CONDOMINIUM OFFERING PLAN

THE BREAKERS AT SHEEPSHEAD BAY CONDOMINIUM

3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A and 3144 Emmons Avenue, Brooklyn, New York 11235

Total Amount of Offering (75 Residential Units and 58 Parking Space Units).... **$58,954,500.00***

*The amount shown is based on the aggregate price at which the 75 Residential Units and 58 Parking Space Units initially are offered hereby to Purchasers under this Plan. In addition to the Units offered for sale, there are eight (8) Handicapped Parking Space Units, and a Superintendent's Unit, each of which is to be sold to the Condominium on the terms and conditions described in the Plan, and a Marina Unit, which is not presently offered for sale.

Sponsor:

EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC
22 Seventh Avenue, Brooklyn, New York 11217

Selling Agent:

WILK REAL ESTATE LTD.
626 Avenue U
Brooklyn, New York 11223

The approximate date of the first offering of this Condominium Offering Plan is February 8, 2006. This Condominium Offering Plan may not be used after February 7, 2007 unless this Plan is amended.

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

THE PRICES AND TERMS OF SALE FOR THESE CONDOMINIUM INTERESTS MAY BE CHANGED SO THAT PURCHASERS MAY PAY DIFFERENT PRICES FOR SIMILAR INTERESTS. SEE SECTION OF THE PLAN ENTITLED "CHANGES IN PRICES OR UNITS."

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

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SPECIAL RISKS

Exclusion of Housing Merchant Implied Warranty

The Sponsor excludes the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, other than the Limited Warranty annexed to the Purchase Agreement ("Limited Warranty"), which Limited Warranty applies to the purchase of Residential Units only.

Control by Sponsor

Until the first meeting of the Unit Owners following the First Unit Closing, the members of the Condominium Board shall consist of three (3) persons appointed by the Sponsor. From and after such first meeting of the Unit Owners, the Condominium Board shall be composed of seven (7) members. The Marina Unit Owner(s) shall, at all times, as a group, have the right to designate one (1) member of the Condominium Board to represent them on the Condominium Board. The balance of the Condominium Board, consisting of six (6) members, shall be elected by the Residential Unit Owners and Parking Space Unit Owners ("Residential Members"). During the Initial Control Period, the Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate four (4) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the By-laws) of the Residential Unit Owners and Parking Space Unit Owners (including Sponsor and other Unsold Unit Owners) from among a slate of candidates nominated by one or more Residential Unit Owners and Parking Space Unit Owners not related to or affiliated with Sponsor or other Unsold Unit Owners (each a "Non-Sponsor Owner"). There shall be no restriction on the right of Sponsor and other Unsold Unit Owners to vote for Residential Members who are nominated by Non-Sponsor Owners. After the Initial Control Period, the Unsold Unit Owners (including Sponsor), as a group, shall have the right, to designate the following number of members of the Condominium Board: (a) two (2) Residential Members of the Condominium Board for so long as the Common Interests attributable to the Unsold Units, equals, in the aggregate, more than ten (10%) percent of the Common Interests of all Residential Units and Parking Space Units combined and (b) one (1) Residential Member of the Condominium Board, for so long as there is at least one (1) Unsold Unit. Accordingly, after the Initial Control Period, Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate not more than two (2) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the By-laws) of the Residential Unit Owners and Parking Space Unit Owners (including Sponsor and other Unsold Unit Owners) from among a slate of candidates nominated by one or more Non-Sponsor Owners.

After the expiration of the Initial Control Period, so many of those Residential Members who are related to or affiliated with Sponsor or other Unsold Unit Owners as shall exceed the following applicable number shall resign from the Condominium Board: (x) two (2), so long as

the Common Interests attributable to the Unsold Units equals more than ten (10.0%) percent of the Common Interests of all Residential Units and Parking Space Units, (y) one (1), so long as the Common Interests attributable to any Unsold Units equals ten (10.0%) percent or less of the Common Interests of all Residential Units and Parking Space Units, but there is not less than one (1) Unsold Unit and (z) zero, once the number of Unsold Units falls below one (1) unit.

The effect of the foregoing is that, from and after the first meeting of Unit Owners and prior to the expiration of the Initial Control Period, two (2) of the six (6) Residential Members of the Condominium Board (that is, two (2) of the total seven (7) member Condominium Board) shall be elected from among candidates nominated by Non-Sponsor Owners and after the Initial Control Period, at least four (4) of the six (6) Residential Members of the Condominium Board (that is, at least four (4) of the total seven (7) member Condominium Board) shall be elected from among candidates nominated by Non-Sponsor Owners. However, for an indeterminate period after the Initial Control Period, Sponsor will continue to exercise significant control with respect to the composition of the Condominium Board on account of, among other things, (i) Sponsor's right to vote on Residential Members of the Condominium Board from among a slate of candidates nominated by one or more Non-Sponsor Owners (in addition to its right to designate the applicable specified number of Residential Members of the Condominium Board as provided above) and (ii) to the extent that Sponsor or an affiliate of Sponsor shall continue to own the Marina Unit(s), the right of Sponsor and/or an affiliate of Sponsor, as the owner(s) of the Marina Unit(s), to designate one (1) member of the Condominium Board as provided above (such right to designate such member on the part of the Marina Unit Owner(s) not being affected by whether or not Sponsor or an affiliate of Sponsor shall own the Marina Unit(s)).

The number of members of the Condominium Board may not be increased without the consent of a Marina Majority in Interest and, so long as there remains at least one Unsold Unit, a Majority in Common Interest of Unsold Unit Owners (including Sponsor). All Residential Members who are not designated or elected by Unsold Unit Owners (including Sponsor) shall be required to own a Residential Unit for so long as they are Residential Members.

No Financing Contingency

The obligation of a Purchaser who executes and delivers a Purchase Agreement to consummate his or her purchase of a Unit is not conditioned upon the Purchaser obtaining financing. Accordingly, Purchasers are advised to inquire about the availability of financing prior to executing a Purchase Agreement for a Unit.

A Purchaser who obtains a financing commitment should understand that such commitment may expire or lapse or that its terms may change prior to the Closing Date unless such commitment is extended. If a Purchaser's financing commitment lapses or expires or is changed prior to the Closing Date, it will not affect the Purchaser's obligation to consummate the purchase of his or her Unit in accordance with the provisions of his or her Purchase Agreement. See "**Procedure to Purchase.**"

Pursuant to existing law and regulation, Sponsor may declare the Plan effective once it has accepted Purchase Agreements from bona fide purchasers (including investors) with respect to at least 15.0% of the Residential Units, but it is not a requirement for the conversion that each

Purchaser delivering a Purchase Agreement which is counted toward the 15.0% actually close on his or her purchase. Therefore, the conversion may become effective even though less than 15.0% of the Residential Unit sales are closed. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage of the units in a condominium be sold before the lender will consider making a loan. Thus it may be possible for a Purchaser to experience difficulty obtaining a loan where the percentage of the Units at the Property (or at a particular Building at the Property) purchased is lower than a lender's particular sales minimum. Even once a property undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain financing or the terms or costs of such financing.

Sponsor's Right to Rent Residential Units Instead of Selling Them

Sponsor will endeavor, in good faith, to sell, in a reasonably timely manner, at least fifty-five (55.0%) percent of all Residential Units to Purchasers who represent that they or one or more persons related to them by blood or marriage intend to reside in their Units (the "Sales Goal"). No prospective purchaser of an Unsold Residential Unit shall be deemed to be a beneficiary of the foregoing obligation. Sponsor cannot guarantee that any Purchasers will, in fact, reside in their respective Units.

Notwithstanding the foregoing, in the event that there is, in the written opinion of a licensed real estate broker selected by but unaffiliated with Sponsor, a decline in the market value of any Unsold Residential Unit of at least 7.5% from the most recently disclosed offering price for such Unit set forth in the Plan or in an amendment to the Plan as such price is adjusted to account for inflation on the basis of the Consumer Price Index ("Adjusted Disclosed Offering Price"), Sponsor reserves the right to rent (or hold without renting or selling), rather than sell, any or all of such affected Unsold Residential Units until such time as the market value of the particular Unsold Residential Unit, determined in the foregoing manner, shall climb above 110.0% of the Adjusted Disclosed Offering Price for such Residential Unit, at which time Sponsor shall again offer such Unit for sale if required to reach the Sales Goal. In no event shall Sponsor be required to sell a Residential Unit if the net proceeds of sale are insufficient to pay the "release price" of such Unit under any applicable mortgage loan documents. As used herein "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers, United States City Average, All Items (1982-84=100), issued from time to time by the Bureau of Labor Statistics of the United States Department of Labor.

Nothing contained herein shall prohibit Sponsor from selling, transferring or conveying Residential Units to Purchasers who are not purchasing such Units for their personal occupancy or that of their immediate families; provided that if Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee Sponsor Successor shall be bound by Sponsor's representations regarding its commitment to endeavor in good faith to sell Units in accordance with the foregoing provisions setting forth the circumstances under which Sponsor is required to use its good faith efforts to sell. In addition, Sponsor reserves the right to: temporarily withhold

individual Units from sale in order to (a) prepare and file amendments to the Plan updating the Plan and/or increasing purchase prices, (b) make any repairs or improvements to individual Units or to the Property; or (c) similarly undertake other activity which might reasonably cause Sponsor to desire to temporarily withhold individual Units from sale.

Availability of Section 421-a and Section 421-b Real Estate Tax Exemption Benefits.

Sponsor has applied or shall apply for real estate tax exemption benefits under Section 421-a of the New York Real Property Tax Law (as pertaining to the Multi-Family Units and the Indoor Parking Space Units) and under Section 421-b of the New York Real Property Tax Law (as pertaining to the Townhouse Units).

If a final certificate of eligibility for Section 421-a tax benefits is obtained, the Multi-Family Units and the Indoor Parking Space Units (located in the Multi-Family Building) should be eligible during the first through eleventh tax year following completion to receive a tax exemption of 100% of the increase in the assessed value of the Property over the pre-construction assessment, during which period, only a "minimum tax" will be due equal to a Multi-Family Unit's or Indoor Parking Space Unit's portion of (i) the applicable portion of the assessed valuation of the Property for the tax year before construction began as allocated to the Multi-Family Units and Indoor Parking Space Units (see "**Real Estate Tax Opinion**") for the tax year before construction began multiplied by (ii) the applicable tax rate in effect during each tax year. Following the eleventh year of tax benefits, the percentage of such increase in the assessment over the pre-construction assessment which is exempt from taxation will decreased by twenty percent (20%) every year, so that the full assessed valuation will be subject to taxation without the benefit of any exemption commencing at the beginning of the sixteenth year. Real estate taxes payable by Multi-Family Unit Owners and Indoor Parking Space Unit Owners will increase at the time of each decrease in the exemption. Real estate taxes will also increase if the assessed value of the Units or the tax rate is increased. There is no guarantee that Section 421-a tax exemption benefits will be obtained. If Section 421-a tax exemption benefits are not obtained, real estate taxes on each Unit in the Multi-Family Building and each Indoor Parking Space Unit will increase substantially. There will be no right of rescission if the Section 421-a tax exemption benefits are not obtained or are obtained in a reduced amount and Purchasers will be required to pay the increased real estate taxes assessed against their Units. See Footnotes 6 and 7 to "**Schedule A**" and "**Real Estate Tax Opinion**."

Each set of vertically-stacked Townhouse Units located in a two-family or two-Unit structure shall only be eligible for Section 421-b tax exemption benefits if each of the two Units located in such structure is occupied by its respective Owner. In addition, each such set of Townhouse Units will continue to remain eligible for such tax benefits during the term for which they may be available only for so long as each of the Townhouse Units comprising the set continues to remain Owner occupied. If a final certificate of eligibility for Section 421-b tax benefits is obtained, each set of vertically-stacked Townhouse Units occupied by their respective Owners should be eligible during the first and second tax year following completion to receive a tax exemption of 100% of the increase in the assessed value of the Property over the pre-construction assessment, during which period, only a minimum tax will be due equal to (i) the applicable portion of the assessed valuation of the Property for the tax year before

construction began as allocated to the Townhouse Units (see **"Real Estate Tax Opinion"**) for the tax year before construction began multiplied by (ii) the applicable tax rate in effect during each tax year. Following the second year of tax benefits, the percentage of such increase in the assessment over the pre-construction assessment which is exempt from taxation will be decreased by twenty-five percent (25%) in the third year and then by twelve and half percent (12.5%) every year for the next five years, so that the full assessed valuation will be subject to taxation without the benefit of any exemption commencing at the beginning of the ninth year. Real estate taxes payable by Townhouse Unit Owners will increase at the time of each decrease in the exemption. Real estate taxes will also increase if the assessed value of the Units or the tax rate is increased. There is no guarantee that Section 421-b tax exemption benefits will be obtained. If Section 421-b tax exemption benefits are not obtained, real estate taxes on each Townhouse Unit will increase substantially. Real estate taxes on a particular Townhouse Unit also will increase substantially if 421-b tax exemption benefits are obtained for the two-family or two Unit structure in which it is located but the Owner of such Townhouse Unit or of the Townhouse Unit located directly above or beneath it fails to continue to occupy his or her Unit. There will be no right of rescission if the Section 421-b tax exemption benefits are not obtained, are obtained in a reduced amount or are obtained and lost to particular Units due to failure of Units to be or remain Owner-occupied, and Purchasers will be required to pay the increased real estate taxes assessed against their Units. See Footnotes 6 and 7 to **"Schedule A"** and **"Real Estate Tax Opinion."**

The Sponsor will make application to divide the Property into separate tax lots for each Unit and its Common Interest, which Unit (and its Common Interest) will then be taxed as a separate tax lot for real estate tax purposes. Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to a Unit is officially made, a Unit Owner will then be responsible for the payment of the real estate taxes on his, but not any other, Unit and his Unit will not be affected by virtue of nonpayment of real estate taxes with respect to any other Unit. Notwithstanding anything in the foregoing to the contrary, the amount of the tax assessed against any Unit will depend upon various factors affecting value, including but not limited to, square footage, location, purchase price, the Section 421-a or 421-b exemption, and other factors taken into consideration by the taxing authorities. Until the Units are separately assessed as described above, real estate taxes assessed against the Property will be treated as a Common Expense, to be borne solely by Units for which a temporary or permanent certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (the first half or second half of the applicable real estate tax year) for which real estate taxes are being paid by the Condominium Board. See Footnote 6 to **"Schedule A"** and **"Real Estate Taxes"** for a full discussion of the real estate taxes estimated to be payable by each Unit Owner during the first year of Condominium operation and the tax rate estimated to be applicable to the Units.

Payment of Real Property Transfer Taxes.

Pursuant to Section 11-2104 of the New York City Administrative Code and Section 1404(a) of the New York Tax Law, the New York City real property transfer tax and the New York State real estate transfer tax would be (in the absence of any provision, such as is provided in this Plan, for Purchaser to pay such tax) the obligation of the seller in connection with the

transfer by the seller of the Unit to a purchaser, although such purchaser is liable for such tax if the seller fails to pay it. While the New York City and New York State transfer taxes are customarily paid for by the seller in condominium unit transactions, the burden of paying those taxes may be modified by contract. As is common in many other condominium developments in New York State, the Purchase Agreement provides that Purchaser of a Unit will be required to pay these transfer taxes at the closing. In addition, if pursuant to Section 1402-a of the New York Tax Law (applicable to Unit sales where the consideration paid is one million ($1,000,000.00) dollars or more), there is an additional transfer tax ("Mansion Tax") due and payable, which tax currently is equal to 1% of the consideration paid for the Unit, then Purchaser is required to pay such Mansion Tax. Both New York State and New York City have taken the position that where a Purchaser pays either or both of the New York State real estate transfer tax and New York City real property transfer tax, such payment constitutes additional consideration to the seller and must be considered in computing the amount of such taxes and the applicability and amount of the Mansion Tax.

The Purchase Agreement also provides that the Purchaser of (i) each Residential Unit and each Indoor Parking Space Unit will pay the sum of $750 per Unit to reimburse Sponsor for a portion of Sponsor's costs in connection with obtaining 421-a or 421-b, as the case may be, real property tax exemption benefits (which costs include, without limitation, the fees and disbursements of Sponsor's attorney in connection therewith) and (ii) each Unit will pay a sum equal to one month's Common Charges for such Unit in connection with establishment of the Working Capital Fund. Additional closing costs to be paid by each Purchaser are set forth under "**Closing Costs and Adjustments**."

Payment of Sponsor's Attorneys' Fees

Each Purchaser will be required to pay to Sponsor or Sponsor's attorneys a fee for each Unit which will cover the legal and other fees and expenses of processing the sale of the Unit, as provided further in "**Closing Costs and Adjustments**."

Contract Deposits — Federal Insurance

Deposits in excess of $100,000.00 will generally not be federally insured.

No Bond or Other Security

NO BOND OR OTHER SECURITY HAS BEEN FURNISHED TO SECURE SPONSOR'S OBLIGATIONS UNDER THE PLAN INCLUDING WITHOUT LIMITATION THOSE OBLIGATIONS SPECIFIED IN THE "RIGHTS AND OBLIGATIONS OF SPONSOR" SECTION HEREOF.

No Reserve Fund Being Funded by Sponsor

Since the Buildings are being newly constructed as set forth in the Section of the Plan entitled "Description of Property, Specifications and Building Condition," it is not anticipated that there will be any major capital expenditures needed for the Common Elements of the Buildings within five years after the Closing Date. However, since no reserve fund is being funded by Sponsor under this Plan and the First Year Budget does not provide for yearly

contributions to a reserve fund for capital expenditures, Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within five years (or any other period) following the Closing Date should such capital expenditures be needed. However, the First Year Budget as set forth in this Plan provides for an amount for contingencies, which the Board of Managers of the Condominium may elect to use to apply to some or all of the costs of any such needed capital expenditures. In addition, the Condominium Board may also elect to apply some or all of the Working Capital Fund to such costs. No representation is made by Sponsor that the Working Capital Fund or other funds of the Condominium, if any, will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required then, it may be necessary to increase Common Charges.

Power of Attorney

At the closing of the purchase of a Unit, Purchaser shall be required to sign and deliver a Power of Attorney covering the Unit in the form contained in the Part II of the Plan.

Violations

Sponsor shall not have any obligation at any time to cure any violations (whether of record or otherwise) affecting the Property, whether affecting the Common Elements or the Units other than (a) as may be necessary to obtain and at such time as Sponsor shall obtain a certificate of occupancy for the Applicable Building; (b) to be consistent with the obligations of Sponsor with respect to the Limited Warranty; and (c) as may be necessary to meet the requirements under Section 777-b of Article 36-B of the General Business Law with respect to a limited warranty, such as the Limited Warranty, which is given in lieu of the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law.

Annexed to "**Description of Property, Specifications and Building Condition**" in Part II of the Plan are copies of violations of record affecting the Property as of the dates stated in the violations searches. These searches disclosed the following violations of record: two class "A" (high severity) ECB violations with respect to site safety filed against lot 86 (and described therein as follows: no permit from fire department for welding or cutting operations during demolition); building department violations #V1-20-81PA624R, #V7-14-83PA241BB, #V7-28-83PA242R and #V5-23-85PA71 filed against lot 86 described by the search company as being computer-posted public assembly violations for which copies were not available; violation #80NRFSQ00452 with respect to Local Law #10, described by the search company as a computer-posted violation for which no copy was available, filed against lot 509 on or about April 7, 1982 (prior to construction of the Buildings); and violations of Sections C-26-1802.2 and C-26-1802.4 of the Administrative Code and A.S. 18-1 Rule 1001.4(B) with respect to non-performance of the required annual elevator inspection and/or five-year maintenance tests of elevator cars and certain other parts (apparently pertaining to an elevator which may formerly have been on the Property as the elevator and lift in the Multi-Family Building had not been completed as of the date of the search company's search which reported this violation). Sponsor has not received notice of any other violations with respect to the Property.

First Year of Condominium Operation

Sponsor anticipates that the First Year of Condominium Operation will begin on or about July 1, 2006. Accordingly, while Sponsor has endeavored to provide accurate budget projections in Schedule B - First Year Budget for the Condominium, as well as in Schedule B-1 prepared by NK Consulting Engineers, P.C., it is likely that the actual expenses to be incurred by the Condominium will vary from those set forth in Schedules B and B-1.

The Condominium Board may reduce the Common Charges, including the Multi-Family Limited Common Charges, Townhouse Limited Common Charges and/or the General Common Charges, during the First Year of Condominium Operation (or any part thereof) from those projected in Schedule B to reflect any savings which may be realized as soon as a result of the Buildings not being fully built or occupied. In such case, each Unit Owner (including Sponsor, with respect to the Unsold Units) will pay his pro-rata share of the Common Charges in such reduced amount as the Condominium Board may determine. However, during such period as Sponsor controls the Condominium Board, the Condominium Board will not reduce Common Charges from those projected in Schedule B to any level that would result in an inability on the part of the Condominium to meet its bills on a timely basis. No representation or warranty is made that such reduction in Common Charges will actually occur during the First Year of Condominium Operation or any part thereof.

Status of Condominium Under Section 528 of the Internal Revenue Code

Among the requirements to be met in order for the Condominium Board to be eligible to elect to be exempt from taxation on its "exempt function income" under Section 528 of the Internal Revenue Code, is that at least 85% of the square footage of all Units comprising the Condominium must be used for residential purposes. The Condominium is comprised of Residential Units and Parking Space Units. In this regard, Treasury Regulation § 1.528-4(b) provides that units which are used for purposes auxiliary to residential use shall be considered as used for residential purposes. Accordingly, the Parking Space Units should be considered as used for residential purposes and, assuming that 85% of the square footage of all Units are used for residential purposes, it is likely that the Condominium will satisfy the requirements of Section 528 although Sponsor's counsel does not opine and no warranty can be made in this regard. No provision has been made for income taxes payable by the Condominium in Schedule B, the projected budget for the first year of Condominium operation. See "**Opinion of Counsel**" for details.

Method of Unit Measurement

As has been the case in recent years in many offering plans for newly-constructed condominiums in New York City, the square footages set forth on Schedule of Purchase Prices and Related Information (Schedule A) reflect measurements from the outside of the exterior surfaces surrounding a Unit, as opposed to, for example, the interior surface of an apartment's walls, and, accordingly, square footages set forth on Schedule A exceed the useable square footage of the

Units. (See the "Dimensions Approximate" section of Footnote 1 to Schedule of Purchase Prices and Related Information (Schedule A).)

Lot Line Windows

The east-facing windows in each room and area along the eastern property line of the Property, and the west-facing windows in each room and areas along the western property line of the Property, are lot line windows, as indicated on the Floor Plans. If the only window in a room which provides the requisite light and air for such room to be permitted under the Building Code to be used as a bedroom or living room, as the case may be, or if the only source of the requisite air for such room to be permitted under the Building Code to be used as a kitchen, is a lot line window, and if the lot line window were to be filled-in or sealed (see below), then such room would not be permitted to be used as a bedroom, living room or kitchen, as the case may be. However, all of the bedrooms and living/dining rooms, living/dining areas and living/kitchen areas at the Property that contain lot line windows have legally-required light and air through windows in such rooms or areas which are not on the lot line. In the Multi-Family Building, each Unit along the eastern property-line contains lot line windows in the Unit's bedrooms, which provide legally-required light and air through windows in the bedrooms which are not located on the lot line. In 3128 Emmons Avenue, the Units contain lot line windows in the living/ kitchen areas, living/dining rooms and bedrooms that are along the eastern property line. These rooms or areas provide legally-required light and air through windows in such rooms or areas which are not on the lot line. In 3126 Emmons Avenue, the Units contain lot line windows in the living/kitchen areas and bedrooms that are along the western property line. These rooms or areas provide legally-required light and air through windows in such rooms or areas which are not on the lot line. Notwithstanding the foregoing, it should be noted that in the event that any owner of a lot adjacent to the Multi-Family Building, 3126 Emmons Avenue or 3128 Emmons Avenue constructs a building (or reconfigures an existing building) up to the shared lot line between such owner's property and the Multi-Family Building, 3126 Emmons Avenue and/or 3128 Emmons Avenue, the lot line windows in the Multi-Family Building, 3126 Emmons Avenue and/or 3128 Emmons Avenue, as the case may be, would be blocked. In such event, the lot line windows in the affected buildings on the Property would have to be filled-in in compliance with law, which Sponsor's architect in connection with the Property, Elena Kalman Architect, has estimated would cost (at current costs) approximately $1,000 per lot line window or, if all lot line windows were required to be filled-in, approximately $13,000 for the Multi-Family Building as a whole and $10,000 each for 3128 Emmons Avenue and 3126 Emmons Avenue. In addition, (i) if a Unit Owner of a Unit with a lot line window in the living/kitchen area, living/dining area or living/dining room were to fully enclose his or her kitchen, then such enclosed kitchen would require mechanical ventilation, which has not been provided for the Property, and (ii) if a Unit Owner with a lot line window were to divide a bedroom or living room, depending on the configuration of the division, either or both of the resulting spaces might not be permitted to be used for the purposes for which they are designated on the Floor Plans. Sponsor makes no representation that the Condominium Board shall permit any enclosures or divisions or approve any other alterations that might be required as a result thereof (such as the installation of mechanical ventilation for a fully enclosed kitchen). See "**Description of Property and Specifications or Building Condition**" and the Floor Plans in Part II of the Plan.

Moisture or Seepage

Because of the proximity of the Buildings to the shore line, it is anticipated that in major storm conditions, water may rise above the lowest part of the Buildings' cellars or higher. The vast majority of the Property is located in Special Flood Hazard Area Zone "A-5" – Area of 100 year flood (as delineated by the Federal Emergency Management Agency) (elevation 9'-0'' referenced to Brooklyn Datum), although a portion of the Property is located in Special Flood Hazard Area Zone "B" (generally less severe than Zone A). Foundations, plumbing, and mechanical ventilation and air conditioning are designed to meet any applicable requirements therefor as specified in Article 10 of Subchapter 4 of Title 27 of the New York City Building Code, for Special Flood Hazard Areas, Zone A-5. See "**Architect's Description of Property and Building Condition.**" The estimated cost of $500,000 of flood insurance coverage for each of the Multi-Family Building, the Breakers West Townhouse Building and the Breakers East Townhouse Building through the National Flood Insurance Program ("NFIP") (approximately $7,000-$8,000 in the aggregate) is included the insurance budgeted in Schedule B – Budget for the First Year of Condominium Operation. This estimate excludes coverage for damage to Unit Owners' (and tenants') personal property and other unit contents. Due to the recent events surrounding Hurricane Katrina, it is anticipated that there will be considerable volatility in flood insurance rates and availability through the start of the projected First Year of Condominium Operation. While the insurance estimate is currently believed to be reasonable, it is not possible to predict whether the flood insurance projected will continue to be available at the premium or through the program specified above.

Mechanical Equipment Noise

Mechanical equipment located on the roof of each of the Buildings (including but not limited to on Multi-Family Private Roof Terraces and Townhouse Roof Terraces and, in addition, with respect to the Multi-Family Building, on the Multi-Family Limited Common roof terrace and the two areas on the roof designated as a "Mechanical Equipment Area" on the "Roof Plan" floor plan in Part II of the Plan, which two areas will be open to the sky) and air conditioning condensing units of Townhouse Units which are located on the cellar and first floors, which equipment will be located in the Townhouse Rear Yard, Townhouse Side Yard or Townhouse Front Yard of such Units, may cause noise which may be noticeable and/or irritating to residents spending time on a roof or in a yard, as the case may be, or otherwise to particular residents who are sensitive to such noises. See "Description of Property, Specifications and Building Condition" in Part II of the Plan.

Condominium Board to Purchase Superintendent's Unit and Eight (8) Handicapped Parking Spaces

The Condominium Board will purchase, on behalf of Unit Owners, Unit MU-105 ("Superintendent's Unit") from Sponsor for occupancy by a resident superintendent, janitor or other employee of the Condominium (the "Resident Superintendent"). The purchase price of the Superintendent's Unit is $377,000 all of which is to be financed by one or more notes, aggregating the full purchase price, executed by the Condominium Board in favor of Sponsor and/or an Institutional Lender procured by Sponsor and one or more mortgages securing payment of the notes (collectively, the "Superintendent's Unit Mortgage"). The Superintendent's

Unit Mortgage will have a maturity of ten (10) years, bear interest at the rate of 7.5 percent per annum and shall be self-liquidating (that is, if all of the constant monthly payments are timely made in full over the 10-year term of the mortgage, there will be no "balloon" payment of principal due at maturity). The Superintendent's Unit Mortgage shall be payable in constant monthly payments of interest and principal.

Except as set forth below in this paragraph, all costs associated with the Superintendent's Unit which are borne by the Condominium Board, including, without limitation, debt service on the purchase money loan by Sponsor financing the acquisition of the Superintendent's Unit, real estate taxes and Common Charges on the Unit, shall be paid by Unit Owners as a General Common Expense. Any charges for telecommunications equipment in or for the Superintendent's Unit and related usage fees which are borne by the Condominium shall be paid by Unit Owners as follows: (a) sixty (60%) percent of each such cost by the Multi-Family Unit Owners as a group, with each such charge to be treated as a Multi-Family Limited Common Expense, and (b) the remaining forty (40%) percent of each such cost by all Unit Owners (including Multi-Family Unit Owners) as a group, with each such charge to be treated as a General Common Expense. The amounts payable by the Unit Owners with respect to the Superintendent's Unit is included in their Common Charges and reflected in the First Year's Budget. (See Footnote 13 of "**Footnotes to Schedule B**" for further details.)

Sponsor reserves the right prior to the First Unit Closing to substitute another Multi-Family Unit to be occupied by the Superintendent and will amend the Plan if such a substitution is made and any such substitution shall not relieve any Purchaser from such Purchaser's obligation to close on the purchase of a Unit pursuant to such Purchaser's Purchase Agreement. If a substitute Unit is designated by Sponsor as the Superintendent's Unit, it shall be of the same or greater footage (measured as provided in the Plan) as Unit MU-105 and the Purchase Price of such substitute Unit shall be no more than the Purchase Price of Unit M-105 as set forth above. Sponsor may not make any such substitution subsequent to the First Unit Closing.

The Condominium Board also shall purchase, on behalf of Unit Owners, the eight (8) Handicapped Parking Space Units from Sponsor. The aggregate purchase price of such Parking Spaces Units is $371,000, all of which is to be financed by one or more notes, aggregating the full purchase price, executed by the Condominium Board in favor of Sponsor and/or an Institutional Lender procured by Sponsor and one or more mortgages securing payment of the notes (collectively, the "Handicapped Parking Space Units Mortgage"). The Handicapped Parking Space Units Mortgage will have a maturity of ten (10) years, bear interest at the rate of 7.5 percent per annum and shall be self-liquidating (that is, if all of the constant monthly payments are timely made in full over the 10-year term of the mortgage, there will be no "balloon" payment of principal due at maturity). The Handicapped Parking Space Units Mortgage shall be payable in constant monthly payments of interest and principal and, like all other expenses attributable to the Handicapped Parking Space Units, including real estate taxes for each such Unit, will be borne solely by Unit Owners as a General Common Expense. The amounts payable by the Unit Owners with respect to the Handicapped Parking Space Units is included in their Common Charges and reflected in the First Year's Budget. (See Footnote 13 to "**Footnotes to Schedule B**" for further details.)

At Sponsor's option, the Condominium Board shall execute one or more notes and/or one or more mortgages covering both the Superintendent's Unit and the Eight Handicapped Parking Space Units. The Superintendent's Unit and Handicapped Parking Space Units Mortgage(s) shall be payable in constant monthly payments of interest and principal of $8,878.89 in the aggregate.

The Condominium Board will be responsible to pay, with respect to each of the sales of the Superintendent's Unit and the Handicapped Parking Space Units to the Condominium, (i) all of the same closing costs (including, without limitation, Sponsor's attorneys' fees and real property transfer taxes) as a Purchaser is responsible to pay under the Plan and/or under a Purchase Agreement with respect to the purchase of a Unit (except that the Handicapped Parking Space Units will be treated for purposes of closing costs (other than transfer taxes) as if a single Unit) and (ii) a separate fee of $3,000 to Sponsor's attorneys for preparation of the mortgage loan documents with respect to such Units. All of such closing costs and fees shall, at closing, be advanced by Sponsor for the account of the Condominium Board and shall be added to the Adjustment Note. See **"Closing Costs and Adjustments."** No working capital fund contributions shall be funded on the purchase of these Units by the Condominium Board.

In the case of financing of either the Superintendent's Unit or the Handicapped Parking Space Units from an Institutional Lender, the entire proceeds of the applicable mortgage loan will be paid to Sponsor on account of the purchase price of the applicable Unit or Units, as the case may be. If such proceeds are insufficient to pay the full purchase price of such Unit or Units, as the case may be, the shortfall will be paid by the Condominium Board executing and delivering to Sponsor the Condominium Board's note in favor of Sponsor for the amount of the shortfall and a purchase money second mortgage on the Superintendent's Unit and the eight (8) Handicapped Parking Space Units to secure payment such note.

Marina Unit

The Marina Unit is not being offered for sale at this time. It is anticipated that as of the first closing, the Marina Unit will initially be owned by Sponsor or an affiliate of Sponsor. Sponsor reserves the right to amend the Plan to offer the Marina Unit for sale.

Sponsor and its successors and designees reserve the right to subdivide the Marina Unit into one or more Marina Units, including without limitation, into Boat Slip Units (as defined in the Declaration) and/or to construct and develop a Marina (as hereinafter defined) at some or all of the Marina Unit and/or anywhere along the waterfront at the Property, including the Platform at the Property (the entire waterfront, including the Platform, collectively, the "**Waterfront Area**"), to apply for zoning variances, zoning reconsiderations, and re-zonings to permit use and occupancy of a Marina at the Property, to apply for one or more building permits, certificates of occupancy and such other consents, authorizations and permits from government agencies and departments (whether federal, state or local, in each case) having jurisdiction over the Waterfront Area and development thereof, in each case, as may be required for the construction, development, alteration, improvement and operation of a Marina at the Property. A Marina means (i) one or more docks, piers and/or wharfs built out from any portion of the Waterfront Area (including, without limitation, the Marina Unit), in each case, whether supported by piles or constituting a floating structure, (ii) boat slips and other structures providing a protected water area for mooring or securing boats, ships or other vessels, (iii) boat launching facilities, (iv) a

gasoline dock, (v) repair dock and/or (vi) supporting facilities for the foregoing, including, without limitation, facilities for the provision of utilities, rest rooms and a breakwater or similar protective structure, together with, to the extent applicable, the Marina Unit, as all of same may be modified, altered or replaced from time to time. Marina Unit Owners shall have the right and an easement to connect to water, sewer, gas and electricity lines and conduits and other Facilities at the Property and to draw water, gas and/or electricity therefrom. Sponsor reserves the right to use the Marina Unit for any lawful purpose. Neither the Board nor the Unit Owners will have any right to restrict or limit any lawful use of the Marina Unit. Marina Unit Owners have special rights under the Declaration; see "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws**". Sponsor makes no representation that the Marina Unit will be subdivided or that a Marina will be developed at some or all of the Marina Unit or the Waterfront Area, or if the Marina Unit is subdivided and/or a Marina is developed, as to the number, size or location of Marina Units or Boat Slip Units or Marina Limited Common Elements that will be developed or the date of commencement or completion of construction of the Marina. See "**Special Risks**" and "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws**".

Views from Units may be altered or blocked due, among other reasons, to any subdivision of the Marina Unit and/or development of a Marina along the Waterfront Area as described above or due to the construction of new or the further development of existing buildings in the area surrounding the Property. Although Sponsor is not aware of any pending construction on properties immediately adjacent to the property, no assurance can be given that the views currently existing (or existing when Purchaser first purchases or occupies a Unit) will continue to exist unchanged.

Platform

There is currently a concrete platform (the "**Platform**") joined to the Property at the edge of the land, in and above the water in Sheepshead Bay. The Platform technically will not owned by the Condominium but the Condominium will have the right to use it and the responsibility to maintain and repair it (subject to the rights and requirements of local, state, and federal government, if any, pertaining to the Platform and the bay, generally). Access to the Townhouse Units at 3126 and 3124 Emmons Avenue requires passage over the Platform. See "Description of Property and Improvements" at pages 36 and 37 and the Floor Plans for additional details.

An independent engineer retained by the Sponsor, John H. Crow, Ph.D., of C&H Environmental, Inc., 216 Stiger Street, P.O. Box 188, Hackettstown, New Jersey 07840, has examined the Platform and the wood piles supporting it. According to the engineer, the Platform and supporting wood piles appear to have been constructed in the 1950's and to have had some reconstruction and modification in the 1970's. The existing Platform is not currently useable and Sponsor will be replacing the concrete Platform at its own cost and expense to a safe and useful condition and replacing wood piles to the extent deemed necessary by Sponsor's engineer. According to Sponsor's engineer, the piles appear generally to be in good condition and appear to have a remaining life expectancy of approximately 25 years as ordinary platform support. Sponsor's engineer estimates the current cost of replacing the wood piles at approximately $1,000 per pile. Sponsor estimates the cost to replace the approximately 100 wood piles at the end of their useful life at approximately $100,000, at current prices.

The estimated cost of insurance for the Property for the projected First Year of Condominium Operation, as set forth in "Schedule B," does not include the cost of coverage for repair of the Platform or piles due to flooding or otherwise (although, as noted above, Sponsor will be replacing the currently-existing concrete Platform), and insurance coverage for the Platform and piles may not be obtainable by the Condominium (the Platform technically will not be owned by the Condominium). Schedule B also does not include any provision for a reserve to replace the wood piles at the end of their useful life (although as noted above, Sponsor's engineer has estimated their useful life as approximately 25 years as ordinary platform support). In addition, the effects of global warming on the distant future of this development and other waterside communities are unknown and Sponsor makes no representations or warranties concerning this issue or such possible effects. Prospective purchasers are referred to articles in the New York Times and other newspapers and publications on the subject of global warming, which may be available on such publications' Web sites.

