

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

ROOFTOP FACILITIES

There are no rooftop facilities provided.

RECREATION FACILITIES

The building does not contain recreation facilities.

REFUSE DISPOSALS

Refuse disposal will be the responsibility of each individual unit occupant. Refuse will be stored in trashcans located in front of building. Refuse is removed by the New York City Department of Sanitation. Refuse will be collected as per Department of Sanitation requirements as per their schedule.

FIRE ESCAPES

The building does not contain fire escapes.

COMMON AREAS

The common areas in the building shall consist of the interior stairs and hallway that provides access to the First and Second Floor units. The Basement hallway and mechanical spaces shall also be common areas. The common areas are in fair condition.

LAUNDRY

Laundry will not be provided for this building.

VIOLATIONS

There are no current violations on the building.

PUBLIC AREA LIGHTING

Stair hallways and public corridors will be illuminated with ceiling hung incandescent fixtures. Cellar lighting consists of ceiling mounted incandescent lighting fixtures. All lighting, exterior lighting and night lighting in public parts of the buildings to comply with the New York State Multiple Dwelling Laws and New York City Housing and Maintenance Code.

PARKING AREAS

The property has two accessory parking garages. Accessory parking garage # 1 is located within the front portion of the basement floor and accessory parking garage # 2 is located within the rear yard.

GARAGE STRUCTURE

The Garage Structure, allocated under Condo Lot # 1003, is a 14'-9" x 20'-7" one-car garage located within the rear yard. The garage is a masonry structure that appears to be in fair condition. The overhead door opens directly to the open driveway along the eastern portion of the lot. It is assumed that the structure was erected at the same time the dwelling was erected in 1989.

The garage, allocated under Condo Lot # 1002, is located within the front portion of the basement floor. The garage is in fair condition.

UNIT DESCRIPTION

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

Each unit shall consist of the area enclosed horizontally by the unexposed faces of the dry wall located at the exterior wall of the building and the unexposed faces of the dry wall dividing the unit from corridors, stairs or other units, and vertically by the upper face of the sub-floor of the unit up to the unexposed face of the dry wall forming the upper ceiling of the unit. Doors and windows, which open from a unit and interior walls of a unit, shall be deemed to be part of the unit.

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

RESIDENTIAL UNIT DIMENSIONS AND INFORMATION

Unit 1: 645 net square feet - One (1) bedroom, living/dining area, kitchen, and bathroom.

Unit 2: 950 net square feet - Two (2) bedrooms living room, kitchen two (2) bathrooms and a rear deck.

Unit 3: 1005 net square feet - Three (3) bedrooms living room, kitchen/dining area, two (2) bathrooms and a deck in the front and the rear.

TYPICAL UNIT FINISH SCHEDULE

Unit	Room	Floor	Wall	Ceiling	Fixtures
<u>Basement:</u>	Living/Dining	Tile	Gypsum	Gypsum	
	Bedroom	Tile	Gypsum	Gypsum	
	Kitchen	Tile	Gypsum	Gypsum	Sink, Stove; Dishwasher
	Bathroom	Tile	Tile	Tile	(1) Watercloset, (1) Lav, (1) Tub
<u>First Floor:</u>	Living Room	Wood	Gypsum	Gypsum	
	Bedrooms	Wood	Gypsum	Gypsum	
	Kitchen/Dining	Tile	Gypsum	Gypsum	Sink, Stove; Dishwasher
	Bathroom	Tile	Tile	Tile	(2) Watercloset, (2) Lav, (1) Tub, (1) Shower
<u>Second Floor:</u>	Living/Dining	Wood	Gypsum	Gypsum	
	Bedrooms	Wood	Gypsum	Gypsum	
	Kitchen	Tile	Gypsum	Gypsum	Sink, Stove; Dishwasher
	Bathrooms	Tile	Tile	Tile	(2) Watercloset, (2) Lav, (1) Tub, (1) Shower

Each apartment finish and all their fixtures and appliances are in fair condition.

FINISH SCHEDULE OF SPACES OTHER THAN UNITS (Common Area)

Room	Floor	Wall	Ceilings	Lighting
Public Halls	Tiles	Gypsum	Gypsum	Incandescent Lighting

Room	Floor	Wall	Ceilings	Lighting
Boiler Room	Concrete	Gypsum	Gypsum	Incandescent Lighting

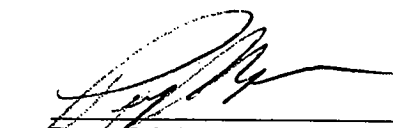
The Public Halls and the Boiler room are in fair condition.

GENERAL INFORMATION

The building and site is constructed in accordance with the New York City Building Code, The Multiple Dwelling Code, the New York City Zoning Resolution and all other applicable authorities and in accordance with plans and applications on file with the Department of Buildings of the City of New York. The sponsor represents to the best of its knowledge that the plans approved under NB # 232/87 accurately describe the building units, common elements and equipment as the same.

As of the date of the first closing, the sponsor represents that it will have a copy of the Certificate of Occupancy #232380 issued on October 10, 1989 for the building contained therein, and deliver title without violations or liens on the premises and in accordance with the sponsor's undertakings elsewhere as set forth in this offering.




 Peter J. Mugavero, RA, AIA
 PJM ARCHITECT, P.C.

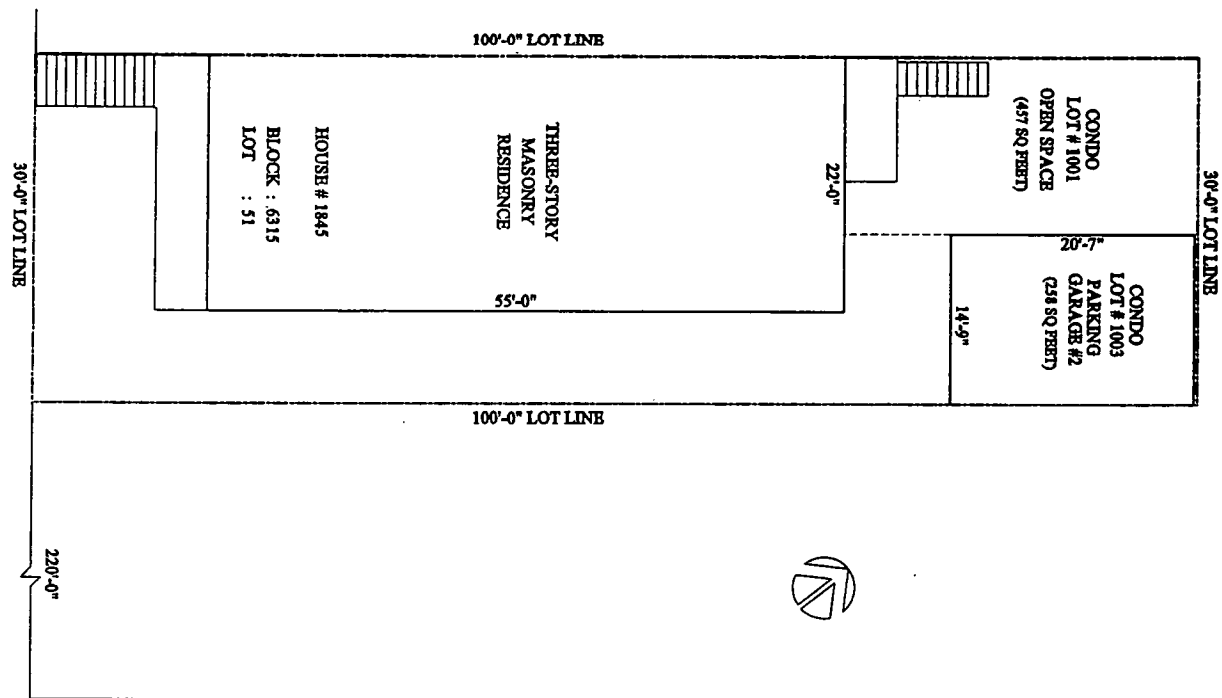
Sworn to before me

This 13th day of December 2005


 Notary Public, State of New York

GREGG R. SCUDERO
 NOTARY PUBLIC - STATE OF NEW YORK
 NO. 01-SC6064648
 QUALIFIED IN RICHMOND COUNTY
 MY COMMISSION EXPIRES 10-01-2009

83RD STREET



19TH AVENUE



PLOT PLAN

1845 83rd STREET
BROOKLYN, NEW YORK

PJM ARCHITECT, PC
8609 18th AVENUE
BROOKLYN, NY 11214
718-331-2060

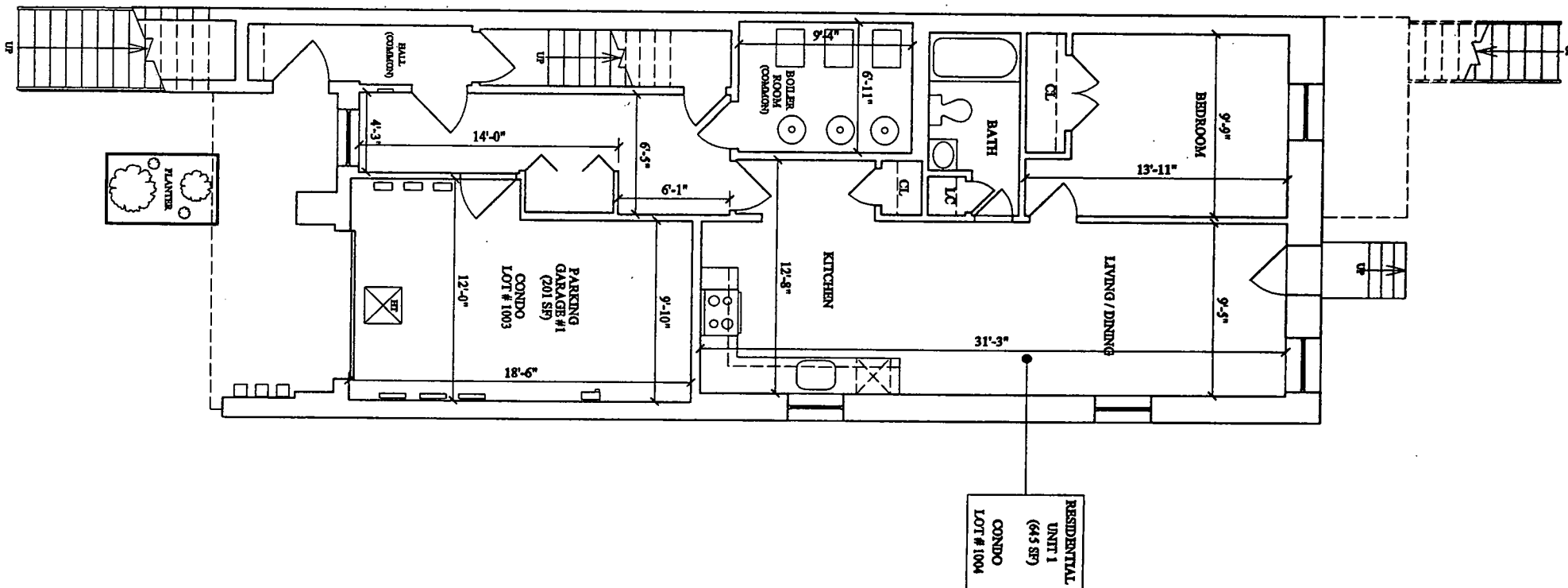
DATE: MAY 2005

DRAWN BY: JL

SCALE: 1/16" = 1'-0"