INTRODUCTION

Purpose of the Plan

Emmons-Sheepshead Bay Development LLC (the "Sponsor") presents this offering plan (the "Plan") for the condominium ownership of (i) the buildings to be known as 3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A and 3144 Emmons Avenue, Brooklyn, New York, and (ii) the parcel of land on which such buildings are situated, which land is more particularly described on Exhibit A to the Declaration in Part II of this Plan (collectively, the "Property").

The purpose of this Plan is to set forth all of the material terms of the offer to establish the Property as a condominium and to sell Units therein. The Buildings are located on Section 26, Block 8815, tentative Lot 86 [formerly known as Lots 86, 97-100 (inclusive), 509, 510, 513-516 (inclusive) and 518-520 (inclusive)].

The Plan is presented in two parts which together constitute the entire Plan. Part I sets forth a description of the material terms of the offer and Part II contains, among other things, a description of the Property and the basic documents necessary to create the Condominium and effectuate the provisions of the Plan.

The Plan may be amended from time to time upon the filing of an amendment with the Department of Law of the State of New York ("Department of Law"). Amendments will be served on (i) Purchasers who have executed and delivered Purchase Agreements to Sponsor and who are not in default, (ii) Unit Owners and (iii) any other person entitled to service pursuant to local law or regulation (collectively "Offerees"). However, certain changes in prices of Units may be effected without filing an amendment with the Department of Law. See "**Changes in Prices or Units.**"

Sponsor as Contract Vendee and its Interest in the Property.

Sponsor is a New York limited liability company with an office at 22 Seventh Avenue, Brooklyn, New York 11217. The current owner of record of the Property is Emmons Avenue LLC, a New York limited liability company. See "**Identity of Parties.**" Sponsor is the contract vendee for the Property pursuant to a net lease of the Property, dated December 29, 2004, between Emmons Avenue LLC, as landlord, and Sponsor, as tenant, which contains an option to purchase in favor of the tenant.

Sponsor's Right to Rent Residential Units Instead of Selling Them

Sponsor will endeavor, in good faith, to sell, in a reasonably timely manner, at least fifty-five (55.0%) percent of all Residential Units to Purchasers who represent that they or one or more persons related to them by blood or marriage intend to reside in their Units (the "Sales Goal"). No prospective purchaser of an Unsold Residential Unit shall be deemed to be a beneficiary of the foregoing obligation. Sponsor cannot guarantee that any Purchasers will, in fact reside in their respective Units.

Notwithstanding the foregoing, in the event that there is, in the written opinion of a licensed real estate broker selected by but unaffiliated with Sponsor, a decline in the market value of any Unsold Residential Unit of at least 7.5% from the most recent disclosed offering price for such Unit set forth in the Plan or in an amendment to the Plan as such price is adjusted to account for inflation on the basis of the Consumer Price Index ("Adjusted Disclosed Offering Price"), Sponsor reserves the right to rent (or hold without renting or selling), rather than sell, any or all of such affected Unsold Residential Units until such time as the market value of the particular Unsold Residential Unit, determined in the foregoing manner, shall climb above 110.0% of the Adjusted Disclosed Offering Price for such Residential Unit, at which time Sponsor shall again offer such Unit for sale if required to reach the Sales Goal. In no event shall Sponsor be required to sell a Residential Unit if the net proceeds of sale are insufficient to pay the "release price" of such Unit under any applicable mortgage loan documents. As used herein "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers, United States City Average, All Items (1982-84=100), issued from time to time by the Bureau of Labor Statistics of the United States Department of Labor.

Nothing contained herein shall prohibit Sponsor from selling, transferring or conveying Residential Units to Purchasers who are not purchasing such Units for their personal occupancy or that of their immediate families; provided that if Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee Sponsor Successor shall be bound by Sponsor's representations regarding its commitment to endeavor in good faith to sell Units in accordance with the foregoing provisions setting forth the circumstances under which Sponsor is required to use its good faith efforts to sell. In addition, Sponsor reserves the right to: temporarily withhold individual Units from sale in order to (a) prepare and file amendments to the Plan updating the Plan and/or increasing purchase prices, (b) make any repairs or improvements to individual Units or to the Property; or (c) similarly undertake other activity which might reasonably cause Sponsor to desire to temporarily withhold individual Units from sale.

Construction Loan

Commerce Bank N.A. made an acquisition loan, construction loan and a project loan which are secured by, respectively, a first mortgage, second mortgage and third mortgage on the Property. None of the loans contains any specific requirement of a minimum number or percentage of Units which must be under contract before the Plan may be declared effective. The loans provide for the release of Units from the lien of the respective mortgages upon payment of a release price equal to the greater of 85% of the Gross Sales Price (as defined in the mortgages) and a specified minimum release price for each Unit as well as payment of the lender's reasonable and customary attorneys' fees and disbursements for the release. The mortgage loan documents provide that, provided that the mortgagor is not in default under the mortgages and subject to certain other conditions, Commerce Bank N.A. will execute an agreement subordinating the liens of its mortgages to the declaration of the Condominium.

Interest in the Property to be Submitted to Condominium Act

On or before the Closing Date, a condominium will be created and established by submitting fee title to the Property to the provisions of the Condominium Act (as hereinafter defined) in accordance with the Declaration and By-Laws set forth in Part II of the Plan. The

Condominium will be known as The Breakers at Sheepshead Bay Condominium and will be subject to the Condominium Act and all laws regulating condominiums.

The Declaration and By-Laws will be recorded, and Floor Plans will be filed, in the Kings County Office of the City Register of New York, prior to or concurrently with the closing of the sale of the first Unit pursuant to the Plan.

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known and herein referred to as the "Condominium Act." The Property will be submitted to the provisions of the Condominium Act by Sponsor's recording the Declaration in the Kings County Office of the City Register of New York. From and after the date of recording the Declaration, Sponsor will be the owner of each of the Units until each is sold or conveyed.

Offer of Sale of Condominium Units

Sponsor hereby offers for sale 75 Residential Units and 58 Parking Space Units on the terms and conditions set forth in the Plan.

The Residential Units consist of (i) twenty-six (26) condominium Units located in a series of attached two-family or two-unit structures on the west side of the Property (sometimes collectively referred to herein as the "Breakers West Townhouse Building"); (ii) twenty (20) condominium Units located in a series of attached two-family or two-unit structures on the east side of the Property (sometimes collectively referred to herein as the "Breakers East Townhouse Building"); and (iii) twenty-nine (29) condominium Units located in a three-story (not including the cellar) multi-family building on the east side of the Property which is adjoined to the Breakers East Townhouse Building at the north part of such Townhouse Building (the "Multi-Family Building"). The Units located in the Breakers West Townhouse Building and Breakers East Townhouse Building sometimes are referred to collectively as "Townhouse Units" and individually as a "Townhouse Unit." The Residential Units located in the Multi-Family Building sometimes are referred to collectively as the "Multi-Family Units" and individually as a "Multi-Family Unit."

38 of the Parking Space Units offered for sale are Indoor Parking Space Units and 20 are Outdoor Parking Space Units. The Indoor Parking Space Units are located in a garage situated in the cellar of the Multi-Family Building ("Garage") which is not fully enclosed. In addition to the opening for its main entrance, the Garage will be open along approximately half the length of its south-facing area and half the length of its east-facing area. In addition to the 58 Parking Space Units offered for sale, there are eight (8) Handicapped Parking Space Units that will be sold by Sponsor to the Board of Managers of the Condominium. See "**Special Risks**."

The Marina Unit is not being offered for sale at this time. It is anticipated that as of the first closing, the Marina Unit will initially be owned by Sponsor or an affiliate of Sponsor. Sponsor reserves the right (i) to amend the Plan to offer the Marina Unit for sale.

Sponsor and its successors and designees reserve the right to subdivide the Marina Unit into one or more Marina Units, including without limitation, into Boat Slip Units (as defined in the Declaration) and/or to construct and develop a Marina (as hereinafter defined) at some or all of the Marina Unit and/or anywhere along the waterfront at the Property, including the Platform at the Property (the entire waterfront, including the Platform, collectively, the "**Waterfront Area**"), to apply for zoning variances, zoning reconsiderations, and re-zonings to permit use and occupancy of a Marina at the Property, to apply for one or more building permits, certificates of occupancy and such other consents, authorizations and permits from government agencies and departments (whether federal, state or local, in each case) having jurisdiction over the Waterfront Area and development thereof, in each case, as may be required for the construction, development, alteration, improvement and operation of a Marina at the Property. A Marina means (i) one or more docks, piers and/or wharfs built out from any portion of the Waterfront Area (including, without limitation, the Marina Unit), in each case, whether supported by piles or constituting a floating structure, (ii) boat slips and other structures providing a protected water area for mooring or securing boats, ships or other vessels, (iii) boat launching facilities, (iv) a gasoline dock, (v) repair dock and/or (vi) supporting facilities for the foregoing, including, without limitation, facilities for the provision of utilities, rest rooms and a breakwater or similar protective structure, together with, to the extent applicable, the Marina Unit, as all of same may be modified, altered or replaced from time to time. Marina Unit Owners shall have the right and an easement to connect to water, sewer, gas and electricity lines and conduits and other Facilities at the Property and to draw water, gas and/or electricity therefrom. Sponsor reserves the right to use the Marina Unit for any lawful purpose. Neither the Board nor the Unit Owners will have any right to restrict or limit any lawful use of the Marina Unit. Marina Unit Owners have special rights under the Declaration; see "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws**". Sponsor makes no representation that the Marina Unit will be subdivided or that a Marina will be developed at some or all of the Marina Unit or the Waterfront Area, or if the Marina Unit is subdivided and/or a Marina is developed, as to the number, size or location of Marina Units or Boat Slip Units or Marina Limited Common Elements that will be developed or the date of commencement or completion of construction of the Marina. See "**Special Risks**" and "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws**".

Views from Units may be altered or blocked due, among other reasons, to any subdivision of the Marina Unit and/or development of a Marina along the Waterfront Area as described above or due to the construction of new or the further development of existing buildings in the area surrounding the Property. Although Sponsor is not aware of any pending construction on properties immediately adjacent to the property, no assurance can be given that the views currently existing (or existing when Purchaser first purchases or occupies a Unit) will continue to exist unchanged.

The prices of the Units are set forth in "**Schedule A – Offering Prices and Related Information.**". These prices have been set by Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency.

Certain Residential Units include one or more balconies, ground terraces, roof terraces, front, rear and/or side yards and/or porch as indicated in "**Schedule A - Offering Prices and Related Information**" and/or the Condominium Floor Plans.

The Condominium Floor Plans set forth in Part II of the Plan show a number of typical floors. There may be variations between the actual Unit and the typical Unit shown on the Condominium Floor Plans.

The Property and the Units therein are being sold in the condition described in the "**Description of Property and Building Condition**" section of Part II of the Plan and Sponsor will not have any obligation to make any repairs or improvements except as is expressly provided in the "**Description of Property and Building Condition**" section or in the "**Rights and Obligations of Sponsor**" section of Part I of the Plan.

The Residential Units will contain the fixtures and equipment described in "Description of Property and Building Condition" set forth in Part II of the Plan (or replacements of equal or better value), which fixtures and equipment are included in the purchase price. Sponsor is not offering any upgrades to equipment or fixtures at additional cost or any alternatives to the standard equipment or fixtures for any discount in the purchase price.

A particular Parking Space Unit may not be suitable for all vehicles, including vehicles longer than a compact car or higher than a conventional car. Sports utility vehicles, vans and trucks are not considered conventional cars. There are low ceilings in certain parts of the Garage which may make a particular Parking Space Unit unsuitable for tall vehicles; all Garage ceiling heights however are at least 7'6". In addition, if a car is longer than a compact car or higher than a conventional car or if the Parking Space Unit is located near a wall or pillar or is demarcated along its length on one side by a line or other border which is not parallel to the line or border which demarcates the space along its length on its other side (creating a space which either narrows as it progresses or is narrower at its entry than at other points), use of, turning in to and exiting from a particular Parking Space Unit by a particular vehicle may be difficult, impractical or impossible. See the condominium floor plans in Part II of the plan for the dimensions and location of individual Parking Space Units.

Features of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a residential private home. Each Unit Owner owns fee title to his Unit and is entitled to the exclusive possession thereof. Each Unit Owner also owns in common with other Unit Owners an undivided interest in the Common Elements of the Condominium known as his Common Interest. Each Unit Owner (including Sponsor) must pay common charges with respect to his Unit (i) based upon the Common Interest for such Unit (General Common Charges) plus (ii) (a) if he is a Multi-Family Unit Owner, then based upon a Percentage of Multi-Family Common Interest (Multi-Family Limited Common Charges) or (b) if he is a Townhouse Unit Owner, then, a pro-rata portion of the Townhouse Limited Common Expenses pertaining to particular Townhouse Limited Common Elements serving or benefiting such Townhouse Unit and one or more other Townhouse Units, all as more particularly described in "Footnotes to Schedule B" and "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws" in Part I of the Plan and in the Declaration and By Laws in Part II of the Plan, and in accordance with the Condominium Act and the New York Real Property Law Section 339 (i) and (m). The Common Elements, as more particularly described in the "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-laws" section in Part I of the Plan and in the

Declaration set forth in Part II of the Plan, consist of all parts of the Property other than the Units and include the General Common Elements and Limited Common Elements. The General Common Elements are comprised of all of the Common Elements other than the Limited Common Elements and include, but are not limited the Land, the Garage (exclusive of the Indoor Parking Space Units, and the elevator and elevator shaft serving the Multi-Family Building which are Multi-Family Limited Common Elements); and all parts of the Property, Buildings and improvements thereon for the common use of all Units and all Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property, which General Common Elements are described in greater detail in the Declaration and "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-Laws." The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units and include the Multi-Family Limited Common Elements and the Townhouse Limited Common Elements. The Multi-Family Limited Common Elements include those Common Elements that serve or benefit exclusively the Multi-Family Units as distinguished from the Townhouse Units and the Parking Space Units . The Townhouse Limited Common Elements include those Limited Common Elements which serve one or more but not all of the Townhouse Units including, but not limited to (a) the walkway from the sidewalk, the stoop and adjoining porch area and, if present, additional outdoor stairs leading from such porch area to an apartment on the second floor or cellar level and adjoining landing (but in each case excluding any porch, stairs and/or landing which are designated on the Condominium Floor Plans as a part of a Townhouse Unit) servicing one or two sets of vertically stacked Townhouse Units ("**Stacked Townhouse Units**"), as the case may be, and (b) the fences separating Townhouse Rear Yards. The General Common Elements, Limited Common Elements, Multi-Family Limited Common Elements and Townhouse Limited Common Elements are described in greater detail in the Declaration and "Rights and Obligations of Unit Owners and Condominium Board; Summary of By-Laws." Sponsor and its designees, Unsold Unit Owners and the Marina Unit Owners (to the extent that the Marina Board or Marina Majority in Interest shall not have the right under the Declaration to prohibit same as pertaining to Marina Units only) shall have the right to designate portions of the Common Elements as Limited Common Elements in connection with the combining or subdividing of Units as provided in the Declaration.

A portion of the Property, which is an approximately 60' wide prolongation of Ford Street south of Emmons Avenue through the Property to the southern boundary of the Property , will constitute a "Visual Corridor" as required by Section 62-42 of Article VI of the Zoning Resolution of the City of New York. The Visual Corridor overlaps portions of certain (i) Outdoor Parking Space Units, (ii) front yards of Breakers West Townhouse Units and Breakers East Townhouse Units and (iii) Common Elements. The Condominium and all owners of Units located entirely or partially within the Visual Corridor will be required to comply with the Zoning Resolution's requirements with respect to the Visual Corridor, including, but not limited to, preserving its existence and not obstructing the same. Trees, shrubberies, fences, sheds or any other building or structure, are examples of obstructions that are not permitted or may be regulated. Prospective purchasers should consult the Zoning Resolution for all requirements and restrictions pertaining to the Visual Corridor.

The Residential Units may be used solely for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by

law. Each Parking Space Unit may be used solely for parking one passenger motor vehicle. Parking Space Units may only be sold to Unit Owners and may only be used by Unit Owners and their guests and invitees. The foregoing sentence does not apply to Parking Space Units owned by Sponsor, the Declarant under the Declaration or the owner of any Unsold Parking Space Unit Owner (see "**Definitions**"). Handicapped Parking Space Units may only be used in accordance with applicable law governing the use of parking spaces by handicapped persons. Handicapped persons who reside in the Condominium shall have preference over handicapped persons who reside elsewhere for use of Handicapped Parking Space Units.

The Marina Unit is not currently offered for sale under the Plan. Sponsor has reserved the right for itself, the Declarant and the Marina Unit Owners) to use the Marina Unit for any lawful purpose and, among other things, to subdivide the Marina Unit, to apply for re-zonings to permit use and occupancy of a Marina at the Property and/or to develop and construct a Marina at some or all of the Marina Unit or Waterfront Area. The Declaration permits the Marina Unit to be used as a Marina, for such other purposes as are set forth in Article 9 of the Declaration and for any other use permitted by the Zoning Resolution of the City of New York or other applicable law from time to time. See "**Special Risks**" and "**Introduction**."

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his Unit with a lender and in such amount as he chooses (see "**Procedure to Purchase**"). Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

The Condominium Board does not have the right to approve or disapprove purchasers from Sponsor, an Unsold Unit Owner or a Marina Unit Owner. It also does not have the right to approve or disapprove purchasers from other Unit Owners, subject to its right of first refusal with respect to sales of Residential Units and Parking Space Units by said other Unit Owners. Except as may otherwise be expressly provided in the Plan, there is no limit on the number of Residential Units that may be purchased for investment rather than for personal occupancy, and there may always be substantial percentages of Residential Units and Parking Space Units which are owned by non-residents.

Sponsor is not offering to arrange institutional financing or to act as agent for any lender with respect to the financing of Units under this Plan. In general, commercial and savings banks as well as some savings and loan associations may make loans to help Purchasers finance the acquisition of their Units. Each institution has its own lending policies and credit requirements and not all banks make condominium mortgage loans. Sponsor makes no representation or warranty that institutional financing will be available to Unit Owners or as to the terms and conditions upon which financing might be available.

A Residential Unit Owner may decorate the interior of his Unit in any way he desires subject to compliance with the By-Laws and the Rules and Regulations thereunder. Except for compliance with law, there are no limitations or restrictions upon the right of Sponsor, Unsold Unit Owners or Marina Unit Owners (to the extent that a Marina Board or Marina Majority in Interest shall not have the right under the Declaration to prohibit same as pertaining to Marina Units only) to decorate or alter their respective Units. A Unit Owner will be responsible for the

cost of maintenance and interior repairs to his Unit. (See "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws.**")

Sponsor will make an application to divide the Property into separate tax lots for each Unit and its Common Interest, which Unit (and its Common Interest) will then be taxed as a separate tax lot for real estate tax purposes. Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to a Unit is officially made, a Unit Owner will then be responsible for the payment of the real estate taxes on his, but not any other, Unit and his Unit will not be affected by virtue of nonpayment of real estate taxes with respect to any other Unit. The amount of the tax assessed against any Unit will depend upon various factors affecting value, including but not limited to, square footage, location, purchase price and other factors taken into consideration by the taxing authorities. Until the Units are separately assessed as described above, real estate taxes assessed against the Property will be treated as a Common Expense, to be borne solely by Units for which a temporary certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (half year or quarterly period, as the case may be) (collectively, "Completed Units") for which real estate taxes are being paid by the Condominium Board. The By-laws provide that after the Units are separately assessed for real estate tax purposes, the Board of Managers as agent of the Unit Owners shall promptly assess any Unit Owners who have underpaid real estate taxes with respect to their Completed Units based on the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s), and shall likewise reimburse any Unit Owners for overpayment of taxes based on the initial assessed valuation of their Completed Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s).

With certain exceptions, any sale or lease of a Residential Unit and a Parking Space Unit will be subject to a right by the Condominium to acquire or lease such Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the Owner of such Unit. For a summary of such rights and obligations of a Unit Owner, see "**Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws.**" Sponsor, any Unsold Unit Owner and any Marina Unit Owner may sell or lease all or any portion of their Units without any such restriction. (See "**Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws.**")

Operation and management of the Condominium will be vested in the Condominium Board as more particularly set forth in the By-Laws. Each Unit Owner will be obligated to comply with the Declaration, By-Laws, Rules and Regulations and any other requirements of the Board. Each Unit Owner will have a right to vote for members of the Board as provided in the By-Laws. The Condominium Board will determine the amount of General Common Expenses, Multi-Family Limited Common Expenses and Townhouse Limited Common Expenses. Common Expenses include General Common Expenses, Multi-Family Limited Common Expenses and Townhouse Limited Common Expenses. General Common Expenses include, without limitation, the expenses of maintaining and operating the General Common Elements and certain other expenses as may be set forth in "**Schedule B": Projected Budget for First Year of Condominium Operation**" and "**Footnotes to Schedule B**" and in the Declaration and

By-Laws. Multi-Family Limited Common Expenses include, without limitation, the expenses of maintaining and operating the Multi-Family Limited Common Elements and certain other expenses as may be set forth in "**Schedule B: Projected Budget for First year of Condominium Operations**," "**Footnote to Schedule B**" and in the Declaration and By-Laws. Townhouse Limited Common Expenses include, without limitation, the expenses of maintaining and operating the Townhouse Limited Common Elements and certain other expenses as may be set forth in "**Schedule B: Projected Budget for First year of Condominium Operations**," "**Footnote to Schedule B**" and in the Declaration and By-Laws.

Each Unit Owner will be required to pay General Common Charges to pay for General Common Expenses. In addition, each Multi-Family Unit Owner will be required to pay Multi-Family Limited Common Charges to pay for Multi-Family Limited Common Expenses. Each Townhouse Unit benefiting or served exclusively by particular Townhouse Limited Common Elements will be required to pay the costs (as allocated and assessed by the Condominium Board) of repairing, maintaining, improving, replacing or altering such Townhouse Limited Common Elements pro rata, based upon the ratio that the Common Interest of such Unit bears to the total Common Interests of all Townhouse Units benefiting or served exclusively by such Townhouse Limited Common Elements. An example of a Townhouse Limited Common Element is a walkway from the sidewalk serving and connecting to certain Townhouse Units (but not others). Every Unit Owner will be required to pay a share of General Common Expenses, generally in accordance with the Common Interest of such Unit Owner's Unit. Multi-Family Limited Common Expenses will be borne solely by the Multi-Family Unit Owners in accordance with the ratio of the common interest allocated to the particular Multi-Family Unit owned to the aggregate of the common interests allocated to all Multi-Family Units (such ratio sometimes referred to at the "Percentage of Multi-Family Common Interest)." Townhouse Limited Common Expenses will be borne solely by the Townhouse Unit Owner or Owners owning the Unit(s), if any, exclusively serviced or benefited by the particular Townhouse Limited Common Element which gave rise to such expense (individually, a "Benefited Townhouse Unit" and, collectively, "Benefited Townhouse Units") and, if there is more than one Benefited Unit, then such costs and expenses shall be borne by the owners of such Benefited Townhouse Units pro rata based upon the ratio that the Common Interests of their respective Benefited Townhouse Units bear to the total Common Interests of all such Benefited Units. At least monthly, the Board will assess such Common Charges against each Unit Owner to meet Common Expenses. See "**Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws.**"

In the opinion of counsel to Sponsor, under present income tax laws, a Residential Unit Owner, substantially like a homeowner, may deduct from his income for federal, New York State and New York City resident income tax purposes, the real estate taxes paid with respect to his Residential Unit and any Parking Space Unit owned by such Residential Unit Owner, and the interest paid on the mortgage, if any, on his Residential Unit and such Parking Space Unit, if any, but subject to the conditions and restrictions discussed in "Counsel's Tax Opinion". For the most part a Residential Unit Owner may only deduct interest on debt incurred to acquire his principal residence or designated secondary residence subject to certain limitations (See "**Counsel's Tax Opinion**").

The Condominium shall maintain fire insurance policies insuring the Buildings (but not including appliances or any furniture, furnishings or other personal property in any Unit) covering the interests of the Condominium, the Board, all the Unit Owners and their mortgagees as their respective interests may appear, in an amount equal to at least eighty percent of the full replacement value of the Buildings exclusive of excavation and foundations and deduction for depreciation. Each Unit Owner is responsible for insuring the interior of his own Unit and the contents thereof, including appliances, furniture, furnishings, or other personal property within the Unit. In addition, a Unit owner may desire to obtain insurance covering his liability to others for personal injury or property damage occurring within or to his Unit.

Miscellaneous

The Plan (including all Schedules and Parts A, B, C and D of the Exhibits submitted by Sponsor to the Department of Law) constitutes the entire offer of Sponsor. Copies of the Plan, and Parts A, B, C and D of the Exhibits referred to above, are available to prospective Purchasers and their attorneys for (a) inspection without charge and for copying at a reasonable charge, at the office of the Selling Agent during regular business hours, and if and when a sales office is maintained at the Property, then at such sales office and (b) inspection and copying at a reasonable fee at the Department of Law, although there is no assurance that this service by the Department of Law will be continued to be made available.

The Plan is offered only to individuals who are 18 years of age or older and who reside in the State of New York, or other entities with offices in the State of New York.

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

DEFINITIONS

"**Board**" or "**Board of Managers**" or the "**Condominium Board**" means the Board of Managers of the Condominium.

"**Breakers East Townhouse Building**" means, collectively, the ten two-family or 2 unit structures at the Property adjoined by demising walls and designated as Breakers East Townhouse Building on the Floors Plans.

"**Breakers West Townhouse Building**" means, collectively, the thirteen two-family or 2 unit structures at the Property adjoined by demising walls and designated as Breakers West Townhouse Building on the Floors Plans.

"**Buildings**" means the Multi-Family Building, Breakers East Townhouse Building and Breakers West Townhouse Building (each, individually, a "**Building**").

"**By-Laws**" means the By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, as the same may be amended from time to time.

"**Closing Date**" means the date of closing pursuant to the Plan, unless another closing date is set forth in a Purchase Agreement covering a Unit, in which event such other date shall be the Closing Date for such Unit.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Common Charges**" means (i) any charge assessed by the Board of Managers against any Unit Owner in accordance with the Declaration and By-laws, including, without limitation, General Common Charges, Multi-Family Limited Common Charges and Townhouse Limited Common Charges, and (ii) from and after such time as there shall be more than one Marina Unit and a Marina Board shall be established in accordance with the By-laws, any charge assessed by any Marina Board against any Marina Unit Owner in accordance with the Declaration and By-laws, including, without limitation, the Marina Common Charges.

"**Common Elements**" means, collectively the General Common Elements, the Multi-Family Limited Common Elements, the Townhouse Limited Common Elements, any Marina Limited Common Elements, and generally consist of all parts of the Property other than the Units.

"**Common Expenses**" means, collectively, the General Common Expenses, the Multi-Family Limited Common Expenses, the Townhouse Limited Common Expenses and, if applicable, the Marina Limited Common Expenses.

"**Common Interest**" means the proportionate undivided interest expressed in numerical percentages in the Common Elements pertaining to each Unit as determined in accordance with the Declaration. The total of all Common Interest percentages pertaining to all Units equals 100%.

"**Condominium**" means The Breakers at Sheepshead Bay Condominium to be established pursuant to the terms of the Declaration and to be governed pursuant to the terms of the By-Laws.

"**Condominium Act**" means Article 9-B of the Real Property Law of the State of New York as the same may be amended from time to time.

"**Condominium Documents**" means collectively this Plan, the Declaration and the By-Laws (including the Rules and Regulations) and the Floor Plans, all as the same may be amended from time to time.

"**Declarant**" means, collectively, Sponsor and Fee Owner.

"**Declaration**" means the Declaration of Condominium, a copy of which is set forth in Part II of this Plan, as the same may be amended from time to time.

"**Department of Law**" means the Real Estate Financing Section, Investment Protection Bureau, Department of Law, 120 Broadway, 23rd Floor, New York, New York.

"**Effective Date**" means the date upon which the Plan is declared effective by Sponsor in accordance with the terms of the Plan.

"**Exhibits**" means collectively Exhibits A, B, C and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department.

"**Fee Owner**" means Emmons Avenue LLC, a New York limited liability company, having an office at 1328 President Street, Brooklyn, New York 11213.

"**First Unit Closing**" means the first date upon which title to a Unit is conveyed to a Purchaser pursuant to the terms of the Plan.

"**First Year Budget**" means the projection of receipts and expenses of the Property for the first 12 months following the projected date of the First Unit Closing contained in the Section of the Plan entitled "**Schedule B: Projected Budget for First Year of Condominium Operation**."

"**First Year of Condominium Operation**" means the twelve month period commencing on the date of the First Unit Closing.

"**Floor Plans**" means the condominium floor plans of the Building certified by Elena Kalman Architect, and to be filed with the Kings County Office of the City Register, New York, copies of which are reproduced in Part II of the Plan.

"**Force Majeure**" means weather, floods, epidemics, quarantine restrictions, strikes, lockouts, acts of God, freight embargoes, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements, or any other cause over which Sponsor has no material and direct control.

"**Garage**" means the garage located in the cellar level of the Multi-Family Building which is designated as a General Common Element on the Floor Plans.

"**Gymnasium**" means the gymnasium which is located in Garage and designated as a General Common Element on the Floor Plans.

"**GBL**" means the New York General Business Law.

"**General Common Charges**" means the charges allocated and assessed against the Units by the Condominium Board payable by the Unit Owners (each of the Residential Unit Owners, Parking Space Unit Owners and Marina Unit Owner(s)) in accordance with the respective Common Interests of their respective Units (except as otherwise provided in the Declaration or in the By-Laws), to meet the General Common Expenses.

"**General Common Elements**" means the Land and all parts of the Buildings, other than the Units, the Multi-Family Limited Common Elements, the Townhouse Limited Common Elements and the Marina Limited Common Elements. The General Common Elements include, without limitation, the foundations, footings, columns, girders, floor slabs and ceilings, beams, supports, interior load bearing walls, roofs (other than the Multi-Family Private Roof Terraces and Townhouse Roof Terraces)..

"General Common Expenses" shall mean all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements, including, without limiting, accounting, legal, architectural, engineering or other professional or services fees, certain other expenses set forth or described in "**Schedule B: Projected Budget for First Year of Condominium Operation**" as to be borne by all Unit Owners and such other items which are provided in the Declaration or By-Laws to be General Common Expenses.

"**Indoor Parking Space Unit**" means a condominium Unit which is a parking space located in the Garage and which is designated on the Floor Plans as an Indoor Parking Space Unit.

"Initial Control Period" means the period commencing on the date of the First Unit Closing and ending on the earlier of: (i) the date by which there shall have occurred the closing of title to Residential Units and Parking Space Units purchased by Purchasers for Occupancy (as defined in Article III, Section 8 of the By-laws) having, in the aggregate, more than fifty percent (50%) of the aggregate of the Common Interests pertaining to all Residential Units and Parking Space Units or (ii) the second (2nd) anniversary of the First Unit Closing.

"**Institutional Lender**" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or licensed mortgage banker or (ii) a federal, state, municipal, teachers' or union employee, welfare, pension or retirement fund or system having assets in excess of $300,000,000, in each case doing business in the State of New York; or (iii) any Governmental Authority including an agency of the City or State of New York.

"**Institutional Mortgage**" means a Permitted Mortgage covering one or more Units and the initial holder of which is either the Declarant or an Institutional Lender (as defined above).

"**Insurance Trustee**" means Sponsor's mortgagee, if any, so long as such mortgagee is the holder of a mortgage made by Sponsor or a New York State bank or trust company or savings institution designated by the Board as insurance trustee pursuant to the provisions of the By-Laws.

"**Land**" means the parcel of land upon which the Buildings are situated, together with all easements, rights, privileges and hereditaments appurtenant thereto, including, without limitation, the Riparian Rights, as more fully described in the Declaration.

"**Limited Common Elements**" means collectively, the Multi-Family Limited Common Elements, Townhouse Limited Common Elements and any Marina Limited Common Elements and any other Limited Common Elements designated as such pursuant to the Declaration.

"**Limited Warranty**" means the Limited Warranty annexed to the Purchase Agreement in Part II of the Plan, which Limited Warranty (i) excludes the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, and (ii) applies to the purchase of Residential Units only.

"**Majority in Common Interest of Unit Owners**" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of Unit Owners determined in accordance with the By-Laws.

"**Managing Agent**" means Wentworth Property Management Inc. or any successor managing agent designated by the Board.

"**Marina**" means (i) one or more docks, piers and/or wharfs built out from any portion of the Waterfront Area (including, without limitation, the Marina Unit), in each case, whether supported by piles or constituting a floating structure, (ii) boat slips and other structures providing a protected water area for mooring or securing boats, ships or other vessels, (iii) boat launching facilities, (iv) a gasoline dock, (v) repair dock and/or (vi) supporting facilities for the foregoing, including, without limitation, facilities for the provision of utilities, rest rooms and a breakwater or similar protective structure, together with, to the extent applicable, the Marina Unit, as all of same may be modified, altered or replaced from time to time. Sponsor has the right but not the obligation to build a Marina at the Property.

"**Marina Common Charges**" means, from and after the date, if any, that there shall be more than one Marina Unit, the charges, if any, allocated and assessed against the Marina Units by the Marina Majority in Interest or the Marina Board (if one shall be established as provided in the Declaration), payable by the Marina Unit Owners in the manner provided in the Declaration and By-laws to meet the Marina Limited Common Expenses.

"**Marina Limited Common Elements**" shall mean those Common Elements, if any, that serve or benefit exclusively one or more Marina Units including, without limitation, as created upon any subdivision of the Marina Unit.

"**Marina Limited Common Expenses**" means all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, any Marina Limited Common Elements.

"**Marina Unit**" means, collectively, the portion of the Land designated on the Floor Plans as the Marina Unit, together with any Marina and any and all other improvements and extensions to the Marina Unit or to any other location along the Waterfront Area and extending into the water as permitted to be made by the owner of the Marina Unit under the Declaration or pursuant to or in accordance with any of the easements and other special rights and prerogatives granted to the owner of the Marina Unit under the Declaration, together with, in each case, all supporting facilities, in each case, whether supported by piles driven into the underwater land adjoining the premises, established as floating structures or otherwise. The Marina and all such

improvements and extensions to the Marina Unit (including, without limitation, a Marina) as described above or as permitted under the Declaration, shall, when made, be deemed part of the Marina Unit, subject to the subdivision of the Marina Unit into Marina Units and the creation of Marina Limited Common Elements as provided in the Declaration.

"**Marina Units**" means, collectively, the Units created out of any subdivision of the Marina Unit, as permitted under the Declaration. Each of such Marina Units is sometimes referred to individually as a "**Marina Unit.**"

"**Marina Unit Owner**" means the owner of the Marina Unit and, if there shall be more than one Marina Unit, then an owner of a Marina Unit.

"**Mortgage Representative**" means the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of the By-Laws.

"**Multi-Family Building**" means the multi-family building at the Property containing initially approximately 29 apartments, exclusive of the Garage, the Gymnasium and the storage space located in the Garage, which Garage, Gymnasium and storage space each are identified on the Floor Plans as a General Common Element.

"**Multi-Family Limited Common Charges**" means the charges allocated and assessed against the Multi-Family Units by the Condominium Board, payable by the Multi-Family Unit Owners in accordance with the respective Percentages of Multi-Family Common Interest of their respective Multi-Family Units, to meet the Multi-Family Limited Common Expenses..

"**Multi-Family Limited Common Expenses**" means all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Multi-Family Limited Common Elements.

"**Multi-Family Private Lower Terrace**" means the synthetic paver and/or other surface material, suitable for use as a private roof terrace, from time to time located over the roof of the Garage, the Gymnasium and/or the storage space located in the Garage at the Multi-Family Building, serving certain Units on the first floor of the Multi-Family Building and identified on the Floor Plans as part of the Unit.

"**Multi-Family Private Roof Terrace**" or "**Multi-Family Private Roof Terraces**" means the synthetic paver and/or other surface material from time to time located over a portion of the roof above the third floor of the Multi-Family Building, serving an individual Unit, and as identified on the Floor Plans as part of the Unit.

"**Multi-Family Limited Common Elements**" means the Limited Common Elements that serve or benefit exclusively the Multi-Family Units or the Multi-Family Unit Owners.

"**Multi-Family Unit**" means a condominium Unit located in the Multi-Family Building (which does not include the Garage, the Gymnasium or the storage space located in the Garage), as more particularly described in the Declaration.

"Outdoor Parking Space Unit" means a condominium Unit which is a parking space located outdoors on the Property and which is designated as an Outdoor Parking Space Unit on the Floor Plans.

"Parking Space Unit" means an Indoor Parking Space Unit or an Outdoor Parking Space Unit. The Outdoor Parking Space Units and Indoor Parking Spaces Units are collectively are referred to as the **"Parking Space Units"**.

"Parking Space Unit Owner" means the owner of a Parking Space Unit.

"Percentage of Multi-Family Common Interest" shall mean, with respect to a Multi-Family Unit, the ratio of the common interest allocated to such Multi-Family Unit to the aggregate of the Common Interests allocated to all Multi-Family Units.

"Permitted Encumbrances" means the title exceptions set forth in **"Terms of Sale; Closing of Title to Units"** subject to which a Unit may be conveyed.

"Permitted Mortgage" shall mean any mortgage of record against a Unit which is a first mortgage against such Unit.

"Plan" means the Condominium Offering Plan for The Breakers at Shepshead Bay Condominium promulgated by Sponsor.

"Property" means, collectively, the Land and the Buildings, all other property, real, personal or mixed, intended for use in connection therewith, and all easements, rights, privileges and hereditaments appurtenant thereto, including, without limitation, all Riparian Rights.

"Purchase Agreement" means the agreement to purchase a Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

"Purchaser" means a purchaser of a Unit pursuant to a Purchase Agreement.

"Residential Unit" means a condominium unit which is designated as a Residential Unit in the Declaration and/or the Floor Plans (that is, a Multi-Family Unit or a Townhouse Unit). A Residential Unit includes any Multi-Family Private Balcony or Townhouse Balcony, Multi-Family Private Roof Terrace or Townhouse Roof Terrace, Multi-Family Private Lower Terrace, Townhouse Porch, Townhouse Rear Yard, Townhouse Front Yard and/or Townhouse Side Yard, and any other space, such as a Multi-Family Roof Terrace Access Stairway or Townhouse Roof Terrace Access Stairway, which is indicated in the Declaration and/or Floor Plans to be part of such Unit.

"Residential Unit Owner" means the owner of a Residential Unit.

"Riparian Rights" means, collectively, all littoral and riparian rights of Fee Owner as the owner of the premises described on Exhibit A to the Declaration in Part II of the Plan and any and all other rights of the Fee Owner pertaining to the body of water which abuts such premises and the adjoining underwater land, including, without limitation, any and all rights to

the use of and, to the extent applicable, ownership of, such body of water and adjoining underwater land.

"**Rules and Regulations**" means the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A as the same may be amended from time to time.

"**Section 421-a**" means Section 421-a of the Real Property Tax Law of the State of New York and the local laws, rules and regulations promulgated pursuant thereto.

"**Sponsor**" means Emmons-Sheepshead Bay Development LLC, having an office at 22 Seventh Avenue, Brooklyn, New York 11217.

"**Sponsor Successor**" means (i) any corporation or other entity which, through amalgamation, consolidation, or other legal succession becomes invested with the rights and assumes the burdens of Sponsor or (ii) any Person, who, at any time, (a) purchases from Sponsor or otherwise succeeds to (x) ten or more Residential Units or (y) twenty percent (20%) or more of all Residential Units in the Condominium or (z) all remaining Residential Units then owned by Sponsor, and is designated as a Sponsor Successor by Sponsor and (b) is not purchasing such Residential Units for his, her or its own occupancy or for occupancy by one or more of such Person's family members, and, in any case, shall also include any nominee holding any Unit for the account of the Person referred to in clause (i) or (ii) above. The phrase "owned by" shall include owned by any such nominee.

"**Townhouse Buildings**" means, collectively, the Breakers East Townhouse Building and the Breakers West Townhouse Building.

"**Townhouse Unit**" means a Unit located in the Breakers East Townhouse Building or the Breakers West Townhouse Building, as more particularly described in the Declaration..

"**Unit**" or "**Units**" means (i) any space designated as a Residential Unit (that is, either a Multi-Family Unit or Townhouse Unit), Parking Space Unit or Marina Unit in the Declaration, and (ii) an appurtenant undivided interest in the Common Elements. All of such units are collectively referred to as the "Units."

"**Unit Owner**" or "**Unit Owners**" means any owner or owners of a Unit. All of such Unit Owners are collectively referred to as "Unit Owners."

"**Unsold Parking Space Unit**" means a Parking Space Unit until Unit until purchased by a Purchaser for Occupancy (as defined in Article III, Section 8 of the By-laws) of a Residential Unit. Further, a Parking Space Unit that is conveyed to Sponsor by a Purchaser who has elected to rescind his or her purchase of the Unit and receive a refund of the purchase price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Parking Space Unit.

"**Unsold Parking Space Unit Owner**" means the owner of an Unsold Parking Space Unit from time to time.

"**Unsold Residential Unit**" means any Residential Unit until such Unit has been purchased by a Purchaser for Occupancy (as defined in Article III, Section 8 of the By-laws) on

or after the Closing Date under the Plan or until the owner of such Unit or a person related by blood or marriage to such owner becomes the residential occupant of such Unit after the Closing Date under the Plan, whichever is sooner. A Residential Unit that is conveyed to Sponsor by a Purchaser who has elected to rescind his or her purchase of the Unit and receive a refund of the purchase price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Residential Unit.

"**Unsold Residential Unit Owner**" shall mean any owner of an Unsold Residential Unit from time to time.

"**Waterfront Area**" means, collectively, the entire waterfront, including, without limitation, the Platform at the Property.

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meaning ascribed thereto in the By-Laws or the Declaration, as the case may be.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Land

The Land is located between the southerly side of Emmons Avenue and Sheepshead Bay, near Ford and Coyle Streets, in the Borough of Brooklyn, County of Kings. The Buildings are to be known or to be known as 3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A and 3144 Emmons Avenue, Brooklyn, New York 11235. A metes and bounds description of the Land is set forth in the Declaration in Part II of the Plan. The Property is presently designated as Section 26, Block 8815, tentative Lot 86 (formerly known as tax lots 86, 97, 98, 99, 100, 509, 510, 513, 514, 515, 516, 518, 519, 520) on the Tax Map of the County of Kings, Borough of Brooklyn, State of New York.

The Buildings

The Property shall include the Multi-Family Building, containing three (3) stories (plus a Garage located in its cellar); the Breakers East Townhouse Building, comprised of ten (10) two-family or two-unit structures adjoined by demising walls, which structures each contain three (3) stories (and a cellar); and the Breakers West Townhouse Building, comprised of thirteen (13) two-family or two unit structures adjoined by demising walls, which structures each contain three (3) stories (and a cellar). The Buildings are being newly constructed and shall be completed as described in "Description of Property, Specifications and Building Condition" in Part II of the Plan.

Description of Improvements

Sponsor intends to build the Buildings substantially in accordance with the plans and specifications prepared by Elena Kalman Architect, 99 Wild Duck Road, Stamford Connecticut 06903, copies of which are available for examination by prospective Purchasers at the Selling

Agent's office. Such plans and specifications as the same may be amended from time to time by Sponsor are referred to in this Plan as the "Plans and Specifications."

A general description and outline of the specifications of the Buildings, equipment, furnishings and facilities as well as a statement of building condition is set forth in "**Description of Property, Specifications and Building Condition**" in Part II of the Plan.

The improvements described in the Plans and Specifications shall upon issuance of the permanent certificates of occupancy for the Buildings, be in compliance with all applicable zoning codes of the City of New York and other applicable regulations, codes and governmental requirements.

Upon completion of the construction of the Buildings in accordance with the Plans and Specifications, it is presently contemplated that the Buildings will contain a total of 75 Residential Units and 66 Parking Space Units as described in this Plan.

Completion of Buildings and Units

It is anticipated that the construction of the Breakers West Townhouse Building and Indoor Parking Space Units will be substantially completed by the end of 2005 and that construction of the Multi-Family Building, Breaker East Townhouse Building and Outdoor Parking Space Units will be substantially completed by the third quarter of 2006. Construction may be delayed because of, and the obligations of Sponsor under this Plan and any Purchase Agreement are subject to, weather, strikes, lockouts, acts of God, local shortages, inability to obtain materials, equipment or labor, government restrictions or pre-emption, damage by fire or the elements, or any other cause. The period within which Sponsor must complete any of its obligations under this Plan or any Purchase Agreement shall be extended by the period of such delay. All projected completion dates are intended to be good faith estimates only and no assurance can be given with regard to the accuracy of any such projected completion dates. Prospective Purchasers should note that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such respective dates and that Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the respective substantial completion dates occur earlier or later to substantially complete, the First Unit Closing occurs earlier or later than the anticipated time or the closing of title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor; provided, however, that in the event that the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Unit Closing does not occur within 12 months after July 1, 2005, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers who are not in default under their Purchase Agreements the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer shall have their Deposit and any interest thereon returned.

The different Buildings may be completed at different times. For example, as noted above, it is currently anticipated that the Multi-Family Building and Breaker East Townhouse Building will be completed after the construction of the Breakers West Townhouse Building. Completion of all Buildings will not be a condition to a Purchaser's obligation to close on the purchase of his Unit and a Purchaser will be obligated to close on his purchase so long as a temporary certificate of occupancy shall have been obtained for such Unit, the two-family or two-unit structure which includes such Unit or for the Building in which such Unit is located. Sponsor shall have the right to amend the Declaration and Floor Plans to reflect the completion of the different Buildings as completed from time to time.

Construction is often subject to unanticipated delays and involves noise, disruption and inconvenience. Purchasers should be mindful that a noisy and disruptive condition may exist at the Property while work continues. During at least the First Year of Condominium Operation, (i) construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of construction and moving into of the Units; (ii) various systems, including, but not limited to, water supply, air conditioning, heating, ventilating and elevators, may be disrupted temporarily and from time to time; (iii) Sponsor may not fully complete the decoration or finishing of the Multi-Family lobby, corridors, and elevator and lift finishes, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpet, if any, until a particular floor is fully occupied by the Multi-Family Unit Owners; and (iv) certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners, such as plantings, or the Multi-Family Limited Common roof terrace and Multi-Family Limited Common residents' terrace/garden available to Multi-Family Unit Owners, may not be available until such other portions of the Property or Multi-Family Building, as the case may be, are completed and fully operational. Sponsor shall have no liability whatsoever in the event these systems and amenities are delayed or disrupted.

Each Building shall be deemed fully completed in accordance with the Plans and Specifications with respect thereto when (a) a temporary or permanent certificate of occupancy for or covering such Building shall have been issued by the Department of Buildings of the City of New York, and (b) Sponsor's architect or engineer shall have certified that such Building has been substantially completed in accordance with the Plans and Specifications with respect thereto except for (i) work in Units to be done by or for the account of Purchasers, (ii) work in the Building customarily left incomplete until after occupancy and (iii) punch list items. With respect to each Building, issuance of a temporary or permanent certificate of occupancy and the certification of Sponsor's architect or engineer shall be deemed and considered conclusive evidence that the improvements have been completed in accordance with the Plans and Specifications without prejudice however to any rights which the Condominium may have under Sponsor's obligation to cause defects in construction or materials to be corrected as may hereinafter be set forth in this Plan. (See "**Rights and Obligations of Sponsor**"). At Sponsor's option, Sponsor may seek individual certificates of occupancy (temporary or permanent) for any or each two-family or two-unit structure which is a part of the Townhouse Buildings.

A Purchaser should note that prior to the conveyance of title to him of his Unit he may not perform any work in the Unit without first obtaining Sponsor's prior written consent. In addition, as provided in the By-laws, prior to the issuance of permanent certificates of occupancy covering all of the Buildings following completion of the construction as described in the Plan, no Unit Owner other than Sponsor and its designees shall be permitted to make any alterations or improvements to his Unit without the prior written consent of Sponsor.

Exclusion of Housing Merchant Implied Warranty

The Sponsor excludes the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law which grants to buyers of certain newly constructed housing units a warranty that homes will be free of certain defects, and all other warranties, express or implied, other than the Limited Warranty annexed to the Purchase Agreement, which Limited Warranty applies to the purchase of Residential Units only. Neither the Housing Merchant Implied Warranty nor the Limited Warranty applies to the purchase of Parking Space Units. Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Units or the Common Elements or in the installation or operation or any fixtures or appliances, except as expressly set forth in this Plan. See "**Rights and Obligations of Sponsor**" and the Limited Warranty attached to the Purchase Agreement in Part II of the Plan.

Units and General Common Elements

A summary description of the Units offered for sale under this Plan is set forth in "**Introduction**" and "**Schedule A**". Floor plans for the Units are set forth in "**Condominium Floor Plans**" in Part II of the Plan.

The legal description of the Units, the General Common Elements and the Limited Common Elements is set forth in the Declaration in Part II of the Plan and is summarized in "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws**" in Part I of the Plan.

Amenities and Parking

As stated in the "Introduction" section of the Plan, thirty-eight (38) Indoor Parking Space Units and twenty (20) Outdoor Parking Space Units currently are offered for sale under the Plan. In addition, eight (8) Handicapped Parking Space Units are intended to be sold by Sponsor to the Condominium Board. (See "**Introduction**.") Inasmuch as there are 75 Residential Units and only approximately 58 parking spaces currently offered for sale under this Plan, there can be no assurance that any particular Unit Owner will be able to purchase a parking space at the Property (or a parking space in the location that he may desire). Each owner of a Parking Space Unit will pay the Common Charges attributable to and the real estate taxes assessed against such Unit. The owner of a Parking Space Unit will receive a deed and own fee title to a specific Parking Space Unit that will be available for his passenger motor vehicle. See "Offer of Sale of Condominium Units" in **"Introduction"** for additional details concerning Parking Space Units.

There will be a terrace and garden area available for use by residents of the Multi-Family Building, located outdoors on the first floor of the Multi-Family Building and accessible from

the lobby of the Multi-Family Building and from the parking area behind the Breakers East Townhouse Building. Multi-Family Unit Owners will also have available for their use as a roof terrace the portion of the roof of the Multi-Family Building that is designated on the Floor Plans as a Multi-Family Limited Common Element.

There will be a gymnasium available for use by all Unit Owners, located in the cellar level of the Multi-Family Building. The gymnasium will be equipped with two stationary bicycles, two elliptical trainers and a television set.

There will be no laundry facilities in any of the Buildings except as may be contained in each Unit. See "Description of Property and Building Condition."

There is currently a concrete platform (the "**Platform**") joined to the Property at the edge of the land, in and above the water in Sheepshead Bay. The Platform is not included within the legal description of the premises conveyed to the Fee Owner (the "**Deeded Premises**"). The City of New York's tax map shows the Platform as part of the same tax lot as the Deeded Premises. Although the Fee Owner does not hold fee title to the Platform, as the owner of the Deeded Premises upland and adjacent thereto, Fee Owner has the right to use the Platform (the "**Platform Use Rights**"), subject to the obligation to maintain and repair it, and subject further to the rights and requirements of local, state, and federal government (the "**Requirements**"), if any, pertaining to the Platform and the bay, generally. The Declaration provides that Fee Owner shall submit to the provisions of the Condominium Act both the Deeded Premises and the Platform Use Rights and, accordingly, the Condominium Board shall have the same rights as the Fee Owner with respect to the Platform Use Rights, subject to the same obligations to maintain and repair it, and subject to the Requirements.

Access to Townhouse Units 3124-3, 3124-4, 3126-1 and 3126-2 (the "**Platform Adjacent Units**") shall, as a practical matter, involve use of the Platform and, accordingly, the Declaration provides that the owners of the Platform Adjacent Units (and their guests and invitees) shall have the right to use the Platform to the extent required or desired for ingress and egress to and from their Units. The Declaration provides that the Platform is to be treated for purposes of the Declaration and By-laws as if it were a General Common Element, subject to the rights of the owners of the Platform Adjacent Units with respect to certain Exclusive Use Areas located on the Platform as delineated on the Floor Plans. As shown on the Floor Plans, a small portion of the Platform, consisting of three separate areas, is designated on the Floor Plans as "Exclusive Use Area." The Declaration provides that the center Exclusive Use Area, consisting of a walkway in front of the steps for the Platform Adjacent Units, is for the exclusive use and enjoyment of the owners of the Platform Adjacent Units, primarily for purposes of obtaining access to their Units, subject to the right and obligation on the part of the Condominium Board to maintain such area in such manner as it may determine. The Declaration further provides that the Exclusive Use Area located in front of Townhouse Unit 3124-3 is for the exclusive use and enjoyment of the owner of such Townhouse Unit, subject to the right and obligation on the part of the Condominium Board to maintain such area in such manner as it may determine and subject to the provisions of the Declaration governing General Common Elements generally, including, without limitation, the prohibition against a Unit Owner altering a General Common Element without the prior consent of the Condominium Board. Likewise, the Declaration contains a similar provision with respect to the Exclusive Use Area located in front of

Townhouse Unit 3126-2. The Exclusive Use Areas located in front of Townhouse Units 3124-3 and 3126-2, respectively, will not be part of such respective Units.

LOCATION AND AREA INFORMATION

Location

The Breakers Condominium is located between the southerly side of Emmons Avenue and Sheepshead Bay, near Ford and Coyle Streets, in the Borough of Brooklyn, County of Kings. Its various buildings are known or to be known as 3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A and 3144 Emmons Avenue, Brooklyn, New York 11235. The surrounding neighborhood is residential with concentrated areas of retail and commercial. Retail establishments including shopping facilities are located within walking distance of the Property. To the immediate north of the Property is a two-lane street and across this street, office and residential buildings. To the immediate east of the Property is a three-story, residential rental building. To the immediate south of the Property is the Platform Area and Sheepshead Bay. To the immediate west of the Property are one-story bungalows (some rented, some owned). Sponsor is not aware of any filings having been made with government agencies for any planned development or change of use of the buildings immediately surrounding the Property which would be abhorrent to potential purchasers of the Units offered for sale under this Plan However, Sponsor does not represent or warrant that such development or change of use shall not occur.

Transportation

Public transportation provided by the New York State Metropolitan Transit Authority ("MTA") is easily accessible from the Property. The MTA New York City Transit's subways, bus lines linking with major subway stations and buses providing service to Brooklyn and Manhattan are located within walking distance of the Property. The B4 and B44 bus lines run on Emmons Avenue and the B and Q subway lines stop at the intersection of Sheepshead Bay Road and Avenue Z. Public transportation is subject to schedules and changes made by the MTA.

Educational Facilities

Various New York City public schools, and religious and private schools, are located within approximately a mile of the Property. With regard to City public schools, P.S. 52 is located at 2675 East 29th Street; Junior High School 14 is located at 2424 Batchelder Street and Sheepshead Bay High School is located at 3000 Avenue X, each in Brooklyn. No representation is made that Unit Owners or their children will be able to attend any particular school.

Municipal Services

The Property is located within the 61st Precinct of the New York City Police Department. The 61st Precinct is located at Coney Island Avenue and Avenue W in Brooklyn, approximately 10-15 blocks from the Property.

The New York City Fire Department station closest to the Property is Engine Company No. 246, located at Banner Avenue and East 11th Street, approximately one mile from the Property.

The projected cost of snow removal, and road maintenance, within the Property is included in Schedule B.

Zoning

The Property is an R-5 zoning district with a C2-2 zoning district overlay in the Sheepshead Bay Special Purpose District, which permits development of the Residential Units and Parking Space Units.

SCHEDULE A

Offering Prices and Related Information
Projected First Year of Condominium Operation
July 1, 2006 - June 30, 2007

Unit Number	Approximate Size of Unit in Square Feet* (1)	Number of Bedrooms/ Bathrooms (1)	Purchase Price (2)	Percentage of Common Interest (3)	Percentage of Multi-Family Common Interest (4)	Estimated Monthly Common Charges for First Year of Condominium Operation** (6)	Estimated Monthly Real Estate Taxes Assuming 421-a or 421-b (as the case may be) Tax Exemption (6)	Estimated Monthly Real Estate Taxes Without 421-a or 421-b (as the case may be) Tax Exemption (7)	Estimated Total Monthly Carrying Charges Assuming 421-a or 421-b (as the case may be) Tax Exemption (8)	Estimated Total Monthly Carrying Charges Without 421-a or 421-b (as the case may be) Tax Exemption (9)	Estimated Total Monthly Carrying Charges (Assuming 421-a or 421-b (as the case may be) Tax Exemption) Deductible From Income Taxes for First Year of Condominium Operation (10)
RESIDENTIAL UNITS:											
Breakers West Townhouse Building											
3112-3 (L)	1,547	0-1-1/2	$ 434,500.00	0.7369%	N/A	$ 182.89	$ 64.60	$ 223.62	$ 247.49	$ 406.51	$ 64.60
3112-4 (U)	2,142	2-2-1/2	$ 654,000.00	1.1091%	N/A	$ 275.26	$ 97.23	$ 336.58	$ 372.49	$ 611.83	$ 97.23
3112A-2 (L)	1,562	0-1-1/2	$ 439,500.00	0.7453%	N/A	$ 184.97	$ 65.34	$ 226.17	$ 250.31	$ 411.14	$ 65.34
3112A-1 (U)	2,142	2-1-1/2	$ 654,000.00	1.1091%	N/A	$ 275.26	$ 97.23	$ 336.58	$ 372.49	$ 611.83	$ 97.23
3114-3 (L)	1,566	0-1-1/2	$ 467,500.00	0.7928%	N/A	$ 196.76	$ 69.50	$ 240.59	$ 266.26	$ 437.35	$ 69.50
3114-4 (U)	2,142	2-2-1/2	$ 689,000.00	1.1685%	N/A	$ 290.00	$ 102.44	$ 354.60	$ 392.44	$ 644.60	$ 102.44
3114A-2 (L)	1,578	0-1-1/2	$ 472,500.00	0.8013%	N/A	$ 198.87	$ 70.25	$ 243.17	$ 269.12	$ 442.04	$ 70.25
3114A-1 (U)	2,142	2-2-1/2	$ 689,000.00	1.1685%	N/A	$ 290.00	$ 102.44	$ 354.60	$ 392.44	$ 644.60	$ 102.44
3116-3 (L)	1,581	0-1-1/2	$ 489,500.00	0.8301%	N/A	$ 206.02	$ 72.77	$ 251.91	$ 278.79	$ 457.92	$ 72.77
3116-4 (U)	2,142	2-2-1/2	$ 739,500.00	1.2541%	N/A	$ 311.25	$ 109.94	$ 380.58	$ 421.19	$ 691.82	$ 109.94
3116A-2 (L)	1,598	0-1-1/2	$ 494,000.00	0.8378%	N/A	$ 207.93	$ 73.45	$ 254.24	$ 281.38	$ 462.17	$ 73.45
3116A-1 (U)	2,142	2-2-1/2	$ 748,000.00	1.2685%	N/A	$ 314.82	$ 111.21	$ 384.95	$ 426.03	$ 699.77	$ 111.21
3118-3 (L)	2,351	1-1-1/2	$ 623,500.00	1.0574%	N/A	$ 262.43	$ 92.70	$ 320.89	$ 355.13	$ 583.31	$ 92.70
3118-4 (U)	2,761	3-2-1/2	$ 933,000.00	1.5823%	N/A	$ 392.70	$ 138.72	$ 480.18	$ 531.42	$ 872.87	$ 138.72
3118A-2 (L)	2,387	1-1-1/2	$ 637,000.00	1.0803%	N/A	$ 268.11	$ 94.71	$ 327.84	$ 362.82	$ 595.95	$ 94.71
3118A-1 (U)	2,761	3-2-1/2	$ 933,000.00	1.5823%	N/A	$ 392.70	$ 138.72	$ 480.18	$ 531.42	$ 872.87	$ 138.72
3120-3 (L)	2,401	1-1-1/2	$ 654,000.00	1.1091%	N/A	$ 275.26	$ 97.23	$ 336.58	$ 372.49	$ 611.83	$ 97.23
3120-4 (U)	2,761	3-2-1/2	$ 979,000.00	1.6603%	N/A	$ 412.06	$ 145.55	$ 503.85	$ 557.61	$ 915.90	$ 145.55
3120A-2 (L)	2,268	1-1-1/2	$ 659,000.00	1.1176%	N/A	$ 277.37	$ 97.98	$ 339.15	$ 375.35	$ 616.52	$ 97.98
3120A-1 (U)	2,761	3-2-1/2	$ 979,000.00	1.6603%	N/A	$ 412.06	$ 145.55	$ 503.85	$ 557.61	$ 915.90	$ 145.55
3122-3 (L)	2,285	1-1-1/2	$ 687,500.00	1.1659%	N/A	$ 289.36	$ 102.21	$ 353.81	$ 391.57	$ 643.17	$ 102.21
3122-4 (U)	2,761	3-2-1/2	$ 998,000.00	1.6925%	N/A	$ 420.05	$ 148.38	$ 513.62	$ 568.43	$ 933.67	$ 148.38
3124-3 (L)	2,802	1-2-1/2	$ 1,095,000.00	1.8570%	N/A	$ 460.87	$ 162.80	$ 563.54	$ 623.67	$ 1,024.41	$ 162.80
3124-4 (U)	3,573	3-2-1/2	$ 1,449,000.00	2.4573%	N/A	$ 609.86	$ 215.43	$ 745.71	$ 825.28	$ 1,355.57	$ 215.43
3126-2 (L)	2,413	2-2-1/2	$ 1,145,000.00	1.9418%	N/A	$ 481.92	$ 170.23	$ 589.27	$ 652.15	$ 1,071.19	$ 170.23
3126-1 (U)	3,459	3-2-1/2	$ 1,518,000.00	2.5744%	N/A	$ 638.92	$ 225.69	$ 781.25	$ 864.61	$ 1,420.17	$ 225.69
SUBTOTAL:	60,028		$ 20,261,000.00	34.3605%		$8,527.67	$ 3,012.30	$ 10,427.27	$ 11,539.98	$ 18,954.95	$ 3,012.30

* Listed Square Footage for each Residential Unit includes floor space of any Townhouse Balcony or Multi-Family Private Balcony, Townhouse Rear Yard, Front Yard and/or Side Yard, Townhouse Porch, Townhouse Roof Terrace, end/or Multi-Family Private Roof Terrace or Multi-Family Private Lower Terrace which are part of the Unit. See "Footnotes to Schedule A."

** One months' Common Charges are to be paid by Purchaser at the closing of the purchase of a Unit into the Working Capital Fund. (See "Working Capital Fund" section.)

NOTE: The designation (L) next to a Townhouse Unit indicates that the apartment portion of the Unit is located on the first and cellar floors of the applicable Townhouse Building, and the designation (U) next to a Townhouse Unit indicates that the apartment portion of the Unit is located on the second and third floors of the applicable Townhouse Building.

SCHEDULE A

Offering Prices and Related Information
Projected First Year of Condominium Operation
July 1, 2006 - June 30, 2007

Unit Number	Approximate Size of Unit in Square Feet*	Number of Bedrooms/ Bathrooms	Purchase Price	Percentage of Common Interest	Percentage of Multi-Family Common Interest	Estimated Monthly Common Charges for First Year of Condominium Operation**	Estimated Monthly Real Estate Taxes Assuming 421-a or 421-b (as the case may be) Tax Exemption	Estimated Monthly Real Estate Taxes Without 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges Assuming 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges Without 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges (Assuming 421-a or 421-b (as the case may be) Tax Exemption) Deductible From Income Taxes for First Year of Condominium Operation
	(1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Breakers East Townhouse Building											
3128-4 (U)	3,594	3-2-1/2	$ 1,518,000.00	2.5744%	N/A	$ 638.92	$ 225.69	$ 781.25	$ 864.61	$ 420.17	$ 225.69
3128-3 (L)	3,182	1-2-1/2	$ 1,145,000.00	1.9418%	N/A	$ 481.92	$ 170.23	$ 589.27	$ 652.15	$ 1,071.19	$ 170.23
3130-1 (U)	3,594	3-2-1/2	$ 1,449,000.00	2.4573%	N/A	$ 609.86	$ 215.43	$ 745.71	$ 825.28	$ 1,355.57	$ 215.43
3130-2 (L)	3,208	2-2-1/2	$ 1,095,000.00	1.8570%	N/A	$ 460.87	$ 162.80	$ 563.54	$ 623.67	$ 1,024.41	$ 162.80
3132-1 (U)	3,894	3-2-1/2	$ 1,585,000.00	2.6885%	N/A	$ 667.24	$ 235.69	$ 815.87	$ 902.93	$ 1,483.11	$ 235.69
3132-2 (L)	2,588	1-2-1/2	$ 985,000.00	1.6704%	N/A	$ 414.56	$ 146.44	$ 506.91	$ 561.00	$ 921.48	$ 146.44
3134-1 (U)	2,802	3-2-1/2	$ 989,000.00	1.6772%	N/A	$ 416.25	$ 147.04	$ 508.97	$ 563.29	$ 925.23	$ 147.04
3134-2 (L)	2,224	1-1-1/2	$ 750,000.00	1.2719%	N/A	$ 315.66	$ 111.50	$ 385.98	$ 427.17	$ 701.64	$ 111.50
3136-4 (U)	2,142	2-2-1/2	$ 798,000.00	1.3533%	N/A	$ 335.87	$ 118.64	$ 410.68	$ 454.51	$ 746.55	$ 118.64
3136-3 (L)	1,507	0-1-1/2	$ 498,000.00	0.8446%	N/A	$ 209.61	$ 74.04	$ 256.31	$ 283.66	$ 465.92	$ 74.04
3136A-1 (U)	2,142	2-2-1/2	$ 778,000.00	1.3194%	N/A	$ 327.45	$ 115.67	$ 400.39	$ 443.12	$ 727.85	$ 115.67
3136A-2 (L)	1,701	0-1-1/2	$ 498,000.00	0.8446%	N/A	$ 209.61	$ 74.04	$ 256.31	$ 283.66	$ 465.92	$ 74.04
3138-4 (U)	2,142	2-2-1/2	$ 778,000.00	1.3194%	N/A	$ 327.45	$ 115.67	$ 400.39	$ 443.12	$ 727.85	$ 115.67
3138-3 (L)	1,715	0-1-1/2	$ 489,000.00	0.8293%	N/A	$ 205.82	$ 72.70	$ 251.67	$ 278.52	$ 457.48	$ 72.70
3138A-1(U)	2,142	2-2-1/2	$ 748,000.00	1.2685%	N/A	$ 314.82	$ 111.21	$ 384.95	$ 426.03	$ 699.77	$ 111.21
3138A-2 (L)	1,715	0-1-1/2	$ 489,000.00	0.8293%	N/A	$ 205.82	$ 72.70	$ 251.67	$ 278.52	$ 457.48	$ 72.70
3140-4 (U)	2,142	2-2-1/2	$ 739,000.00	1.2533%	N/A	$ 311.05	$ 109.87	$ 380.34	$ 420.92	$ 691.38	$ 109.87
3140-3 (L)	1,688	0-1-1/2	$ 489,000.00	0.8293%	N/A	$ 205.82	$ 72.70	$ 251.67	$ 278.52	$ 457.48	$ 72.70
3140A-1 (U)	2,142	2-2-1/2	$ 689,000.00	1.1685%	N/A	$ 290.00	$ 102.44	$ 354.60	$ 392.44	$ 644.60	$ 102.44
3140A-2 (L)	1,652	0-1-1/2	$ 472,000.00	0.8005%	N/A	$ 198.67	$ 70.18	$ 242.93	$ 268.85	$ 441.60	$ 70.18
SUBTOTAL:	47,916		$ 16,981,000.00	28.7985%		$ 7,147.28	$ 2,524.70	$ 8,739.39	$ 9,671.98	$ 15,886.68	$ 2,524.70

* Listed Square Footage for each Residential Unit includes floor space of any Townhouse Balcony or Multi-Family Private Balcony, Townhouse Rear Yard, Front Yard and/or Side Yard, Townhouse Porch, Townhouse Roof Terrace, and/or Multi-Family Private Roof Terrace or Multi-Family Private Lower Terrace which are part of the Unit. See "Footnotes to Schedule A."

** One months' Common Charges are to be paid by Purchaser at the closing of the purchase of a Unit into the Working Capital Fund. (See "Working Capital Fund" section.)

NOTE: The designation (L) next to a Townhouse Unit indicates that the apartment portion of the Unit is located on the first and cellar floors of the applicable Townhouse Building, and the designation (U) next to a Townhouse Unit indicates that the apartment portion of the Unit is located on the second and third floors of the applicable Townhouse Building.

Schedule A
Offering Prices and Related Information
Projected First Year of Condominium Operation
July 1, 2006 - June 30, 2007

Unit Number	Approximate Size of Unit in Square Feet*	Number of Bedrooms/ Bathrooms	Purchase Price	Percentage of Common Interest	Percentage of Multi-Family Common Interest	Estimated Monthly Common Charges for First Year of Condominium Operation**	Estimated Monthly Real Estate Taxes Assuming 421-a or 421-b (as the case may be) Tax Exemption	Estimated Monthly Real Estate Taxes Without 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges Assuming 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges Without 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges (Assuming 421-a or 421-b (as the case may be) Tax Exemption) Deductible From Income Taxes for First Year of Condominium
	(1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Multi-Family Building											
101	1,255	2-2	$ 588,000.00	0.9972%	3.1664%	$ 477.87	$ 40.53	$ 607.78	$ 518.40	$ 1,085.66	$ 40.53
102	734	1-1	$ 395,000.00	0.6699%	2.1271%	$ 321.02	$ 27.23	$ 408.30	$ 348.25	$ 729.32	$ 27.23
103	734	1-1	$ 395,000.00	0.6699%	2.1271%	$ 321.02	$ 27.23	$ 408.30	$ 348.25	$ 729.32	$ 27.23
104	734	1-1	$ 395,000.00	0.6699%	2.1271%	$ 321.02	$ 27.23	$ 408.30	$ 348.25	$ 729.32	$ 27.23
105	691	1-1	$ 377,000.00	0.6393%	2.0299%	$ 306.35	$ 25.98	$ 389.65	$ 332.33	$ 696.00	$ 25.98
106	2,066	2-2	$ 837,000.00	1.4195%	4.5073%	$ 680.24	$ 57.69	$ 865.17	$ 737.93	$ 1,545.41	$ 57.69
107	1,967	2-2	$ 697,500.00	1.1829%	3.7560%	$ 566.85	$ 48.07	$ 720.97	$ 614.93	$ 1,287.82	$ 48.07
108	1,661	2-2	$ 653,000.00	1.1074%	3.5163%	$ 530.68	$ 45.01	$ 674.95	$ 575.68	$ 1,205.63	$ 45.01
109	2,212	3-2	$ 877,000.00	1.4873%	4.7225%	$ 712.72	$ 60.45	$ 906.50	$ 773.16	$ 1,619.21	$ 60.45
201	1,506	3-2	$ 718,000.00	1.2176%	3.8662%	$ 583.48	$ 49.49	$ 742.12	$ 632.97	$ 1,325.60	$ 49.49
202	734	1-1	$ 419,000.00	0.7106%	2.2563%	$ 340.52	$ 28.88	$ 433.10	$ 369.40	$ 773.62	$ 28.88
203	734	1-1	$ 419,000.00	0.7106%	2.2563%	$ 340.52	$ 28.88	$ 433.10	$ 369.40	$ 773.62	$ 28.88
204	734	1-1	$ 419,000.00	0.7106%	2.2563%	$ 340.52	$ 28.88	$ 433.10	$ 369.40	$ 773.62	$ 28.88
205	691	1-1	$ 389,000.00	0.6597%	2.0947%	$ 316.13	$ 26.81	$ 402.08	$ 342.94	$ 718.21	$ 26.81
206	1,624	2-2	$ 789,000.00	1.3381%	4.2488%	$ 641.23	$ 54.38	$ 815.56	$ 695.61	$ 1,456.79	$ 54.38
207	1,357	2-2	$ 676,000.00	1.1464%	3.6401%	$ 549.36	$ 46.59	$ 698.72	$ 595.95	$ 1,248.08	$ 46.59
208	1,217	2-2	$ 649,000.00	1.1006%	3.4947%	$ 527.42	$ 44.73	$ 670.81	$ 572.15	$ 1,198.22	$ 44.73
209	1,796	3-2	$ 887,000.00	1.5042%	4.7762%	$ 720.82	$ 61.13	$ 916.80	$ 781.95	$ 1,637.62	$ 61.13
210	1,651	2-2	$ 697,000.00	1.1820%	3.7531%	$ 566.41	$ 48.04	$ 720.42	$ 614.45	$ 1,286.83	$ 48.04
301	2,994	3-2	$ 943,000.00	1.5992%	5.0779%	$ 766.35	$ 64.99	$ 974.70	$ 831.35	$ 1,741.05	$ 64.99
302	1,456	1-1	$ 497,000.00	0.8429%	2.6764%	$ 403.92	$ 34.26	$ 513.74	$ 438.18	$ 917.66	$ 34.26
303	1,240	1-1	$ 497,000.00	0.8429%	2.6764%	$ 403.92	$ 34.26	$ 513.74	$ 438.18	$ 917.66	$ 34.26
304	1,240	1-1	$ 497,000.00	0.8429%	2.6764%	$ 403.92	$ 34.26	$ 513.74	$ 438.18	$ 917.66	$ 34.26
305	1,150	1-1	$ 468,000.00	0.7937%	2.5202%	$ 380.35	$ 32.26	$ 483.75	$ 412.60	$ 864.10	$ 32.26
306	3,106	2-2	$ 923,000.00	1.5653%	4.9702%	$ 750.10	$ 63.62	$ 954.04	$ 813.71	$ 1,704.14	$ 63.62
307	2,527	2-2	$ 789,000.00	1.3381%	4.2488%	$ 641.23	$ 54.38	$ 815.56	$ 695.61	$ 1,456.79	$ 54.38
308	2,199	2-2	$ 769,000.00	1.3041%	4.1408%	$ 624.93	$ 53.00	$ 794.84	$ 677.93	$ 1,419.76	$ 53.00
309	2,755	3-2	$ 996,000.00	1.8891%	5.3635%	$ 809.45	$ 68.65	$ 1,029.49	$ 878.10	$ 1,838.95	$ 68.65
310	3,034	2-2	$ 915,000.00	1.5517%	4.9270%	$ 743.58	$ 63.06	$ 945.75	$ 806.64	$ 1,689.33	$ 63.06
SUBTOTAL:	45,799		$ 18,570,500.00	31.4936%	100.0000%	$ 15,091.92	$ 1,279.95	$ 19,195.08	$ 16,371.86	$ 34,286.99	$ 1,279.95

* Listed Square Footage for each Residential Unit includes floor space of any Townhouse Balcony or Multi-Family Private Balcony, Townhouse Rear Yard, Front Yard and/or Side Yard, Townhouse Porch, Townhouse Roof Terrace, and/or Multi-Family Private Roof Terrace or Multi-Family Private Lower Terrace which are part of the Unit. See "Footnotes to Schedule A."