PROJECT NO. 05-001

SH-1



BASEMENT FLOOR PLAN

1845 83rd STREET
BROOKLYN, NEW YORK

PJM ARCHITECT, PC
8609 18th AVENUE
BROOKLYN, NY 11214
718-331-2060

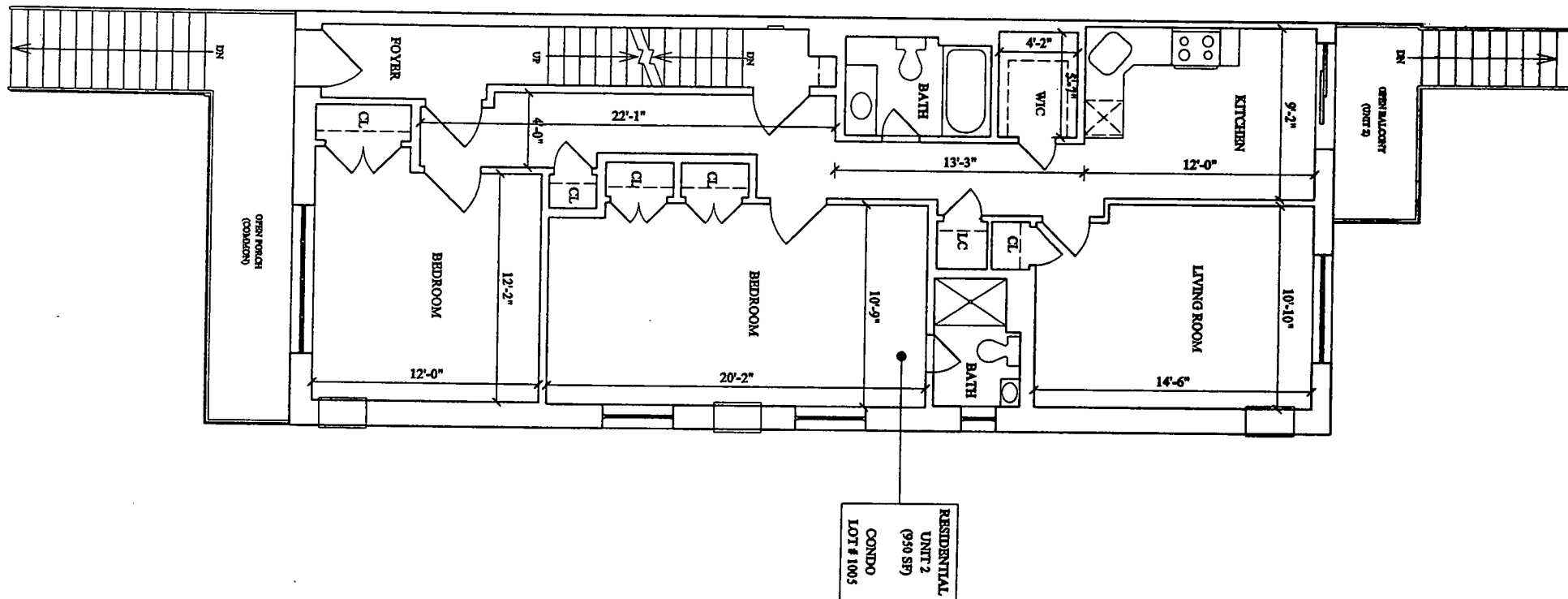
DATE: MAY 2005

DRAWN BY: JL

SCALE: 1/8" = 1'-0"

PROJECT NO. 05-001

SH-2



FIRST FLOOR PLAN

1845 83rd STREET
BROOKLYN, NEW YORK

PJM ARCHITECT, PC
8609 18th AVENUE
BROOKLYN, NY 11214
718-331-2060

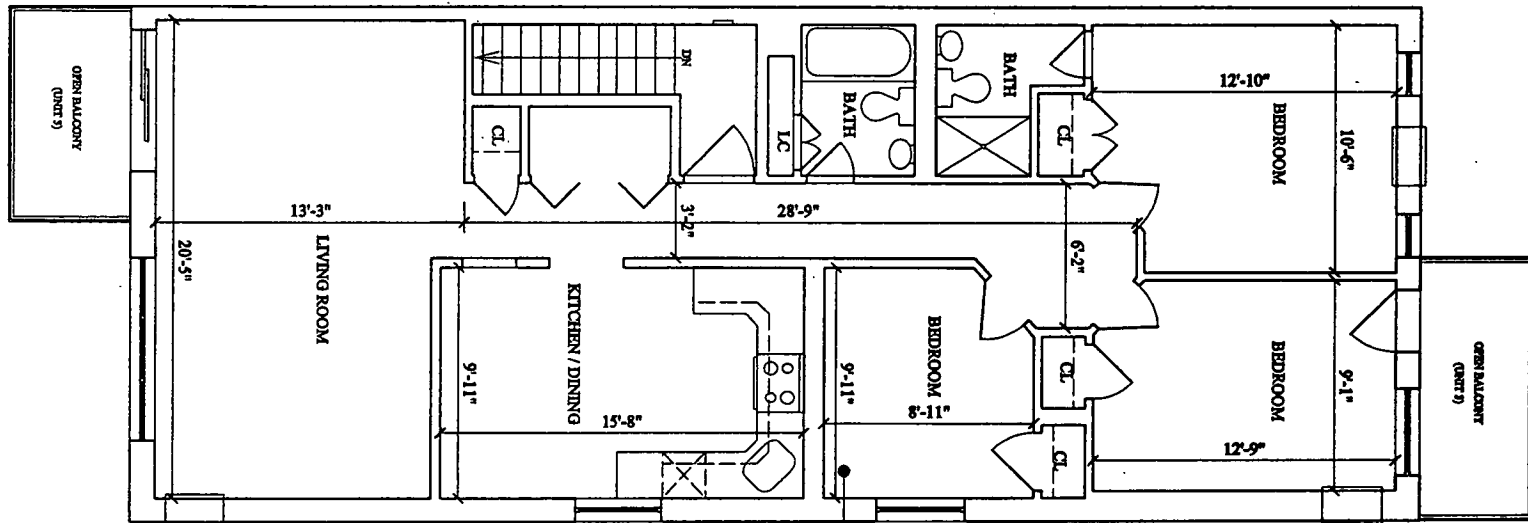
DATE: MAY 2005

DRAWN BY: JL

SCALE: 1/8" = 1'-0"

PROJECT NO. 05-001

SH-3



RESIDENTIAL
UNIT 3
(1,005 SF)
CONDO
LOT # 1006



SECOND FLOOR PLAN

1845 83rd STREET
BROOKLYN, NEW YORK

PJM ARCHITECT, PC
8609 18th AVENUE
BROOKLYN, NY 11214
718-331-2060

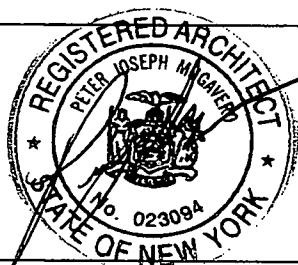
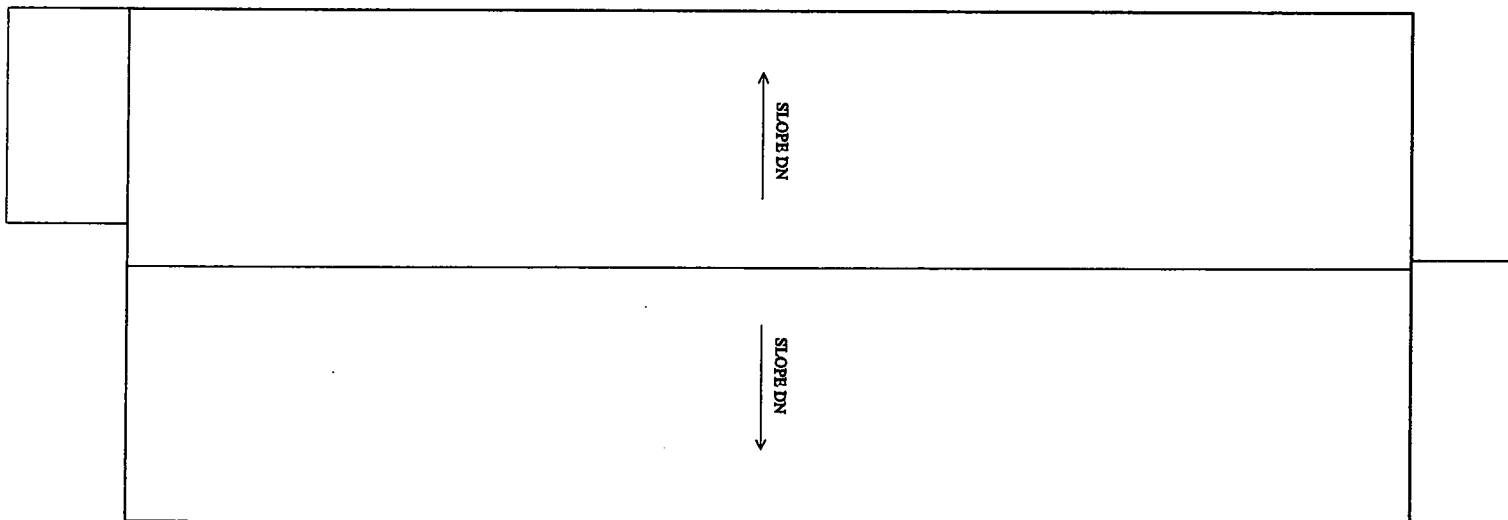
DATE: MAY 2005

DRAWN BY: JL

SCALE: 1/8" = 1'-0"

PROJECT NO. 05-001

SH-4



ROOF PLAN

1845 83rd STREET
BROOKLYN, NEW YORK

PJM ARCHITECT, PC
8609 18th AVENUE
BROOKLYN, NY 11214
718-331-2060

DATE: MAY 2005

DRAWN BY: JL

SCALE: 1/8" = 1'-0"

PROJECT NO. 05-001

SH-5

PURCHASE AGREEMENT

Purchaser(s) Name: _____

Address: _____

Social Security No.: _____

Unit No.: _____

Corresponding Common Interest: _____%

Parking Space No.: _____

Corresponding Common Interest: _____%

Total Common Interest: _____%

Manner in which title will be taken: _____

Purchaser's Attorney Name: _____

Address: _____

Purchase Price: \$ _____

Downpayment: \$ _____

Balance Due at Closing: \$ _____

Statement of Seller:

83rd Street Condominiums LLC, with an office at 1845 83rd Street, Brooklyn New York 11214 ("Seller"), has promulgated a Plan of Condominium Ownership of the 1845 83rd Street Condominium ("the Plan") pursuant to which the land with appurtenances, the Residential and Commercial Units ("the Units") located at 1845 83rd Street in Brooklyn, New York, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

Statement of Purchaser:

Purchaser acknowledges as follows:

I, as Purchaser, have received and read a copy of the Plan and all filed amendments thereto at least three (3) full business days prior to executing this Agreement. Said Plan, which includes the Declaration to be made by Seller and to be recorded in the Office of the Register of the City of New York, County of Kings, the Schedules, Purchase Agreement, By-Laws and Rules and Regulations attached thereto, are incorporated herein by reference and made part of this Agreement with the same force and effect as if fully set forth herein.

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

Agreement Between Seller and Purchaser

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

1. **Payment for Unit.** Seller hereby agrees to sell and Purchaser hereby agrees to purchase the Unit for the Purchase Price stated above. The downpayment stated above has been made on the signing of this Agreement, receipt of which by check subject to collection is hereby acknowledged by Seller. The Balance Due at Closing shall be payable at the closing of title, as hereinafter provided in Paragraph 2, by unendorsed certified or cashier's check of Purchaser, drawn on a bank or trust company which is a member of the New York Clearing House Association, to the order of Seller or as otherwise directed by Seller.

2. **Closing of Title.** The closing of title shall take place on no less than thirty (30) days' prior written notice to Purchaser at 1635 Bath Avenue, Brooklyn, New York 11214 on such date (hereinafter called the "Closing Date") and at such time as Seller may designate. Such date shall be no earlier than thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective or a Certificate of Occupancy for the Building has been issued, whichever is later, unless Purchaser and Seller shall agree on an earlier Closing Date. The closing of title may be adjourned to such later date as the parties may agree upon in writing, or otherwise as set forth in the following paragraph, and such adjourned date shall then be deemed the Closing Date hereunder.

Purchaser shall be entitled to one reasonable adjournment of the Closing Date of up to fifteen (15) days, on five (5) days' prior written notice by Purchaser to Seller. In addition to any other rights Seller may have by reason of Purchaser's failure to timely close title when requested, Seller shall be reimbursed by Purchaser for the cost of any real estate taxes and Common Charges which Seller would not otherwise have had to pay if there had been no delay in closing of title by Purchaser.