** One months' Common Charges are to be paid by Purchaser at the closing of the purchase of a Unit into the Working Capital Fund. (See "Working Capital Fund" section.)

SCHEDULE A

Offering Prices and Related Information
Projected First Year of Condominium Operation
July 1, 2006 - June 30, 2007

Unit Number	Approximate Size of Unit in Square Feet* (1)	Number of Bedrooms/ Bathrooms (1)	Purchase Price (2)	Percentage of Common Interest (3)	Percentage of Multi-Family Common Interest (4)	Estimated Monthly Common Charges for First Year of Condominium Operation** (5)	Estimated Monthly Real Estate Taxes Assuming 421-a or 421-b (as the case may be) Tax Exemption (6)	Estimated Monthly Real Estate Taxes Without 421-a or 421-b (as the case may be) Tax Exemption (7)	Estimated Total Monthly Carrying Charges Assuming 421-a or 421-b (as the case may be) Tax Exemption (8)	Estimated Total Monthly Carrying Charges Without 421-a or 421-b (as the case may be) Tax Exemption (9)	Estimated Total Monthly Carrying Charges (Assuming 421-a or 421-b (as the case may be) Tax Exemption) Deductible From Income Taxes for First Year of Condominium Operation (10)
PARKING SPACE UNITS:											
Indoor Parking											
Space Units											
#1			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#2			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#3			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#4			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#5			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#6			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#7			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#8			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#9			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#10			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#11			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#12			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#13			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#14			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#15			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#16			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#17			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#18			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#19			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#20			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#21			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#22			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#23			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#24			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#25			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#26			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#28			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#29			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#30			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#31			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#32			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#33			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41

SCHEDULE A

Offering Prices and Related Information
Projected First Year of Condominium Operation
July 1, 2006 - June 30, 2007

Unit Number	Approximate Size of Unit in Square Feet* (1)	Number of Bedrooms/ Bathrooms (1)	Purchase Price (2)	Percentage of Common Interest (3)	Percentage of Multi-Family Common Interest (4)	Estimated Monthly Common Charges for First Year of Condominium Operation** (5)	Estimated Monthly Real Estate Taxes Assuming 421-a or 421-b (as the case may be) Tax Exemption (6)	Estimated Monthly Real Estate Taxes Without 421-a or 421-b (as the case may be) Tax Exemption (7)	Estimated Total Monthly Carrying Charges Assuming 421-a or 421-b (as the case may be) Tax Exemption (8)	Estimated Total Monthly Carrying Charges Without 421-a or 421-b (as the case may be) Tax Exemption (9)	Estimated Total Monthly Carrying Charges (Assuming 421-a or 421-b (as the case may be) Tax Exemption) Deductible From Income Taxes for First Year of Condominium Operation (10)
#34			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#35			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#36			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#37			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#38			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#41			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#42			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#43			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
#44			$49,500	0.0839%	N/A	$ 20.82	$ 3.41	$ 51.14	$ 24.23	$ 71.96	$ 3.41
Indoor Parking Totals:			$2,029,500	3.4399%		$ 853.72	$ 139.80	$ 2,096.59	$ 993.53	$ 2,950.31	$ 139.80

** One months' Common Charges are to be paid by Purchaser at the closing of the purchase of a Unit into the Working Capital Fund. (See "Working Capital Fund" section.)

SCHEDULE A

Offering Prices and Related Information
Projected First Year of Condominium Operation
July 1, 2006 - June 30, 2007

Unit Number	Approximate Size of Unit in Square Feet*	Number of Bedrooms/ Bathrooms	Purchase Price	Percentage of Common Interest	Percentage of Multi-Family Common Interest	Estimated Monthly Common Charges for First Year of Condominium Operation**	Estimated Monthly Real Estate Taxes Assuming 421-a or 421-b (as the case may be) Tax Exemption	Estimated Monthly Real Estate Taxes Without 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges Assuming 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges Without 421-a or 421-b (as the case may be) Tax Exemption	Estimated Total Monthly Carrying Charges (Assuming 421-a or 421-b (as the case may be) Tax Exemption) Deductible From Income Taxes for First Year of Condominium Operation
	(1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Outdoor Parking Space Units											
#27			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#39			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#40			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#45			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#46			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#47			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#48			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#49			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#50			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#51			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#52			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#53			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#54			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#55			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#56			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#57			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#58			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#59			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#60			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#61			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#62			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#63			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#64			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#65			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
#66			$ 44,500.00	0.0755%	N/A	$ 18.74	N/A	$ 75.00	N/A	$ 93.74	$ 75.00
Outdoor Parking Totals:			$ 1,112,500.00	1.6875%	N/A	$ 468.44	N/A	$ 1,875.00		$ 2,343.44	$ 1,875.00
MARINA UNIT:			N/A	0.0200%	N/A	$ 4.96					
Grand Totals:			$ 58,954,500.00	100.0000%		32093.99	6956.75	42333.33	39.050.74	74427.32	8831.75

** One months' Common Charges are to be paid by Purchaser at the closing of the purchase of a Unit into the Working Capital Fund. (See "Working Capital Fund" section.)

FOOTNOTES TO SCHEDULE A

1. Listed floor space (expressed in square feet) for a Residential Unit is approximate, to within construction and other reasonable variances and tolerances, and includes, in addition to the apartment floor space, the floor space with respect to the following to the extent applicable and designated as part of the Residential Unit as set forth on the Floor Plans: (i) a Townhouse Balcony or Multi-Family Private Balcony, if applicable (ii) a Townhouse Rear Yard, Townhouse Front Yard, Townhouse Side Yard and/or Townhouse Porch, each if applicable, (iii) a Townhouse Roof Terrace or Multi-Family Private Roof Terrace, if applicable, and (iv) a Multi-Family Private Lower Terrace, if applicable, as set forth in the Chart below:

Residential Unit No.	**(1) Approx. Sq. Footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is Part of the Unit**	**(2) Approx. Sq. Footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is Part of the Unit**	**(3) Approx. Sq. Footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit**	**(4) Approx. Sq. Footage of Multi-Family Private Lower Terrace which is Part of the Unit**	**Approx. Apartment Sq. Footage (Unit Square Footage Exclusive of Columns (1), (2), (3) and (4))**	**Approx. Total Unit Square Footage**
Breakers West Townhouse Building:						
BW-3112-3	35	178 (RY) 51 (FY)			1283	1547
BW-3112-4	21-21		700		1400	2142
BW-3112A-2	35	182 (RY) 62 (FY)			1283	1562
BW-3112A-1	21-21		700		1400	2142
BW-3114-3	35	182 (RY) 66 (FY)			1283	1566
BW-3114-4	21-21		700		1400	2142
BW-3114A-2	35	182 (RY) 78 (FY)			1283	1578
BW-3114A-1	21-21		700		1400	2142
BW-3116-3	35	182 (RY) 81 (FY)			1283	1581

Residential Unit No.	(1) Approx. Sq. Footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is Part of the Unit	(2) Approx. Sq. Footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is Part of the Unit	(3) Approx. Sq. Footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit	(4) Approx. Sq. Footage of Multi-Family Private Lower Terrace which is Part of the Unit	Approx. Apartment Sq. Footage (Unit Square Footage Exclusive of Columns (1), (2), (3) and (4))	Approx. Total Unit Square Footage
BW-3116-4	21-21		700		1400	2142
BW-3116A-2	35	190 (RY) 90 (FY)			1283	1598
BW-3116A-1	21-21		700		1400	2142
BW-3118-3	35	489 (RY) 67 (FY)			1760	2351
BW-3118-4	21-21		924		1795	2761
BW-3118A-2	35	504 (RY) 88 (FY)			1760	2387
BW-3118A-1	21-21		924		1795	2761
BW-3120-3	35	504 (RY) 102 (FY)			1760	2401
BW-3120-4	21-21		924		1795	2761
BW-3120A-2	35	345 (RY) 128 (FY)			1760	2268
BW-3120A-1	21-21		924		1795	2761
BW-3122-3	35	394 (RY) 96 (FY)			1760	2285
BW-3122-4	21-21		924		1795	2761
BW-3124-3	40(PORCH)	555 (FY/SY)			2207	2802
BW-3124-4	69-21		1176		2307	3573
BW-3126-2	21	256 (RY)			2136	2413
BW-3126-1	70-21-21		1131		2216	3459
Breakers East Townhouse						

Residential Unit No.	(1) Approx. Sq. Footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is Part of the Unit	(2) Approx. Sq. Footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is Part of the Unit	(3) Approx. Sq. Footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit	(4) Approx. Sq. Footage of Multi-Family Private Lower Terrace which is Part of the Unit	Approx. Apartment Sq. Footage (Unit Square Footage Exclusive of Columns (1), (2), (3) and (4))	Approx. Total Unit Square Footage
Building:						
BE-3128-4	69-21-21		1176		2307	3594
BE-3128-3	21	809 (RY) 126 (FY)			2226	3182
BE-3130-1	69-21-21		1176		2307	3594
BE-3130-2	21	871 (RY) 90 (FY)			2226	3208
BE-3132-1	66-66		1254		2508	3894
BE-3132-2		395 (RY) 25(FY)			2168	2588
BE-3134-1	21-62		924		1795	2802
BE-3134-2		368 (SY) 134 (FY)			1722	2224
BE-3136-4	21-21		700		1400	2142
BE-3136-3	35	121 (RY) 68 (FY)			1283	1507
BE-3136A-1	21-21		700		1400	2142
BE-3136A-2	35	209 (RY) 174 (FY)			1283	1701
BE-3138-4	21-21		700		1400	2142
BE-3138-3	35	213 (RY) 184 (FY)			1283	1715
BE-3138A-1	21-21		700		1400	2142

Residential Unit No.	(1) Approx. Sq. Footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is Part of the Unit	(2) Approx. Sq. Footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is Part of the Unit	(3) Approx. Sq. Footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit	(4) Approx. Sq. Footage of Multi-Family Private Lower Terrace which is Part of the Unit	Approx. Apartment Sq. Footage (Unit Square Footage Exclusive of Columns (1), (2), (3) and (4))	Approx. Total Unit Square Footage
BE-3138A-2	35	213 (RY) 184 (FY)			1283	1715
BE-3140-4	21-21		700		1400	2142
BE-3140-3	35	186 (RY) 184 (FY)			1283	1688
BE-3140A-1	21-21		700		1400	2142
BE-3140A-2	35	142 (RY) 192 (FY)			1283	1652
Multi-Family Building:						
MU-101					1255	1255
MU-102					734	734
MU-103					734	734
MU-104					734	734
MU-105					691	691
MU-106				486	1580	2066
MU-107				667	1300	1967
MU-108				444	1217	1661
MU-109				660	1552	2212
MU-201					1506	1506
MU-202					734	734
MU-203					734	734
MU-204					734	734
MU-205					691	691

Residential Unit No.	(1) Approx. Sq. Footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is Part of the Unit	(2) Approx. Sq. Footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is Part of the Unit	(3) Approx. Sq. Footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit	(4) Approx. Sq. Footage of Multi-Family Private Lower Terrace which is Part of the Unit	Approx. Apartment Sq. Footage (Unit Square Footage Exclusive of Columns (1), (2), (3) and (4))	Approx. Total Unit Square Footage
MU-206	126				1498	1624
MU-207	97				1260	1357
MU-208					1217	1217
MU-209	112				1684	1796
MU-210	187				1464	1651
MU-301			1488		1506	2994
MU-302			722		734	1456
MU-303			506		734	1240
MU-304			506		734	1240
MU-305			459		691	1150
MU-306	126		1482		1498	3106
MU-307	97		1170		1260	2527
MU-308			982		1217	2199
MU-309	112		959		1684	2755
MU-310	187		1383		1464	3034

Dimensions Approximate

Any floor plan or sketch shown to a prospective purchaser is an approximation of the dimensions, to within construction and other reasonable variances and tolerances, and layout of a typical Unit. Sponsor reserves the right to change the layout or dimensions of any Unit, however, Sponsor will not make any material change in the size or layout of a Unit for which a Purchase Agreement is in effect unless the Purchaser consents thereto, as more particularly set forth in **"Changes in Prices and Units."** Square footages indicated are calculated generally as follows: The floor space of the apartment portion of each Residential Unit is measured as follows: horizontally from the exterior side of the façade or exterior Building walls or exterior

side of doors or glass windows at the Building line and/or Property line enclosing the Residential Unit, or from the midpoint of the interior walls and partitions separating the Residential Unit from another Residential Unit, or from the exterior side (public or mechanical space side) of the interior walls separating the Residential Unit from the public corridors, public stairs, elevators, other mechanical equipment space or any other Common Elements. Any Common Elements located within any Unit shall not be considered as part of that Unit (but there has been no deduction of square footage on account thereof). Ceiling heights may vary and may impact the usable area in certain rooms of certain Units. Square footages exceed the useable square footage of the Units. The portion of a Residential Unit that is a Townhouse Roof Terrace or Multi-Family Private Roof Terrace (if applicable), is measured to the outside of the parapet wall and, in the case of a Multi-Family Private Roof Terrace (if applicable), is measured to the outside of the parapet wall and to the mid-line of any fence, wall, partition or other demarcating structure separating one Multi-Family Private Roof Terrace from another and, in the case of any Roof Terrace (x) includes the dimensions of any Townhouse Roof Terrace Access Stairway or Multi-Family Private Roof Terrace Access Stairway, as the case may be, at the level of such Townhouse Roof Terrace or Multi-Family Private Roof Terrace, as the case may be, and (y) in the case of a Townhouse Roof Terrace, includes the lateral dimensions of any greenhouse or skylight element protruding above the roof within the Townhouse Roof Terrace, and these measurements exceed the usable net floor area of the Townhouse Roof Terrace and Multi-Family Private Roof Terrace, respectively. The portion of a Residential Unit that is a Multi-Family Private Lower Terrace is measured from the outside face of the wall on the apartment side of the Multi-Family Private Lower Terrace to the outside edge of the railing, fence, retaining wall or other boundary line of such Multi-Family Private Lower Terrace and, if such Multi-Family Private Lower Terrace borders another terrace, then to the mid-line of the fence, wall, partition or other demarcating structure separating the two terraces, and these measurements exceed the usable net floor area of the Multi-Family Private Lower Terrace. The portion of a Residential Unit that is a Townhouse Balcony or Multi-Family Private Balcony (if applicable), as the case may be, is measured from the outside face of the wall on the apartment side of the Townhouse Balcony or Multi-Family Private Balcony, as the case may be, to the outside edge of the concrete floor slab of the applicable Balcony; and, if a Townhouse Balcony or Multi-Family Private Balcony borders on any side another Unit's balcony, then to the mid-line of the fence, wall, partition or other demarcating structure separating the Townhouse Balcony or Multi-Family Private Balcony, as the case may be, from such other Unit's balcony; and, if a Townhouse Balcony or Multi-Family Private Balcony borders, on any side, a portion of the building in which it is located, then to the outside face of the wall of such building on such side, and these measurements exceed the usable net floor area of the respective Balconies. The portion of a Residential Unit that is a Townhouse Porch (if applicable) is measured from the outside face of the wall or sliding glass door on the apartment side of the Townhouse Porch to the outside edge of the concrete floor slab of the Porch and includes the dimensions of any stairway in the Unit accessing such Townhouse Porch and these measurements exceed the usable net floor area of the Porch. Each Parking Space Unit will consist of the area measured horizontally from the mid-point of the lines designating one Parking Space Unit from another, as depicted on the Floor Plans.

Purchasers should note that the square footage of a Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate, to within construction and other reasonable variances and tolerances. No variation will affect a Purchaser's obligations under a

Purchase Agreement or the Plan unless the net square footage area of the Unit is diminished by more than 5.0% or unless a reduction in the square footage area of the Unit of 5% or less results in a material adverse change in the Unit for a reason other than the size of the reduction or the size of the Unit. Sponsor's sole obligation if the net square foot area is diminished by more than 5.0% or if there otherwise shall be a material adverse change in the Unit as described above, shall be to permit the Purchaser to rescind the Purchase Agreement and receive a refund of the Deposit made under the Purchase Agreement and any interest earned thereon. For a detailed description of the Unit to be conveyed, see "**Description of Property, Specifications and Building Condition**," "**Declaration**" and "**Condominium Floor Plans**" in Part II of the Plan.

Number of Rooms.

Schedule A sets forth the number of bedrooms and bathrooms in each Unit. Units designated as having one bedroom are Units with one main living area plus one enclosed room with a separate entrance from such living area. Units designated as having two or three bedrooms are Units with one main living area plus, respectively, two or three enclosed rooms with separate entrances from such living area. A bathroom consists of a room containing a lavatory, water-closet and shower or bathtub with showerhead and a half-bathroom consists of a room containing a lavatory and water closet only. Certain Townhouse Limited Common Elements serve one or more but not all of the Townhouse Units. Certain Townhouse Unit Owners will have the exclusive use or benefit of (and responsibility for) certain Townhouse Limited Common Elements which are set forth in the Declaration and By-laws, including without limitation, (i) the walkway from the sidewalk and pavement, each if present, the stoop, adjoining porch area, and, if present, additional outdoor stairs leading from such porch area to an apartment on the second floor or cellar level and adjoining landing (but in each case excluding any porch, stairs and/or landing which is part of a Townhouse Unit) and servicing one or two sets of vertically stacked Townhouse Units ("**Stacked Townhouse Units**"), as the case may be, and (ii) the fences separating Townhouse Rear Yards. In addition, the Townhouse Unit Owners will have the right to use any other Townhouse Limited Common Elements to the exclusion of the Multi-Family Unit Owners, Parking Space Unit Owners and Marina Unit Owners. The Multi-Family Unit Owners have the right to use the Multi-Family Limited Common Elements, including, without limitation, the Multi-Family Residents' Terrace/Garden and Multi-Family Common Roof Terrace, the boundaries of which are more particularly delineated on the Floor Plans, to the exclusion of other Unit Owners. The Marina Unit Owners will have the exclusive right to use the Marina Limited Common Elements, if any, to the exclusion of the Residential Unit Owners and Parking Space Unit Owners.

2. Sponsor reserves the right to change the price of any Unit without prior notice or amendment to the Plan except that a duly filed amendment to the Plan will be required for (a) an across the board price change affecting one or more lines of Units or Unit models, (b) a price change that is to be advertised, or (c) a price increase for an individual Purchaser.

The offering price of a Unit is negotiable and may be changed. Thus, the prices paid by Purchasers for similar Units may be different without altering the Common Interest allocated to the Units or the Common Charges with respect thereto. See "**Changes in Prices and Units.**"

Purchasers are required to pay certain closing costs in connection with the purchase of a Unit. Among such closing costs is the sum of $750 per Residential Unit and $750 per Indoor

Parking Space Unit to reimburse Sponsor for a portion of Sponsor's costs in connection with the application for the Section 421-a or 421-b, as the case may be, real estate tax benefits. For a discussion of estimated closing costs which a Purchaser may be required to pay in connection with his purchase under the Plan (including certain real estate transfer taxes that in the absence of any provision such as is provided in the Plan would be the obligation of Seller), see "**Closing Costs and Adjustments.**"

3. The percentage of Common Interest for each Unit has been determined as provided in Section 339-i(1)(iv) of the Real Property Law, that 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. The percentage interest of each Unit in the Common Elements (Common Interest) is set forth in this column of Schedule A.

4. The Percentage of Multi-Family Common Interest of each Multi-Family Unit is equal to the Common Interest of such Multi-Family Unit divided by the aggregate of the Common Interests attributable to all Multi-Family Units.

5. These estimates were based upon the total Common Charges payable by the Unit Owners as set forth in "**Schedule B: Projected Budget for the First Year of Condominium Operation**" (Schedule B), which was prepared for the fiscal year July 1, 2006 – June 30, 2007. The estimated monthly Common Charges for each Townhouse Unit Owner and Parking Space Unit Owner is calculated generally by multiplying the General Common Expenses payable by all Unit Owners by the Percentage of Common Interest of such Unit Owner. The estimated monthly Common Charges for each Multi-Family Unit Owner is calculated generally by (i) multiplying the General Common Expenses payable by all Unit Owners by the Percentage of Common Interest of such Multi-Family Unit Owner, and (ii) multiplying the Multi-Family Limited Common Expenses payable by Multi-Family Unit Owners by the Percentage of Multi-Family Common Interest of such Multi-Family Unit Owner.

These estimated Common Charges are for the First Year of Condominium Operation, which is projected to be calendar year 2006 and such period is used only for purposes of projection and illustration. Sponsor does not warrant that Condominium operation will commence on July 1, 2006. The estimated Common Charges are based upon the estimates of income and expenses set forth in Schedule B. The actual amounts of income and expenses may differ from the estimates thereof and may change in subsequent years. Because of the possibility of unforeseeable changes in the economy or increase or decrease in the amount of income and/or expenses of operation, the projections are not intended to be taken as guarantees or warranties of any kind whatsoever or as any assurance that the actual expenses or income of the Condominium for any period of operation may not vary from the amounts shown. In fact, it may be expected, based on current trends, that the operating expenses, including fuel costs, utilities, insurance, maintenance and repairs, labor and other related expenses, will increase in the future.

The Common Charges shown for the Marina Unit represent the total annual General Common Charges to be levied by the Condominium Board against and collected from the Marina Unit Owner during the First Year of Condominium Operation and exclude the costs to be

borne by the Marina Unit Owner for the repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to, any Marina Limited Common Elements, which costs are the responsibility of the Marina Unit Owner and would be paid by the Marina Unit Owner directly instead of to the Condominium Board.

In addition to the estimated Common Charges, each Unit Owner will be responsible for paying: (i) debt service payments under any loan or loans obtained to finance the acquisition of his or her Unit; (ii) the cost of any cable television service, (iii) the cost of gas and electricity supplied to or for his or her Unit, which shall be separately metered and payable by the Unit Owner directly to the utility company as and when billed, (iv) the cost of carpeting, painting and decorating his or her Unit; (viii) the cost of interior repairs to and the maintenance of his or her Unit, including but not limited to, repairs to and maintenance of the exposed interior face of all walls, ceilings and floors and all kitchen and bathroom fixtures and appliances; (ix) the cost of any insurance that he or she obtains covering (a) furniture, belongings, equipment and other personal property and (b) liability to others for personal injury or property damage as a result of occurrences in his or her Unit; and (x) real estate taxes. In addition, each Townhouse Unit Owner will be responsible for paying the cost of water supplied to, for or at his or her Unit, which shall be separately metered or sub-metered and, at the direction of the Condominium Board from time to time, payable by the Unit Owner directly to the utility company as and when billed or to the Condominium Board to reimburse it for its payment thereof, within ten days of billing.

6. (a) The projected total assessed valuation of the Multi-Family Building and the Indoor Parking Space Units located therein after completion of construction (assuming construction is completed and a temporary Certificate of Occupancy for all Multi-Family Units and Indoor Parking Space Units or a Permanent Certificate of Occupancy for the entire Multi-Family Building and the Indoor Parking Space Units will be issued no later than December 31, 2006), as estimated by Moseson & Associates, is $2,091,519. Moseson & Associates serves as real estate tax consultants to Sponsor. Moseson & Associates maintains an office at 768 Empire Avenue, Far Rockaway, New York 11691.

As used in the Plan, "**Multi-Family Unit Real Estate Tax Interest**" or "**MRET Interest**" means a percentage which is the ratio of the common interest allocated to a particular Multi-Family Unit or Indoor Parking Space Unit, as the case may be, to the aggregate of the common interests allocated to all Multi-Family Units and Indoor Parking Space Units in the aggregate. "**Outdoor Parking Space Unit Owner**" means the owner of an Outdoor Parking Space Unit. "**Outdoor Parking Space Unit Taxes**" means the real estate taxes pertaining to each particular Outdoor Parking Space Unit. "**Indoor Parking Space Unit Owner**" means the owner of an Indoor Parking Space Unit. "**Townhouse Unit Real Estate Interest**" or "**TRE Interest**" means a percentage which is the ratio of the common interest allocated to a particular Townhouse Unit to the aggregate of the common interests allocated to all Townhouse Units in the aggregate.

Assuming the granting of exemption benefits set forth below, the real estate taxes projected for each Multi-Family Unit and each Indoor Parking Space Unit are based on its applicable MRET Interest multiplied by the aggregate projected real estate taxes payable by all

Multi-Family Unit Owners and Indoor Parking Space Unit Owners in the aggregate of approximately $17,037 for tax year 2006/2007.

The projections are not guaranteed. The real estate taxes for future years will vary in accordance with the tax rate, the applicable assessed valuation and the percentage of the assessed valuation then exempt from taxation.

Sponsor has applied or shall apply for a Preliminary Certificate of Eligibility for real estate tax exemption under Section 421-a of the Real Property Tax Law ("421-a"). In the opinion of Moseson & Associates (see **"Real Estate Tax Opinion"**), assuming certain qualifications (such as the parcel on which the Multi-Family Building is situated satisfying site eligibility requirements, the parcel not having been mapped as a public park or utilized as a private park for ten or more consecutive years prior to October 1, 1971, and construction complying with the requirements and obligations set forth in Section 421-a of the New York Real Property Tax Law, including amendments by the local legislative body and the rules and regulations promulgated pursuant thereto) are met, the Multi-Family Building and Indoor Parking Space Units located therein will be eligible for a partial real estate tax exemption during construction and for a period of 15 years following completion of construction, pursuant to Section 421-a. (The "Real Estate Tax Opinion" provides additional details as to the eligibility requirements for 421-a.) Under this law, as presently interpreted by the New York City Department of Finance and as implemented and supervised by the Department of Housing Preservation and Development ("HPD"), the exemption applies only to the increase in a property's assessed valuation above the assessment in the tax year prior to commencement of construction. The following amounts of the increased assessment are exempt from taxes during this 15 year period:

Fiscal Tax Year (July 1 to June 30)	Percentage of Increased Assessment Exempt from Taxes
First through Eleventh tax years	100%
Twelfth tax year	80%
Thirteenth tax year	60%
Fourteenth tax year	40%
Fifteenth tax year	20%

The exemption expires at the end of the fifteen year period, at which time the entire assessment will be subject to taxation.

In the opinion of Moseson & Associates, during the fifteen (15) year period, the Multi-Family Units and Indoor Parking Space Units located in the Multi-Family Building will always

be subject to a "minimum tax" equal to a portion of (i) the applicable portion of the assessed valuation of the Property for the tax year before construction began as allocated to the Multi-Family Units and Indoor Parking Space Units as a whole (estimated to be 20% of the assessed value of the Property as a whole as set forth in the "Real Estate Tax Opinion") for the tax year before construction began multiplied by (ii) the applicable tax rate in effect during each tax year. Thus, the minimum tax will fluctuate directly in proportion to changes in the tax rate.

In addition, assessments for local improvements (if any), and non-residential portions of the Property (except as set forth below) are not exempt from taxes.

Section 421-a and the related Regulations promulgated pursuant thereto by New York City provide that up to twelve (12%) percent of the aggregate floor area used for commercial, community facility and accessory use space may be eligible for exemption. For the purpose of this calculation, accessory use space shall not include accessory parking located not more than twenty-three feet above the curb level. Further, whenever a building containing two or more separately assessed parcels of real property has commercial, community facility and accessory use space in excess of such twelve percent, the tax arising out of the reduction in exemption for such excess space shall not be apportioned pro rata among all of the separately assessed parcels in the building but shall be applied first to those separately assessed parcels which are unrelated to the residential use of the building; and only after such unrelated parcels are fully taxable shall the remainder of such tax be apportioned pro rata among the remaining separately assessed parcels. Sponsor does not intend to construct commercial, community facility and/or accessory use space, as defined above, at the Multi-Family Building in excess of twelve (12%) of the aggregate floor area of the Multi-Family Building.

Under State law, increases in a property's "actual" assessed value due to changes in its market value are to be phased in over 5 years in equal annual increments of 20% by means of a "transition" assessment. Any further increase in the "actual" assessed value during such 5 year period resulting from a still higher market value is to be similarly phased in over an additional 5 year period from the tax year of such increase. In any given year, taxes are payable on the lower of either the "actual" or "transition" assessment.

NOTE: The projected real estate tax payable by the Multi-Family Units and Indoor Parking Space Units is predicated on an application made by Sponsor pursuant to Sections 421-a and 11-245 of the Administrative Code of the City of New York for an exemption from the payment of taxes based on an increase in the improvement valuation from the improvement assessed valuation prior to construction.

Based on the assumptions stated above (and below) and assuming the obtaining of Section 421-a benefits, (i) $17,037 in real estate taxes are projected for the Multi-Family Units and the Indoor Parking Spaces Units in the aggregate for tax year 2006/2007 and (ii) the real estate taxes projected for each Multi-Family Unit and Indoor Parking Space Unit for the projected First Year of Condominium operation as set forth in Schedule A are based upon its applicable MRET Interest multiplied by the projected real estate taxes payable by all Multi-Family Units and Indoor Parking Space Units Owners of $17,037. This assumes that the assessed valuation for the Multi-Family Units and the Indoor Parking Space Units as a whole

will be allocated among all such Units in accordance with their MRET Interests although there is no guarantee that the allocation among such Units will be made in this manner and may indeed be based on actual sales prices or some other method.

The projections are not guaranteed. The real estate taxes for any year will vary in accordance with the tax rate, the applicable assessed valuation and the percentage of the assessed valuation then exempt from taxation.

The foregoing projections assume:

(i) the Property's real estate tax exemption under 421-a will be in effect starting July 1, 2006.

(ii) the tax year 2003/2004 will be regarded as the tax year prior to commencement of construction for purposes of determining the minimum tax.

(iii) the tax rate for the Multi-Family Units for tax year 2006/2007 will be $12.216 per $100 of assessed valuation;

(iv) the tax rate for Indoor Parking Space Units for tax year 2006/2007 will be $12.216 per $100 of assessed valuation;

(v) the Multi-Family Building's assessed value will be apportioned among the Multi-Family Units and the Indoor Parking Space Units in proportion to their respective MRET Interests.

SPECIAL NOTE: Until the Units are separately assessed, real estate taxes assessed against the Property will be treated as a Common Expense, to be borne solely by Units for which a temporary or permanent certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (the first half or second half of the applicable real estate tax year) for which real estate taxes are being paid by the Condominium Board

After the Section 421-a tax benefits are in effect and the Units are separately assessed, the real estate taxes payable by the Multi-Family Unit Owners will be reduced to the "minimum tax" described above plus the percentage of the real estate taxes that are phased in during the eleventh through fifteenth years of the partial tax exemption under 421-a.

While the Sponsor will use its best efforts to obtain 421-a tax exemption benefits as described in this Plan, no representation or warranty is made as to when or whether the application for 421-a tax exemption benefits will be approved or as to the amount of any tax exemption that may actually be received.

(b) As estimated by Moseson & Associates, the projected total assessed valuation of all Townhouse Units after completion of their construction (assuming construction is completed and a temporary or permanent Certificate of Occupancy for all Townhouse Units will be issued for all of Townhouse Units no later than December 31, 2005) is $1,523,784 for tax year 2006/2007.

Assuming the granting of exemption benefits set forth below, the real estate taxes projected for each Townhouse Unit are based on its applicable TRE Interest multiplied by the

aggregate projected real estate taxes payable by all Townhouse Unit Owners, which is estimated to be approximately $66,444 for tax year 2006/2007.

The projections are not guaranteed. The real estate taxes for future years will vary in accordance with the tax rate, the Townhouse Units' assessed valuation, and the percentage of the assessed valuation then exempt from taxation.

In addition, real estate taxes for future years will vary for particular Townhouse Units if either of the two, vertically-stacked Townhouse Units located in a particular two-family or two-Unit structure fails to meet or maintain eligibility for 421-b tax exemption benefits. Each set of vertically-stacked Townhouse Units located in a two-family or two-Unit structure shall only be eligible for Section 421-b tax exemption benefits if each of the two Units located in such structure is occupied by its respective Owner. In addition, each such set of Townhouse Units will continue to remain eligible for such tax benefits during the term for which they may be available only for so long as each of the Townhouse Units comprising the set continues to remain Owner occupied. The projections herein assume the Townhouse Units will be owner-occupied during the term of 421-b (as defined below) eligibility .

Sponsor has applied or shall apply for a Preliminary Certificate of Eligibility for real estate tax exemption under Section 421-b of the Real Property Tax Law ("421-b").

In the opinion of Moseson & Associates (see "**Real Estate Tax Opinion**"), assuming certain qualifications (such as the parcel on which the Townhouse Units are situated satisfying site eligibility requirements, the parcel not having been mapped as a public park or utilized as a private park for ten or more consecutive years prior to October 1, 1971, and construction complying with the requirements and obligations set forth in Section 421-b of the New York Real Property Tax Law, including amendments by the local legislative body and the rules and regulations promulgated pursuant thereto) are met and maintained, the Townhouse Units will be eligible for a partial real estate tax exemption during construction and for a period of 8 years following completion of construction, pursuant to Section 421-b. (The Real Estate Tax Opinion provides additional details as to the eligibility requirements for 421-b.) Under this law, as presently interpreted by the New York City Department of Finance and as implemented and supervised by the Department of Housing Preservation and Development ("HPD"), the exemption applies only to the "increase" in a property's assessed valuation above the assessment in the tax year prior to commencement of construction. The following amounts of the "increased" assessment are exempt from taxes during this eight year period:

Fiscal Tax Year (July 1 to June 30)	Percentage of Increased Assessment Exempt from Taxes
First through Second tax years	100%
Third tax year	75%

Fourth tax year	62.5%
Fifth tax year	50%
Sixth tax year	37.5%
Seventh tax year	25%
Eighth tax year	12.5%

The exemption expires at the end of the eighth year, at which time the entire assessment will be subject to taxation.

In the opinion of Moseson & Associates, during the eight (8) year period, the Townhouse Units will always be subject to a "minimum tax" equal to a portion of (i) the applicable portion of the assessed valuation of the Property for the tax year before construction began as allocated to the Townhouse Units as a whole (estimated to be 78% of the assessed value of the Property as a whole as set forth in the Real Estate Tax Opinion) for the tax year before construction began multiplied by (ii) the applicable tax rate in effect during each tax year. Thus, the minimum tax will fluctuate directly in proportion to changes in the tax rate.

In addition, assessments for local improvements (if any), and non-residential portions of the Property (except as set forth above) are not exempt from taxes.

Based on the assumptions stated above and below, (i) $66,444 in real estate taxes are projected for the Townhouse Units in the aggregate for tax year 2006/2007 and (ii) the real estate taxes projected for each Townhouse Unit for the first year of Condominium operation are based upon its applicable TRE Interest multiplied by the projected real estate taxes of $66,444 payable in the aggregate by all Townhouse Unit Owners.

Under State law, increases in a property's "actual" assessed value due to changes in its market value are to be phased in over 5 years in equal annual increments of 20% by means of a "transition" assessment. Any further increase in the "actual" assessed value during such 5 year period resulting from a still higher market value is to be similarly phased in over an additional 5 year period from the tax year of such increase. In any given year, taxes are payable on the lower of either the "actual" or "transition" assessment.

NOTE: The projected real estate tax payable by the Townhouse Units is predicated on an application made by Sponsor pursuant to Section 421-b and Rules of HPD for an exemption from the payment of taxes based on an increase in the improvement valuation from the improvement assessed valuation prior to construction.

The projections are not guaranteed. The real estate taxes for any year will vary in accordance with the tax rate, the Townhouse Units' assessed valuation and the percentage of the assessed valuation then exempt from taxation.

The foregoing projections assume:

(i) the Property's real estate tax exemption under Section 421-b will be in effect starting July 1, 2006.

(ii) the tax year 2003/2004 will be regarded as the tax year prior to commencement of construction for purposes of determining the minimum tax.

(iii) the tax rate for the Townhouse Units for tax year 2006/2007 will be $15.094 per $100 of assessed valuation; and

(iv) the Townhouse Unit's assessed value will be apportioned 100% to the Townhouse Units in proportion to their respective TRE Interests and/or relative purchase price;

SPECIAL NOTE: Until the Units are separately assessed, real estate taxes assessed against the Property will be treated as a Common Expense, to be borne solely by Units for which a temporary or permanent certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (the first half or second half of the applicable real estate tax year) for which real estate taxes are being paid by the Condominium Board.

After the Section 421-b tax benefits are in effect and the Townhouse Units are separately assessed, the real estate taxes payable by Townhouse Unit Owners will be reduced to the "minimum tax" described above, plus the percentage of the real estate taxes that are phased in during the third through eighth years of the partial tax exemption under Section 421-b.

While the Sponsor will use its best efforts to obtain Section 421-b tax exemption benefits as described in this Plan, no representation or warranty is made as to when or whether the application for Section 421-b tax exemption benefits will be approved or as to the amount of any tax exemption that may actually be received or, if and when received, as to whether any particular set of vertically-stacked Townhouse Units shall continue to be eligible for such benefits.

(c) As estimated by Moseson & Associates as set forth in the Real Estate Tax Opinion, the projected total assessed valuation of all Outdoor Parking Space Units in the aggregate after completion of construction of the Project (assuming construction is completed and a temporary Certificate of Occupancy for all Units in the Project or a Permanent Certificate of Occupancy for all Units in the Project will be issued no later than June 30, 2006) is $149,066 for tax year 2006/2007.

Based upon the Real Estate Tax Opinion and assuming a projected tax rate of $15.094 per $100 of assessed value (which tax rate may change from time to time), the projected real estate taxes for tax year 2006/2007 payable by all of the Outdoor Parking Space Units, in the aggregate, is $22,500, and the projected real estate taxes payable by each Outdoor Parking Space Unit

Owner is approximately $900 per year for tax year 2006/2007, assuming that the projected total real estate taxes payable by all 25 Outdoor Parking Space Units are equal. This is only an estimate and projections of real estate taxes in the Plan are not guaranteed.

Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall make all tax benefit documents available to the Condominium Board for inspection and copying for the life of the benefits and file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

On or after the filing and recording of the Condominium Declaration and the issuance a deed for a Unit, a separate tax lot is to be or will have been created for each Unit in the Condominium. After creation of the separate tax lot for a Unit the local assessor ("assessor") apportions the assessed valuation of the Property to each of the newly created tax lots representing the Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property to a tax lot in a manner consistent with the real estate tax projections for the respective Units as set forth in the Plan. Moreover, there can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Unit or the Property as described above on or after such apportionment or for any reason. Such an increase may increase a Unit Owner's real estate taxes above the amounts estimated on Schedule A.

Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to the newly created tax lot representing the Unit is officially made, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit (unless such real estate taxes are included in Common Charges and represent real estate taxes assessed against a Unit which is owned as part of the Common Elements) nor will his Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit (except to the extent provided above in this sentence). However, until separate tax bills are available for each Unit, real estate taxes will be paid by the Condominium as a Common Expense, to be borne solely by Units for which a temporary certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (half year or quarterly period, as the case may be) (collectively, "Completed Units") for which real estate taxes are being paid by the Condominium Board. This means, in effect, that prior to separate assessment, the real estate taxes for the Property will be apportioned to such Units based on their relative Common Interests, subject to adjustment by the Board of Managers which is required once the Units are separately assessed, as agent of the Unit Owners, (i) to assess any Unit Owners who have underpaid real estate taxes with respect to their Completed Units based on the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s), and (ii) to likewise reimburse any Unit Owners for overpayment of taxes based on the initial assessed valuation of their Completed Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s). It should be noted that both the tax rate and the assessed valuation of the Property may be changed from time to time. It should also be noted that although the Condominium will be obligated to pay the real estate taxes for the Property until the Units are separately assessed, it is

possible that Purchaser's lender may, nevertheless, require that Purchaser escrow with such lender for real estate taxes for such period.

Sponsor reserves the right both (1) to prosecute any tax certiorari proceedings challenging the assessed valuation of the Property, in the tax year in which the Closing Date takes place, and any preceding tax year, in its own name and/or the name of the Condominium, the Condominium Board or the Unit Owners by attorneys selected by Sponsor, and (2) to settle any such proceedings in its sole discretion and without the consent of the Condominium Board or the Unit Owners. After deducting the cost of such proceedings including, without limitation, attorney's and other experts' fees and expenses, any tax refunds obtained, attributable to either: (i) any tax year ended prior to the Closing Date, shall be paid to the Sponsor, or (ii) any tax year commencing after the Closing Date, may be retained by the Condominium or the appropriate Unit Owners as the case may be, or (iii) the tax year in which the Closing Date occurs shall be apportioned between the Sponsor and the Condominium as of the Closing Date.

7. This column estimates the real estate taxes payable by each Unit if the Sections 421-a and 421-b exemptions are not available. Such estimate is based on the following assumptions: (i) projected assessed valuation upon completion of construction of all Multi-Family Units, Indoor Parking Space Units and Townhouse Units, as estimated by Moseson & Associates will be $3,615,303 for tax year 2006/2007, (ii) the projected assessed value of the Outdoor Parking Space Units upon completion of construction as estimated by Moseson & Associates will be $149,066, (iii) the applicable tax rate for tax year 2006/2007 will be $15.094 per $100 of assessed valuation for all Townhouse Units; $12.216 per $100 of assessed value for all Multi-Family Units and Indoor Parking Space Units, and $15.094 per $100 of assessed valuation for all Outdoor Parking Space Units, and (iii) the Property's assessed value will be apportioned (A) 20% to the Multi-family Units and Indoor Parking Spaces Units in the aggregate, 78% to the Townhouse Units in the aggregate and 2% to the Outdoor Parking Space Units in the aggregate and with no allocation to the Marina Unit and (B) (1) in the case of the 20% projected to be apportioned to the Multi-Family Units and Indoor Parking Space Units, among such Units, in accordance with their respective MRET Interests, (2) in the case of the 78% projected to be apportioned to the Townhouse Units, among such Units, in accordance with their respective TRE Interests and (3) in the case of the 2% projected to be apportioned to the Outdoor Parking Space Units, among such Units, equally. As noted above, there can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Unit or the Property or that the Units will be assessed in accordance with the methods used for the projections contained in the Plan.

8. This column estimates the total carrying charges (Common Charges plus real estate taxes) on an average monthly basis payable by each Unit, assuming a Section 421-a exemption.

9. This column estimates the total carrying charges (Common Charges plus real estate taxes) on an average monthly basis payable by each Unit, assuming no Section 421-a exemption.

10. This column estimates the total amount of the carrying charges (equal to the real estate taxes on the Unit), on an average monthly basis, deductible by each Unit Owner, assuming

the Section 421-a or 421-b, as the case may be, exemption set forth on Schedule A, if applicable. The real estate taxes described above paid by a Residential Unit Owner with respect to his Unit are deductible by the Residential Unit Owner for income tax purposes provided that the conditions applicable thereto discussed in "Counsel's Tax Opinion" are satisfied. These amounts may change in subsequent years as a result of changes in the assessed valuation of Units, the tax rate, the method of assessing real property, or otherwise. In the event that any Unit Owner obtains mortgage financing for his or her Unit, the interest paid on such mortgage indebtedness may also be deductible for income tax purposes, provided the conditions applicable thereto discussed in "Counsel's Tax Opinion" are satisfied. Provided the conditions applicable thereto discussed in "Counsel's Tax Opinion" are satisfied, it is also likely that Residential Unit Owners who also own Parking Space Units will be entitled to deduct the real estate taxes and interest on mortgage indebtedness for such Parking Space Units. For the most part, an individual Residential Unit Owner may only deduct interest on debt incurred to acquire his principal residence or a designated second residence subject to certain limitations. Such Unit Owner's income tax deduction may vary in future years due to changes in the interest rate on such Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments between interest and principal.

THE BREAKERS
EMMONS AVENUE
SCHEDULE B
PROJECTED BUDGET FOR THE
FIRST YEAR OF CONDOMINIUM OPERATION
(July 1, 2006 to June 30, 2007)

INCOME:

	Multi-Family Building (1B)	Townhouse Buildings (1C)	Parking Space Units (1D)	Marina Unit (1E)	Total (1A)
Common Charges	181,103	188,098	15,866	63	385,130

EXPENSES:

	Multi-Family Building	Townhouse Buildings	Parking Space Units	Marina Unit	Total
Labor (2)	41,035	14,280	1,205	5	56,525
Heating (3)	684	966	82	-	1,732
Untilities (Electricity & Gas) (4)	15,451	7,715	651	2	23,819
Water Charges & Sewer Rents (5)	15,015	-	-	-	15,015
Repairs, Maintenance & Supplies (6)	21,298	12,632	1,065	5	35,000
Service Contracts (7)	10,125	-		-	10,125
Insurance (8)	26,913	53,973	4,553	17	85,456
Management Fees (9)	6,299	12,632	1,065	4	20,000
Legal Fees & Audit Fees (10)	2,676	5,369	453	2	8,500
Income and Corporation Taxes (11)	315	631	53	1	1,000
Other (12)	1,812	726	61	1	2,600
Debt Service and Common Charges & Real Estate Taxes on Superintendent's Unit & Handicapped Parking Space Units (13)	33,811	67,806	5,719	22	107,358
Contingency (14)	5,669	11,368	959	4	18,000
TOTAL EXPENSES:	181,103	188,098	15,866	63	385,130

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FOOTNOTES TO SCHEDULE B

(1A) Total Income: **$385,130.00**

This figure represents the sum of (1) the total annual Common Charges (as defined below) to be levied by the Condominium Board against and collected from the Unit Owners during the First Year of Condominium Operation (see Footnote (1B through 1E) below). The Marina Common Charges do not appear on the budget since these charges pay for the cost of repair, maintenance, replacement, restoration, and operation of, and any alteration, addition or improvement to any Marina Limited Common Elements (except as may otherwise be provided in the Declaration or By-Laws), which costs will be responsibility of the Marina Unit Owner and will be paid by the Marina Unit Owner(s) directly instead of to the Condominium Board.

The estimate of the annual Common Charges to be collected by the Condominium Board during the First Year of Condominium Operation is based upon the assumption that the First Year of Condominium Operation will be the year from July 1, 2006 – June 30, 2007. The actual first year of operation may be earlier or later than that year.

(1B) Common Charges Payable by Multi-Family Unit Owners **$181,103.00**

This figure represents the total annual Multi-Family Limited Common Charges and General Common Charges to be levied by the Condominium Board against and collected from all Multi-Family Unit Owners as a group. It is composed of (i) the aggregate of all Multi-Family Limited Common Charges (which are payable only by the Multi-Family Unit Owners, to defray the Multi-Family Limited Common Expenses, including, without, limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration, and operation of, and any alteration, addition, or improvement to, the Multi-Family Limited Common Elements) and (ii) the aggregate share of the General Common Charges to be levied by the Condominium Board against and collected from the Multi-Family Unit Owners as a group, that is, the product of the aggregate of (i) the Common Interests with respect to all Multi-Family Units and (ii) the total of the General Common Charges (the "Multi-Family General Common Charges"). The General Common Charges will be utilized by the Condominium Board to defray the General Common Expenses, which, include, without limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements.

(1C) Common Charges Payable by Townhouse Unit Owners **$188,098.00**

This figure represents the total annual General Common Charges to be levied by the Condominium Board against and collected from all Townhouse Unit Owners as a group. It is composed of the aggregate share of the General Common Charges to be levied by the Condominium Board against and collected from the Townhouse Unit Owners as a group, that is, the product of the aggregate of (i) the Common Interests with respect to all Townhouse Units and (ii) the total of the General Common Charges (the "Townhouse General Common Charges"). The General Common Charges will be utilized by the Condominium Board to defray the General Common Expenses, which, include, without limitation, all expenses incurred in connection with

the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements. Any expenses pertaining to the repair, maintenance, improvement, replacement or alteration of particular Townhouse Limited Common Elements shall be assessed by the Condominium Board and borne solely by the owners of those Townhouse Units which are served by such Townhouse Limited Common Elements, in proportion to such Townhouse Unit owners' respective Common Interests.

1D) Common Charges Payable by Parking Space Unit Owners $15,866.00

This figure represents the total annual General Common Charges to be levied by the Condominium Board against and collected from all Parking Space Unit Owners as a group. It is composed of the aggregate share of the General Common Charges to be levied by the Condominium Board against and collected from the Parking Space Unit Owners as a group, that is, the product of the aggregate of (i) the Common Interests with respect to all Parking Space Units and (ii) the total of the General Common Charges (the "Parking Space Unit General Common Charges"). The General Common Charges will be utilized by the Condominium Board to defray the General Common Expenses, which, include, without limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements.

1E) Common Charges Payable by Marina Unit Owner(s) $63.00

All repair, maintenance and capital expenses relating to the Marina Unit will be borne by, and paid for, solely by the Marina Unit Owner(s).

This figure represents the total annual General Common Charges to be levied by the Condominium Board against and collected from the Marina Unit Owner(s) as a group. It is composed of the aggregate share of the General Common Charges to be levied by the Condominium Board against and collected from the Marina Unit Owner(s) as a group, this is, the product of (i) the Common Interest with respect to Marina Unit and (ii) the total of the General Common Charges (the "Marina Unit General Common Charges"). The General Common Charges will be utilized by the Condominium Board to defray the General Common Expenses, which, include, without limitation, all expenses incurred in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements.

(2) Labor $56,525.00

The condominium staff will be responsible for (i) cleaning and maintaining the general common elements of the condominium complex, including, but not limited to, the Garage, clearing litter from the general common areas including, without limitation, sidewalks, roadways, and the Garage, clearing snow from the sidewalks and roadways and watering and maintaining grass that is designated on the Condominium floor plans as a General Common Element, and (ii) monitoring the mechanical equipment in the Multi-Family Building and cleaning and maintaining the limited common area of Multi-Family Building and emptying multi-family common trash receptacles.

The projected labor expense is based on the projected staff complement of 1 full-time (40 hour per week) resident superintendent and includes estimates of the wages, payroll taxes and health insurance of and for the superintendent.

The budget item is based on a 54-week year, yielding total gross wages of approximately $45,900, to account for vacation, plus the cost of payroll taxes and benefits, if any, as set forth below. The budget includes an increase of 3% over the cost of such benefits.

The projected staff will be non-union employees and the projected wages meet current minimum wages laws. The level of staffing complies with all current applicable labor laws.

Category of Employee (and Number of such Employees)	Projected Base Weekly Wages for the Period Covered by Schedule B.
1 Full-time (40 hours per week) Resident Superintendent	$850

Estimated payroll taxes, insurance and any other benefits based on such estimated wages are computed as follows:

Item	**Percentage of Wages/Method of Calculation (rates are based on rates in effect as of approximately 4/05)**	**Annual Amount**
Total Wages		$ 45,900.00
FICA – Social Security	(6.2% of each employee's taxable gross income)	$ 2,845.80
FICA – Medicare	(1.45% of each employee's wages)	$ 665.550
State Unemployment Insurance	2.5% of first $8,500 of employee's wages	$ 212.50
Federal Unemployment Insurance	0.8% of the first $7,000 of each employee's wages	$ 56.00
Disability Insurance	Based on $2.00 per week per employee	$ 108.00
Workers Compensation	4.46% of each employee's wages	$ 2,047.14
HIP Health Insurance (Superintendent)		$ 4,380.00
TOTAL		**$ 56,214.99**

Sixty per cent (60%) of the Labor expense will be paid by the Multi-Family Unit Owners as a group (which amount shall be payable by each Multi-Family Unit Owner in accordance with his or her Multi Family Unit's Percentage of Multi-Family Common Interest), and the balance of the Labor expense will be paid by all Unit Owners (including Multi-Family Unit Owners) in proportion to their respective Percentages of Common Interest.

Please note, Section 27-2054 of the Administrative Code of the City of New York provides that the person who performs janitorial services in a multiple dwelling of 9 or more dwelling units (other than where janitorial services are performed on a 24-hour-a-day basis in a manner approved by the NYC Department of Housing Preservation and Development ("HPD")) must reside in or within a distance of one block or 200 feet from the building, whichever is greater, unless the owner resides in the building, and, where two or three multiple dwellings are connected or adjoining such person may reside in one of the multiple dwellings, but no person who performs janitorial service for more than one multiple dwelling may service more than sixty-five dwelling units. Sponsor has obtained permits from the New York City Department of Buildings for the construction of 2-family buildings which in the aggregate comprise the buildings referred to in this Plan as the Townhouse Buildings. The resident superintendent is projected to reside in the Multi-Family Building. The resident superintendent is projected to service the General Common Elements as well as the Multi-Family Common Elements. Sponsor does not represent or warrant that HPD will not deem the Buildings' staff complement, as projected in this budget, to be in violation of Section 27-2054 of the Administrative Code. For example, if the Townhouse Buildings are deemed Multiple Dwellings by the HPD, unless the Condominium Board shall be able to hire a part-time porter or a second, part-time superintendent providing janitorial services and residing within the requisite one block or 200 feet from the Breakers West Townhouse Building or to retain a 24-hour a day janitorial service in accordance with the requirements of HPD (which service is not provided for in the Budget), there would be a violation of the above code and a notice of violation might be issued by the HPD against the Buildings and the Condominium Board. Sponsor can make no representation or warranty that a part-time porter or a second, part-time superintendent providing janitorial services and living within the required area can or will be hired by the Condominium Board (or at what cost if one can be located) or that the above provisions of the Administrative Code will not be violated during the First Year of Condominium Operation or thereafter. Except as set forth above in this paragraph with respect to Section 27-2054 of the Administrative Code and the related Section 83 of the Multiple Dwelling Law, the projected level of staffing complies with all current applicable housing laws.

(3). Heating : **$1,732.00**

This item covers the projected cost of heating the Multi-Family Limited Common Elements and the General Common Elements during the First Year of Condominium Operation.

N.K. Consulting Engineers, P.C., 111 East Avenue, Norwalk, Ct., projects that (i) the amount of electricity that will be consumed to heat the Multi-Family Limited Common areas, including, without limitation, the lobby and stairs, during this period, will be approximately 1,344 kwh; (ii) the rate for electrical use for such period will be $0.15 per kwh, based on a current residential rate as of May 2005 obtained by N.K. Consulting Engineers from Con Edison of $0.12 per kwh, and an averaging by N.K. Consulting Engineers of such rate to the aforesaid rate cited for the period covered by this budget; and (iii) the cost of the aforesaid electrical consumption during the projected First Year of Condominium Operation will be approximately $202.00. The cost of electrical consumption to heat the Multi-Family Limited Common areas

will be borne solely by Multi-Family Unit Owners and payable in accordance with their respective Percentages of Multi-Family Common Interest.

The Garage, which will be separately metered for electrical consumption, will have an electric heater. As projected by N.K. Consulting Engineers, P.C., (i) the Garage will utilize approximately 2,304 kwh of electricity for heat during the First Year of Condominium Operation and (ii) the estimated cost of such consumption will be $346, based on the above-described projected rate of $0.15 per kwh. The Garage will not utilize hot water. The cost of electricity to heat the Garage will be a General Common Expense, borne by all unit Owners in accordance with their respective Percentages of Common Interest.

A rooftop HVAC unit in the Multi-Family Building will utilize gas to heat the Common Elements on the first, second and third floors of such Building, including, without limitation, the Multi-Family Limited Common refuse room and all Multi-Family Limited Common utility meter rooms on such floors. As projected by N.K. Consulting Engineers, P.C., (i) the estimated consumption of gas to heat such common elements will be approximately 1,184 therms; (ii) the estimated price per therm will be approximately $1.00, based on a Keyspan published rate of $0.85 per therm for the period 1/1/05-1/24/05 including sales taxes and fees, and (iii) the cost of gas for the aforesaid estimated consumption during the projected First Year of Condominium Operation will be approximately $1,184.00. The cost of gas to heat the first, second and third floor Common Elements located in the Multi-Family Building will be borne solely by the Multi-Family Unit Owners and payable in accordance with their respective Percentages of Multi-Family Common Interest.

Each of the Residential Units shall be separately metered for gas, including for the provision of heat and hot water and for cooking purposes within or for each such Residential Unit, and each Residential Unit Owner shall be responsible directly to the gas utility or supplier for the cost of gas consumed (and delivery thereof) within or for his or her Residential Unit. See Schedule B-1 for a projection of the estimated cost for gas to be paid by each Unit Owner directly to the utility.

It is not possible to predict whether the budget estimate for heat for the Common Elements will reflect the actual cost to be incurred therefore during the period covered by this Schedule B, which cost will vary with the level of consumption and the rates charged for such consumption. Consumption will be affected by the severity of the weather and by conservation measures (such as staggering hours of heating, lowering the temperature of hot water, etc.), if any, adopted by the Condominium Board. The figure shown, as are all figures shown in this budget, no more than an estimate.

(4) Utilities (Electricity) $23,819.00

This budget item includes the projected cost of electricity for (i) the Multi-Family Limited Common Elements, including, without limitation, for lighting and venting of the Multi-Family Building hallways, lobby and first floor Multi-Family common areas, lighting of the Multi-Family common roof terrace, operation of the elevator, lift and intercom, and air conditioning of the lobby and hallways; (ii) the General Common Elements, including, without

limitation, lighting and venting of the Garage, and lighting along the roadway at the Property; and (iii) lighting of the Outdoor Parking Space Unit areas.

N.K. Consulting Engineers, P.C., 111 East Avenue, Norwalk, Ct., has projected the following utility costs for the above items for the first year of condominium operation:

Area	Estimated Consumption	Estimated Cost
Street and Outside Parking	34,000 kwh	$ 5,100.00
Lighting and air conditioning of Multi-Family Limited Common Elements and electricity for operation of Multi-Family Building systems	73,800 kwh	$11,070.00
Venting of the Multi-Family Limited Common Elements	3,561 kwh	$ 534.00
Lighting of the Garage	47,304 kwh	$ 7,096.00
Venting of the Garage	125 kwh	$ 19.00

All Units will pay their proportionate share of the street and Outside Parking Space Units area lighting and lighting and venting of the Garage, in accordance with each Unit Owner's respective Percentage of Common Interest. The costs of the lighting and air conditioning of the Multi-Family Limited Common Elements, electricity for operation of Multi-Family Building systems and venting of the Multi-Family Limited Common Elements shall all be Multi-Family Limited Common Expenses, payable solely by Multi-Family Unit Owners in accordance with their respective Percentages of Multi-Family Common Interest.

Each residential unit shall be separately metered for electricity, including but not limited to for air conditioning units, lighting, bathroom fans, refrigerators, dishwashers, and any washers/dryers within or for each residential unit, and each Unit Owner shall be responsible directly to the utility for the cost of electricity consumed within or for his or her Unit. See Schedule B-1.

(5) Water Charges and Sewer Rents: $15,015.00

The Townhouse Units will be separately metered by the NYC Water Board and/or sub-metered for water charges and sewer rents and each Townhouse Unit Owner shall be responsible for the water charges and sewer rents measured on his or her meter or sub-meter. Each Townhouse Unit Owner will be billed by the Condominium Board for such water and sewer charges and, as directed by the Condominium Board, either pay the NYC Water Board directly therefor or reimburse the Condominium Board for its payment thereof. Failure by a Townhouse Unit Owner to pay water and sewer charges shall be treated by the Board in the same manner as a failure to pay Common Charges. Exterior hose bibs which shall be utilized for watering Townhouse Limited Common walkways, stoops, outside porches and stairs and any General Common street trees and perimeter plantings, shall be connected to the water meters of the

Townhouse Units located on the cellar and first floors, which Units shall be solely responsible, in full, for the charges such usage incurs. A schedule of estimated water and sewer consumption and costs for individual Townhouse Units for the projected First Year of Condominium Operation, as projected by N.K. Consulting Engineers, P.C., 111 East Avenue, Norwalk, Ct., is detailed on Schedule B-1.

There will be a single NYC meter for the Multi-Family Building, Garage and Gymnasium. It is projected that hose bibs in the Garage will be utilized to hose the Garage and the Indoor Parking Space Units therein, as well as the Outdoor Parking Space Units. The cost of such water consumption for such purposes shall be borne solely by the Multi-Family Unit Owners payable by the Multi-Family Unit Owners as a group as a Multi-Family Limited Common Expense and by each Multi-Family Unit Owner pro rata, in accordance with his or her Percentage of Multi-Family Common Interest. N.K. Consulting Engineers, P.C., projects for the projected First Year of Condominium Operation (i) estimated water consumption by and for the Multi-Family Units of 3,538 ccfs, estimated water discharge for the Multi-Family Units for 3,538 ccfs, and estimated water consumption for the Garage and Outdoor Parking Space Units, based on three cleanings per year assumed by N.K. Consulting Engineers, of 30 ccfs; (ii) a projected water usage rate of $1.60 per ccf (or 748 gallons) and sewer charge of $2.54 per ccf (or 748 gallons), each based on New York City Department of Environmental Protection rates as of May 18, 2005 obtained by N.K. Consulting Engineers, P.C.; (iii) projected costs of $5,710 for water consumption and $8,986 for sewer charges by and for the Multi-Family Units and projected costs for the aforesaid water consumption for the Garage and Outdoor Parking Units areas of approximately $50. Based upon a 2.5% increase above the current water rate (yielding a rate of $1.64 per ccf), as applied to the projected consumption of water, and a 2.5% increase above the current sewer rate (yielding a rate of $2.60 per ccf), as applied to the projected water discharge, the projected aggregate cost of water consumption and sewer charges in this budget for the Units and Common Elements discussed in this paragraph, is $15,015.

(6) Repairs, Maintenance and Supplies **$35,000.00**

This item is intended to cover the projected cost during the First Year of Condominium Operation of normal maintenance of and repairs to the Common Elements, including without limitation, the Multi-Family Limited Common compactor and Multi-Family Elevator (except to the extent covered by an elevator maintenance contract), and the General Common Elements, including the Garage and sidewalks, plus the cost of supplying various cleaning supplies and materials, lubricants, bulbs and general hardware supplies to the Common Elements, including, without limitation, the Multi-Family hallways, lobby and first floor Multi-Family Limited Common mechanical rooms. It also includes, without limitation, the periodic "touch-up" painting of those hallways which are Multi-Family Limited Common Elements. It does not include the cost of repairs (e.g., repairs of appliances), maintenance, painting, decorating or supplies to individual Units, all of which is the responsibility of the respective Unit Owner (other than periodic litter removal from the Parking Space Units, which is covered under the "Labor" line item above), nor does it include the cost of any capital repairs to the Property or any part thereof. It also does not include any service or maintenance items which are included in Footnote (7) below (Service Contracts).

All Unit Owners will pay their proportionate share of repairs, maintenance and supplies for the general common areas, however, only the Multi-Family Unit Owners will be responsible for costs attributable to the Multi Family Building.

Multi-Family	$15,000
General Common	$20,000
	$35,000

(7) Service Contracts **$10,125.00**

The budget amount for elevator service, sprinkler inspection is based on the projected annualized cost of providing the following services in the Multi-Family Building: service of the elevator, fire protection sprinkler inspection and pest control. The budgeted amount is based on quotes obtained in early 2005 for such services, plus provision for 3% increase over the costs reflected in such quotes and budget amount for pest control is based upon the experience of Buchbinder & Warren.

The estimate for elevator and lift maintenance was provided by Dynamic Elevator Corp., 137 East 25th Street, New York, N.Y., and is for an approximate cost as of April 2005, of $7,925.00 per annum, including tax. The proposed elevator maintenance contract is for a period of two (2) years and renewed unless cancelled by either party on thirty days' written notice. The sprinkler maintenance and pest control proposals reflect annual and month-to-month service terms, respectively.

Service Provider	**Projected Annual Cost for the First Year of Condominium Operation**
Elevator and Lift Maintenance	$7,925.00
Sprinkler Maintenance	$ 500.00
Pest Control	$1,700.00

The projected Service Contracts are relative only to the Multi-Family Building and the costs thereof shall be Multi-Family Limited Common Expenses, payable solely by Multi-Family Unit Owners.

Each Townhouse Unit Owner with fire protection sprinklers (all Units in 3132, 3130 and 3138 Emmons Avenue) shall be responsible for inspecting his or her Unit's fire protection sprinklers and for the cost thereof.

There are no service contracts contemplated for the general common areas of the condominium.

(8) Insurance **$85,456.00**

The estimate for the cost of insurance is based on the proposed coverage's and estimated current premiums set forth by Insurance Depot Inc. ("Insurance Consultant"), in a letter dated August 11, 2005, for the Property as set forth below, plus $10,000:

Property Policy All Risk, Replacement Cost, Agreed Amount	$17,000.000
Boiler & Machinery Policy	$17,000,000
Deductible	$ 5,000
Liability Policy	
Each Occurrence	$ 1,000,000
General Aggregate	$ 2,000,000
Umbrella Liability Policy	$ 50,000,000
Directors and Officers Liability	$ 1,000,000
Fidelity Bond/Employee Dishonesty	$ 25,000
Annual Premium for all Policies	$ 75,456.00

The policy is written on an agreed amount basis, which will waive or eliminate co-insurance. In the opinion of the Insurance Consultant, in the event of a complete loss, the all risk insurance is presently sufficient to reimburse for the replacement cost of the building, which is based on a cost of $200.00 per square foot. However, because of the difficulty of estimating replacement costs, because of escalating construction costs and for other reasons, there can be no guarantee that the suggested coverage will yield sufficient proceeds to replace the Buildings or any portion thereof in the event of a total or partial loss. In order to safeguard the investment of its Unit Owners, the Condominium Board should periodically review the amount of casualty insurance for the Buildings to insure that the coverage is sufficient.

This coverage does not include the cost of rent insurance; water damage, elevator collision, auto liability or garage keeper's liability, each of which may be available to the Condominium Board at extra cost.

In addition, this coverage does not include claims for personal injury or property damage resulting from occurrences in Units, nor does it include coverage of the furniture or personal property of the Unit Owners. Therefore, each Unit Owner should consider the desirability of obtaining additional insurance at his or her own cost covering, among other items, (i) flood, fire or casualty losses to the contents of his or her Unit and any replacements, additions, upgraded fixtures and improvements therein, (ii) damage to other personal property; and (iii) liability for personal injury as a result of occurrences in the individual Units. It is recommended that Unit Owners consult with an insurance broker as to the necessity for, and the desirability of obtaining coverage for one or more of such risks and as to the amount of such coverage.

The quotation is an indication of insurance premiums at current rates. In recent years, premiums of insurance (especially fire liability) have increased substantially. As a result of the events of September 11, 2001, there has been a further increase in insurance premiums. Although the Insurance Consultant gave its estimate of the insurance premiums after the events

of September 11, 2001, there has been considerable volatility in insurance rates since September 11th and such volatility is expected to continue. Accordingly, although based on the quote obtained from the Insurance Consultant, the insurance projection is currently believed to be reasonable, it is not possible to predict whether insurance coverage for the First Year of Condominium Operation (or for future years) will continue to be available at the premiums set forth above or whether such premiums will escalate.

The cost of the above insurance shall be a General Common Expense, to be borne by all Unit Owners in accordance with the respective Common Interests allocated to their respective Units.

At the first Unit closing, Sponsor will cause to be delivered (at the Condominium's expense) a fire and liability binder or policy providing insurance coverage in accordance with the foregoing schedule. If the Condominium does not have sufficient funds available on the date of closing of the First Unit Closing with which to pay any premiums then due on such policies, then the Sponsor will advance such insufficiency and the amount which is advanced by Sponsor shall be paid by the Condominium in the manner provided in "**Closing Costs and Adjustments**", subsection entitled: "Closing Adjustments between Sponsor and Condominium."

The insurance to be obtained by the Sponsor as described above shall provide that there will be no cancellation of the policy without 30 days' notice to the Condominium Board.

(9) Management Fees **$20,000.00**

The Managing Agent's fee will be fixed by a management agreement to be entered into by the Condominium on or before the Closing Date. It is projected that the Buildings will be managed by Wentworth Property Management Corp., 3646 Nostrand Avenue, Brooklyn, NY 11229. The projected Managing Agent's fee is within the current industry standard range of management fees for condominium buildings of similar size and nature as the Buildings. The agreement will be for an initial period of one (1) year and will provide that the Managing Agent will receive equal monthly payments of 1,666.66, during such initial one year term (which fee is exclusive of out of-pocket reimbursements) plus certain additional fees for special services that may be requested by the Condominium Board (such as the Managing Agent acting as a sales broker or leasing broker) as set forth in "Management Agreement, Contracts and Leases." The cost of this budget item will be borne by all Units Owners in accordance with the respective Common Interests of their respective Units. See "**Management Agreement, Contracts and Leases**" for a summary of the provisions of the proposed management agreement between the Managing Agent and the Condominium.

(10) Legal Fees and Audit Fees **$8,500.00**

A certified public accountant will be responsible for auditing the Condominium's books and records and preparing the requisite audited financial statements. In addition, the accountant will be responsible for filing federal, state and city income tax returns. The projected accountants' fee of $7,500 is based on a proposal by the firm of McGladrey & Pullen, 750 Third Avenue, New York, NY, 10017, to provide the aforesaid accounting services.

In addition, $1,000 has been budgeted for legal fees to cover minor miscellaneous legal matters which may arise during the First Year of Condominium Operation.

The cost of this budget item will be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units.

(11) Income and Corporation Taxes **$1,000.00**

This item is projected to cover all Federal and New York City and State income and corporation taxes applicable to the Condominium with respect to the First Year of Condominium Operation. New York City and State income and corporation taxes are projected to be covered by the "minimum" corporation taxes, which, it is estimated, will total approximately $1,000. Such minimum taxes are projected to cover payment of taxes on the first $6,000 of Condominium income and are projected to cover income from interest on the Working Capital Fund. Unit Owners' contributions to the Working Capital Fund are anticipated to occur from time to time, as Unit Owners close title to their purchases. In addition, the Condominium Board may draw down the Working Capital Fund from time to time. Accordingly, it is not possible to project with certainty the amount of interest that may be earned on the Working Capital Fund. For purposes of this budget, Federal income taxes are projected to be approximately $150 (projected tax rate of 15% multiplied by estimated $1,000 of income based on projected interest rate of two and one-half (3.50%) percent per annum). The cost of this budget item will be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units.

(12) Other **$2,600.00**

The budgeted figure represents the estimated cost of certain miscellaneous operational expenses not provided for in other budgeted items as follows:

Item	**Estimated Cost**
Staff Uniforms-Purchases	$ 500.00
Pager	$ 550.00
Elevator Inspection Fees	$ 100.00
Condominium Association Dues and Subscriptions	$ 250.00
Superintendent's telephone	$1,200.00

The estimated cost of uniforms for the staff, a pager for the resident superintendent, the NUC fee for inspection of the Multi-Family Elevators and dues for membership in RSA and the Metropolitan Council of Commercial and Condominiums and other items above is based on the experience of Buchbinder & Warren LLC, One Union Square West, New York, NY 10003, which prepared the projected budget for the First Year of Condominium Operation. The cost of the condominium membership fees shall be a General Common Expense payable by all Unit Owners in proportion to their respective Percentages of Common Interest. The cost of the elevator inspection fees shall be a Multi-Family Limited Common Expense, payable by Multi-Family Unit Owners in proportion to their respective Percentage of Multi-Family Common

Interest. Sixty (60%) of the cost of staff uniforms, pager and superintendent's telephone will be borne solely by Multi-Family Unit Owners, in accordance with the percentage of the staff's time estimated to be attributable to service of the Multi-Family Limited Common Elements, as set forth in the "Labor" Footnote above, and forty (40%) percent of the cost to staff uniforms, pager and superintendent's telephone will be borne by all Unit Owners (including Multi-Family Unit Owners), in accordance with the percentage of the staff's time estimated to be attributable to service of the General Common Elements, as set forth in the "Labor" Footnote.

(13) Debt Service and Common Charges and Real Estate Taxes on Superintendent's Unit and Eight Handicapped Parking Space Units **$107,358.00**

The Condominium Board, on behalf of all Unit Owners, will purchase the Superintendent's Unit and eight (8) Handicapped Parking Space Units from the Sponsor. See "Special Risks."

The entire purchase prices of the Superintendent's Unit ($377,000.00) and Handicapped Parking Space Units ($371,000.00 in the aggregate) are to be financed by delivery of a mortgage or mortgages by the Condominium Board in favor of the Sponsor and/or an institutional lender procured by the Sponsor. The total of the annual payments of principal and interest under the Superintendent's Unit Mortgage and Handicapped Parking Space Units Mortgage and, during the First Year of Condominium Operation, are estimated to be $53,701.72 and $52,846.08, respectively.

Each mortgage will have a maturity of ten (10) years, bear interest at the rate of 7.5% per annum and be self-liquidating (that is, if all of the constant monthly payments are timely made, in full, over the 10 year terms of the mortgages, there will be no "balloon" payments of principal due at maturity). The mortgages shall be payable in constant monthly sums of interest and principal of $4,475.06 for the Superintendent's Unit mortgage and $4,403.84 for the Handicapped Parking Space Units mortgage.

The debt service, common charges, and real estate taxes for the Superintendent's Unit and eight Handicapped Parking Space Units will be borne by all Unit Owners as a General Common Expense.

Until such time as the Condominium leases or sells the eight Handicapped Parking Space Units to disabled Unit Owners, the Board may decide that it may lease them to other Unit Owners on a month-to-month basis. If the Board shall so decide, the rental income could be used to defray some of the Condominium's operating expenses. However, Sponsor makes no representation or warranty as to whether the Board shall so decide or as to the rents that the Board may be able to charge and this budget does not assume any such income.

The amount of the real estate taxes for Superintendent's Unit and eight (8) Handicapped Parking Space Units for the First Year of Condominium Operation is estimated to be $810.00 in the aggregate, based upon estimated real estate taxes for such Units assuming 421-a Tax Exemption as set forth in Schedule A. (See **"Schedule A"** and **"Footnotes to Schedule A."**)

(14) Contingency **$18,000.00**

The Contingency provides a fund for possible expenses not included in the projected budget, or possible increases in one or more categories or operating expense beyond the projected amounts. There can be no assurance that the contingency fund will be sufficient to pay for all of the aforesaid expenses. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. The cost of this budget item will be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units.

Until the Units are separately assessed for real estate taxes, real estate taxes for the Property shall be paid by the Condominium (although no such payment is provided for in Schedule B) as a Common Expense, to be borne solely by Units for which a temporary certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (half year or quarterly period, as the case may be) (collectively, "Completed Units") for which real estate taxes are being paid by the Condominium. This means, in effect, that prior to separate assessment, the real estate taxes for the Property will be apportioned to such Units based on their relative Common Interests and be payable by the owners of such Units as additional Common Charges (which are not reflected in the estimated Common Charges for the Unit as set forth in Schedule A). If real estate taxes are charged to Unit Owners as additional Common Charges for any period with respect to which their Completed Units shall not have been separately assessed, then a Unit Owner's payment of such additional Common Charges shall be in lieu of payment by such Unit Owner to the City of real estate taxes (which otherwise might have been assessed against the Unit as a separate tax lot) for such period. As set forth in the By-laws, after the Units are separately assessed for real estate tax purposes, the Board of Managers as agent of the Unit Owners shall promptly assess any Unit Owners who have underpaid real estate taxes with respect to their Completed Units based on the assessed valuation of such Units and shall likewise reimburse any Unit Owners of Completed Units for overpayment of taxes. Although the Condominium will be obligated to pay the real estate taxes for the Property until the Units are separately assessed, it is possible that Purchaser's lender may, nevertheless, require that Purchaser escrow with such lender for real estate taxes for such period.