Seller shall be entitled to reasonable adjournments in the closing of title in the event of delays by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements. However, in the event Seller shall be unable to convey title to the Unit on or before six (6) months after the scheduled closing of title set forth herein, except for (i) delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, installation of public utilities, governmental restrictions preventing Seller from obtaining necessary supplies and/or materials, in which event the period shall be extended to nine (9) months, or (ii) the Purchaser's default, Purchaser shall have the right to cancel this Purchase Agreement upon written notice sent to Seller within fifteen (15) days subsequent to the end of such six (6) month, or nine (9) month period as the case may be and, upon such cancellation, Purchaser shall be entitled, within fifteen (15) days of the date of Seller's receipt of

such notice, to the return of any moneys paid under the terms of this Agreement.

At the closing of title, Seller shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts (such deed to be substantially in the form contained in Part II of the Plan), conveying title to the Unit to Purchaser and executed and acknowledged by Seller and Purchaser in form for recording.

In the event Purchaser obtains a mortgage loan, then simultaneously with the delivery of the deed, Purchaser shall (i) cause the proceeds of such mortgage loan to be transferred to the Seller on account of the Purchase Price and (ii) execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any documents required by Seller.

Title to the Unit will close only after or concurrently with the occurrence of the events set forth in the section of the Plan entitled "Terms of Sale."

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

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

5. Condition of Title. Seller agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances, other than those set forth in the Plan.

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

6. Expenses of Closing and Closing Adjustments. Purchaser will pay the closing costs and expenses referred to in the Section of the Plan (as same may be amended) entitled "Closing Costs and Adjustments," including, but not limited to, the amount of any credit for mortgage recording tax as set forth in such Section, payment for tax abatement, payment for title insurance, if Purchaser elects or is required by Purchaser's lender to obtain same, recording fees for recording the Deed, Power of Attorney and Mortgage, real estate taxes, New York City Real Property Transfer Tax, New York State Transfer Tax, the fees of Seller's attorneys, all costs associated with obtaining a mortgage loan and Purchaser's contribution to the working capital of the Condominium. Except as otherwise provided in this Agreement or the Plan, real estate taxes, Common Charges and insurance premium shall be adjusted between Seller and Purchaser as of midnight preceding the scheduled Closing Date in accordance with the provisions of the Plan notwithstanding the fact that Purchaser closes after the scheduled Closing Date. Any such

payable to Seller in excess of \$500 will be paid by certified check or bank check.

7. Agreement Subject to Mortgages. Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments.

8. Financing Contingency. PURCHASER'S OBLIGATION UNDER THIS CONTRACT IS NOT CONTINGENT UPON RECEIPT OF MORTGAGE FINANCING.

9. Default by Purchaser. If Purchaser shall fail to pay any portion of the Purchase Price when due, fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 2 hereof or fail to perform any of Purchaser's other obligations hereunder, such failure shall constitute a default by Purchaser. Seller shall notify Purchaser in writing of such default and of Seller's intention to cancel this Agreement if such default shall not be cured within thirty (30) days from the mailing date or personal delivery of such notice. **TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD.** If such default is not cured within said thirty (30) day period, Seller may, at its option, cancel this Agreement by notice of cancellation to Purchaser sent after the expiration of said thirty (30) day period. In such event, the downpayment and any other sums incurred by Seller for any special or custom work ordered by Purchaser shall be paid over to Seller as and for liquidated damages and thereafter the Purchase Agreement shall become null and void. In the event that Seller shall elect to so cancel this Agreement, Seller shall certify to its attorney, Yevgeny Tsyngauz, Esq., that title has not closed because of Purchaser's default and that a notice to cure was delivered to Purchaser and Purchaser has failed to cure the default within thirty (30) days from the mailing date or personal delivery of such notice and that Seller has elected to cancel this Agreement by reason thereof, and Yevgeny Tsyngauz, Esq. shall thereupon, pursuant to Paragraph 16 hereunder, cause to have paid over to Seller as liquidated damages the downpayment (and the actual cost incurred by Seller for any special work in the Unit ordered by Purchaser, if any), and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Agreement shall be cancelled by Seller pursuant to the provisions of this Paragraph 9, Seller may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Yevgeny Tsyngauz, Esq. may rely upon the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

10. Agreement may not be Assigned. Purchaser shall have no right to assign this Agreement without the prior written consent of Seller which consent may be withheld for any reason or for no reason and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Seller.

11. Notices. Any notice to be given hereunder shall be in writing and sent by registered or certified mail or personal delivery to Purchaser and Purchaser's attorney, if any, at the address given above and to Seller at Yevgeny Tsyngauz, Esq., 1635 Bath Avenue, Brooklyn, New York 11214 or at such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

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

13. Recording of Deed and Power of Attorney. At the closing of title, Purchaser will deliver the executed deed received from Seller and the executed and acknowledged Power of Attorney to the representative of the title company, if any, or to Seller for recording in the Office of the Register of the City of New York, County of Kings. Such deed and Power of Attorney will be substantially in the form set forth in Part II of the Plan.

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

15. Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel. This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective, provided Purchase Agreements for not more than 80% of the Units have been executed by Purchasers and accepted by Seller. Seller also reserves the right to abandon the Plan after it has been declared effective pursuant to other provisions of the Offering Plan as set forth in the section entitled "Effective Date." If the Plan is abandoned or does not become effective, this Purchase Agreement shall be deemed cancelled, and the Plan terminated. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in the Plan for any reason other than Purchaser's default, then, at Purchaser's option, upon prior written notice sent by Purchaser to Seller within fifteen (15) days subsequent to the end of the scheduled Closing Date, after permitted

adjournments, this Purchase Agreement shall be deemed cancelled. If this Purchase Agreement is cancelled pursuant to the provisions of this paragraph, then not later than twenty (20) days thereafter, Purchaser shall receive a refund in full, of all monies paid by Purchaser hereunder. Upon such repayment, neither party shall have any claim against the other and both parties shall be released from all obligations hereunder and under the Plan.

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

16. Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing. The required downpayment pursuant to this Agreement will be ten (10%) percent of the Total Purchase Price for the Unit set forth in the Plan, as amended, which downpayment shall be increased by special work or materials, if any, offered by Seller and ordered by Purchaser as itemized in this Agreement. All monies received by Seller through its agents or employees pursuant to this Agreement will be deposited with JPMorgan Chase Bank, in an account titled "Yevgeny Tsyngauz, Esq., IOLA", at its branch located at 8523 Bay Parkway, Brooklyn, New York 11214 in accordance with Section 71-a(3) of the Lien Law, which account shall not be interest bearing.

Such funds will be held in trust in accordance with the escrow and trust provisions of Sections 352(h) and 352-e(2)(b) of the New York General Business Law, and Regulations, if any, promulgated pursuant to said Section 352-e(2) (b). Such funds will be disbursed as follows: (i) to Seller, or as directed by Seller, if the Plan is declared effective and title closes hereunder or if Purchaser defaults hereunder; or (ii) to Purchaser if the Plan is abandoned or withdrawn or title does not close because of Seller's default, or this Agreement is cancelled (without default by either party) in accordance with its terms. The downpayment shall remain the property of the Purchaser except as provided by law.

As an alternative to depositing the downpayments in escrow as set forth above, Seller may post a bond or indemnity contract with a licensed surety company ensuring return of such monies, which bond or contract is to be delivered to Purchaser.

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

The downpayment will be retained in the special account or bonded as set forth above until: (i) Seller performs under the terms of the Purchase Agreement or (ii) Purchaser rescinds or defaults in performance, thereby excusing performance by Seller or (iii) release or discharge of Seller's liability to refund such downpayment or (iv) title to the Unit is transferred to the Purchaser, or (v) Seller and Purchaser mutually consent otherwise in writing.

In the event of an uncured default by Purchaser in his obligations under the Purchase Agreement, no more than ten (10%) percent of the Purchase Price may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by Seller for any special work in the Unit ordered by Purchaser may also be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with Purchase Agreements as to which there has been a default by Purchaser.

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

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

17. Appliances and Equipment. Seller will provide Purchaser only the fixtures, equipment, hardware and appliances referred to in the Plan, which are included in the Purchase Price of the Unit. The Unit is being sold unfurnished. Fixtures, equipment, hardware, appliances and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale unless specifically included by a rider to this Purchase Agreement. The cost of any such items will be added to the Purchase Price of the Unit.

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

- (i) Purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit or the Building in which it is located or (b) other Units or (c) other portions of the Common Elements have not been completed.
- (ii) Purchaser represents to Seller that he has examined the Unit and agrees that his execution of this Purchase Agreement shall constitute acceptance of the Unit and the Buildings and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein, in their present condition on the date of this Purchase Agreement, subject to reasonable use, wear, tear and natural deterioration between the date of this Purchase Agreement and the Closing Date and subject to any other obligations of Seller under the terms of the Plan.
- (iii) Risk of loss for fire or other casualty remains with Seller until the earlier of the following events:
 - a. Legal title to the Unit has been conveyed to the Purchaser, or
 - b. Purchaser or another person or entity has taken actual possession of the Unit pursuant to a written agreement between Purchaser

and Seller.

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

20. Limitation of Seller's Liability. Seller's liability under this Purchase Agreement for failure to complete and/or deliver or have delivered title for any reason whatsoever shall be limited to the return of the money deposited hereunder, and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding or otherwise incur any expense in excess of \$7,300.00 (i.e. one-half of 1% of the total offering amount), excluding legal fees, to render the title to the Unit marketable or to cure any objection to title.

21. Definitions. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be deemed joint and several. The terms used herein shall have the same meanings as ascribed thereto in the Plan.

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

23. Other Agreements. This Purchase Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them and no oral representations or statements shall be considered a part hereof.

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

25. Brokerage. Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than _____ and Seller agrees to pay said broker a commission pursuant to a separate agreement. Purchaser hereby agrees to indemnify, defend and hold Seller harmless from any claims by any other broker that alleges that it has dealt with Purchaser in connection with the purchase of the Unit.

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

27. Jury Waiver. Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this

Purchase Agreement, or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

28. Acceptance by Seller. Within thirty (30) days after delivery to Seller or its Agent by Purchaser of this Purchase Agreement with the required downpayment, Seller will either:

- (a) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof or;
- (b) reject this Agreement offer and refund the downpayment tendered by Purchaser.

If Seller takes no action within said thirty (30) day period, this Purchase Agreement shall be deemed null and void and Seller will return Purchaser's downpayment, within twenty (20) days.

29. Transfer Tax Returns. At closing, Purchaser will duly complete and sign, before a Notary Public, the transfer tax returns required to be filed with the State of New York and/or the City of New York. The transfer tax return shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Seller's attorney) for filing with the proper governmental officers.

30. Intentionally Omitted.

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

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

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

Dated: Brooklyn, New York

Purchaser(s)

Accepted by

83RD STREET CONDOMINIUMS LLC

By: Gennadiy Borovskiy

POWER OF ATTORNEY

The undersigned, _____, the Owner of Unit No. _____ in the Condominium known as 1845 83rd Street 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 a Declaration dated _____, 2005, and recorded in the Kings County office of the Register of the City of New York on _____, 2005, in Reel _____ at Page _____, and on the Floor Plans on file in said office as Map No. _____, do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of 1845 83rd Street Condominium, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire, in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units 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 the 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 shall, in their sole discretion, deem proper, and thereafter to convey, sell, lease, sublease, mortgage or otherwise deal with any such Units so acquired by them (but not to vote the votes appurtenant thereto), 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.

The undersigned do hereby nominate, constitute and appoint 83rd Street Condominiums LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or his designee in accordance with Article 16 of the Declaration or (2) shall be required by (a) an institutional lender to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as

the Sponsor or Sponsor-designee(s) shall cease to own any Units in the Condominium.

The undersigned do further nominate, constitute and appoint Sponsor as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to execute any document on behalf of the undersigned, if same is necessary, to effectuate the transfer, assignment or conveyance by Sponsor, in whole or in part, of the transferable development rights which Sponsor has retained for itself, its successors and assignees. This power of attorney shall in no way be construed to grant any interest in such transferable development rights to the undersigned.

This Power of Attorney shall be irrevocable.

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

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

On the _____ of _____, 2005, before me, the undersigned, 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 he executed same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which individual acted, executed the instrument.

Notary Public

FORM OF UNIT DEED

THIS INDENTURE made the _____ day of _____, 2005, between 83rd Street Condominiums LLC, having an office at 1845 83rd Street, Brooklyn, New York, 11214, "Grantor", and _____ residing at _____, "Grantee",

W I T N E S S E T H:

That the Grantor, in consideration of Ten (\$10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit No. _____ in the Building known as 1845 83rd Street Condominium, at 1845 83rd Street, Brooklyn, New York, and also designated and described as Unit No. _____ in the Declaration comprising 1845 83rd Street 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 _____, 2005, and recorded in the Kings Office of the Register of the City of New York, on the _____ day of _____, 2005, in Reel _____ at Page _____ (hereinafter called the "Declaration"), which Unit is also designated as Tax Lot No. _____ on the Floor Plans of the Building, certified by _____, on the _____ day of _____, 2005, and filed simultaneously with said Declaration in the said Office of the Register of the City of New York, County of New York as Map No. _____ (hereinafter called the "Unit"). The land area of the Property is described as follows:

SEE SCHEDULE A ANNEXED HERETO AND MADE A PART HEREOF

SAID premises known as 1845 83rd 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 _____ percent interest in the Common Elements of the Property described in said Declaration (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of

the other Units or elsewhere on the Property, and serving the Unit;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with and **SUBJECT TO** all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

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

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

SUBJECT ALSO TO such other liens, agreements, covenants, easements, restrictions, consents and other matters of record appertaining to the Unit, to the land and/or to the building in which the Unit is located.

SUBJECT ALSO TO the Grantor's ownership of the Air and Development Rights, and its right to sell and convey such rights.

SUBJECT ALSO TO the permitted encumbrances set forth in Exhibit A annexed hereto.

TOGETHER with and **SUBJECT TO** easements, rights of way, restrictions and encumbrances created by the Declaration for 1845 83rd Street Condominium recorded in the Kings County Office of the Register of the City of New York on the _____ day of _____, 2005, in Reel _____ at Page _____.

SUBJECT TO the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the New York County Office of the Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

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

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid;

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of clause 17 of the Declaration shall control.

The Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvements and will apply the same first to the payment of the cost of the improvements before using any part of the same for any other purpose.

This conveyance is made in the regular course of business actually conducted by the Grantor herein.

The term "Grantee" shall be read as "Grantees" whenever the sense of this deed so requires.

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

83rd Street Condominiums LLC

By: Gennadiy Borovskiy

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

On the ____ of _____, 2005, before me, the undersigned, 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 he executed same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which individual acted, executed the instrument.

Notary Public

EXHIBIT A
PERMITTED ENCUMBRANCES

1. Covenants, conditions, easements, leases and agreements of record.
2. Restrictive Use Regulations as set forth in the By-Laws of the Condominium.
3. Power of Attorney as set forth in the purchase agreement from the insured to the members of the Board of Managers of Condominium and their successors.
4. Any state of facts which an accurate survey and inspection of the unit would show, provided same does not render title unmarketable.
5. State of facts of the land and building of which the unit is a part as shown on the survey made and any additional state of facts which a subsequent and accurate survey of such land and building would show provided same does not render title unmarketable.
6. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction.
7. Any easement or right of use in favor of any utility company for construction, use, maintenance, repair and replacement of all utility lines, wires, terminal boxes, main pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Land and Building.
8. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid by the Condominium Board).
9. Encroachments of stoops, areas, cellar steps or doors, trim, cropings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the property and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.
10. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.
11. The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.
12. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at closing).
13. Any encumbrance as to which the title insurance company which insures Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling (if the Unit is a Residential Unit) or Professional (if the Unit is a Professional Unit) purposes.
14. Any recorded covenant, restriction, reservation, agreement, assessment or encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.
15. Any violations against the Property (other than the Unit) which are the obligation of the Condominium Board or another Unit Owner to correct.
16. Standard exceptions contained in the form of fee title insurance policy then issued by the

title insurance company insuring Purchaser's title to the Unit.

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

DECLARATION

**Establishing a Plan for Condominium Ownership
Pursuant to Article 9-B of the Real Property
Law of the State of New York**

Name: The 1845 83rd Street Condominium

Declarant:

83RD STREET CONDOMINIUMS LLC

Date of Declaration: _____

Record & return to:

**Yevgeny Tsyngauz, Esq.
1635 Bath Avenue
Brooklyn, NY 11214**

The land affected by the within instrument lies

**In Block 6315, FKA Lot 51
NKA Lots:**

**Declaration Establishing a Plan for Condominium Ownership of Premises to be known as
The 1845 83rd Street Condominium, located at 1845 83rd Street, Borough of Brooklyn,
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.**

83rd Street Condominiums LLC, having an office at 1845 83rd Street, Brooklyn, New York 11214 (hereinafter called the "Sponsor") does hereby declare:

1. Submission of Property. The Sponsor hereby submits the land hereinafter described, together with the building and improvements thereon erected (hereinafter called 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 (hereinafter called the "Land") has an area of approximately 3,000.00 square feet and 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 1845 83rd Street Condominium.

4. Description of Building. The Building consists of three (3) floors. There are three (3) Residential Units, two (2) accessory parking garages and backyard area. There is one (1) Residential Unit on each of the basement, first and second floors. Accessory parking garage #1 is located within the front portion of the basement floor of the Building. Accessory parking garage #2 is located within the rear yard of the Building.

The Building is classified as Construction Class II-B. This construction class means that all exterior walls are of load bearing brick bonded to load bearing concrete masonry blocks.

The main entrance to the Building is located at the front facade of the Building, accessed by the 83rd Street. There is no exterior service entrance. There are no exterior stairs. There is no elevator in the Building.

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 area; location; number of rooms; the portion of the Common Elements 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 (hereinafter called the "Floor Plans"), certified by Peter J. Mugavero, RA, 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 the unexposed faces of the dry wall located at the exterior wall of the Building and the unexposed faces of the dry wall dividing the Unit from corridors, stairs, elevators and other Units. Vertically, each Residential Unit consists of the area measured from the upper face of the sub-floor of the Unit up to the unexposed face of the dry wall forming the upper ceiling of the Unit.

Any Common Elements located within a Unit will not be considered a part of such 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 Building and 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 interior exposed face of the exterior wall; those portions of the walls and partitions dividing the Units from corridors, lobby, stairs, and other mechanical spaces located beyond the unexposed face of the dry walls enclosing the Unit, or, where applicable, the subfloor and framing joists including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkhead; skylights, (other than those located in a Unit), if any; water towers and tanks, if any; chimney; if any; yard areas, if any; terraces and roof; corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls or block work or concrete work of the walls enclosing a Residential Unit; storage and utility areas which are not part of a Unit located beyond the unexposed face of the dry walls enclosing a Unit or the unexposed face of a dry wall enclosing all or part of such Units; and all cellar areas which are not included within a particular Unit; the entrances to and exits from the Building.
- (3) The gas, electric and water meters, if any, in the cellar, the meter room in the cellar, any oil tank which is owned by the Condominium or for which the Condominium is responsible for the replacement, maintenance and/or repair thereof;
- (4) All installations outside the Units for services such as gas, power, light, telephone and water;
- (5) All sewer pipes and drainage pipes;
- (6) Any tanks, pumps, motors, fans compressors, ducts and in general all apparatus and installations existing for common use; and
- (7) The vestibule, lobby and fire escape;
- (8) 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.

- (1) Two (2) parking spaces in the Building;
- (2) One (1) backyard area.

7. **Use of Units.** Each of the Residential Units may be used only for a private residence, except that a Residential Unit Owner may use his 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. Notwithstanding the foregoing, the Sponsor or its designee 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.

The Commercial Units may be used for any legal use permitted by the Zoning Resolution of the City of New York or other applicable laws, including any grandfathering of prior uses.

8. **Determination of Percentages in Common Elements.** The percentage of Common Interest allocated to each Unit is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

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 Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, wires, ducts, cables, 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, all General Common Elements 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, his designees, 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, and 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 Property, and (ii) 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 (iii) 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, his designees and 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 Building and elsewhere 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 1845 83rd Street, Brooklyn, New York, as same may be amended, and the 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 for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, or users of any 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 private residential use or home occupation purposes and the Commercial Units for the permitted uses therein. 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 not unreasonably to interfere with the use of the Units.

D. Any Commercial Unit Owner and any tenant or tenants of such Unit or Units pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation, to install, repair and maintain either within or in the immediate location of such particular Unit at the facade of the front of the Building a sign or signs, which may be illuminated, for advertising or identification purposes. Such Unit Owners and any tenants of space in such Units shall comply with all of the laws, orders, rules and regulations of the governmental authorities having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Unit Owners or their tenants shall obtain and pay for all permits required for such signs and any necessary renewal fees.

E. Users of any easement granted by subparagraphs B, C and D 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 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 referred to as 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 Section 1 of Article VIII of 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, title to any such Unit, together with the Appurtenant Interests, 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 by 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, 83rd Street Condominiums LLC, at 1845 83rd Street, Brooklyn, New York 11214 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, 1845 83rd Street, Brooklyn, New York 11214.

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 of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant 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 affirmative 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:

- a. no amendment, modification, addition or deletion which shall adversely affect the lien of any mortgage may be made without the written consent of the mortgagee;
- b. no amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner(s); no amendment which shall increase the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagee(s) of such Unit, or Units, if any;
- c. no amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against Sponsor, its designee, or any Unsold Unit until Sponsor or such designee shall consent thereto in writing.

The Sponsor hereby reserves to himself and his 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 filing the Floor Plans required by Section 339-p of the New York Real Property Law for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p.

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 his 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 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 Unit(s) 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 designee for a Unit adversely affected as a result of the above changes, if they have not consented to such changes, will be given the right to rescind their Purchase Agreements and receive a refund of any deposit or downpayment. 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 the 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 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 the 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 provision 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 there has first been paid off out of his share of such net proceeds all liens on his Unit, in the order of priority of such liens.

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. The Board of Managers may also specially allocate and apportion profits and expenses to residential and/or non-residential units based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners in a manner different than in proportion to a Unit Owner's respective interest in the Common Elements.

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 refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the Sponsor has duly executed this Declaration the _____ of _____, 2005.