General

IN THE OPINION OF THE SPONSOR'S EXPERT THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE YEAR OF OPERATION COMMENCING JANUARY 1, 2006. THE FOREGOING SCHEDULE HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE COMMON CHARGES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE, AND IT IS LIKELY THAT THE ACTUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

Sponsor reserves the right (but shall have no obligation) to cause the Condominium Board to reduce the Common Charges payable by the Unit Owners (including Sponsor) during the First Year of Condominium Operation (and during part or all of -any further period in which Sponsor

controls the Board) to reflect the actual expenses incurred by the Condominium. Sponsor makes no representation that any savings in operating expenses or reduction in Common Charges will in fact occur.

If the anticipated date of the First Unit Closing is six (6) months or more after the projected date of the budget year for this Schedule B, then the Plan shall be amended to include a revised budget disclosing current projections. If the aggregate amount of Common Charges payable by Residential Unit Owners and Parking Space Unit Owners disclosed in such amended Schedule B exceeds by 25% or more the aggregate amount of Common Charges payable thereby as set forth in Schedule B as theretofore from time to time amended, then the Sponsor shall offer all Purchasers the right for a period of at least fifteen (15) days from the date of presentation of such amendment to rescind their offer to purchase. Sponsor shall promptly return to a Purchaser who exercises any such right to rescind, his (or her) deposit under his (or her) Purchase Agreement. Sponsor shall not declare the Plan effective if there are any material changes to the budget if these changes have not been disclosed by an amendment to the offering plan.

SCHEDULE B-1
Budget for Individual Energy Costs

As noted in **Footnotes to Schedule B,** (i) the cost of gas and electricity consumed in or for each Residential Unit shall be payable by the respective Owner thereof directly to the applicable utility company and is not included in Common Charges and (ii) the cost of water consumption in or at each Townhouse Unit and related sewer charges and sewer rents shall be separately metered or sub-metered and is not included in the Common Charge projections in Schedule B. Annexed hereto as Schedule B-1 is a projection by NK Consulting Engineers, P.C. of (i) the projected consumption of gas and electricity in and for each Residential Unit, as well as the estimated cost therefor, during the First Year of Condominium Operation and (ii) the projected water consumption and sewer discharge for and at each Townhouse Unit, as well as the estimated cost therefor, during the First Year of Condominium Operation. In addition to the annexed letter of NK Consulting Engineers, P.C. with regard to projected utility rates which immediately follows this page, prospective Purchasers should review, all of the tables which comprise the Schedule B-1 projections of NK Consulting Engineers, P.C. for the Multi-Family Units and Townhouse Units, respectively, as summarized on the respective index pages for such Units.

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CONSULTING ENGINEERS, PC

Troutman Sanders LLP
405 Lexington Avenue
New York, NY 10174

Attention:
Date: May 19, 2005

Re: Residential Development "The Breakers" at Emmons Avenue
NKCE # 0230

Dear

In response to your request we are providing the projected first year condominium operation for the period 7/1/06 thru 6/30/07 for "The Breakers" at Emmons Avenue apartment and multi-family housing units.

The following are key rate figures used in the cost scheduling process:

- Electricity - $0.15 per kWh – averaged for the year based on the current residential rate of $0.12/kWh obtained from Con Edison.
- Gas - $1 per therm according to published rate of $0.85 for period 01/01/05 thru 01/24/05 by Keyspan including and adjusted for sales tax and fees.
- Water – According to the New York City Department of Environmental Protection (DEP) the rates as of 05/18/05 are as follows:
  Water usage rate is $1.60 per CCF or 748 gallons
  Sewer Charge is $2.54 per CCF or 748 gallons

The detailed utility cost schedules for Building A, and multifamily units, Buildings B, C, D and E and a separate utility cost schedule for the common areas of Building A is attached for your use. Please let us know if you have any questions or concerns.

Thank you,

Yours truly,

Shahriar Hossain

Enclosures
Cc: Rosemary Paparo & Janice Schiavo (by fax)

1 1 EAST AVENUE SUITE 202
NORWALK CT 06851
TEL 203 866 1650
FAX 203 866 1290

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Schedule B-1 Projections for Multi-Family Units
(tables may refer to the Units as being in "Building A")

Index

Table 1	Gas for Heating
Table 3	Gas for Hot Water
Table 9	Gas for Cooking
Table 7	Electricity for Air Conditioning
Table 11	Electricity for Lighting and Exhaust

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PROJECT : "THE BREAKERS" EMMONS AVENUE
Project Number : 0230

Item : Heating Analysis based on "Degree Day" Method

Equation
F = (HL x 24 x DD) / (E x P x TD)

F =	Annual fuel consumption cubic feet or ccf
HL =	Heating Load BTUH
DD =	Degree Day
E =	Boiler Efficiency (AFUE)
P =	Heating Value of Fuel (BTU)
TD =	Design Temperature Difference (inside-outside)

TABLE 1 : BLDG A - YEARLY GAS CONSUMPTION FOR HEATING

Unit Tag	HL (BTUH)	DD (Days)	E	P (BTU)	TD (F)	F (ccf)	F (therm)	Annual Cost @$1/therm
APT 101	60000	4880	0.927	100000	64	1184	1184	1184
APT 102	60000	4880	0.927	100000	64	1184	1184	1184
APT 103	60000	4880	0.927	100000	64	1184	1184	1184
APT 104	60000	4880	0.927	100000	64	1184	1184	1184
APT 105	60000	4880	0.927	100000	64	1184	1184	1184
APT 106	60000	4880	0.927	100000	64	1184	1184	1184
APT 107	60000	4880	0.927	100000	64	1184	1184	1184
APT 108	60000	4880	0.927	100000	64	1184	1184	1184
APT 109	60000	4880	0.927	100000	64	1184	1184	1184
APT 201	60000	4880	0.927	100000	64	1184	1184	1184
APT 202	60000	4880	0.927	100000	64	1184	1184	1184
APT 203	60000	4880	0.927	100000	64	1184	1184	1184
APT 204	60000	4880	0.927	100000	64	1184	1184	1184
APT 205	60000	4880	0.927	100000	64	1184	1184	1184
APT 206	60000	4880	0.927	100000	64	1184	1184	1184
APT 207	60000	4880	0.927	100000	64	1184	1184	1184
APT 208	60000	4880	0.927	100000	64	1184	1184	1184
APT 209	60000	4880	0.927	100000	64	1184	1184	1184
APT 210	60000	4880	0.927	100000	64	1184	1184	1184
APT 301	60000	4880	0.927	100000	64	1184	1184	1184
APT 302	60000	4880	0.927	100000	64	1184	1184	1184
APT 303	60000	4880	0.927	100000	64	1184	1184	1184
APT 304	60000	4880	0.927	100000	64	1184	1184	1184
APT 305	60000	4880	0.927	100000	64	1184	1184	1184
APT 306	60000	4880	0.927	100000	64	1184	1184	1184
APT 307	60000	4880	0.927	100000	64	1184	1184	1184
APT 308	60000	4880	0.927	100000	64	1184	1184	1184
APT 309	60000	4880	0.927	100000	64	1184	1184	1184
APT 310	80000	4880	0.927	100000	64	1579	1579	1579
					Total>	34744	34744	34744

PROJECT : "THE BREAKERS" EMMONS AVENUE
Project Number : 0230

Item : Domestic Hot Water Yearly Cost Projection

TABLE 3 : BLDG A - GAS FOR DOMESTIC HOT WATER YEARLY USAGE

Unit Tag	Maximum Daily Hot Water Usage Rate gal/apartment	Daily Hot Water Usage Rate BTU/HR	Yearly Hot Water Usage Rate BTU/HR	Annual Nat. Gas Consumption In ccf	Annual Nat. Gas Consumption In therm	Cost @$1/therm
APT 101	100	2026	739429	177	177	177
APT 102	100	2026	739429	177	177	177
APT 103	100	2026	739429	177	177	177
APT 104	100	2026	739429	177	177	177
APT 105	100	2026	739429	177	177	177
APT 106	100	2026	739429	177	177	177
APT 107	100	2026	739429	177	177	177
APT 108	100	2026	739429	177	177	177
APT 109	100	2026	739429	177	177	177
APT 201	100	2026	739429	177	177	177
APT 202	100	2026	739429	177	177	177
APT 203	100	2026	739429	177	177	177
APT 204	100	2026	739429	177	177	177
APT 205	100	2026	739429	177	177	177
APT 206	100	2026	739429	177	177	177
APT 207	100	2026	739429	177	177	177
APT 208	100	2026	739429	177	177	177
APT 209	100	2026	739429	177	177	177
APT 210	100	2026	739429	177	177	177
APT 301	100	2026	739429	177	177	177
APT 302	100	2026	739429	177	177	177
APT 303	100	2026	739429	177	177	177
APT 304	100	2026	739429	177	177	177
APT 305	100	2026	739429	177	177	177
APT 306	100	2026	739429	177	177	177
APT 307	100	2026	739429	177	177	177
APT 308	100	2026	739429	177	177	177
APT 309	100	2026	739429	177	177	177
APT 310	100	2026	739429	177	177	177
			Total>>	**5146**	**5146**	**5146**

PROJECT : "THE BREAKERS" EMMONS AVENUE
Project Number : 0230
Item : Gas for Cooking

TABLE 9 : BLDG. A - ANNUAL GAS FOR COOKING USAGE

Unit Tag	Daily Cooking Gas Usage Rate BTU/HR	Hours of Operation per day	Daily Cooking Gas Usage Rate, BTU	Daily Cooking Gas Usage in ccf	Annual Cooking Gas Usage in ccf	Annual Cooking Gas Usage in Therm	Cost @$1/therm $
APT 101	40,000	2	80000	0.8	292	292	292
APT 102	40,000	2	80000	0.8	292	292	292
APT 103	40,000	2	80000	0.8	292	292	292
APT 104	40,000	2	80000	0.8	292	292	292
APT 105	40,000	2	80000	0.8	292	292	292
APT 106	40,000	2	80000	0.8	292	292	292
APT 107	40,000	2	80000	0.8	292	292	292
APT 108	40,000	2	80000	0.8	292	292	292
APT 109	40,000	2	80000	0.8	292	292	292
APT 201	40,000	2	80000	0.8	292	292	292
APT 202	40,000	2	80000	0.8	292	292	292
APT 203	40,000	2	80000	0.8	292	292	292
APT 204	40,000	2	80000	0.8	292	292	292
APT 205	40,000	2	80000	0.8	292	292	292
APT 206	40,000	2	80000	0.8	292	292	292
APT 207	40,000	2	80000	0.8	292	292	292
APT 208	40,000	2	80000	0.8	292	292	292
APT 209	40,000	2	80000	0.8	292	292	292
APT 210	40,000	2	80000	0.8	292	292	292
APT 301	40,000	2	80000	0.8	292	292	292
APT 302	40,000	2	80000	0.8	292	292	292
APT 303	40,000	2	80000	0.8	292	292	292
APT 304	40,000	2	80000	0.8	292	292	292
APT 305	40,000	2	80000	0.8	292	292	292
APT 306	40,000	2	80000	0.8	292	292	292
APT 307	40,000	2	80000	0.8	292	292	292
APT 308	40,000	2	80000	0.8	292	292	292
APT 309	40,000	2	80000	0.8	292	292	292
APT 310	40,000	2	80000	0.8	292	292	292
TOTAL>							8468

PROJECT : "THE BREAKERS" EMMONS AVENUE
Project Number : 0230
Item : Air-Conditioning Cost

TABLE 7 : BLDG. A - YEARLY AIR CONDITIONING COST

Unit Tag	AC Tons	Number of hours of AC use per day	Number of months of AC usage	Number of hours of AC usage per year	kW/Ton	kWh of use per year	Cost $ of AC per kWH	Yearly cost $
APT 101	3	8	4	960	1.5	4320	0.15	648
APT 102	1.5	8	4	960	1.5	2160	0.15	324
APT 103	1.5	8	4	960	1.5	2160	0.15	324
APT 104	1.5	8	4	960	1.5	2160	0.15	324
APT 105	1.5	8	4	960	1.5	2160	0.15	324
APT 106	2.5	8	4	960	1.5	3600	0.15	540
APT 107	2.5	8	4	960	1.5	3600	0.15	540
APT 108	2.5	8	4	960	1.5	3600	0.15	540
APT 109	3.5	8	4	960	1.5	5040	0.15	756
APT 201	2.5	8	4	960	1.5	3600	0.15	540
APT 202	1.5	8	4	960	1.5	2160	0.15	324
APT 203	1.5	8	4	960	1.5	2160	0.15	324
APT 204	1.5	8	4	960	1.5	2160	0.15	324
APT 205	1.5	8	4	960	1.5	2160	0.15	324
APT 206	2.5	8	4	960	1.5	3600	0.15	540
APT 207	2.5	8	4	960	1.5	3600	0.15	540
APT 208	2.5	8	4	960	1.5	3600	0.15	540
APT 209	3	8	4	960	1.5	4320	0.15	648
APT 210	3.5	8	4	960	1.5	5040	0.15	756
APT 301	3.5	8	4	960	1.5	5040	0.15	756
APT 302	1.5	8	4	960	1.5	2160	0.15	324
APT 303	1.5	8	4	960	1.5	2160	0.15	324
APT 304	1.5	8	4	960	1.5	2160	0.15	324
APT 305	1.5	8	4	960	1.5	2160	0.15	324
APT 306	3.5	8	4	960	1.5	5040	0.15	756
APT 307	3	8	4	960	1.5	4320	0.15	648
APT 308	3	8	4	960	1.5	4320	0.15	648
APT 309	3.5	8	4	960	1.5	5040	0.15	756
APT 310	4	8	4	960	1.5	5760	0.15	864
							Total>>	**14904**

PROJECT : "THE BREAKERS" EMMONS AVENUE
Project Number : 0230
Item : Electrical Cost for lighting and venting (bathroom exhaust fans)

TABLE 11 : BLDG. A - YEARLY ELECTRICITY USAGE FOR LIGHTING AND EXHAUST

Unit Tag	Lighting Watts	Hours of Operation/ day	Lighting Used in kWh	Exhaust Fan Wattage	Hours of Operation/ day	Exhaust Fan use in kWh	Total Daily use in kWh	Daily Usage Cost, $	Yearly Usage Cost, $
APT 101	3375	4	14	218	2	0.44	14	2.1	763
APT 102	2000	4	8	70	2	0.14	8	1.2	446
APT 103	2000	4	8	70	2	0.14	8	1.2	446
APT 104	2000	4	8	70	2	0.14	8	1.2	446
APT 105	2000	4	8	70	2	0.14	8	1.2	446
APT 106	3920	4	16	140	2	0.28	16	2.4	874
APT 107	3233	4	13	218	2	0.44	13	2.0	732
APT 108	3008	4	12	140	2	0.28	12	1.8	674
APT 109	3875	4	16	140	2	0.28	16	2.4	864
APT 201	3735	4	15	140	2	0.28	15	2.3	833
APT 202	2000	4	8	70	2	0.14	8	1.2	446
APT 203	2000	4	8	70	2	0.14	8	1.2	446
APT 204	2000	4	8	70	2	0.14	8	1.2	446
APT 205	2000	4	8	70	2	0.14	8	1.2	446
APT 206	3720	4	15	140	2	0.28	15	2.3	830
APT 207	3143	4	13	218	2	0.44	13	2.0	712
APT 208	3008	4	12	140	2	0.28	12	1.8	674
APT 209	3875	4	16	140	2	0.28	16	2.4	864
APT 210	3350	4	13	140	2	0.28	14	2.1	749
APT 301	3735	4	15	140	2	0.28	15	2.3	833
APT 302	2000	4	8	70	2	0.14	8	1.2	446
APT 303	2000	4	8	70	2	0.14	8	1.2	446
APT 304	2000	4	8	70	2	0.14	8	1.2	446
APT 305	2000	4	8	70	2	0.14	8	1.2	446
APT 306	3720	4	15	140	2	0.28	15	2.3	830
APT 307	3143	4	13	140	2	0.28	13	1.9	704
APT 308	3008	4	12	140	2	0.28	12	1.8	674
APT 309	3875	4	16	140	2	0.28	16	2.4	864
APT 310	3350	4	13	140	2	0.28	14	2.1	749
Total>									**18571**

Note . Since lighting plans were unavailable at the time of projection, the lighting watts for the apartments is based on the figure of 2 5 Watts per square foot of lighting usage

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Schedule B-1 Projections for Townhouse Units*
(tables may refer to the Units as being in "Buildings B, C, D and E")

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Table 2	Gas for Heating
Table 4	Gas for Hot Water
Table 10	Gas for Cooking
Table 8	Electricity for Air Conditioning
Table 12	Electricity for Lighting and Exhaust
Table 6	Water and Sewer Charges and Rents
Table 16B	Water for Cleaning of Outside Townhouse Limited Common Element Walkways, Steps and Stairs (Lower Townhouse Units only)
Table 16C	Water for watering Grass located on a General Common Element (Lower Townhouse Units only)

*Lower Townhouse Units (indicated on Schedule A with an "(L)") are indicated on the annexed tables as being on the "cellar-1st" floors. Upper Townhouse Units (indicated on Schedule A with an "(U)") are indicated on the annexed tables as being on the "2nd-3rd" floor.

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TABLE 2 : BLDG B, C, D & E - YEARLY GAS CONSUMPTION FOR HEATING

Unit Tag	HL (BTUH)	DD (days)	E	P (BTU)	TD (F)	F (ccf)	F (therm)	Annual Cost @$1/therm
B3112 cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
B3112 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
B3112A cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3112A 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3114 cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3114 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3114A cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3114A 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3116 cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3116 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3116A cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3116A 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
C3118 cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
C3118 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
C3118A cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
C3118A 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
C3120 cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
C3120 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
C3120A cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
C3120A 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
C3122 cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
C3122 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
D3126 cellar-1st	80000	4880	0.927	100000	64	2237	2237	2237
D3126 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
D3124 cellar-1st	80000	4880	0.927	100000	64	2237	2237	2237
D3124 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
B3140A cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3140A 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3140 cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3140 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3138A cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3138A 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3138 cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3138 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3136A cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3136A 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
B3136 cellar-1st	40000	4880	0.927	100000	64	1119	1119	1119
B3136 2nd-3rd	40000	4880	0.927	100000	64	1119	1119	1119
C3134 cellar-1st	80000	4880	0.927	100000	64	2237	2237	2237
C3134 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
E3132 cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
E3132 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
D3130 cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
D3130 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
D3128 cellar-1st	60000	4880	0.927	100000	64	1678	1678	1678
D3128 2nd-3rd	80000	4880	0.927	100000	64	2237	2237	2237
					Total>	73272	73272	73272

TABLE 4 : BLDG B, C, D & E - GAS FOR DOMESTIC HOT WATER YEARLY USAGE

Unit Tag	Maximum Daily Hot Water Usage Rate gal/apartment	Daily Hot Water Usage Rate BTU/HR	Yearly Hot Water Usage Rate BTU/HR	Annual Nat. Gas Consumption in ccf	Annual Nat. Gas Consumption in therm	Cost @$1/therm
B3112 cellar-1st	100	2026	739429	177	177	177
B3112 2nd-3rd	100	2026	739429	177	177	177
B3112A cellar-1st	100	2026	739429	177	177	177
B3112A 2nd-3rd	100	2026	739429	177	177	177
B3114 cellar-1st	100	2026	739429	177	177	177
B3114 2nd-3rd	100	2026	739429	177	177	177
B3114A cellar-1st	100	2026	739429	177	177	177
B3114A 2nd-3rd	100	2026	739429	177	177	177
B3116 cellar-1st	100	2026	739429	177	177	177
B3116 2nd-3rd	100	2026	739429	177	177	177
B3116A cellar-1st	100	2026	739429	177	177	177
B3116A 2nd-3rd	100	2026	739429	177	177	177
C3118 cellar-1st	100	2026	739429	177	177	177
C3118 2nd-3rd	100	2026	739429	177	177	177
C3118A cellar-1st	100	2026	739429	177	177	177
C3118A 2nd-3rd	100	2026	739429	177	177	177
C3120 cellar-1st	100	2026	739429	177	177	177
C3120 2nd-3rd	100	2026	739429	177	177	177
C3120A cellar-1st	100	2026	739429	177	177	177
C3120A 2nd-3rd	100	2026	739429	177	177	177
C3122 cellar-1st	100	2026	739429	177	177	177
C3122 2nd-3rd	100	2026	739429	177	177	177
D3126 cellar-1st	100	2026	739429	177	177	177
D3126 2nd-3rd	100	2026	739429	177	177	177
D3124 cellar-1st	100	2026	739429	177	177	177
D3124 2nd-3rd	100	2026	739429	177	177	177
B3140A cellar-1st	100	2026	739429	177	177	177
B3140A 2nd-3rd	100	2026	739429	177	177	177
B3140 cellar-1st	100	2026	739429	177	177	177
B3140 2nd-3rd	100	2026	739429	177	177	177
B3138A cellar-1st	100	2026	739429	177	177	177
B3138A 2nd-3rd	100	2026	739429	177	177	177
B3138 cellar-1st	100	2026	739429	177	177	177
B3138 2nd-3rd	100	2026	739429	177	177	177
B3136A cellar-1st	100	2026	739429	177	177	177
B3136A 2nd-3rd	100	2026	739429	177	177	177
B3136 cellar-1st	100	2026	739429	177	177	177
B3136 2nd-3rd	100	2026	739429	177	177	177
C3134 cellar-1st	100	2026	739429	177	177	177
C3134 2nd-3rd	100	2026	739429	177	177	177
E3132 cellar-1st	100	2026	739429	177	177	177
E3132 2nd-3rd	100	2026	739429	177	177	177
D3130 cellar-1st	100	2026	739429	177	177	177
D3130 2nd-3rd	100	2026	739429	177	177	177

TABLE 4 CONT'D : BLDG B, C, D & E - GAS FOR DOMESTIC HOT WATER YEARLY USAGE

Unit Tag	Maximum Daily Hot Water Usage Rate gal/apartment	Daily Hot Water Usage Rate BTU/HR	Yearly Hot Water Usage Rate BTU/HR	Annual Nat. Gas Consumption in ccf	Annual Nat. Gas Consumption in therm	Cost @$1/therm
D3128 cellar-1st	100	2026	739429	177	177	177
D3128 2nd-3rd	100	2026	739429	177	177	177
			Total>>	8163	8163	8163

TABLE 10 ; BLDG. B, C, D & E - ANNUAL GAS FOR COOKING USAGE

Unit Tag	Daily Cooking Gas Usage Rate BTU/HR	Hours of Operation per day	Daily Cooking Gas Usage Rate, BTU	Daily Cooking Gas Usage In ccf	Annual Cooking Gas Usage In ccf	Annual Cooking Gas Usage in Therm	Cost @$1/therm
B3112 cellar-1st	40,000	2	80000	0.8	292	292	292
B3112 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3112A cellar-1st	40,000	2	80000	0.8	292	292	292
B3112A 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3114 cellar-1st	40,000	2	80000	0.8	292	292	292
B3114 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3114A cellar-1st	40,000	2	80000	0.8	292	292	292
B3114A 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3116 cellar-1st	40,000	2	80000	0.8	292	292	292
B3116 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3116A cellar-1st	40,000	2	80000	0.8	292	292	292
B3116A 2nd-3rd	40,000	2	80000	0.8	292	292	292
C3118 cellar-1st	40,000	2	80000	0.8	292	292	292
C3118 2nd-3rd	40,000	2	80000	0.8	292	292	292
C3118A cellar-1st	40,000	2	80000	0.8	292	292	292
C3118A 2nd-3rd	40,000	2	80000	0.8	292	292	292
C3120 cellar-1st	40,000	2	80000	0.8	292	292	292
C3120 2nd-3rd	40,000	2	80000	0.8	292	292	292
C3120A cellar-1st	40,000	2	80000	0.8	292	292	292
C3120A 2nd-3rd	40,000	2	80000	0.8	292	292	292
C3122 cellar-1st	40,000	2	80000	0.8	292	292	292
C3122 2nd-3rd	40,000	2	80000	0.8	292	292	292
D3126 cellar-1st	40,000	2	80000	0.8	292	292	292
D3126 2nd-3rd	40,000	2	80000	0.8	292	292	292
D3124 cellar-1st	40,000	2	80000	0.8	292	292	292
D3124 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3140A cellar-1st	40,000	2	80000	0.8	292	292	292
B3140A 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3140 cellar-1st	40,000	2	80000	0.8	292	292	292
B3140 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3138A cellar-1st	40,000	2	80000	0.8	292	292	292
B3138A 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3138 cellar-1st	40,000	2	80000	0.8	292	292	292
B3138 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3136A cellar-1st	40,000	2	80000	0.8	292	292	292
B3136A 2nd-3rd	40,000	2	80000	0.8	292	292	292
B3136 cellar-1st	40,000	2	80000	0.8	292	292	292
B3136 2nd-3rd	40,000	2	80000	0.8	292	292	292
C3134 cellar-1st	40,000	2	80000	0.8	292	292	292
C3134 2nd-3rd	40,000	2	80000	0.8	292	292	292
E3132 cellar-1st	40,000	2	80000	0.8	292	292	292
E3132 2nd-3rd	40,000	2	80000	0.8	292	292	292
D3130 cellar-1st	40,000	2	80000	0.8	292	292	292
D3130 2nd-3rd	40,000	2	80000	0.8	292	292	292

TABLE 10 CONT'D : BLDG. B, C, D & E - ANNUAL GAS FOR COOKING USAGE

Unit Tag	Daily Cooking Gas Usage Rate BTU/HR	Hours of Operation per day	Daily Cooking Gas Usage Rate, BTU	Daily Cooking Gas Usage in ccf	Annual Cooking Gas Usage in ccf	Annual Cooking Gas Usage in Therm	Cost @$1/therm
D3128 cellar-1st	40,000	2	80000	0.8	292	292	292
D3128 2nd-3rd	40,000	2	80000	0.8	292	292	292
Total>							13432

TABLE 8 : BLDG. B, C, D & E YEARLY AIR CONDITIONING COST

Unit Tag	AC Tons	Number of hours of AC use per day	Number of months of AC usage	Number of hours of AC usage per year	kW/Ton	kWh of use per year	Cost $ of AC per kWH	Yearly cost $
B3112 cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3112 2nd-3rd	4	8	4	960	1.5	5760	0.15	864
B3112A cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3112A 2nd-3rd	3.5	8	4	960	1.5	5040	0.15	756
B3114 cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3114 2nd-3rd	3.5	8	4	960	1.5	5040	0.15	756
B3114A cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3114A 2nd-3rd	3 5	8	4	960	1.5	5040	0 15	756
B3116 cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3116 2nd-3rd	3.5	8	4	960	1.5	5040	0.15	756
B3116A cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3116A 2nd-3rd	3 5	8	4	960	1.5	5040	0.15	756
C3118 cellar-1st	3.5	8	4	960	1 5	5040	0.15	756
C3118 2nd-3rd	4	8	4	960	1 5	5760	0 15	864
C3118A cellar-1st	3.5	8	4	960	1.5	5040	0.15	756
C3118A 2nd-3rd	4	8	4	960	1.5	5760	0.15	864
C3120 cellar-1st	3.5	8	4	960	1.5	5040	0.15	756
C3120 2nd-3rd	4	8	4	960	1.5	5760	0.15	864
C3120A cellar-1st	3.5	8	4	960	1 5	5040	0.15	756
C3120A 2nd-3rd	4	8	4	960	1.5	5760	0.15	864
C3122 cellar-1st	3.5	8	4	960	1.5	5040	0 15	756
C3122 2nd-3rd	4	8	4	960	1.5	5760	0 15	864
D3126 cellar-1st	5	8	4	960	1.5	7200	0.15	1080
D3126 2nd-3rd	5	8	4	960	1.5	7200	0.15	1080
D3124 cellar-1st	5	8	4	960	1 5	7200	0.15	1080
D3124 2nd-3rd	5	8	4	960	1 5	7200	0 15	1080
B3140A cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3140A 2nd-3rd	3 5	8	4	960	1.5	5040	0 15	756
B3140 cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3140 2nd-3rd	3.5	8	4	960	1.5	5040	0.15	756
B3138A cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3138A 2nd-3rd	3.5	8	4	960	1 5	5040	0.15	756
B3138 cellar-1st	3	8	4	960	1.5	4320	0 15	648
B3138 2nd-3rd	3 5	8	4	960	1.5	5040	0 15	756
B3136A cellar-1st	3	8	4	960	1.5	4320	0 15	648
B3136A 2nd-3rd	3.5	8	4	960	1.5	5040	0.15	756
B3136 cellar-1st	3	8	4	960	1.5	4320	0.15	648
B3136 2nd-3rd	3 5	8	4	960	1.5	5040	0.15	756
C3134 cellar-1st	4	8	4	960	1.5	5760	0.15	864
C3134 2nd-3rd	5	8	4	960	1.5	7200	0 15	1080
E3132 cellar-1st	3.5	8	4	960	1.5	5040	0.15	756
E3132 2nd-3rd	5	8	4	960	1 5	7200	0.15	1080

TABLE 8 CONT'D : BLDG. B, C, D & E YEARLY AIR CONDITIONING COST

Unit Tag	AC Tons	Number of hours of AC use per day	Number of months of AC usage	Number of hours of AC usage per year	kW/Ton	kWh of use per year	Cost $ of AC per kWH	Yearly cost $
D3130 cellar-1st	3.5	8	4	960	1.5	5040	0.15	756
D3130 2nd-3rd	5	8	4	960	1.5	7200	0.15	1080
D3128 cellar-1st	3.5	8	4	960	1.5	5040	0.15	756
D3128 2nd-3rd	5	8	4	960	1.5	7200	0.15	1080
							Total>>	36828

TABLE 12 : BLDG, B, C, D & E - YEARLY ELECTRICITY USAGE FOR LIGHTING AND EXHAUST

Unit Tag	Lighting Watts	Hours of Operation/ day	Lighting kWh	Exhaust Fan Wattage	Hours of Operation/ day	Exhaust Fan use in kWh	Total Daily use in kWh	Daily Usage Cost, $	Yearly Usage Cost, $
B3112 cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3112 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3112A cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3112A 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3114 cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3114 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3114A cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3114A 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3116 cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3116 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3116A cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3116A 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
C3118 cellar-1st	6550	4	26	140	2	0.28	26.48	4.0	1450
C3118 2nd-3rd	11680	4	47	210	2	0.42	47.14	7.1	2581
C3118A cellar-1st	6550	4	26	140	2	0.28	26.48	4.0	1450
C3118A 2nd-3rd	11680	4	47	210	2	0.42	47.14	7.1	2581
C3120 cellar-1st	6550	4	26	140	2	0.28	26.48	4.0	1450
C3120 2nd-3rd	11680	4	47	210	2	0.42	47.14	7.1	2581
C3120A cellar-1st	6550	4	26	140	2	0.28	26.48	4.0	1450
C3120A 2nd-3rd	11680	4	47	210	2	0.42	47.14	7.1	2581
C3122 cellar-1st	6550	4	26	140	2	0.28	26.48	4.0	1450
C3122 2nd-3rd	11680	4	47	210	2	0.42	47.14	7.1	2581
D3126 cellar-1st	8650	4	35	140	2	0.28	34.88	5.2	1910
D3126 2nd-3rd	8050	4	32	210	2	0.42	32.62	4.9	1786
D3124 cellar-1st	8650	4	35	140	2	0.28	34.88	5.2	1910
D3124 2nd-3rd	8050	4	32	210	2	0.42	32.62	4.9	1786
B3140A cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3140A 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3140 cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3140 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3138A cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3138A 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3138 cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3138 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3136A cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3136A 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
B3136 cellar-1st	4150	4	17	140	2	0.28	16.88	2.5	924
B3136 2nd-3rd	5550	4	22	210	2	0.42	22.62	3.4	1238
C3134 cellar-1st	6550	4	26	140	2	0.28	26.48	4.0	1450
C3134 2nd-3rd	11680	4	47	210	2	0.42	47.14	7.1	2581
E3132 cellar-1st	5070	4	20	140	2	0.28	20.56	3.1	1126
E3132 2nd-3rd	9220	4	37	210	2	0.42	37.30	5.6	2042
D3130 cellar-1st	8650	4	35	140	2	0.28	34.88	5.2	1910
D3130 2nd-3rd	8050	4	32	210	2	0.42	32.62	4.9	1786
D3128 cellar-1st	8650	4	35	140	2	0.28	34.88	5.2	1910
D3128 2nd-3rd	8050	4	32	210	2	0.42	32.62	4.9	1786
Total>									68086

TABLE 6 : BLDG B, C, D & E - WATER AND SEWER YEARLY USAGE

Unit Tag	Maximum Daily Cold Water Usage Rate gal/apart.	Yearly Cold Water Usage gal.	Maximum Daily Hot Water Usage Rate gal/apartment	Yearly Hot Water Usage gal.	Yearly Hot & Cold Water Usage gal.	Yearly Hot & Cold Water Usage ccf	Yearly Hot & Cold Water Cost @$1.60/ccf	Yearly Sewer Water Discharge ccf	Yearly Sewer Water Cost @$2.54/ccf
B3112 cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3112 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3112A cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3112A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3114 cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3114 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3114A cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3114A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3116 cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3116 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3116A cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3116A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
C3118 cellar-1st	150	54750	100	36500	91250	122	195	122	310
C3118 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
C3118A cellar-1st	150	54750	100	36500	91250	122	195	122	310
C3118A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
C3120 cellar-1st	150	54750	100	36500	91250	122	195	122	310
C3120 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
C3120A cellar-1st	150	54750	100	36500	91250	122	195	122	310
C3120A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
C3122 cellar-1st	150	54750	100	36500	91250	122	195	122	310
C3122 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
D3126 cellar-1st	150	54750	100	36500	91250	122	195	122	310
D3126 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
D3124 cellar-1st	150	54750	100	36500	91250	122	195	122	310
D3124 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3140A cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3140A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310

TABLE 6 CONT'D: BLDG B, C, D & E - WATER AND SEWER YEARLY USAGE

Unit Tag	Maximum Daily Cold Water Usage Rate gal/apart.	Yearly Cold Water Usage gal.	Maximum Daily Hot Water Usage Rate gal/apartment	Yearly Hot Water Usage gal.	Yearly Hot & Cold Water Usage gal.	Yearly Hot & Cold Water Usage ccf	Yearly Hot & Cold Water Cost @$1.60/ccf	Yearly Sewer Water Discharge ccf	Yearly Sewer Water Cost @$2.54/ccf
B3140 cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3140 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3138A cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3138A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3138 cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3138 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3136A cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3136A 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
B3136 cellar-1st	150	54750	100	36500	91250	122	195	122	310
B3136 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
C3134 cellar-1st	150	54750	100	36500	91250	122	195	122	310
C3134 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
E3132 cellar-1st	150	54750	100	36500	91250	122	195	122	310
E3132 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
D3130 cellar-1st	150	54750	100	36500	91250	122	195	122	310
D3130 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
D3128 cellar-1st	150	54750	100	36500	91250	122	195	122	310
D3128 2nd-3rd	150	54750	100	36500	91250	122	195	122	310
Total>						5612	8979	5612	14254

TABLE 16B : LOWER TOWNHOUSE UNITS - WATER FOR STEPS AND STAIR CLEANING

Unit Tag	Amount of Water per Instance of cleaning (gallons)	Number of Instances of cleaning in a year (Assumed)	Yearly Cold Water Usage for Stair Cleaning gal.	Yearly Cold Water Usage ccf	Yearly Water Cost @$1.60/ccf
B3112 cellar-1st	10	50	500	0.668	1.07
B3112A cellar-1st	10	50	500	0.668	1.07
B3114 cellar-1st	10	50	500	0.668	1.07
B3114A cellar-1st	10	50	500	0.668	1.07
B3116 cellar-1st	10	50	500	0.668	1.07
B3116A cellar-1st	10	50	500	0.668	1.07
C3118 cellar-1st	10	50	500	0.668	1.07
C3118A cellar-1st	10	50	500	0.668	1.07
C3120 cellar-1st	10	50	500	0.668	1.07
C3120A cellar-1st	10	50	500	0.668	1.07
C3122 cellar-1st	10	50	500	0.668	1.07
D3126 cellar-1st	10	50	500	0.668	1.07
D3124 cellar-1st	10	50	500	0.668	1.07
B3140A cellar-1st	10	50	500	0.668	1.07
B3140 cellar-1st	10	50	500	0.668	1.07
B3138A cellar-1st	10	50	500	0.668	1.07
B3138 cellar-1st	10	50	500	0.668	1.07
B3136A cellar-1st	10	50	500	0.668	1.07
B3136 cellar-1st	10	50	500	0.668	1.07
C3134 cellar-1st	10	50	500	0.668	1.07
E3132 cellar-1st	10	50	500	0.688	1.07
D3130 cellar-1st	10	50	500	0.668	1.07
D3128 cellar-1st	10	50	500	0.668	1.07
TOTAL					**24.60**

Note: The cost for water for cleaning stairs will be added to the lower townhouse-unit's water meter for the year.