83rd Street Condominiums LLC

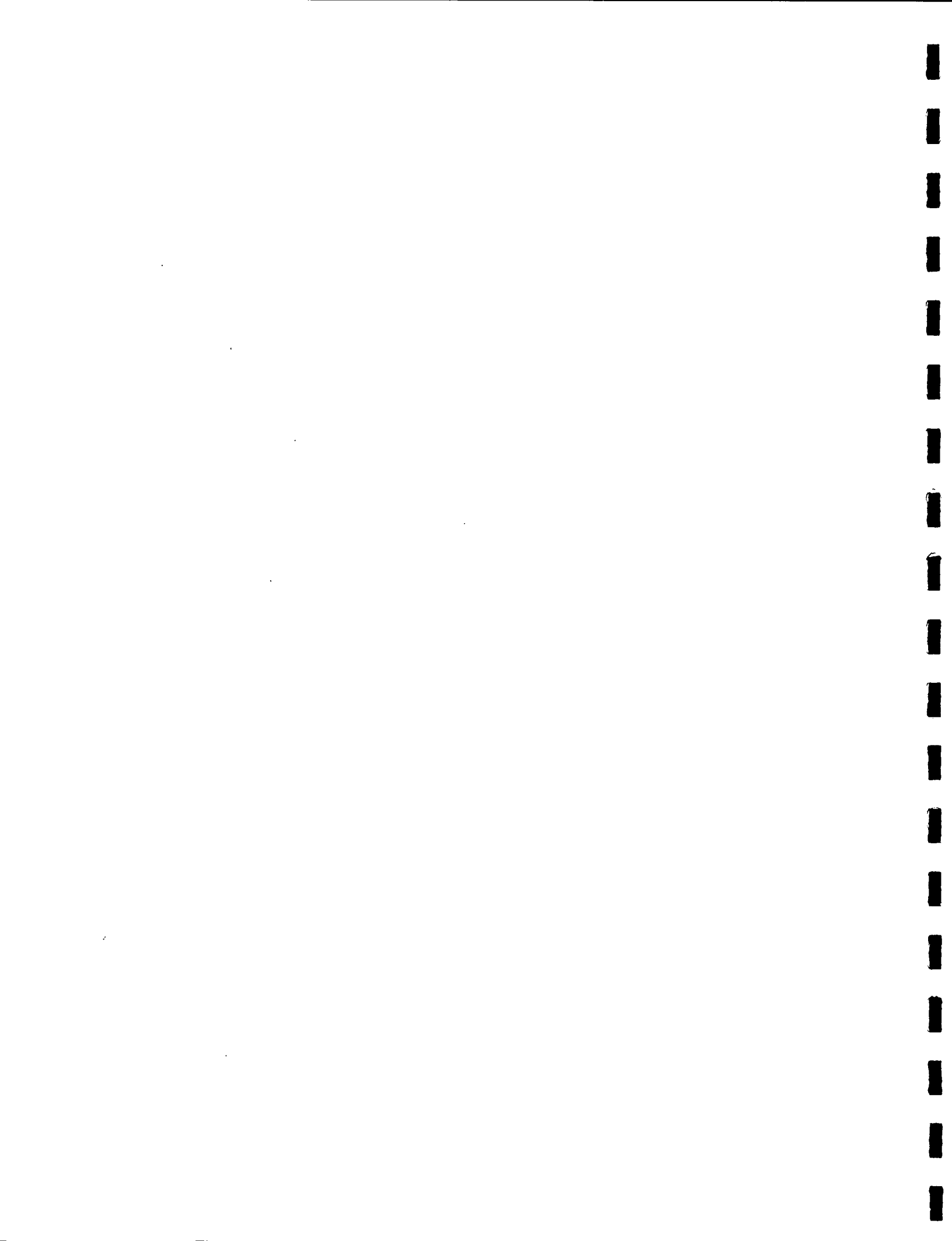
By: Gennadiy Borovskiy

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

On the ____ of _____, 2005, before me, the undersigned, personally appeared Gennadiy Borovski 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 same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which individual acted, executed the instrument.

Notary Public

**SCHEDULE A
TO THE DECLARATION**



BY-LAWS OF
The 1845 83rd Street Condominium

Yevgeny Tsyngauz, Esq.
Attorney for Sponsor
1635 Bath Avenue
Brooklyn, NY 11214
(718) 621-6600

TABLE OF CONTENTS

Article	Title	Page
I.	Plan of Unit Ownership	BL1
	Sec. 1. Unit Ownership	BL1
	Sec. 2. Applicability of By-Laws	BL1
	Sec. 3. Application	BL1
	Sec. 4. Office	BL1
II.	Board of Managers	
	Sec. 1. Number and Term	BL1
	Sec. 2. Powers and Duties	BL2
	Sec. 3. Managing Agent and Manager	BL4
	Sec. 4. First Board of Managers	BL4
	Sec. 5. Removal of Members of the Board of Managers	BL4
	Sec. 6. Vacancies	BL4
	Sec. 7. Organization Meeting	BL4
	Sec. 8. Regular Meetings	BL5
	Sec. 9. Special Meetings	BL5
	Sec. 10. Waiver of Notice	BL5
	Sec. 11. Quorum of Board of Managers	BL5
	Sec. 12. Fidelity Bonds	BL5
	Sec. 13. Compensation	BL5
	Sec. 14. Liability of the Board of Managers	BL6
	Sec. 15. Executive Committee	BL6
	Sec. 16. Other Committees	BL6
III.	Unit Owners	
	Sec. 1. Annual Meetings	BL7
	Sec. 2. Place of Meetings	BL7
	Sec. 3. Special Meetings	BL7
	Sec. 4. Notice of Meetings	BL7
	Sec. 5. Adjournment of Meetings	BL8
	Sec. 6. Order of Business	BL8
	Sec. 7. Title to Units	BL8
	Sec. 8. Voting	BL8
	Sec. 9. Majority of Unit Owners	BL9
	Sec. 10. Quorum	BL9
	Sec. 11. Majority Vote	BL9
	Sec. 12. Action Without Meeting	BL9
IV.	Officers	
	Sec. 1. Designation	BL9
	Sec. 2. Election of Officers	BL9
	Sec. 3. Removal of Officers	BL9

	Sec. 4. President	BL10
	Sec. 5. Vice President	BL10
	Sec. 6. Secretary	BL10
	Sec. 7. Treasurer	BL10
	Sec. 8. Agreements, Contracts, Deeds, Checks, etc.	BL10
	Sec. 9. Compensation of Officers	BL10
	Sec. 10. Liability of Officers	BL10
V.	Notices	
	Sec. 1. Definition	BL11
	Sec. 2. Service of Notice Waiver	BL11
VI.	Operation of the Property	
	Sec. 1. Determination of Common Expenses and Fixing of Common Charges	BL11
	Sec. 2. Insurance	BL12
	Sec. 3. Repair or Reconstruction After Fire or Other Casualty	BL13
	Sec. 4. Payment of Common Charges	BL14
	Sec. 5. Collection of Common Charges and Assessments	BL14
	Sec. 6. Default in Payment of Common Charges or Assessments	BL14
	Sec. 7. Foreclosure of Liens for Unpaid Common Charges	BL15
	Sec. 8. Statement of Common Charges and Assessments	BL15
	Sec. 9. Abatement and Enjoinment of Violations by Unit Owners	BL15
	Sec. 10. Maintenance and Repairs	BL15
	Sec. 11. Restrictions on Use of Units	BL16
	Sec. 12. Additions, Alterations or Improvements by Board of Managers	BL17
	Sec. 13. Additions, Alterations or Improvements by Unit Owners	BL17
	Sec. 14. Use of Common Elements and Facilities	BL18
	Sec. 15. Right of Access	BL19
	Sec. 16. Rules of Conduct	BL19
	Sec. 17. Water Charges and Sewer Rents	BL19
	Sec. 18. Utilities	BL19
	Sec. 19. Vault Charges	BL20
VII.	Mortgages	
	Sec. 1. Notice to Board of Managers	BL20
	Sec. 2. Notice of Unpaid Common Charges	BL20
	Sec. 3. Notice of Default	BL20
	Sec. 4. Examination of Books	BL20

VIII.	Sales, Leases and Mortgages of Units	
	Sec. 1. Sales and Leases	BL20
	Sec. 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers	BL22
	Sec. 3. No Severance of Ownership	BL22
	Sec. 4. Release by Board of Managers of Right of First Refusal	BL22
	Sec. 5. Certificate of Termination of Right of First Refusal	BL22
	Sec. 6. Financing of Purchase of Units by Board of Managers	BL22
	Sec. 7. Exceptions	BL23
	Sec. 8. Gifts and Devises, etc.	BL23
	Sec. 9. Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or his designee, on Behalf of All Unit Owners as Tenants in Common	BL23
	Sec. 10. Payment of Common Charges and Assessments	BL23
	Sec. 11. Mortgage of Units	BL23
IX.	Condemnation	
	Sec. 1. Condemnation	BL24
X.	Records	
	Sec. 1. Records and Audits	BL24
XI.	Miscellaneous	
	Sec. 1. Invalidity	BL25
	Sec. 2. Captions	BL25
	Sec. 3. Gender	BL25
	Sec. 4. Waiver	BL25
	Sec. 5. Insurance Trustee	BL25
	Sec. 6. Definition of "Mortgagee"	BL25
XII.	Amendments to the By-Laws	
	Sec. 1. Amendment to By-Laws	BL25
XIII.	Conflicts	
	Sec. 1. Conflicts	BL26
	Schedule A--Rules and Regulations	BL27

ARTICLE I **PLAN OF UNIT OWNERSHIP**

Section 1. Unit Ownership. The property, located in the borough of Brooklyn, County of Kings, City and State of New York at 1845 83rd 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 shall hereinafter be known as the 1845 83rd Street 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 Building 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 Rules and Regulations attached hereto as Schedule A and the provisions of the Declaration.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupying a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations attached hereto 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 BOARD OF MANAGERS

Section 1. Number and Term. The number of Managers which shall constitute the whole Board of Managers shall be three (3). Until succeeded by the Managers elected at the first meeting of Unit Owners called for such purpose, Managers need not be Unit Owners; thereafter, all Managers, other than representatives of Sponsor, shall be Unit Owners, the principal or officer of a Unit Owner or the spouse of a Unit Owner. The number of Managers elected at the first such meeting shall be three (3). Thereafter, within the limits above specified, the number of Managers shall be determined by the Unit Owners at their annual meetings. The Managers shall be elected by the Unit Owners at their annual meetings. There shall always be an odd number of Managers.

Managers designated by the Sponsor shall serve until the election and qualification of Managers elected at the first meeting of Unit Owners. Managers elected at the first meeting of Unit Owners, and at meetings subsequent thereto, shall serve until the next annual meeting of Unit Owners and until the election and qualification of their respective successors.

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 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 by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

- a. contracting for necessary services for the operation, care, upkeep and maintenance of the Common Elements;
- b. determining the Common Expenses and Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property;
- c. collecting the Common Charges and expenses of the Condominium from the Unit Owners;
- d. employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements;
- e. adopting and amending the Rules and Regulations covering the details of the operation and use of the Property subject to the right of the Unit Owners to overrule the Board (See Article VI, Section 16);
- f. opening 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 his 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 Units at foreclosure or other judicial sale in the name of the Board of Managers, or his designee, corporate or otherwise, on behalf of all Unit Owners;
- i. acquiring in the name of the Board of Managers, or his 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 a condominium, as described in the Declaration and these By-Laws;
- j. selling, leasing, mortgaging (but not voting the votes appurtenant thereto), or otherwise dealing with Units acquired by, and subleasing Units leased by, the Board of Managers or his 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 insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof;
- m. making 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. negotiating and settling 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 Owner. 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 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 and levying late payment charges against Unit Owners for late payment of their Common Charges;
- q. notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or any Sponsor-designee shall continue to own Units, the percentage Common Interest of which, in the aggregate, equals more than twenty five (25%) percent, but in no event later than five (5) years following the Closing Date, the Board of Managers may not, without the Sponsor's or Sponsor-designee's prior written consent, (i) increase the number, or change the type, of employees provided for in Schedule B, (ii) make any addition, alteration or improvement to the Common Elements or to any Unit or (iii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, except that the Sponsor will consent to replacements to the contingency fund provided for in Schedule B of the Offering Plan for the Property to the extent that the aggregate amount of such fund does not exceed 10% of the budgeted expenses of the Condominium or (iv) borrow money on behalf of the Condominium (except where necessary to perform work required by applicable law or regulations, or remedy violations or a mortgagee's work order(s) to the extent that existing reserves are insufficient). As long as the Sponsor or any Sponsor-designee shall continue to own a Unit, the Board of Managers may not, without the prior written consent of the Sponsor or Sponsor-designee, (i) amend the Declaration, these By-Laws or the Rules and Regulations attached hereto so as to in any way adversely affect the Sponsor or his designees or (ii) interfere with the offer and sale or leasing of Units or the operation of general, sales or leasing offices at the Property or interfere with actions necessary for construction, renovation, repair or correction at the Property, as required by the Sponsor. The Sponsor or Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. However, notwithstanding the provisions of this Section 2q, the Sponsor or Sponsor-designee shall not withhold its consent to the making of capital repairs to the Common Elements or assessment of any Common Charge for expenses required to comply with applicable law or regulations, or remedy any notice of violation or an insurer's work order(s).

Section 3. 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 managing agent or manager, 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 II.

Section 4. First Board of Managers. The first Board of Managers shall consist of persons designated by the Sponsor, who shall hold office and exercise all powers of the Board of Managers until the first meeting of Unit Owners called for the purpose of electing Managers. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 6 of this Article.

Section 5. Removal of Members of the Board of Managers. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor or Sponsor-designee, may be removed without cause by the affirmative vote of Unit Owners whose aggregate Common Interest exceeds fifty (50%) percent of the Common Interest of the Condominium, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by the Sponsor or Sponsor-designee may only be removed by the Sponsor or a Sponsor-designee and only they shall have the right to designate a replacement. If a member of the Board of Managers ceases to be a Unit Owner, the principal or officer of a Unit Owner or the spouse of a Unit Owner, unless such member is the Sponsor or a Sponsor-designee, he shall be deemed to have resigned, effective as of the date such ownership interest ceased.

Section 6. Vacancies. Vacancies on 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 a vote of the majority of the remaining members 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, and each person so elected shall be a member of the Board of Managers until a successor is elected and qualified at the next annual meeting of the Unit Owners. If all members of the Board of Managers die or resign, any Unit Owner may call a special meeting of Unit Owners as provided herein, and Managers for the unexpired term may be elected at such special meeting in the manner provided for their election at the annual meeting. Notwithstanding the foregoing, vacancies of members designated by the Sponsor or Sponsor-designee shall be filled only by a person designated by the Sponsor or Sponsor-designee.

Section 7. Organization Meeting. The first meeting of the members of the Board of Managers following the annual meeting of the Unit Owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by a majority of the members of the Board of Managers, elected at the meeting at which they shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Managers in order to legally constitute such meeting, providing a majority of the whole Board of Managers shall be present thereat.

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers, but at least two such meetings shall be held during each fiscal year. Notice

of regular meetings of the Board of Managers shall be given to each member of the Board of Managers, by mail or telegraph, at least five (5) business days prior to the day named for such meeting. The business to be transacted at any regular meeting of the Board of Managers need not be specified in the notice of such meeting.

Section 9. Special Meetings. Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers. Notice of special meetings shall be given by mail, telegraph or personal delivery to each member of the Board of Managers and shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Managers.

Section 10. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Managers. At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If, at any meeting of the Board of Managers, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice. Any action required or permitted to be taken by the Board of Managers or any committee thereof may be taken without a meeting if all members of the Board consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Board or the committee.

Section 12. Fidelity Bonds. The Board of Managers may obtain fidelity bonds in the amount of \$50,000.00 or more for all officers and employees of the Condominium handling or responsible for Condominium funds and for the managing agent. The premiums on such bonds, if obtained, shall constitute a Common Expense.

Section 13. Compensation. No member of the Board of Managers shall receive any salary or compensation from the Condominium for his services as Manager.

Section 14. 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 any liability or claims except those arising out of the bad faith or willful misconduct of the 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 within the scope of their authority. It is understood and permissible for the original Board of Managers who are members 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 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 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 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 interest of all Unit Owners in the Common Elements.

Section 15. Executive Committee. The Board of Managers may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Managers, at least one of whom shall be a member designated by the Sponsor or Sponsor-designee, so long as the Sponsor or Sponsor-designee has the right to designate a member of the Board. Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee may not exercise any of the powers set forth in subdivisions (b), (e), (g), (h), (i) and (o) of Section 2 of Article II.

Section 16. Other Committees. The Board of Managers may, by resolution, create such other 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. The members of any such committee need not be a member of the Board of Managers, but must be eligible to be elected to the Board of Managers. Such committee shall not have power to do any act which the Executive Committee may not do under Section 15 of Article II.

ARTICLE III UNIT OWNERS

Section 1. Annual Meetings.

- a. Within sixty (60) days after the closing of title to Units whose aggregate Common Interest

equals more than fifty (50%) percent, the Sponsor shall call a special Unit Owners meeting for the purpose of electing a Board of Managers. At such meeting, the Board of Managers shall resign and a new Board shall be elected by the Unit Owners. Thereafter, annual meetings shall be held on or about the anniversary of such date each succeeding year. At such meetings, there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article II of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

b. The Sponsor or Sponsor-designee shall not retain voting control of the Board of Managers for more than five (5) years after the closing date or whenever the Sponsor or Sponsor-designee shall transfer title to Units, the percentage Common Interest of which, in the aggregate, equals more than fifty (50%) percent whichever first occurs. The Sponsor, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers. The Sponsor will not use such vote to elect a particular individual to the Board of Managers which would, by the election of such individual, give the Sponsor voting control of the Board. So long as the Sponsor or Sponsor-designee shall continue to own: (i) Units representing 40% or more in Common Interest the Sponsor or Sponsor-designee shall have the right to elect one less than a majority of the members of the Board of Managers; or (ii) Units representing less than 40% in Common Interest, the Sponsor or Sponsor-designee shall have the right to elect at least one member of the Board of Managers. The Unit Owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners as directed by the Board of Managers or upon a petition signed by a majority of the Unit Owners as defined in Section 9 of this Article III having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice for such meeting.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the building or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided for in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum shall be present. No such adjourned meeting shall be held earlier than forty-eight (48) hours from the time the prior meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- a. call to order;
- b. roll call and presentation and examination of proxies;
- c. presentation of proof of due calling of meeting;
- d. reading of minutes of previous meeting;
- e. reports of officers;
- f. report of Board of Managers;
- g. reports of committees;
- h. appointment of inspectors of election (when so required);
- i. election of members of the Board of Managers (when so required);
- j. unfinished business;
- k. new business;
- l. adjournment.

Section 7. 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 joint tenants, tenants-in-common, 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 permitted to own real property in the State of New York. 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 certificates of occupancy, zoning requirements or other applicable law or regulation.

Section 8. Voting. The Owner or Owners of each Unit, or some person designated by such Owner or Owners to act as proxy on his or their behalf, who need not be an Owner, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing but need not be acknowledged or witnessed and shall be filed with the Secretary at or previous to the time of the meeting and shall be revocable at any time by written notice to the Secretary by the Owner or Owners so designating. Any or all of such Owners may be present at any meeting of Unit Owners. The Owners of each Unit (including the Sponsor or Sponsor-designee, if the Sponsor or his designee shall then own one or more Units) shall be entitled to cast one vote for each 0.0001% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to a vote at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Unit Owner: (i) shall be entitled to one vote for each 0.0001% of Common Interest attributable to his Unit per member to be elected, and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. If one or more Units are owned by more than one person as joint tenants, tenants-in-common, tenants by the entirety or in the name of a corporation or partnership or other entity permitted for herein, the persons owning said Unit shall agree among themselves and cast the votes for their Unit. 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 his designee shall not be entitled to vote.

Section 9. Majority of Unit Owners. As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than 50% of the total authorized votes of 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 8 of this Article III.

Section 10. Quorum. Except as otherwise provided for in these By-Laws, the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 11. Majority Vote. The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where, in the Declaration or these By-Laws or by law, a higher percentage vote is required.

Section 12. Action Without Meeting. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law, consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the records of the Condominium.

ARTICLE IV 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, each must be both a member of the Board of Managers and either a Unit Owner, the principal or officer of a Unit Owner, or the spouse of a Unit Owner.

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.

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 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 shall preside at all meetings of the Unit Owners and of the Board of Managers. He 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 members of committees created by the Board of Managers from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Intentionally Omitted.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he 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 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 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 compensation from the Condominium for his services as officer.

Section 10. Liability of Officers. The officers of the Condominium shall have the same rights and liabilities as the members of the Board of Managers under Article II Section 14 of these By-Laws.

ARTICLE V NOTICES

Section 1. Definition. Whenever, under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any manager, 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, any manager, Unit Owner or mortgagee at such address as appears on the books of the Condominium. Members of the Board of Managers may be given notice in writing personally delivered to them.

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 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 Common Interests. The Board of Managers, in apportioning expenses for insurance on the Building may take into consideration higher premium rates on some units than on others. The Board of Managers may also specially allocate and apportion profits and expenses to residential and/or non-residential units based on special or exclusive use or availability or exclusive control of particular unit owners in a manner different than in proportion to a Unit Owner's respective interest 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 pursuant to the provisions of Section 2 of this Article VI and the fees and disbursements of the Insurance Trustee, if any. 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 his 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.

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 improvements, 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 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 the 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, if any, 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 of any reduction of pro-rata liability of the insured as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium shall be primary insureds to the extent as 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 if so requested in writing by them.

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. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least \$1,000,000.00 covering all claims for bodily injury with respect to any one occurrence.

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 so as to state that they will in no way conflict with any insurance carried by the Board of Managers.

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

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of a fire or other casualty which damages or destroys less than seventy-five (75%) percent of the Building containing the Units, 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 and bathroom fixtures and floor coverings initially installed therein by the Sponsor, but not including any wall, ceiling or floor decorations or coverings or other improvements, furniture, furnishings, fixtures, appliances 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%) percent or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals seventy-five (75%) 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 Common Interest, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Whenever in this Section the words "promptly repair" are used it shall mean repairs are to begin not more than sixty (60) 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 (90) days after the Insurance Trustee notified said Board of Managers and Unit Owner or Unit Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary. If there is no Insurance Trustee, then the aforementioned sixty (60) and ninety (90) day periods shall be from the date of notification by an insurance adjuster retained by the Board of Managers. Wherever the words, "promptly resolve" are used it shall mean not more than sixty (60) 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 1 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 Unit subsequent to a sale, transfer or other conveyance by him (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 Unit is free and clear of liens and encumbrances, other than permissible mortgages and the statutory lien for unpaid Common Charges, convey his Unit, together with the "Appurtenant Interests" to the Board of Managers, or his 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 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 Charges due from any Unit Owner which remains unpaid for more than thirty (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 thirty (30) days from the due date thereof. Common Charges and assessments shall be paid by the fifth day of the month in which they are due or they shall be deemed to be late. The Board of Managers shall have the right to place a lien against a Unit whose Owner fails to pay common charges for the Unit within fifteen days of same becoming due and payable.

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 late fees charged by the Board of Managers and attorneys' 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-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in the payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners.

THE SPONSOR SHALL CAUSE THE BOARD OF DIRECTORS 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 30 DAYS IN ARREARS OF COMMON CHARGES WHILE IT IS IN CONTROL OF THE BOARD OF DIRECTORS.

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 for the use of his 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 the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with

the same (but not to vote the votes appurtenant to). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Statement of Common Charges and Assessments. The Board of Managers, managing agent or manager 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; and (c) in any event, charge the Unit Owner with the cost of reasonable legal and other fees and costs incurred in enjoining, abating or remedying such violation.

Section 10. Maintenance and Repairs.

a. All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except painting the exterior side of Unit entrance door), windows (except painting the exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures, air conditioning units and appliances, if any, 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, 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. 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, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, all necessary waterproofing of the Limited Common Elements except as set forth below, and 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) the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements, including but not limited to painting, decorating and/or maintenance, waterproofing, repair and/or replacement of decking, tile or other

terrace or roof deck surface adjacent to the Units, terrace or roof railings and/or means of roof or terrace access constructed or installed by or at the request of the Unit Owner, or as a result of the Unit Owner's negligence, misuse or neglect.

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 only for a private residence, except that a Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinance, building code or other rules and regulations of governmental authorities having jurisdiction thereof. Notwithstanding the foregoing, the Sponsor or Sponsor-designee shall have the right, without charge, (i) to maintain general, sales or leasing 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 or Units and to comply with its obligations. Except as hereinafter provided, any Commercial Units may be used for any legal use permitted by the certificate of occupancy, Zoning Resolution of the City of New York or other applicable laws. In addition, any Commercial Unit Owner or tenant thereof may install, maintain and repair signs for advertising and identification purposes in accordance with applicable law.

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 incidental 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 immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

e. With the exception of a Commercial Unit, no portion of a Unit other than the entire Unit, including any Limited Common Elements appurtenant thereto may be rented. Portions of the Commercial Unit may be rented to the same or different persons or entities.