TABLE 16C : LOWER TOWNHOUSE UNITS - WATER FOR GRASS COMMON AREA

Unit Tag	Amount of Water per instance of use (gallons)	Number of Instances of application in a year (Assumed)	Yearly Cold Water Usage for grass gal.	Yearly Cold Water Usage ccf	Yearly Water Cost @$1.60/ccf
B3112 cellar-1st	17	120	2040	2.73	4.36
B3112A cellar-1st	17	120	2040	2.73	4.36
B3114 cellar-1st	17	120	2040	2.73	4.36
B3114A cellar-1st	17	120	2040	2.73	4.36
B3116 cellar-1st	17	120	2040	2.73	4.36
B3116A cellar-1st	17	120	2040	2.73	4.36
C3118 cellar-1st	17	120	2040	2.73	4.36
C3118A cellar-1st	17	120	2040	2.73	4.36
C3120 cellar-1st	17	120	2040	2.73	4.36
C3120A cellar-1st	17	120	2040	2.73	4.36
C3122 cellar-1st	17	120	2040	2.73	4.36
D3126 cellar-1st	17	120	2040	2.73	4.36
D3124 cellar-1st	17	120	2040	2.73	4.36
B3140A cellar-1st	17	120	2040	2 73	4.36
B3140 cellar-1st	17	120	2040	2 73	4.36
B3138A cellar-1st	17	120	2040	2.73	4.36
B3138 cellar-1st	17	120	2040	2.73	4.36
B3136A cellar-1st	17	120	2040	2 73	4.36
B3136 cellar-1st	17	120	2040	2.73	4.36
C3134 cellar-1st	17	120	2040	2.73	4 36
E3132 cellar-1st	17	120	2040	2.73	4.36
D3130 cellar-1st	17	120	2040	2.73	4.36
D3128 cellar-1st	17	120	2040	2.73	4.36
TOTAL					**100.36**

Note. The cost for water for grass will be added to the lower townhouse-unit's water meter for the year in addition to the stair cleaning and domestic cold water usage cost.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

OPINION OF LICENSED REAL ESTATE BROKER RE COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

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Fax: (718) 376-0073

Wilk Real Estate Ltd.
626 Avenue U
Brooklyn, N.Y. 11223

March 2, 2005

COMPLIANCE WITH REAL PROPERTY LAW 339-i

New York State Department of Law
Investment Protection Bureau
Real Estate Financing Section
120 Broadway New York, NY

Sponsor has rewuested an opinion from us with regards to the allocation of common interest to units in the proposed condominium at 3112-3144 EMMONS AVENUE, BROOKLYN, NEW YORK 11235, with Section 339-i of the New York Real Property Law. Sponsor has informed us that the method of allocation chosen 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. Based on our review of the foregoing factors and Schedule A of the offering plan for the aforementioned property, we concluded that the proposed allocation of common interest to individual units as set forth in Schedule A is in compliance with the Section- 339i (1) (iv) of the New York State Real Property Law

We have been a licensed real estate broker for in excess of 16 years and have managed approximately 10 buildings in New York State with extensive experience in the sale, management, and rental of cooperative and condominium units in Kings County. We have previously participated in the preparation of individual unit value appraisals for the purpose of inclusion in offering plans for the sales thereof. We are not, in any way, associated with sponsor or any other participant in the project, and have no beneficial interest in sponsors business, or in profitability of the project. This is an opinion only as to use in such reasonable inquiries as to the validity thereof as we deemed appropriate under the circumstances; and, is not intended as guarantee of the actual value of any individual unit. We consent to the inclusion of this letter in the offering plan.

Sincerely,
WILK REAL ESTATE LTD.

Abe Wilk (Real Estate Broker)

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MARINA UNIT

In addition to the Residential Units and Parking Space Units, the Property includes the Marina Unit, consisting of a small area of vacant land in the extreme south-eastern corner of the Property, which land is subject to development by the Marina Unit Owner (initially Fee Owner or Sponsor) as described in "**Introduction.**" The land constituting the Marina Unit is delineated on the Floor Plans and he legal description of such land is set forth in "**Marina Unit Land Description**" in Part II of the Plan. The Marina Unit currently is not offered for sale under the Plan although Sponsor reserves the right to amend the Plan to offer the Marina Unit(s) for sale. The Garage, excluding the Parking Space Units, and elevator and elevator shaft which are Multi-Family Limited Common Elements, is a General Common Element.

The property currently is situated in a R-5 zoning district with a C-5 overlay in the Sheepshead Bay Special Purpose District, permitting residential and commercial use of Units as-of-right. Under the Plan, each Parking Space Unit may be used solely for the parking of one passenger motor vehicle, which use is permitted by current zoning.

With respect to the Marina Unit, and as noted in "**Introduction,**" Sponsor and its successors and designees reserve the right to subdivide the Marina Unit into one or more Marina Units, including without limitation, into Boat Slip Units (as defined in the Declaration) and/or to construct and develop a Marina at some or all of the Marina Unit and/or anywhere along the **Waterfront Area**, to apply for zoning variances, zoning reconsiderations, and re-zonings to permit use and occupancy of a Marina at the Property, to apply for one or more building permits, certificates of occupancy and such other consents, authorizations and permits from government agencies and departments (whether federal, state or local, in each case) having jurisdiction over the Waterfront Area and development thereof, in each case, as may be required for the construction, development, alteration, improvement and operation of a Marina at the Property. Marina Unit Owners shall have the right and an easement to connect to water, sewer, gas and electricity lines and conduits and other Facilities at the Property and to draw water, gas and/or electricity therefrom. Sponsor reserves the right to use the Marina Unit for any lawful purpose. Neither the Board nor the Unit Owners will have any right to restrict or limit any lawful use of the Marina Unit. Marina Unit Owners have special rights under the Declaration; see "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws**". Sponsor makes no representation that the Marina Unit will be subdivided or that a Marina will be developed at some or all of the Marina Unit or the Waterfront Area, or if the Marina Unit is subdivided and/or a Marina is developed, as to the number, size or location of Marina Units or Boat Slip Units or Marina Limited Common Elements that will be developed or the date of commencement or completion of construction of the Marina. See "**Special Risks**" and "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws.**"

The Marina Unit Owners have certain easements and rights under the Declaration, including the right to subdivide the Marina Unit, to connect to water and utility lines and Facilities at the Property for the development, construction, maintenance and operation of the Marina and to sell or lease their Units without being subject to any right of first refusal in favor of the Condominium Board to purchase or lease such Units on the same terms offered to the prospective purchaser or tenant. See "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws.**"

The Marina Unit Owner(s) will be responsible to pay its share of General Common Charges, that is, its Common Interest percentage multiplied by the total General Common Charges. See **Schedule B** and **Footnotes to Schedule B**. The obligation to build, maintain and repair any Marina Limited Common Elements shall be solely the obligation of the Marina Unit Owner(s) who will pay for such expenses directly (either to the Marina Board as Marina Common Charges or to the utility provider) or in the event that any utilities consumed by the Marina are measured by one or more meters which also measure utilities consumed by other portions of the Property, then Marina Unit Owners shall reimburse the Condominium the reasonable cost of any utilities so consumed by the Marina and covered by such common meters).

If at any time the Marina Unit Owner shall determine not to proceed with the development of a Marina, such owner shall have the right to convey to the Condominium Board, by quitclaim deed, the Marina Unit, subject to whatever mortgages, liens, and encumbrances may be thereon and such other title exceptions as may then exist or apply, and, upon the tendering of such deed by such owner, such owner shall have no further liability or obligation to the Condominium for any Common Charges or any assessments or other charges pertaining to the Marina Unit or the Marina accruing from and after such conveyance. See "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws.**"

It is the opinion of **Buchbinder & Warren** as more fully set forth in Part II of this Plan that the General Common Charges payable by the Marina Unit Owner are sufficient to cover expenses fairly attributable to the Marina Unit.

The Condominium shall not be entitled to any rent or other income derived from the Marina Units, including without limitation from any Marina that may be apart thereof.

CHANGES IN PRICES OR UNITS

Sponsor reserves the right to change the price of any Unit without prior notice or amendment to the Plan except that a duly filed amendment to the Plan will be required for (a) an across the board price change affecting one or more lines of Units or Unit models, (b) a price change that is to be advertised, or (c) a price increase for an individual Purchaser. The offering price of a Unit is negotiable and may be changed.

In order to meet the possible varying demands for the number and type of Units or to meet particular requirements of the prospective Purchasers or for any other reason, Sponsor reserves the right for itself and its designees at any time, subject to the conditions set forth below, to: (i) change the price (as set forth above), the manner of payment, and any other term of sale, (ii) change the size, number and/or layout of Units, (iii) reapportion the percentage Common Interests shown in Schedule A, and (iv) change the size or quality of the public areas of the Property. However, no change will be made in the size or number of Units and/or their respective common interest percentage and no change will be made in the size or quality of the common elements, except by amendment to the Plan or, if applicable, as described below, an amendment to the Declaration. Any reallocation of the percentage Common Interests among Units will vary the estimated Common Charges for such Units from the amounts set forth in Schedule A. After the Declaration is recorded, any of the changes discussed in clauses (ii)

through (iv) above may only be made by duly recorded amendment to the Declaration. As more particularly provided in the Declaration, Sponsor and its designees will have the right to so amend or cause the Board to so amend the Declaration and Floor Plans to the extent required in order to reflect changes made as provided above. In connection with any of the changes discussed in clauses (ii) and (iv) above, Sponsor shall obtain the consents of all governmental authorities having jurisdiction (if such consent is required by law).

No material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless all Purchasers consent thereto.

If a Purchase Agreement covering a Unit has been executed and delivered pursuant to the Plan, then, provided that Purchaser is not in default thereunder, no material change shall be made in the size, layout, or percentage of Common Interest of the Unit, unless Purchaser consents thereto.

Reservation of Right to Negotiate Terms

Sponsor reserves the right, in its sole discretion and without prior notice or amendment to the Plan, to negotiate with Purchasers all aspects of the purchase of any Unit, including, but not limited to: renovations, additions, or improvements to the Unit or the fixtures, furniture, furnishings, or equipment contained therein or credit allowances therefor; a reduced deposit towards purchase price; a financing contingency; an extension of time to secure financing; common charge subsidies or rebates; credits against the purchase price; and payment of all or part of Purchaser's financing costs and/or closing costs (such as attorneys fees, title insurance premiums, origination fees, commitment fees, and interest subsidies or "buy-downs"); and waiver of certain fees and charges to be paid by Purchasers as set forth in the Plan. Sponsor does not represent that it will offer any, all, or any combination of the above incentives on any particular purchase and reserves the right to make, accept or reject such offers in its sole discretion. None of the foregoing benefits will be available to any Purchaser unless specifically agreed to in writing by Sponsor. The price and terms of all purchases will be solely as set forth in the terms of the Purchase Agreement entered into by and between Purchaser and Sponsor. Sponsor further reserves the right to amend the Plan from time to time to add or delete negotiable terms.

INTERIM LEASES

Sponsor is not currently offering to enter into an interim lease with any Purchaser. The Sponsor shall not offer to lease vacant Units to Purchasers unless Sponsor amends the Plan to disclose such offer and to disclose the rights and obligations of such Purchasers. The sale or lease by Sponsor, any Unsold Unit Owner and any Marina Unit Owner of a Unit shall not be subject (i) to any right of first refusal in favor of the Condominium Board to purchase or lease such Unit on the same terms offered to the prospective purchaser or tenant or (ii) to the consent of the Condominium Board.

PROCEDURE TO PURCHASE

Execution of Purchase Agreement, Deposit and Trust Provisions

A person who wishes to purchase a Unit must complete and sign three (3) copies of a Purchase Agreement and deliver the same to Sponsor together with a Form W-9 Request for Taxpayer Information (or the appropriate Form W-8 certificate pertaining to foreign status, as the case may be), and a check equal to the sum of (1) ten (10%) percent of the purchase price, plus (2) the cost of any special work ordered by Purchaser. Such check shall be drawn to the order of "Troutman Sanders LLP Primary Segregated Account."

The terms of sale and other provisions of an actual Purchase Agreement entered into between Sponsor and any Purchaser may vary from the provisions contained in the form of Purchase Agreement contained in Part II of this Plan. However, such variations shall have no effect on the provisions of any other Purchase Agreement theretofore or thereafter entered into between Sponsor and any other Purchaser nor shall such variations materially and adversely affect Sponsor's obligations as set forth in the Plan.

All down payments paid by Purchasers on account of the purchase price of Units under the Plan, together with all interest accrued thereon (collectively the "Deposits"), will be placed in an account in conformity with the disclosure set forth below. Sponsor will comply with the escrow and trust fund requirements of Section 71-a of the Lien Law and General Business Law Sections 352-e(2-b) and 352-h and the New York State Attorney General's regulations promulgated pursuant thereto.

Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the handling or disposition of Deposits paid by such Purchasers. However, nothing in the preceding sentence shall limit the obligation of any Purchaser to pay the fees and expenses of Sponsor's attorneys (to the extent such fees and expenses are expressly disclosed in the Plan) in connection with the purchase or closing of the Unit purchased by such Purchaser under the Plan.

A Deposit will be deemed to have been unconditionally tendered when it is delivered to the Selling Agent, together with a Purchase Agreement in the form agreed to by Sponsor and signed by Purchaser, without any request for a change in such form or the terms of the Purchase Agreement. Each Deposit will be placed, within five business days after the date on which such Deposit has been unconditionally tendered, in a segregated special escrow account of Troutman Sanders LLP (hereinafter the "escrow agent"), whose address is 405 Lexington Avenue, New York, New York 10174 and whose telephone number is (212) 704-6000. The signatories on the escrow account, who are each members of Troutman Sanders LLP, and any one of whom is authorized to withdraw funds, are: Mark Abramowitz, Carol Burger, Aurora Cassirer, Charles Greenman and Michael Leichtling. The name of the escrow account into which Purchasers' Deposits initially will be deposited is "Troutman Sanders LLP Primary Segregated Account" and the respective names of the sub-escrow accounts into which respective Purchasers' Deposits, once cleared, will be transferred is "Troutman Sanders LLP Attorneys Trust Account for (name of respective Purchaser)" (such segregated special escrow account and sub-escrow accounts, hereinafter, collectively, the "escrow account"). The escrow account is located in JP Morgan

Chase, 1211 Avenue of the Americas, New York, New York 10036 (the "Bank"). The Bank is covered by federal bank deposit insurance generally to a maximum of $100,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limit, amounts deposited directly by such person and Deposits held in escrow for such person by the escrow agent).

If an individual makes a Deposit in excess of $100,000 for the purchase of a unit, or if the amount of such individual's deposits at the Bank and such Deposit exceed $100,000, the aggregate of such Deposit and all other such deposits will generally not be federally insured in excess of $100,000.

The sub-escrow account will be interest-bearing, and, if the closing of the sale to a Purchaser of a Unit occurs under the Plan, interest on a Deposit made by a Purchaser will be credited to such Purchaser at closing. The interest rate to be earned on the Deposits will be the rate paid from time to time by the Bank for the same type of account as the escrow account set up for Purchasers. This rate, as of April 22, 2005 was 1.75% per annum. Interest will begin to accrue when the check for the down payment is collected, and provided there is no charge back or debit by the Bank against the amount deposited.

All checks for down payments on account of the purchase price of a Unit under the Plan shall be made payable to or endorsed to the order of "Troutman Sanders LLP Primary Segregated Account." Within ten (10) business days after unconditional tender and delivery by a Purchaser to the Selling Agent of a check for the Deposit submitted with such Purchaser's Agreement on account of the purchase price thereunder, the escrow agent will notify Purchaser that such funds have been deposited into the segregated special escrow account and, unless the check failed to clear, transferred to the sub-escrow account and will provide the account number and the initial interest rate. Subject to the provisions of the next sentence, if such purchaser does not receive notice of such deposit within fifteen business days after unconditional tender and delivery to the Selling Agent of such Deposit, then such Purchaser may (a) cancel such purchase and rescind such Purchaser's Purchase Agreement so long as such right to rescind is exercised within ninety (90) days after such Purchaser's unconditional tender and delivery of such Deposit to the Selling Agent or (b) apply to the Department of Law for relief. However, a Purchaser shall not be entitled either to rescind such Purchaser's Purchase Agreement or to receive a refund of such Purchaser's Deposit where proof satisfactory to the Department of Law is submitted establishing that such Deposit was timely deposited and notice as provided above was timely mailed to such Purchaser in conformity with the Department of Law's regulations.

The escrow agent will hold a Purchaser's Deposit in escrow until:

(i) otherwise directed in one or more writings signed by each of Sponsor and such Purchaser; or

(ii) otherwise directed in a determination of the Department of Law, pursuant to the dispute resolution procedures contained in the Department of Law's regulations; or

(iii) a judgment or order of a court of competent jurisdiction permits or requires the release of such Deposit; or

(iv) such Deposit is paid by the escrow agent into a court of competent jurisdiction; or

(v) such Deposit is paid to Sponsor as provided below; or

(vi) such Deposit is paid to such purchaser as provided below.

If there is no written agreement between Sponsor and a Purchaser to release the Deposit paid by such Purchaser, the escrow agent will not pay such Deposit to Sponsor until after ten business days following the date that the escrow agent has given such Purchaser written notice that the escrow agent intends to pay such Deposit to Sponsor. Thereafter, such Deposit may be paid to Sponsor unless Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Department of Law regulations and the escrow agent has received, within such ten business day period, notice from such Purchaser that such application has been made.

Sponsor will not object to the release of the Deposit paid by any Purchaser to such Purchaser, provided such Purchaser has not defaulted and has timely and validly rescinded such Purchaser's Purchase Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

Under no circumstances shall Sponsor apply for a release of the Deposit of a defaulting Purchaser until after consummation of the Plan. Consummation of the Plan does not relieve the sponsor of its obligations under New York General Business Law Section 325-h.

A Purchaser or the escrow agent may apply to the Department of Law in the event of a dispute for a determination on the disposition of the Deposit paid by any Purchaser. Sponsor must avail itself of this procedure (i) if there is a dispute which needs to be resolved between the Sponsor and a Purchaser of a Unit under the Plan relating to such Purchaser's Deposit or (ii) if a Purchaser has given notice of objection to the escrow agent within the ten (10) business day period described above. A form for this purpose is contained in Part II of this Plan. The party applying for a determination must send all other parties a copy of the application.

Part II of this Plan contains a copy of the escrow agreement which is subject to the terms of the Department of Law's regulations. In the event of any conflict between such escrow agreement and either any other provision of the Plan (including any amendment thereto) or any Purchase Agreement, such escrow agreement shall control. The escrow agent will maintain all records concerning the escrow account for seven years after the closing of such account. Notices given by the escrow agent, Sponsor, or its agents pursuant hereto shall be deemed given (i) upon delivery if personally delivered or (ii) upon the fifth day after the date of mailing.

The escrow agent shall deposit any moneys received from a Purchaser in an interest bearing account with the interest credited to such Purchaser, unless such Purchaser defaults and the Plan is consummated.

Any provision of any contract or agreement, whether oral or in writing by which a purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the foregoing sentence shall prevail over any conflicting or inconsistent provision in the offering plan or in a Purchase Agreement.

Sponsor reserves the right to apply to the Department of Law to use alternate security in the form of a surety bond or letter of credit in lieu of escrowing Deposits. The Plan will be amended to disclose the terms of such alternate security. Upon the filing of such Amendment and Sponsor's compliance with the terms thereof and all other terms and conditions that may be imposed by the Department of Law, the escrow agent shall have the right to release the Deposit and pay same to Sponsor. Each purchaser shall be deemed to have consented to the use of such alternate security and the release of his Deposit as set forth herein and in such Amendment.

Balance of Purchase Price and Closing Documents

After this Plan has been declared effective, Sponsor shall fix dates for closing title to all Units (each a "Closing Notice") 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, which notice shall be served not less than thirty (30) days before the date set for the closing of the units, except if the particular Purchaser shall waive the requirement of 30 days' notice. The balance of the Purchase Price shall be payable on the Closing Date by certified check drawn on and certified by, or by a bank check drawn on and by, a bank which is acceptable to Sponsor and which is a member of the New York Clearing House Association, to the order of Sponsor or such other payee as Sponsor may direct.

Sponsor anticipates that the first closing of a Unit shall occur on or before July 1, 2006. If the date of the first closing of a Unit shall be delayed by more than 12 months after such date, each Purchaser will be offered a right to rescind his Purchase Agreement and receive the return of his Deposit, provided that he is not in default under his Purchase Agreement.

On the Closing Date, Purchaser shall be required to sign and deliver a Power of Attorney in the Plan covering the Unit and pay certain closing fees, costs and adjustments. The Power of Attorney gives the Condominium Board the right to acquire Units on behalf of the Unit Owners under certain circumstances described therein and to execute, acknowledge and deliver various documents and instruments affecting the Condominium. In addition, the Power of Attorney gives the Declarant under the Declaration, its designees, the Unsold Unit Owners and each Marina Unit Owner the right to amend the Condominium Declaration, the Condominium By-Laws and the Rules and Regulations of the Condominium under certain limited circumstances. The Purchaser shall also execute at the closing the New York State and New York City real property transfer tax returns covering the sale of the Unit, any real estate reporting return and statement required by the Internal Revenue Code (the "Code") or the regulations thereunder, all other documents required by law, and all other documents reasonably required by the Sponsor or required under such Purchaser's Purchase Agreement.

The Purchaser shall also cause his attorney to execute a designation agreement provided by the Sponsor designating such attorney as the "real estate broker" who is required to file a 1099 return with respect to the purchase, and the Purchaser shall indemnify the Sponsor and its

attorneys against any costs resulting from the failure of such attorney to fulfill his duties as such "real estate broker." If Purchaser finances his Unit and Purchaser's lender executes such designation agreement agreeing to do so, Purchaser's lender may file such form in lieu of Purchaser's attorney.

Default by Purchaser

If a Purchaser defaults in (i) making any payments due under the Purchase Agreement, (ii) executing and delivering documents required to be executed and delivered under the Purchase Agreement including, without limitation, the Unit Owner's Power of Attorney which must be executed and delivered at the Closing, (iii) Purchaser's obligation to attend a pre-closing with Sponsor and with Purchaser's lender or with respect to any of the obligations of Purchaser to be performed thereat as provided herein, including, without limitation, the making of payments and delivery of required documents or (iv) any of his other obligations under the Purchase Agreement, then the Sponsor may at its option give written notice of default under the Purchase Agreement to the Purchaser. Any Purchaser who defaults under his Purchase Agreement must be given written notice and the opportunity to cure such default within thirty (30) days from the sending of the default notice. If a defaulting Purchaser does not remedy the default within such thirty (30) day grace period, with **TIME BEING OF THE ESSENCE,** such defaulting Purchaser's Purchase Agreement will be deemed cancelled and Sponsor shall retain the Down Payment, together with any interest earned thereon, plus all costs for any special work ordered by the Purchaser, as and for liquidated damages. Purchaser and Sponsor will thereupon be relieved of all further liabilities and obligations thereunder and under the Plan. If the Purchase Agreement is canceled, Sponsor has the right to sell the Unit to others as if the Purchase Agreement had never been made, without accounting to the Purchaser for the proceeds of such sale.

Risk of Loss

The risk of loss or damage to the Property by fire or other casualty until the date of closing of title of the first Unit is assumed by Sponsor but without any obligation or liability upon Sponsor to repair or replace the same. Sponsor may, however, at Sponsor's option, elect to abandon the Plan (see "Effective Date") or to repair or replace such loss or damage. If Sponsor elects to replace such loss or damage, then at Sponsor's option it shall be entitled to reasonable adjournments of the closing.

Cooling Off Period and Sponsor's Acceptance or Rejection of Purchase Agreement

There will be a $150 deposit required for each copy of the Plan and Amendments. The $150 deposit will be refunded if (i) the Plan and any Amendments are returned to the Selling Agent in good reusable condition within 21 days or (ii) the Purchaser signs and delivers to the Selling Agent a Purchase Agreement that is accepted by Sponsor. If a Purchaser has not been afforded at least three (3) days to review the Plan and all filed amendments thereto prior to executing and delivering his Purchase Agreement, then such Purchaser may rescind his Purchase Agreement and have his full deposit be refunded promptly by giving notice of rescission to the Sponsor within seven (7) days after the date of such Purchase Agreement. Purchaser must either personally deliver written notice of rescission to Sponsor or Selling Agent within the seven (7)

day period referred to above or mail the notice of rescission to Sponsor or Selling Agent and have the mailing post-marked within the seven (7) day period.

Within twenty (20) days after Purchaser delivers to Sponsor three copies of his Purchase Agreement executed by him together with the required deposit, Sponsor shall either (i) accept such Purchaser Agreement and return one fully executed counterpart to Purchaser thereunder (or Purchaser's attorney) or (ii) reject such Purchase Agreement by notice thereof personally delivered or mailed by registered or certified mail return receipt requested to Purchaser together with a refund of any deposit made by Purchaser under his Purchase Agreement. If Sponsor takes no action within such twenty (20) day period, then the Purchase Agreement shall be deemed canceled. Sponsor reserves the right from time to time to rent rather than sell certain Units that may be sold to each Purchaser.

Until a Purchase Agreement is executed by Sponsor and returned to the prospective Purchaser, Sponsor will not be bound by any such Purchase Agreement submitted to it. Sponsor may reject any Purchase Agreement, without cause or explanation, so long as such rejection is not based upon race, creed, color, national origin, sex or any other ground prohibited by law.

Sponsor reserves the right to require each purchaser to produce photo identification (i) prior to receiving a copy of the Plan, (ii) upon execution of a Purchase Agreement, (iii) upon conducting an inspection of his Unit, (iv) at a pre-closing and (v) at the Unit Closing.

Units Sold in "As Is" Condition

The Units are being sold in the condition described in the "**Description of Property, Specifications and Building Condition**" section of Part II of the Plan and Sponsor will not have any obligation to make any repairs or improvements except as is expressly provided in the "**Description of Property, Specifications and Building Condition**" or in the "**Rights and Obligations of Sponsor**" section of Part I of the Plan.

Incorporation of Plan and Conflicts between Plan and Purchase Agreement

A complete copy of the Purchase Agreement is included in Part II of this Plan. If any provision of the Purchase Agreement is in conflict or inconsistent with any provision of the Plan, then such conflict or inconsistency shall be resolved in favor of the Plan. The execution and submission of a Purchase Agreement constitutes the Purchaser's acceptance of the Plan and Purchaser's agreement to be bound by the terms of the Plan, including all duly filed amendments thereto. The Plan and the Purchase Agreement may not contain, or be modified to contain, a provision waiving a Purchaser's rights or abrogating Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

No Financing Contingency.

The obligation of a Purchaser who executes and delivers a Purchase Agreement to consummate his purchase of a Unit is not conditioned upon Purchaser obtaining financing. Whether or not Purchaser is successful in obtaining financing for his purchase shall not affect Purchaser's obligation to consummate the purchase of the Unit in accordance with the provisions

of his Purchase Agreement. Accordingly, Purchasers are advised to inquire about the availability of financing prior to executing a Purchase Agreement for a Unit.

Purchasers who obtain financing commitments should understand that such commitment may expire or lapse or that its terms may change prior to the Closing Date unless such commitment is extended. If a Purchaser's financing commitment lapses or expires or is changed prior to the Closing Date, it will not affect the Purchaser's obligation to consummate the purchase of the Unit in accordance with the provisions of his Purchase Agreement.

Sponsor and the Condominium will not be required to sign any financing documents which do not conform to the provisions of the Plan. Therefore, a Purchaser seeking financing should confirm with his lender that the loan documents will conform to the provisions of the Plan.

Pursuant to existing law and regulation, Sponsor may declare the Plan effective once it has accepted Purchase Agreements from bona fide purchasers (including investors) with respect to at least 15.0% of the Residential Units, but it is not a requirement for the conversion that each Purchaser delivering a Purchase Agreement which is counted toward the 15.0% actually close on his or her purchase. Therefore, the conversion may become effective even though less than 15.0% of the Residential Unit sales are closed. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage of the units in a condominium be sold before the lender will consider making a loan. Thus it may be possible for a Purchaser to experience difficulty obtaining a loan where the percentage of the Residential Units or Units at the Property (or at a particular building at the Property) purchased is lower than a lender's particular sales minimum. Even once a property undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain financing or the terms or costs of such financing.

Inspection

Purchasers will be required to inspect their Units before the Closing Date and execute a Final Inspection Statement. See the form of Final Inspection Statement annexed to the Purchase Agreement. Notwithstanding the fact that there may be construction items noted on the Final Inspection Statement which Sponsor has the obligation to correct under the Plan, Purchasers shall nonetheless be obligated to close on the Closing Date and pay the full purchase price without provision for any escrow. Each Purchaser will sign and deliver a separate statement signifying its satisfaction with each item excepted in the Final Inspection Statement, if any, immediately upon completion of the repair and adjustment or correction of the same. By accepting the deed at a Unit closing, the Purchaser shall be deemed to have acknowledged and agreed that the Sponsor shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof or its fixtures, appliances, equipment, etc., contained therein from and after the date of delivery of possession of the Unit to the Purchaser, except (i) for those

items, if any, expressly excepted in the Final Inspection Statement to the extent Sponsor is required to repair, adjust or correct the same under the Plan and Sponsor's obligation regarding any such excepted items shall cease upon either the completion of the repair, adjustment or correction of the same or the assignment to the Purchaser of any applicable warranty covering the same and (ii) for the express obligations of the Sponsor pursuant to the Limited Warranty. Nothing contained herein shall be construed to expand Sponsor's obligations to correct defects in design or construction beyond those expressly required under the Plan under "**Rights and Obligations of Sponsor**". The Sponsor has excluded the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, other than the Limited Warranty annexed to the Purchase Agreement, which Limited Warranty applies to the purchase of Residential Units only. Neither the Housing Merchant Implied Warranty nor the Limited Warranty applies to the purchase of Parking Space Units. A Purchaser who fails to inspect his Unit within seven (7) days of written notice from Sponsor or the Selling Agent will be deemed to have accepted the condition of the Unit and shall be obligated to close title to such Unit without any obligation on the part of Sponsor to correct any defects in such Unit, except as may otherwise be expressly provided in the Plan.

ASSIGNMENT OF PURCHASE AGREEMENTS

No Right of Assignment by Purchaser

Purchaser may not assign his Purchase Agreement without first obtaining the written consent of Sponsor. Sponsor shall have no obligations to provide any such consent and any such consent shall be a matter of Sponsor's sole discretion.

EFFECTIVE DATE

Sponsor's offer to sell Units pursuant to the Plan is contingent upon the Plan being declared effective and compliance with the relevant conditions and time periods described in the Plan. The following provisions shall determine whether, when and how the Plan will be declared effective:

1. Sponsor may at its option declare the Plan effective if Purchase Agreements with bona fide Purchasers, including investors, have been accepted by Sponsor for not less than 15% of the Residential Units. The Plan will not be declared effective based on 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 rescinded his Purchase Agreement not more than seven (7) days after delivering an executed Purchase Agreement, by either personal delivery of a written notice of rescission to Sponsor or Selling Agent within such seven (7) day period or mailing the notice of rescission to Sponsor or Selling Agent and having the mailing post-marked within such seven (7) day period, unless such Purchaser had been afforded not fewer than three (3) business days to review the Plan and all filed amendments prior to executing his 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, the Selling Agent or the Managing Agent by blood, marriage or adoption or as a business associate, an employee, a shareholder, a member, 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 submits proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

2. Sponsor must declare the Plan effective when Sponsor has accepted Purchase Agreements for the sale of at least 80% of the Residential Units, provided that none of Purchasers counted towards this 80% requirement are in default under their Purchase Agreements.

3. If the Plan has not been declared effective, it may be abandoned by Sponsor at any time before the condition set forth in the preceding paragraph has been met.

4. The Plan will be declared effective either by: (a) a duly filed amendment to the Plan or (b) by a written notice mailed or personally delivered to every Purchaser, or (c) the commencement of service by mail in the manner required by the Attorney General's Regulations stating that the Plan has been declared effective, and in the event of (b) or (c) above, an appropriate amendment to the Plan will be submitted to the Department of Law for filing within five (5) business days after service of the notice confirming that the Plan was declared effective on the date set forth in such notice. The closing of title to the first Unit pursuant to the Plan shall not be consummated until the Plan is declared effective and such amendment is accepted for filing.

5. Once the Plan has been declared effective the Plan may not be abandoned by Sponsor except for (i) defect(s) in title which either cannot be cured without litigation or cannot be cured for less than one half of one percent of the total amount of the offering, that is $294,772.50 ("Maximum Amount") in the aggregate; (ii) substantial damage or destruction of any of the Buildings or parts thereof by fire or other casualty which cannot be cured for less than the Maximum Amount in the aggregate; or (iii) the taking of the Property or any material portion thereof by condemnation or eminent domain. The Maximum Amount will exclude any attorneys' fees or any such title defects or determinations of an authority or regulatory association which exist on the date of presentation of the Plan and either known to Sponsor or are a matter of public record.

If the Plan is abandoned, then all moneys paid by Purchasers under Purchase Agreements, which were not previously canceled in accordance with provisions of the Plan (and as to which such moneys were not previously refunded) shall be refunded to them, no later than 15 days after the amendment to the Plan abandoning the Plan has been accepted for filing. If Sponsor abandons the Plan, Sponsor shall not retain any Purchaser's down payment (or any interest thereon). The Sponsor shall promptly (i) file a notice of abandonment on Form RS-3, or such other form as the Department of Law may require, disclosing the reasons for such abandonment and account for the disposition of all moneys received by the Sponsor under the

Plan, and (ii) submit to the Department of Law for filing an amendment to the Plan disclosing that the Plan has been abandoned, the amount of the payments made under Purchase Agreements and the time and manner in which these funds will be returned to Purchasers.

After the Plan has been declared effective, the sale of Units to Purchasers will close at a place and on a date ("Closing Date") to be fixed by the Sponsor, which date shall, in the case of any Purchase Agreement dated before the date the Plan has been declared effective, be not less than thirty (30), nor more than one hundred eighty (180) days, after the date on which the Plan shall have been declared effective, unless the closing is adjourned, provided that on or before the Closing Date there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan. Notwithstanding the foregoing, the Closing Date may be postponed from time to time, as may be reasonably required by Sponsor to comply with the "Prerequisites to Closing of Title" set forth under the section of the Plan entitled "**Terms of Sale; Closing of Title to Units.**"

TERMS OF SALE; CLOSING OF TITLE TO UNITS

Prerequisites to Closing of Title

The closing of title to each Unit shall take place only after or concurrently with the following events:

(a) The Plan being declared effective by Sponsor.

(b) The issuance of a partial, temporary or permanent certificate of occupancy for (i) such Unit or the Applicable Building. As used in the Plan, "**Applicable Building**" shall mean the building or structure in which it the particular Unit is located, including, in the case of a Townhouse Unit, either the Townhouse Building or the two-family or two-unit structure in which the Unit is located, as determined by Sponsor.

(c) The certification by Sponsor's architect or engineer that any work to be performed by Sponsor in advance of the Closing Date in the Unit and Applicable Building has been completed substantially in accordance with the Plans and Specifications, except (i) work in the Applicable Building which is customarily left incomplete until after occupancy, (ii) work in any Unit to be done by or for the account of Purchasers, and (iii) punch list items.

(d) The recording or filing with the Kings County Office of the City Register, New York, as required by law, of the Declaration, By-Laws, Floor Plans and engineer's and tax authority certification required by Section 339-p of the Condominium Act.

(e) The release of the Unit and its appurtenant interest in the Common Elements from the lien of any mortgages and other liens, except any mortgage or lien requested or made by Purchaser on or before the time of closing for such Unit.

(f) Written notice of the Closing Date (which notice shall advise Purchaser of the opportunity to inspect the Unit and the Common Elements) is given to Purchaser as provided in this Plan.

(g) The execution and delivery to Purchaser, Purchaser's attorneys or Purchaser's title company of a Unit Deed covering the Unit in the form set forth in Part II of the Plan.

(h) The execution and delivery by Purchaser of the Power of Attorney, in the form set forth in Part II of the Plan.

(i) The payment by Purchaser of the purchase price and any closing fees and costs provided under the Plan.

(j) The assignment to the Unit Owner by Sponsor of assignable manufacturer's warranties, if any, with respect to equipment and appliances installed in and serving only the Unit; and the assignment to the Condominium of any assignable manufacturer's warranties with respect to equipment and appliances installed in and serving only the General Common Elements and the Limited Common Elements which serve or benefit such Unit. Sponsor shall not be obligated to assign any warranties which are not assignable or that have not been delivered to Sponsor, or that relate to any Common Elements that have not been completed by Sponsor.