Section 12. Additions, Alterations or Improvements by Board of Managers. Subject to the provisions of Section 2 of Article II of these By-Laws, 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 Expense. 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. Except as provided below, no Unit Owner shall make any addition, alteration or improvement in or to his Unit which is structural or which affects the exterior of the Building or the value of other Units, without the prior written consent thereto of the Board of Managers which consent shall not be unreasonably withheld. In connection with the approval of any addition, alteration or improvement by a Unit Owner as required herein, the Board of Managers may require that such Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work. Such agreement may include, but shall not be limited to, provisions for adequate insurance, indemnification of the Condominium and the Board of Managers, submission of all plans and specifications to the Board of Managers, and restrictions on the hours during which the work may be done. 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 however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialman 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 to any addition, alteration or improvement to be made by a Unit Owner in accordance with the provisions of this Section 13, such consent shall be deemed to 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 (certificates of 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 such addition, alteration, or improvement, or due to improper design or construction of such addition, alteration, or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and for any services provided in connection with such addition, alteration, 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 an addition, alteration or improvement in or to a Unit which is structural or which affects the exterior of the Building or the value of other Units shall not apply to Units owned by the Sponsor, his designee, or a Commercial Unit Owner. The Sponsor, his designee, or a Commercial Unit Owner shall not need such consent. All other provisions of this Section 13

shall apply to all Units. For example, with respect to such addition, alteration or improvement to a Sponsor-owned Unit, or a Commercial Unit, such work shall be at the sole cost and expense of the Sponsor and/or his designee or a Commercial Unit Owner, and shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances. All work must be done by reputable contractors with adequate liability, property damage and Workers Compensation insurance (certificates of which shall be delivered to the Board of Managers prior to the commencement of construction). Any such additions, alterations or improvements, shall be maintained in their entirety by the Sponsor, his designee, or a Commercial Unit Owner, as the case may be, 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 any addition, alteration, or improvement, or due to improper design or construction of the structural addition, alteration, or improvement. Additionally, the Sponsor, his designee and/or a Commercial Unit Owner, as the case may be, shall reimburse the Board of Managers any reasonable out-of-pocket expenses incurred by the Board of Managers for any services provided in connection with such addition, alteration, or improvement.

Non-structural additions, alterations or 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 except that the Board of Managers may require that the Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work as required for additions, alterations or improvements which require the consent of the Board of Managers, prior to commencing such work.

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 Unit, to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his 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 Unit or elsewhere in the Building, or remedying any condition which would violate the provisions of any mortgage encumbering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by these By-Laws, 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 for in this Section 15, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI.

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. The vote of a majority 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. Notwithstanding this provision, for as long as the Sponsor or his designee remains the Owner of one or more Units, the Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect the Sponsor or his designee without the Sponsor's prior written consent.

Section 17. Water Charges and Sewer Rents. Water shall be supplied to all of the Residential Units and Commercial 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 by the Residential Units and Commercial Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event separate water meters are installed for each Commercial Unit, the Commercial Unit Owners shall reimburse the Condominium in full for such usage as additional Common Charges. In such event, the Common Charges payable by the Commercial Unit owners shall not include any portion of the water charges attributable to the Residential Units. 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 Unit as of the date of closing of title to such Unit, promptly after such charges shall have been billed.

Section 18. Utilities. Except for heat, hot water, telephone, cable and air-conditioning service, gas and electricity in each Unit all utilities shall be paid for by the Condominium as a Common Expense.

Section 19. Vault Charges. All license fees and all periodic taxes and charges for street vaults or other protrusions, if any, beyond the lot line shall be paid by the Board of Managers as a Common Expense.

ARTICLE VII MORTGAGES

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his 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, during business days, at reasonable times, upon reasonable notice to the manager, managing agent or Board of Managers.

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 Unit or any interest therein except by complying with the provisions below. The Sponsor or Sponsor-designee need not comply with such provisions.

Any Unit Owner who receives a bona fide offer for the sale of his Unit together with: (i) the undivided interest in 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 his 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 Unit (such proposed sale or lease, as the case may be is hereinafter called an "Outside Offer"), which he intends to accept, shall give notice by hand or 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 his 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 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 his 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 his 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 (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner, if such Unit, together with the Appurtenant Interests, is to be sold, shall convey the same to the Board of Managers, or to his 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 his designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or his designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or his 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 to notify the offering Unit Owner within such (30) day 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 sixty (60) days after the expiration of the thirty (30) day period in which the Board of Managers or his 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 written consent 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 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. Except as hereinbefore set forth, the form of any such lease for Residential Units shall be the then current form of apartment lease recommended by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers. In the event the offering Unit Owner shall not, within such sixty (60) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, 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 Unit within such sixty (60) day period, but such sale or lease shall not be consummated pursuant to the terms of such Outside Offer, 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.

THE BOARD OF MANAGERS MAY NOT DISCRIMINATE AGAINST ANY PERSON ON THE BASIS OF RACE, CREED, COLOR, NATIONAL ORIGIN, SEX, AGE, DISABILITY, MARITAL STATUS OR OTHER GROUNDS PROHIBITED BY LAW.

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 a majority of the Unit Owners.

Section 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such 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 certificate 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 his 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 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 or leased by the Board of Managers.

Section 7. Exceptions. The provisions of Section 1 of this Article VIII shall not apply with respect to any sale or conveyance or lease by a Unit Owner of his Unit, together with the Appurtenant Interests, to his spouse or to any of his children or to his parent or parents or to his brothers or sisters, or any one or more of them, or to any Unit owned by the Sponsor or 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 or to the sale or lease of a Commercial Unit. However, the provisions of this section shall apply with respect to any purchaser of a Unit from a mortgagee.

Section 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift or to devise his Unit by will, or to pass the same by intestacy, without restriction.

Section 9. Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or his 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 his designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 10. Payment of Common Charges and Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 11. Mortgage of Units. No Unit Owner shall mortgage his Unit, except by a first and/or second mortgage made to a bank, savings bank, trust company, savings and loan association, credit union or similar banking institution whether organized under the laws of New York State, the United States or any other state, foreign banking corporation licensed by the Superintendent of Banks of New York or regulated by the Comptroller of the Currency to transact business in New York State, insurance company duly organized or licensed to do business in New York State or a purchase money mortgage made to the Sponsor, Sponsor-designee, 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. Such approval shall be in the sole and absolute discretion of the Sponsor or the Board of Managers as the case may be. 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 therefor.

ARTICLE IX CONDEMNATION

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 any, if such award amounts to more than \$50,000.00. If seventy-five (75%) 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 seventy-five (75%) percent 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.

ARTICLE X RECORDS

Section 1. Records and Audits. The Board of Managers or the managing agent or manager shall keep detailed records of the actions of the Board of Managers and the managing agent or manager, 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, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. In addition, it is the obligation of the Board of Managers of the Condominium to give to all Unit Owners annually, the following:

- a. the financial statement of the Condominium prepared by a certified public accountant or, public accountant within 150 days after the end of each calendar year for the prior fiscal year;
- b. prior notice of the annual Unit Owner's meeting;
- c. a copy of the proposed annual budget, if any, of the Condominium.

ARTICLE XI MISCELLANEOUS

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 for 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 each of the holders of three (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 each of the holders of three (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 XII 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. However, for as long as the Sponsor or his designee 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 the Sponsor or his designee, in the Sponsor's sole discretion, without the Sponsor's prior written consent.

ARTICLE XIII 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.

**SCHEDULE A
RULES AND REGULATIONS
OF
The 1845 83rd Street Condominium**

1. The Residential Units may be used only for private residential use, except that a Residential Unit Owner may use his 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.

A Commercial Unit may be used for any legal use permitted by the Zoning Resolution of the City of New York or other applicable laws, including any grandfathering of prior uses.

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 in any part of the Units or Common Elements, nor shall any "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted in any Unit therein or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. The right, however, is reserved by the Sponsor, his 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 Unit, and such right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee. Additionally, the right is reserved by the Sponsor and his designee to maintain and staff one or more vacant and unsold Units in the Building as a sales or leasing office and/or model Unit. The Sponsor and his designee shall have the right without charge or any limitation whatsoever, to place "For Sale," "For Rent" or "For Lease" signs or similar signs on or in the vicinity of the Building. The Sponsor or his designee shall be responsible for installing and removing such signs.

3. Except as elsewhere provided, no exterior of any 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, hallways, stairways, or other Common Elements.

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

6. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness. Nothing shall be hung or shaken from any doors or windows and no Unit Owner shall sweep or throw or permit to be swept or thrown, any dirt or other substances therefrom.

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, or as required by law.

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.

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

11. No bird or animal shall be kept or harbored in the Building unless the same in each instance is expressly permitted in writing by the Board of Managers. Any such consent, if given, shall be revocable at any time by the Board of Managers. In no event shall dogs be permitted in any of the public portions of the Building unless carried or on a leash. The individual Unit Owners who keep an animal in the Building shall each indemnify the Board of Managers and hold it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of the Unit Owner having any animal in the Building. No pigeons or other birds or animals shall be fed from the window sills, terraces, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

12. No radio or television aerial shall be attached to or hung from the exterior of the Building without the 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. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

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

14. The Board of Managers or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Board of Managers or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If a Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers, or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if,

during such entry, reasonable care is given to such Unit Owner's property).

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

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

17. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance for the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements, which will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any law. No Unit Owner or any of his family members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit or Limited Common Elements any flammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or Limited Common Elements.

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

19. Complaints regarding the management of the Property or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

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

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

22. The agents of the Condominium Board or the Managing Agent, and any contractor or workmen authorized by the Condominium Board or the Managing Agent, may enter any room in the Building or Residential Unit at any reasonable hour of the day, on at least three days prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

23. With the exception of a Commercial Unit, no portion of a Unit including any Limited Common Element appurtenant thereto other than the entire Unit may be leased.

24. Subject to provisions of the By-Laws, these Rules and Regulations may be added to or repealed at any time by the Board of Managers. Further, any consent or approval given under these Rules and Regulations may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature, or may be amended, modified, added to or repealed at any time by resolution of the Board of Managers.

TAX ESCROW AGREEMENT

AGREEMENT made this 22nd day of April, 2005, between 83rd Street Condominiums LLC., and The Board of Managers of The 1845 83rd Street Condominium.

WITNESSETH:

WHEREAS, 83rd Street Condominiums LLC, is the sponsor of an Offering Plan to convert to condominium ownership the premises located at 1845 83rd Street, Brooklyn, New York, which premises are known as The 1845 83rd Street Condominium (hereinafter referred to as "the Sponsor"); and,

WHEREAS, the Board of Managers of The 1845 83rd Street Condominium is charged with governing the operation of said condominium (hereinafter referred to as "the Board"); and,

WHEREAS, the individual condominium Units located at the aforementioned property have not been separately assessed for real estate tax purposes prior to the closing of the first Unit located thereat; and

WHEREAS, pursuant to the terms of the Offering Plan for said condominium the Sponsor desires to secure its obligation to pay real estate taxes for the Unsold Units.

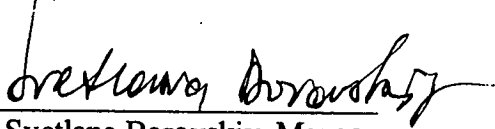
NOW, THEREFORE, the parties agree as follows:

1. On the first closing of a Unit at the premises, Sponsor will deposit in escrow with the Board in a special segregated escrow account to be maintained by the Board in its own name, an amount equal to the real estate taxes attributable to the Unsold Units, which will be levied against the parcel for the six month period following the first closing, or until the Units are separately assessed, whichever is sooner.
2. The Board is irrevocably authorized to pay such real estate taxes as are assessed against the premises from the escrow account when such taxes are due and payable.
3. The funder of the escrow account will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.
4. Upon each subsequent closing of the Units, the Sponsor may collect the estimated amount of taxes attributable to such Unit for the balance of the six-month period from purchasers thereof.
5. If the escrow is kept in an interest-bearing account, the interest earned thereon shall belong to the Sponsor.

6. The escrow account shall be maintained in accordance with the laws, rules, and regulations of the State of New York; specifically including, but not limited to, the General Business Law and, shall be deemed held for the benefit of the condominium.

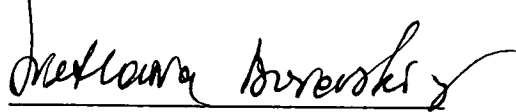
IN WITNESS WHEREOF, the parties set their hands the date above first written.

83rd STREET CONDOMINIUMS LLC



By: Svetlana Borovskiy, Manager

THE BOARD OF MANAGERS OF THE 1845 83RD STREET CONDOMINIUM



By: Svetlana Borovskiy, Manager

ESCROW AGREEMENT FOR CONTRACT DEPOSIT

AGREEMENT made this 22nd day of April, 2005, between, 83rd Street Condominiums LLC, and Yevgeny Tsyngauz.

WHEREAS, 83rd Street Condominiums LLC., is the sponsor of an Offering Plan to convert to condominium ownership the premises located at 1845 83rd Street, Brooklyn, New York, which premises are known as The 1845 83rd Street Condominium (hereinafter referred to as "the Sponsor"); and

WHEREAS, Yevgeny Tsyngauz is authorized to act as an escrow agent hereunder in accordance with Section 352-3(2-b) of the General Business Law, and the regulations promulgated by the Attorney General (hereinafter referred to as "the Escrow Agent"); and,

WHEREAS, Sponsor desires that Escrow Agent act as escrow agent for deposits and advances made by Purchasers, pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 The escrow account has been opened with JPMorgan Chase Bank at 8523 Bay Parkway, Brooklyn, New York 11214. The account number is [REDACTED].

1.2 The name of the account is "Yevgeny Tsyngauz, Esq., IOLA".

1.3 The Escrow Agent is the sole signatory on the account.

1.4 The escrow account is a non-interest-bearing account.

1.5 The escrow account is an IOLA established pursuant to Section 497 of the Judiciary Law.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All deposits or advances made by Purchasers prior to closing of each individual Unit, whether received before or after the date of consummation of the Plan shall be placed within five (5) days after the Purchase Agreement is signed by the Purchaser and the Sponsor.

2.2 All funds received from Purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments, which identify the payor, shall be made payable to or endorsed to the order of "Yevgeny Tsyngauz, as escrow agent".

2.3 Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the Escrow Agent shall notify the Purchaser that such funds have been deposited in the escrow account, and shall provide the Purchaser with the account number. 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 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 Part 20 of Title 13 NYCRR and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances will the Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after the consummation of the Plan. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to Section 352-h of the General Business Law.

3.2 The Escrow Agent will hold funds in escrow until

- (a) a writing signed by both the Sponsor and the Purchaser directing the release of funds; or
- (b) a determination of the Attorney General pursuant to the dispute resolution provisions contained in (vii) below; or
- (c) a judgment or order of a court of competent jurisdiction; or
- (d) if there is no written agreement between the Sponsor and the Purchaser to release the escrowed funds, the Escrow Agent will not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions contained in Part 20 of Title 13 NYCRR and has so notified the Escrow Agent in accordance with such provisions;
- (e) an amendment abandoning the Offering Plan is filed with the Department of Law, in which event all deposits of Purchasers will be returned to them.

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

- (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan;
- (b) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

3.4 In the event of a dispute, the Sponsor will apply and the Purchaser or the Escrow Agent holding the deposits in escrow may apply to the Attorney General for a determination on the disposition of the deposit and any interest earned thereon. A form for this purpose is contained in Part II of the Plan. The party applying for a determination will contemporaneously send to all other parties a copy of such application.

3.5 Pending the determination of the Attorney General to grant or deny the application, the Sponsor and the Escrow Agent will abide by any interim directive issued by the Attorney General.

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

3.7 If the application seeking release of funds is denied, the Escrow Agent will continue to hold the deposit and any interest earned thereon until:

- (a) both the Sponsor and the Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and the Purchaser; or
- (b) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent; or
- (c) the Escrow Agent deposits the disputed amount into court.

3.8 In no event will 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 the Purchaser.

4. RECORDKEEPING

4.1 The Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 The Escrow Agent shall make available to the Attorney General, upon its request, all books and records of the Escrow Agent relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF THE ESCROW AGENT

5.1 The Escrow Agent shall maintain the escrow accounts in this Agreement under the direct supervision and control of the Escrow Agent.

5.2 A fiduciary relationship shall exist between the Escrow Agent and Purchasers, and the Escrow Agent acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF THE SPONSOR

6.1 The Sponsor agrees that the Sponsor and its agents, including any selling agents, shall immediately deliver all deposits and advances received by them prior to closing of an individual Unit to the Escrow Agent.

6.2 The Sponsor agrees that it shall not interfere with the performance of the fiduciary duties by the Escrow Agent and compliance with the regulations promulgated by the Attorney General.

7. TERMINATION OF AGREEMENT

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

- (a) written notice given by the Sponsor to the Escrow Agent of cancellation of designation of the Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department or Law providing for a successor Escrow Agent; or,
- (b) the resignation of the Escrow Agent upon giving notice to the Sponsor of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or
- (c) written notice given by the Sponsor to the Escrow Agent that all Units offered pursuant to the Offering Plan have been sold.

7.2 Upon termination of the duties of Escrow Agent as described in Paragraph 7.1(a) & (b) above, the Escrow Agent shall deliver any and all funds held by its in escrow, and any and all contracts or documents maintained by the Escrow Agent to the new escrow agent.

8. SUCCESSIONS AND ASSIGNS

8.1 This Agreement shall be binding upon the Sponsor and the Escrow Agent and their successors and assigns.

9. GOVERNING LAW

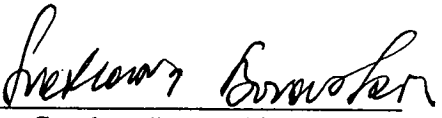
9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

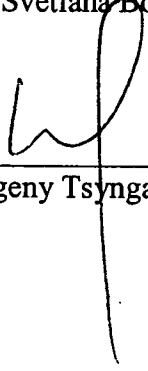
10. ESCROW AGENT'S COMPENSATION

10.1 The Sponsor agrees that the compensation of the Escrow Agent shall not be paid from escrowed principle, nor from any interest accruing thereon, and that compensation to the Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

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

83RD STREET CONDOMINIUMS LLC


By: Svetlana Borovskiy, Manager


Yevgeny Tsyngauz

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

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
(Address of Building or Name of Project)

File #: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Section 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, & Telephone Number of Applicant's Attorney _____
4. This is an application for
☐ return of downpayment.
☐ forfeiture of downpayment.
☐ other: _____
5. The project is
☐ a conversion of occupied premises.
☐ newly constructed or rehabilitated.
☐ vacant (as is).
6. The project is structured as
☐ a cooperative.
☐ a condominium.
☐ a homeowners association.
☐ a time share.
☐ other: _____
7. Name of Address of Sponsor: _____
8. Name and Address of Escrow Agent: _____
9. If downpayments are maintained in an escrow account:
 - (a) Name of account _____
 - (b) Name and address of bank _____
 - (c) Account number (if known) _____
 - (d) Initial interest rate (if known) _____
10. If downpayments have been secured by bonds:
 - (a) Name and address of bond issuer or surety: _____
 - (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain: _____
11. If downpayments have been secured by a letter of credit:
 - (a) Name and address of bank which issued and letter of credit: _____

(b) Date of expiration of the letter of credit, if known:

12. Plan information:

- (a) Date of filing of plan: _____
- (b) Plan ☐ has been declared effective.
Approximate date: _____
☐ has not been declared effective.
- (c) If effective, the plan ☐ has closed or the first unit has closed.
Approximate date: _____
☐ has not closed.
☐ don't know.
- (d) Downpayments are secured by ☐ escrow account.
☐ bonds.
☐ letter of credit.

13. Contract information:

- (a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)
- (b) Date on which subscription or purchase agreement was signed: _____
- (c) Date(s) of downpayment(s): _____
- (d) Total amount of downpayment(s): _____
- (e) Names and addresses of subscribers or purchasers affected by this application: _____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

If filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____
Name (Printed): _____
Telephone: (Home) _____ (Business) _____
Mailing Address: _____

83rd STREET CONDOMINIUMS LLC

8778 21st Avenue, Apt. 3
Brooklyn, New York 11214

CERTIFICATION BY THE SPONSOR AND THE SPONSOR'S PRINCIPALS
PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED
PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

April 22, 2005

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

Re: The 1845 83rd Street Condominium
1845 83rd Street
Brooklyn, New York

Dear Sir/Madam:

We, 83rd Street Condominiums LLC., and Svetlana Borovskiy, and Gennadiy Borovskiy are the sponsor and the principal of sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

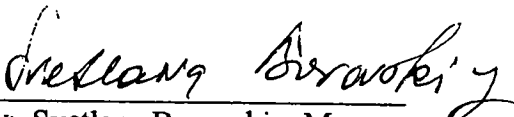
We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

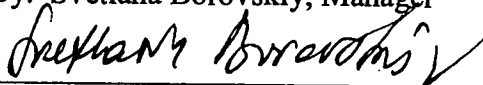
- i. set forth the detailed terms of the transaction and be complete, current and accurate;
- ii. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- iii. not omit any material fact;
- iv. not contain any untrue statement of a material fact;

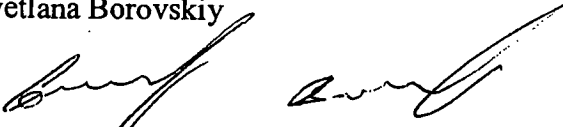
- v. not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;
- vi. not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- vii. not contain any representation or statement which is false, where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

83rd STREET CONDOMINIUMS LLC


By: Svetlana Borovskiy, Manager


Svetlana Borovskiy


Gennadiy Borovskiy

Subscribed and sworn to before me this
22nd day of April, 2005

Notary Public
TSYNGAUZ YEVGENY
Notary Public, State of New York
No. 01TS6029105
Qualified in Kings County
Commission Expires August 09, 20 05

PJM ARCHITECT, P.C.
8609 18th Avenue
Brooklyn, NY 11214
(718) 331-2060

CERTIFICATION OF THE SPONSOR'S ENGINEER
PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED
PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

December 14, 2005

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

Re: The 1845 83rd Street Condominium
1845 83rd Street
Brooklyn, New York

Dear Sir/Madam:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the property (the "Report"). I prepared the Report dated December 13, 2005. A copy of the Report is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

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

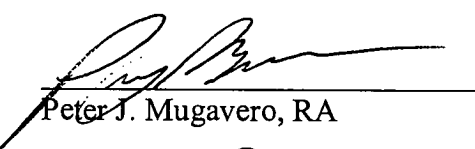
I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

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

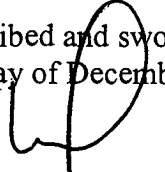
I certify that the Report:

- (i) sets forth in narrative form the description and physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I prepared;
- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I prepared;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.


Peter J. Mugavero, RA

Subscribed and sworn to before me this
14th day of December, 2005



Notary Public

TSYNGAUZ, YEVGENY
Notary Public, State of New York
No. 01TS6029105
Qualified in Kings County
Commission Expires 8/9/07

MARK INTERNATIONAL INC.
1580 Hylan Boulevard
Staten Island, NY 10305
(718) 987-4500

CERTIFICATION BY THE SPONSOR'S EXPERT ON ADEQUACY OF BUDGET
PURSUANT TO SECTION 20.4 OF THE REGULATIONS ISSUED
PURSUANT TO ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

April 22, 2005

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

Re: The 1845 83rd Street Condominium
1845 83rd Street
Brooklyn, New York

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained me to review or prepare Schedules B and B-1, containing projections of income and expenses for the first year of condominium operation. My experience in this field includes being licensed real estate broker and salesman for over 10 years. I am familiar with prices, practices and procedures in the area of this condominium. I have managed seven properties for five years.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1.

I have reviewed the Schedules B and B-1 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 and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that the Schedules:

()

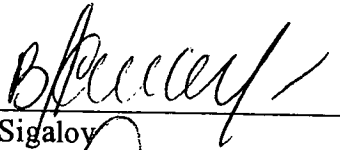
()

()

- (i) 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 found their judgment concerning the first year of condominium operation;
- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, deception, concealment, or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) do not contain any representation or statement which is false, where 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 of the General Business Law and Penal Law.


Boris Sigalov

Subscribed and sworn to before me this
22nd day of April, 2005

Notary Public

TSYNGAUZ YEVGENY
Notary Public, State of New York
No. 01TS6029105
Qualified in Kings County
Commission Expires August 09, 2005

()

()

()