State of Title

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing for such Unit free and clear of all liens, encumbrances, and title exceptions other than those described in the proposed Unit Deed and the title exceptions and other matters set forth below (collectively the "Permitted Encumbrances"):

(a) Any state of facts shown on that certain survey certified and re-dated by Big Apple Land Surveyors, P.C., on December 20, 2005, any state of facts otherwise disclosed in this Plan and any additional state of facts which an accurate survey and inspection of the Property made on the Closing Date would show provided such additional state of facts does not prohibit use of the Residential Unit for residential use;

(b) Memorandum of Ground Lease recorded in CRFN 2005000029076;

(c) Building Loan Agreement made by and between Emmons Avenue LLC and Builders Bank filed 12/29/2003, as further substituted by a Building Loan Agreement dated as of 12/29/2004 by and between Emmons Avenue LLC (as to the fee interest) Emmons-Sheepshead Bay Development LLC (as to the leasehold interest) and Commerce Bank, N.A., filed in the King's County Clerk's office on 1/11/05;

(d) Electric easement recorded 9/14/1937 in Liber 3644 cp. 256 (affects streets only);

(e) Electric easement recorded 10/19/1979 in Reel 1111 page 1109 (benefits lots 100, 510, 518 and 519);

(f) Restrictive Declarations recorded in CRFN #2003000013814 and CRFN #2003000145514;

(g) Zoning regulations, ordinances, building restrictions and regulations;

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

(i) Encroachments of the Building, walls, stoops, steps, balconies, ornamental columns, windows, door caps, keystones, ledges, pilasters, watertables, coping, trim and cornices, and any other part thereof, if any, upon any street or highway or upon any adjoining property and similar encroachments upon the Property;

(j) Sewer, water, electric, plumbing, heating, gas, telephone and other utility easements and consents, if any, then or thereafter recorded, including the right to maintain and operate lines, wires, cables, amplifiers, transformers, pipes, conduits, poles, meters and distribution boxes in, over, under and upon the Property and the Building;

(k) The lien of any mortgage, lien or other encumbrance granted, created, or obtained by Purchaser;

(l) Easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities;

(m) Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and residential use of the Residential Unit or the existence and use of the Parking Space Unit, as the case may be;

(n) Rights, if any, to maintain vaults and chutes under the sidewalk;

(o) The lien of any Common Charges, real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment of such items is made as provided in this Plan;

(p) Service, labor, concessionaire and maintenance agreements contemplated under this Plan;

(q) Any Interim Lease with Purchaser for such Unit and any other leases, tenancies and occupancies permitted by the Purchase Agreement for such Unit;

(r) Any lien, encumbrance or lis pendens either (i) for which the instrument required to remove said encumbrance of record is delivered at or prior to the Closing Date to the proper party or to Purchaser's title insurance company together with the required recording or filing fee

(s) or (ii) as to which Purchaser's title insurance company or the Prepared Title Company (as hereinafter defined) will insure that the lien, encumbrance or lis pendens will not be collected out of or enforced against the Unit;

(t) The lien of any assessment or assessments which are or may become payable in annual installments of which any installment is then a charge or a lien, provided that apportionment thereof is made as provided below;

(u) Party wall agreements, if any;

(v) Judgments, bankruptcies or other returns against other persons having names the same as or similar to that of Sponsor or any of its principals, provided Sponsor delivers to Purchaser or Purchaser's title insurance company or the Prepared Title Company an affidavit showing that such judgments, bankruptcies or other returns are not against Sponsor;

(w) Uniform Commercial Code financing statements or conditional bills of sale provided that (i) such statements were filed on a date more than five years prior to the Closing Date, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is no longer in the Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

(x) The printed exceptions set forth in Sutton Land Title Agency/Sutton Land Services, LLC (as agent for First American Title Insurance Company of New York) Commitment for Title Insurance No. SL 26434 (or in the title insurance policy issued pursuant to such title commitment) or in any title policy issued by a title company that is authorized to do business in the State of New York and that is a Member of the New York Board of Title Underwriters, including without limitation the following:

(y) Defects and encumbrances arising or becoming a lien after the Closing Date;

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

(aa) Any laws, regulations or ordinances (including, but not limited to zoning, building, and environmental protection) as to the use, occupancy, subdivision or improvement of the Unit or the Property, adopted or imposed by any governmental body, or the effect of any noncompliance with or any violation thereof;

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

(cc) Excepting and excluding title to any property beyond the lines of the Unit or beyond the lines of the property as described at Schedule A of the Declaration in Part II of this Plan(including, without limitation, the Platform Area), or title to areas within or rights to easements in any abutting streets, roads, avenues, lanes, ways or waterways, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement, other than the ordinary rights of access and egress belonging to abutting owners;

(dd) Excepting and excluding title to any land now or formerly lying in the bed of Sheepshead Bay, its arms, branches or tributaries by whatever named called;

(ee) Excepting and excluding title to any land lying below the present or any former high water line of Sheepshead Bay;

(ff) The right of the United States Government to establish harbor, bulkhead or pier lines or to challenge or alter any such existing line and to remove or compel the removal of fill

and improvements thereon from land now or formerly lying below the high water mark of Sheepshead Bay without compensation;

(gg) The rights of the United States Government, the State of New York and the City of New York or any of their departments or agencies to regulate and control the use of the piers, bulkheads, land under water and land adjacent thereto;

(hh) Any and all easement and riparian rights of third parties to so much of the premises described in Schedule A in the Declaration in Part II of this Plan which lies beneath the waters of Sheepshead Bay;

(ii) Excepting and excluding any portion of the premises described in Schedule A of the Declaration in Part II of this Plan which lies beneath the waters of Sheepshead Bay;

(jj) Excepting and excluding title to any personal property, whether the same be attached to or used in connection with the Unit or the Property or otherwise;

(kk) All of the terms, easements, covenants and conditions of the Declaration and By-Laws as they are subsequently filed or recorded and the Plan and Purchase Agreement and any amendments thereto.

If requested by Purchaser, Sutton Land Title Agency/Sutton Land Services, LLC (as agent for First American Title Insurance Company of New York), 515 Rockaway Avenue, Valley Stream, New York 11581, Attention: Mr. Ilya Soybelman (telephone no.: 516-837-6227), (the "Prepared Title Company") will agree to insure, upon payment by Purchaser of the premium for such insurance (see the estimate of the cost described below in "Closing Costs and Adjustments"), (i) that Purchaser has fee title to the Unit, free and clear of all liens and encumbrances except those set forth in the Plan, and subject to the provisions of the Declaration and By-Laws and any mortgage executed, or any other encumbrance created, by Purchaser; (ii) that the Unit is part of the Condominium which was validly created pursuant to Article 9-B of the Real Property Law. While Purchaser will be free to select a title company of his choice, Sponsor's obligation to deliver title to the Unit as provided above will be deemed satisfied if the Prepared Title Company is prepared to insure such title subject to those title exceptions permitted under this Plan. Since Sponsor has no obligation to satisfy the requests of any title company other than the Prepared Title Company, Purchasers who use a title company other than the Prepared Title Company may not be able to obtain a title insurance policy that will satisfy the requirements of lenders and other persons.

Deed

The Unit Deed to be delivered by Sponsor for any particular Unit shall be a bargain and sale deed with covenant against grantor's acts in the form set forth in Part II of the Plan.

Construction Loan

Commerce Bank N.A. made an acquisition loan, construction loan and a project loan which are secured by, respectively, a first mortgage, second mortgage and third mortgage on the Property. None of the loans contains any specific requirement of a minimum number or

percentage of Units which must be under contract before the Plan may be declared effective. The loans provide for the release of Units from the lien of the respective mortgages upon payment of a release price equal to the greater of 85% of the Gross Sales Price (as defined in the mortgages) and a specified minimum release price for each Unit as well as payment of the lender's reasonable and customary attorneys' fees and disbursements for the release. The mortgage loan documents provide that, provided that the mortgagor is not in default under the mortgages and subject to certain other conditions, Commerce Bank N.A. will execute an agreement subordinating the liens of its mortgages to the declaration of the Condominium.

Personal Property

All personal property which is located within any particular Unit on the date the Purchase Agreement is signed for such Unit, which is used in connection with it, and which is owned by Sponsor, is included in the conveyance of such Unit unless specifically excepted in such Purchase Agreement. All personal property affixed to or located within the Common Elements that is owned by Sponsor and is used in connection with the Common Elements on the date of the recording of the Declaration shall be deemed to be part of the Common Elements unless such personal property is used in connection with any Unit which is owned by Sponsor or unless otherwise provided in this Plan.

Each Purchaser shall accept title to his Unit (without abatement in, or credit against, the purchase price or provision for escrow) notwithstanding that construction of any of the following shall not have been completed: (a) minor details of the Unit, including the so-called "punch list items," or (b) other Units, the Applicable Building or other Buildings, or (c) portions of the Common Elements including any Limited Common Elements. Sponsor, however, will remain obligated to complete construction in accordance with the Plans and Specifications as provided in the Plan.

A Purchaser will be required to examine his Unit with Sponsor's representative during normal business hours prior to the title closing for his Unit and will be obligated to sign and deliver to Sponsor at or before the closing a Final Inspection Statement in the form set forth in Part II acknowledging the condition in which he has received his Unit.

If there are encumbrances (other than Permitted Encumbrances) affecting the Property at the time of the Closing Date under the Plan, Sponsor, except as set forth below or as otherwise provided in this Plan, shall cause such encumbrances to be cured on or before the Closing Date or within a reasonable time thereafter.

Pre-Closings

At the option of Sponsor, upon five (5) days' notice by Sponsor to Purchaser, Purchaser shall be required to attend a pre-closing of the purchase of his or her Unit at a time and place to be designated by the Sponsor. At that time the Purchaser shall (i) execute and deliver the power of attorney, a copy of the form of which is contained in Part II of the Plan, the New York State and New York City real property and real estate transfer tax returns covering the sale of the Unit, any real estate reporting return and statement required by the Internal Revenue Code or the regulations thereunder, all other closing documents as requested by the Sponsor and all other

documents required by law or reasonably required by Sponsor, (ii) pay the balance of the Purchase Price (other than the portion thereof to be financed by an Institutional Lender as evidenced by a bona fide mortgage commitment delivered to Sponsor at or before the pre-closing), (iii) pay any net adjustments in favor of Sponsor, Purchaser's closing costs and fees as required by the Plan and (iv) make any deposits (including the contribution to the Working Capital Fund of the Condominium required to be made by Purchaser as described in the Plan). Purchaser also agrees, upon request of the Sponsor, and in connection with the pre-closing with Sponsor (but in any event in advance of the Closing Date), to pre-close with the lender providing any portion of the balance of the purchase price not paid by Purchaser to Sponsor at the pre-closing with Sponsor, so that Purchaser's attendance shall not be required at the closing under the Plan.

Risk of Loss

The risk of loss or damage to the Property by fire or other casualty until the date of closing of title of the first Unit is assumed by Sponsor but without any obligation or liability upon Sponsor to repair or replace the same. Sponsor may, however, at Sponsor's option, elect to abandon the Plan (see "**Effective Date**") or to repair or replace such loss or damage. If Sponsor elects to replace such loss or damage, then at Sponsor's option it shall be entitled to reasonable adjournments of the closing.

CLOSING COSTS AND ADJUSTMENTS

Estimated Closing Costs and Adjustments

Summarized below are the estimated closing costs and expenses to be borne by each Purchaser of a Unit:

(1) Cost of Title Insurance. If Purchaser orders title insurance then he will have to pay the premium for such title insurance. The premium will vary depending on the purchase price of the Unit. If ordered directly from Sutton Land Title Agency/Sutton Land Services, LLC (as agent for First American Title Insurance Company of New York) (the "Prepared Title Company"), the premium for: (a) fee title insurance, is presently estimated to be $402.00 for the first $35,000 or less of fee insurance, plus $6.67 for each $1,000 (or fraction thereof) of additional fee insurance from $35,001 to $50,000, plus $5.43 for each $1,000 (or fraction thereof) of additional fee insurance from $50,001 to $100,000, plus $4.36 for each $1,000 (or fraction thereof) of additional fee insurance from $100,001 to $500,000, plus $3.98 for each $1,000 (or fraction thereof) of additional fee insurance from $500,001 to $1,000,000, and (b) if a mortgage title insurance policy is simultaneously issued with the fee title insurance policy, the mortgage title policy premium is presently estimated to be (i) on the amount of the mortgage title insurance that does not exceed the amount of the fee title policy, $103.00 for the first $35,000 or less of mortgage title insurance, plus $1.67 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $35,001 to $50,000, plus $1.36 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $50,001 to $100,000, plus $1.09 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $100,001 to $500,000, plus $0.99 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $500,001 to $1,000,000, and (ii) on the amount of the mortgage title policy that is in excess of

the fee title policy, $344.00 for the first $35,000 or less of mortgage title insurance, plus $5.55 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $35,001 to $50,000, plus $4.54 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $50,001 to $100,000, plus $3.64 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $100,001 to $500,000, plus $3.31 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $500,001 to $1,000,000. Thus, assuming a $700,000 purchase price and a $600,000 mortgage, the premium for mortgage and fee title insurance in the respective amounts at present rates will be approximately $4,046.00. The above amounts are merely estimates of the amounts that would be charged by the Prepared Title Company, and are subject to change by it. These amounts do not reflect a discount for any bulk fee applicable to residential condominium units in subdivisions of ten or more units or prior title insurance issued to Sponsor or its predecessor, but if there is any reduction in the title insurance premium for fee or mortgage insurance by virtue of Purchaser's title insurer using a bulk, reissue (as a result of title insurance premiums previously paid by Sponsor or its predecessor with respect to the Property) or similar rate then the amount of such savings may be retained by Purchaser and need not be reimbursed to Sponsor at the closing for Purchaser's Unit.

(2) Recording Fees and Transfer Taxes. Each Purchaser will have to pay (a) the fee for recording the deed covering the Unit and the power of attorney in favor of the Board of approximately $225.00 for the deed and $75.00 for the power of attorney (based on a New York City Register recording rate of $47.00 plus $5.00 per page, plus approximately $150.00 in addition for the deed since it will be accompanied by a New York City real property transfer tax return ($50 filing fee) and State Board of Real Property Services Real Property Transfer Report (commonly known as the Equalization and Assessment Report) ($75 filing fee), (b) for a Residential Unit, the New York City real property transfer tax of 1.0% (or 1.425% if the purchase price is greater than $500,000) of the purchase price (plus any portion of such tax and the New York State real estate transfer tax paid by Purchaser), (c) for more than one Residential Unit or for a Parking Space Unit (or a Marina Unit), the New York City real property transfer tax of 1.425% (or 2.625% if the purchase price is greater than $500,000) of the purchase price (plus any portion of such tax and the New York State real estate transfer tax paid by Purchaser), and (d) the New York State real estate transfer tax of $2.00 per $500 (or fractional portion thereof) of the purchase price (plus any portion of such tax and the New York City real property transfer tax paid by Purchaser). Pursuant to Section 11-2104 of the New York City Administrative Code and Section 1404(a) of the New York Tax Law, the New York City real property transfer tax and the New York State real estate transfer tax would be (in the absence of any provision, such as is provided in this Plan, for Purchaser to pay such tax) the obligation of the seller in connection with the transfer by the seller of the Unit to a purchaser, although such purchaser is liable for such tax if the seller fails to pay it. While the New York City and New York State transfer taxes are customarily paid for by the seller in condominium unit transactions, the burden of paying those taxes may be modified by contract. As is common in many other condominium developments in New York State, the Purchase Agreement provides that Purchaser of a Unit will be required to pay these transfer taxes at the closing. A Purchaser of a Residential Unit priced at $700,000.00 would pay approximately $13,010.00 for transfer taxes. In addition, if Purchaser pays $1,000,000.00 or more for one or more Residential Units, Purchaser will be obligated to pay the additional 1% transfer tax (known as the "Mansion Tax"). The amount of New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax paid by the

Purchaser are included for the purpose of computing the applicability and amount of the Mansion Tax.

(3) Loan Closing Costs. If Purchaser obtains a purchase money first mortgage loan from a lending institution, then he will customarily pay at the closing of title the following additional costs: (i) mortgage recording tax in the approximate amount of (a) for Residential Units, 2.05% of the mortgage if the mortgage is less than $500,000, minus a $30.00 deduction if the mortgage states that it covers a one or two family dwelling (although the aggregate mortgage recording tax on a mortgage of less than $500,000 is generally 2.05%, Chapter 788 of the Laws of 1978 provides that a portion of said tax equal to .25% of the mortgage shall be paid by the lender in certain cases), and 2.175% of the mortgage if the mortgage is $500,000 or more, minus a $30.00 deduction if the mortgage states that it covers a one or two family dwelling (although the aggregate mortgage recording tax on a mortgage of $500,000 or more is generally 2.175%, Chapter 788 of the Laws of 1978 provides that a portion of said tax equal to .25% of the mortgage shall be paid by the lender in certain cases), and (b) for Parking Space Units (or Marina Units), 2.05% of the mortgage if the mortgage is less than $500,000, and 2.80% of the mortgage if the mortgage is $500,000 or more; (ii) the premium for the mortgage title insurance policy discussed above; (iii) mortgage recording fees based on the rates discussed above; (iv) the lending institution's attorneys' fees pertaining to the mortgage; (v) the lending institution's appraiser's fees; and (vi) origination or other fees. In addition, Purchaser may be required by the lending institution to deposit monthly with the lending institution a reserve for the payment of real estate taxes and insurance premiums commencing with the date of closing of title to the Unit. The amount of the deposit will be a multiple of the estimated monthly real estate taxes and insurance premiums and will vary in accordance with the date of closing of title to the particular Unit. Sponsor makes no representation as to what additional closing costs may be charged by a particular lender.

(4) Late Fee. If Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the date originally scheduled for the Closing Date and (ii) Purchaser shall pay to Sponsor, as a late fee, an amount equal to 0.0003% times the unpaid portion of the purchase price for his Unit for each day's delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter Purchaser postpones the closing for any reason or is in default.

(5) Mortgage Recording Tax Credit. To the extent that Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Unit or the Property (or part thereof), Purchaser shall pay to Sponsor at the closing for such Unit the amount of any such credit.

(6) Working Capital Fund Contribution. A Working Capital Fund for the Condominium shall be established as follows: Upon the closing of the purchase of a Unit, Purchaser will be required to pay to the Condominium an amount equal to one month's Common Charges for such Unit ("Unit Working Capital Fund Contribution") as initial working capital, provided that, if Sponsor has already paid the Unit Working Capital Fund Contribution for such Unit (pursuant to the last sentence of this paragraph), such amount shall be paid instead to

Sponsor to reimburse Sponsor for such contribution to the Working Capital Fund. This contribution is not refundable or transferable if Purchaser sells his Unit. If any Unit shall be unsold at the time of the transfer of control or loss of control by Sponsor of the Board of Managers, Sponsor shall pay to the Condominium an amount equal to one months' common charges for each such then unsold Unit, and, upon the sale of each such Unit, Purchaser of such Unit shall reimburse Sponsor for the contribution made by Sponsor to the Working Capital Fund with respect to such Unit.

(7) Reimbursement of Section 421-a and 421-b Costs. Each purchaser of a Residential Unit and each Purchaser of an Indoor Parking Space Unit will be required to reimburse Sponsor the sum of $750 per Unit to defray costs incurred by Sponsor (including attorneys' fees and disbursements) in obtaining Section 421-a and 421-b real estate tax benefits.

(8) Closing Adjustments. At the closing for any Unit, adjustments will be made between Sponsor and each Purchaser with respect to (a) real estate taxes and any assessments, on the basis of the period for which assessed, (b) common charges for the month in which title closes, (c) accrued rent and any other charges pursuant to the lease to Purchaser, if any, covering Purchaser's Unit and (d) water charges and sewer rents if separately assessed. Each Purchaser shall pay to Sponsor the amount of any net adjustments in favor of Sponsor. All adjustments shall be made between Sponsor and Purchaser as of the midnight preceding the date for the closing of title fixed in the original notice of closing for such Unit by Sponsor, whether or not title actually closes on that date, unless the closing is adjourned at Sponsor's request. If a Unit has not then been separately assessed for the current tax fiscal year, the apportionment of taxes for such Unit shall be based upon the then existing assessment for the Land and the Building (times the then applicable tax rate) multiplied by the percentage of Common Interest in the Common Elements appurtenant to the Unit as shown in Schedule A, divided by the aggregate of the Common Interests of all Units at the Property subject to such real estate taxes. If the Land and Building have not been separately assessed, then, at Sponsor's sole option and election, such apportionment shall be based upon the written opinion of either (i) an attorney who specializes in real estate tax matters or (ii) a licensed appraiser as to the taxable valuation of the Land and Building for the fiscal period for which the apportionment is to be made. If the real estate taxes have not yet been paid for the current fiscal year in which the Closing Date for a Unit occurs, then, at Sponsor's option, Purchaser of such Unit will pay his proportionate share of such real estate taxes (for such then current fiscal year) to Sponsor on the date on which title closes, and Sponsor will then be responsible for payment of such amount paid by Purchaser to Sponsor on account of real estate taxes for the then current tax fiscal year. Until separate tax bills are issued with respect to the Units, real estate taxes and any assessments shall be a General Common Expense, except to the extent an apportionment is made as provided above, and the Board shall pay such taxes and any assessments to the appropriate local taxing authority. The By-laws provide that after the Units are separately assessed for real estate tax purposes, the Condominium Board of Managers as agent of the Unit Owners shall promptly assess any Unit Owners who have underpaid real estate taxes with respect to their Units based on the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s), and shall likewise reimburse any Unit Owners for overpayment of taxes based on the initial assessed valuation of such Units (or portion thereof after giving effect

to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s).

(9) Each Purchaser will be responsible for the fees and expenses of his own attorney if he chooses to retain one.

(10) Each Purchaser shall be required to pay to Sponsor or Sponsor's attorneys a fee for each Unit purchased under the Plan which will cover the legal and other fees and expenses of processing the sale of the Unit at the same time as the balance of the purchase price for the Unit is due and payable under the Plan as follows:

(a) Basic fee for closing of sale without financing: $1,950.00.

(b) Additional fee in the event Purchaser finances a portion of the Purchase Price: $500.00

(c) Additional attendance fee if the closing takes place (subject to consent of Sponsor's attorneys) at a place other than the offices of Troutman Sanders LLP: $600.00 (may be increased if closing occurs at a location outside of New York City).

(d) Additional fee if closing adjourned for any reason other than at Sponsor's request: $500.00 for each time closing is so adjourned.

The above fees shall be payable by Purchaser to Sponsor's attorneys for as many of the above events that occur and in each instance of said events (for example, each time Purchaser adjourns the closing, Purchaser incurs the additional fee).

Without limiting the foregoing, the above fees shall be due with respect to each Residential Unit and Parking Space Unit purchased notwithstanding that a single Purchase Agreement may cover the purchase by a purchaser of a Residential Unit and a Parking Space Unit (or Units) and that each such Unit is defined in such Agreement collectively as the "Unit."

From and after the closing of title to his Unit, Purchaser will be obligated for the payment of common charges, real estate taxes and assessments, water charges and sewer rents (if separately assessed against the Unit) and all other expenses with respect to his Unit whether or not he has taken possession of his Unit.

The mortgage and fee title policy premiums, the recording taxes and charges and the transfer tax rates set forth above are those in effect as of the date of this Plan, and are subject to change. Each Purchaser shall be required to pay the title policy premiums, recording taxes and charges, deed stamps and any transfer taxes in effect as of the date of the closing of title to his Unit.

Sponsor anticipates that the only items which will be apportioned at the closing of title to the Units will be the items described above. If any other items are to be apportioned at closing, Sponsor will advise Purchaser in writing of those items at least three (3) days before the closing.

Numerical Example of Closing Costs

Example of Closing Costs is based on Purchase Price for one Residential Unit of $700,000 and mortgage amount for such Residential Unit of $600,000.

Approximate Cost of Title Costs:

Fee Policy Premium	$3,314.00
Mortgage Policy Premium	$732.00
Recording Charges	$375.00

Cost of Transfer Taxes:

New York State Real Estate Transfer Tax (based on "grossed up" Consideration of $712,775.00)	$2,852.00
New York City Real Property Transfer Tax (based on "grossed up" Consideration of $712,775.00)	$10,157.00

Certain Loan Closing Costs:

Mortgage Recording Tax (2.175% of Mortgage – 0.25% shall be paid by lender in certain cases)	$13,050.00

Additional Closing Costs:

Working Capital Fund (amount is based on an example of a Unit whose Common Charges are $550 per month)	$550.00
Reimbursement of a portion of Sponsor's costs to obtain 421-a or 421-b, as the case may be, tax exemption benefits	$750.00

Sponsor's Legal Fees:

Basic Fee	$1,950.00
Add $500 if obtaining financing	$500.00
- Add $600 if closing takes place other than at offices of Troutman Sanders LLP	
- Add $500 for each adjournment by Purchaser	

Total of the above: $34,230.00*

*based on the above example only; title charges included in this total are approximate; and assumes that the closing takes place at Sponsor's attorney's office and that Purchaser does not adjourn the closing.

Expenses of Offering

Sponsor will pay all of the expenses of creating the Condominium and of making this offering to Purchasers, including the closing costs of Sponsor in connection with this Plan,

except for such closing fees to be paid by Purchasers as may be described above and in the other provisions of this Plan. For the most part, these costs paid by Sponsor include legal and other professional fees incurred in connection with the preparation of this Plan, filing fees incurred in connection with submissions to the Department of Law, recording fees for the Declaration, selling commissions of brokers engaged by Sponsor, and advertising and reproduction costs of Sponsor.

Closing Adjustments Between Sponsor and Condominium

Sponsor will be responsible for all the required operating expenses of the Property accruing prior to the date of the closing of title to the first Unit pursuant to the Plan. The Condominium shall be required to pay all operating expenses of the Property accruing on or after the date of the closing of title to the first Unit pursuant to the Plan.

The following items shall be apportioned between Sponsor and the Condominium as of midnight of the date preceding the date of the closing of title to the first Unit pursuant to the Plan: (a) water and sewer charges (unless separately assessed to Units) based on the fiscal year therefor or, if there be water meters on the Property, Sponsor shall furnish readings to a date not more than thirty (30) days prior to the date of the closing of title to the first Unit pursuant to the Plan and the unfixed water charges and the unfixed sewer charges, if any, based thereon for the interim shall be apportioned on the basis of such last reading; (b) deposits, fees, charges or payments in connection with all permits, licenses, utilities, service and maintenance agreements which are assigned by Sponsor to the Condominium; (c) the cost of fuel on hand, if any, as estimated by Sponsor's supplier and any other supplies on hand; (d) insurance premiums for transferable policies, if any, which Sponsor transfers to the Condominium (including, without limitation, the cost of any insurance premiums advanced by Sponsor for insurance policies issued in the name of the Condominium Board pertaining to the period from and after the First Unit Closing); (e) employees' wages (vacation and severance pay, pension and welfare benefits) and any other payments or obligations relative to employees, if any; and (f) operating expenses and any other prepaid items (including, without limitation, charges for gas and electricity and other utilities for the Buildings and Common Elements, if applicable). In addition, Sponsor shall pay all installments for assessments due prior to the date of closing of title to the first Unit pursuant to the Plan and the Condominium shall pay all such installments due after such date.

If the net closing adjustments are in favor of Sponsor, then the amount of such net closing adjustments shall be paid to Sponsor in twelve (12) equal monthly installments commencing one month after the date of closing of the first Unit, in accordance with a promissory note of the Condominium (the "**Adjustment Note**") to be delivered to Sponsor on the Closing Date pursuant to the Plan. The note shall mature on the first anniversary of the date of closing of the first Unit at which time all unpaid principal shall be due and payable. The note shall not provide for interest, except that from and after the maturity, whether by acceleration or otherwise, the note shall bear interest at the lesser of (i) 18.0% per annum or (ii) the highest rate permitted by law.

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Work

No bond or other security has been furnished to secure performance of the following obligations.

Sponsor has undertaken the following obligations in connection with the construction of the Buildings:

1. Sponsor will, at Sponsor's sole cost and expense and with reasonable diligence, perform or cause to be performed such work, and will supply or cause to be supplied all materials, which are necessary to complete the construction of the Buildings substantially in accordance with the description contained in "**Description of Property, Specifications and Building Condition**" contained in Part II of the Plan.

2. Sponsor will cause any mechanic's liens arising out of the work described in clause 1 above to be discharged on or prior to the Closing Date, or in the alternative Sponsor may elect to make arrangements with the company insuring Purchaser's title to the Unit or the Prepared Title Company to affirmatively insure against collection thereof out of or enforcement against the Unit or any portion thereof by providing an indemnity, posting a bond or escrowing a sum deemed sufficient by such company or the Prepared Title Company.

3. If, by the Closing Date under the Plan, only a temporary Certificate of Occupancy for the Building in which the Purchaser's Unit is located or a Unit for which title has closed shall have been issued, then Sponsor will use all reasonable diligence to cause the local building department to renew the temporary Certificate of Occupancy, from time to time, until a permanent Certificate(s) of Occupancy covering such Building or Unit, as the case may be, shall have been issued. Sponsor will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew any temporary Certificate of Occupancy and to obtain such permanent Certificate(s) of Occupancy. However, if any Unit Owner is performing or causing to be performed any work in his Unit, Sponsor shall have no obligation to obtain or renew a partial, temporary, or permanent Certificate of Occupancy with respect to such Unit or the Applicable Building if the issuance of such Certificate of Occupancy is delayed or prevented by such work. Prospective Purchasers are advised that a permanent Certificate of Occupancy is required for permanent use of each of the buildings. A temporary Certificate of Occupancy may only be renewed, pursuant to current laws and practices, for a total of up to two years from the date of its original issuance. If the temporary Certificate of Occupancy for an Applicable Building shall have expired prior to issuance of a permanent Certificate of Occupancy for such Applicable Building, occupancy of the Units in such building will be a violation of law, subjecting the occupants to legal penalties, including possible eviction of occupants. Sponsor anticipates obtaining a permanent Certificate of Occupancy (or Certificates of Occupancy, as the case may be) covering all of the Buildings by no later than two years from the Closing Date and shall use reasonable efforts to obtain same.

4. In the event that a permanent Certificate of Occupancy for the Applicable Building has not been issued as of the date of the closing of the first Unit in such building and

Sponsor has obtained at least a temporary Certificate of Occupancy for such Applicable Building, Sponsor will cause to continue to be held in escrow all monies previously deposited, and being held in escrow pursuant to Section 352-e(2-b) of the General Business Law, on account of the purchase of Units at such building unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy for such Applicable Building. Any sum of money exceeding the amount certified by Sponsor's engineer or architect as is necessary from time to time will be released to Sponsor. Upon the issuance of the permanent Certificate of Occupancy for such building, such escrow deposit for the Applicable Building will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may either (i) deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by Sponsor's engineer or architect or (ii) certify that the unfunded allocable portion of its construction loan allocated to the Applicable Building is not less than the amount so certified, in which event Sponsor may utilize the unfunded portion of its construction loan to ensure such completion.

Sponsor will deliver and assign to the Board of Managers of the Condominium on or before the first closing of title to a Unit in the Applicable Building all manufacturers' and contractors' heating, electrical, plumbing, roofing and appliance warranties and bonds relating to the Common Elements, if any, to the extent made by such manufacturers and contractors and to the extent such warranties and bond are assignable. Sponsor shall not be obligated to assign any warranties which are not assignable or that have not been delivered to Sponsor, or that relate to any Common Elements that have not been completed by Sponsor. At that time, Sponsor will deliver to the Condominium Board a copy of the "as built" plans filed with the recording of the Declaration and, in addition, will provide the Condominium Board with a full set of building plans for the Applicable Building as filed with the Department of Buildings. At or prior to the closing of each Unit, Sponsor shall deliver and assign to Purchaser any manufacturer's warranties with respect to equipment and appliances installed in such Unit to the extent made by the manufacturer and to the extent such warranties are assignable.

5. Sponsor or its representatives will make periodic visits to the Property and at reasonable intervals and, except as hereinafter provided, Sponsor will correct or cause to be corrected patent defects in the construction or design of the Buildings and the Units or in the installation or operation of any mechanical equipment therein but only if (a) such patent defects are due to substantially improper workmanship or material substantially and materially at variance with the architectural plans and specifications or a defect in design which renders the Buildings, Common Elements or Units or their respective systems or equipment unsafe or inoperable; and (b) (i) as to any Unit, Sponsor is notified of such defects in purchaser's Final Inspection Statement to be completed, dated and signed prior to the closing of title to purchaser's Unit or (ii) as to the Common Elements, Sponsor is notified of such defects by a majority of those resident members of the Condominium Board who are unrelated to Sponsor within two (2) months from the time they are elected at the first meeting of the Units Owners. If any patent defect in the Common Elements within an Unsold Residential Unit can only be detected after said two (2) month period by occupancy of such Unsold Residential Unit, then Sponsor will correct such defect referred to in the preceding clause (a) if notified by a majority of those resident members of the Condominium Board who are unrelated to Sponsor within two (2) months from the closing of title to such Unsold Residential Unit.

6. Sponsor will correct or cause to be corrected latent defects (that is, defects which are not visually ascertainable) in the construction or design of the Buildings, Common Elements and the Units or in the installation of any mechanical equipment therein but only if (a) such latent defects are due to substantially improper workmanship or material substantially and materially at variance with the architectural plans and specifications or a defect in design which renders the Building or Units or their systems or equipment unsafe or inoperable; and (b) (i) as to any Unit, Sponsor is notified of such defects in writing by the Unit Owner prior to the expiration of the Applicable Warranty Period (as hereinafter defined) and otherwise in accordance with the terms of the Limited Warranty attached to the Purchase Agreement in Part II of the Plan or (ii) as to the Common Elements, Sponsor is notified by a majority of those resident members of the Condominium Board who are unrelated to Sponsor within the Applicable Warranty Period (reckoning from the First Unit Closing) to the extent applicable or, to the extent not applicable, then within one (1) year after the Closing of title to the first Unit under the Plan. As used herein, "Applicable Warranty Period" shall be the period commencing on the Effective Date of the Limited Warranty (that is, the date Purchaser shall first occupy his Unit or the date of delivery of the deed for the Unit to Purchaser, whichever occurs first) and ending (i) one year from such Effective Date, for items covered under the First Year Basic Coverage under the Limited Warranty, (ii) two years from such Effective Date for items covered under Two Year Major System Coverage under the Limited Warranty and (iii) six years from such Effective Date for items covered under the Six Year Major Structural Defect Coverage under the Limited Warranty. See the Limited Warranty annexed to the "**Purchase Agreement**" in Part II of the Plan.

Sponsor, in its sole discretion, shall select the method of correcting any defect. On one (1) days' notice from Sponsor, the Condominium Board and/or the Unit Owner in question shall allow Sponsor, Sponsor's contractors and/or the Managing Agent access to the Building(s) and/or the Unit in question on any weekday to inspect and/or correct such defect. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications for the Buildings.

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

Except as expressly set forth above in Paragraphs 5 and 6, Sponsor has no obligation to correct or repair any other defect or conditions in the Units, Common Elements or the Buildings, or all other installations, apparatuses, fixtures and appurtenances. The foregoing paragraph 5 and paragraph 6 sets forth the entire obligation of Sponsor to correct any defects with respect to the Unit, the Building and the Property and no other obligation shall be implied including, without limitation, any Housing Merchant Implied Warranty as set forth in General Business Law Article 36-B. Except as provided in this Plan or under applicable law, each Purchaser shall be required to complete the payment of the purchase price (without the provision of an escrow) and accept title at the time of closing, notwithstanding Sponsor's failure to complete the construction, finishing and decorating of the Unit or other Units or hallways or the Common Elements so long

as a temporary or permanent Certificate of Occupancy has been issued covering the Unit to be closed or the Applicable Building and such Unit's kitchen and bathroom appliances and fixtures (i.e., refrigerator, ranges, oven, sinks, toilet and bath fixtures) are operable and its windows, interior walls and floors are installed in accordance with this Plan.

Notwithstanding any provisions to the contrary herein, Sponsor shall not be obligated to correct, and shall not be liable to any purchaser as a result of, (a) (i) any insubstantial variations from the plans and specifications or the description of the Buildings, Common Elements or a Unit, set forth in this Plan or (ii) variations from the plans and specifications or description of the Buildings, Common Elements or a Unit set forth in this Plan which are neither in violation of applicable building codes, nor require approval of any governmental authority having jurisdiction, provided such variations are of substantially equal or better quality and design; or (b) defects in design which do not affect the safety of the Unit Owners or their property nor render the Buildings or the Units or their respective systems or equipment inoperable.

IN ADDITION, SPONSOR SHALL NOT BE RESPONSIBLE FOR CORRECTING OR REPAIRING ANY DEFECTS IN CONSTRUCTION (INCLUDING, WITHOUT LIMITATION, DEFECTIVE MATERIALS OR DEFECTIVELY CONSTRUCTED COMPONENTS OR PORTIONS OF THE BUILDINGS, COMMON ELEMENTS OR UNIT) OR DEFECTS IN THE INSTALLATION OR OPERATION OF ANY APPLIANCES (INCLUDING, WITHOUT LIMITATION, KITCHEN APPLIANCES), EQUIPMENT OR FIXTURES, TO THE EXTENT COVERED BY ASSIGNABLE WARRANTIES OR OTHER UNDERTAKINGS (HOWEVER DENOTED) FROM MANUFACTURERS, CONTRACTORS MATERIALMEN, OR OTHERS, WHICH ARE ASSIGNED TO ONE OR MORE PURCHASERS OR THE CONDOMINIUM BOARD.

In addition, without limitation, in no event shall Sponsor or any contractor or supplier be responsible for correcting or repairing any of the following: (i) any condition resulting from normal wear and tear or natural deterioration or from the normal settling or shifting of the Buildings, (ii) defects of an insubstantial nature, such as, without limitation, nail pops, ridging on sheet rock walls and ceilings, lumber shrinkage, door or window sticking due to weather, door warpage including, without limitation, warpage of the main entrance doors within reasonable tolerances of doors of similar size and weight and quality, slight scratches in plastic laminate, porcelain, or other surfaces, imperfect bath and kitchen tile grouting, adjustment of bi-fold doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation in joints of flooring or between base and floor, (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in concrete roof pavers (if any), or concrete cracks (if any) which do not impair the structural soundness of the Building, (iv) variations in floor levels, (v) ceiling imperfections, (vi) painting defects, (vii) alignment of bathroom or kitchen finishes, (viii) air infiltration from windows (ix) normal plumbing, heating and air conditioning noises and normal noises from kitchen and bath fans, vents and ducts, trash chutes, wood floors, elevators, elevator rooms and mechanical rooms, including any such noises from any such equipment or facilities located on the roof of a building and/or on the roof terraces which are part of particular Units, (x) normal floor noises and creaking, (xi) floor discoloring, (xii) variations in width, length or tone of wood floors, (xiii) repair of chips, scratches, mars, breaks or other defects in any windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs,

basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, ceramic tile, marble floors and walls, resilient flooring, saddles, appliances, woodwork and doors, mirrors, hardware, appliance cabinets and flooring, (xiv) subsequent to the Closing Date, paint touch-ups, repairs of dented appliances, carpet discoloration, stretching or shrinkage, or replacement of fluorescent light ballasts, (xv) variations in tone or color of marble or stone used in bathrooms, variations in tone or color of vanity tops or other marble or stone aggregate surfaces, shading variations of the exterior siding straining (on the face surface or grooves) and shading variations on fascias from staining, (xvi) salting or color variation in exterior colored mortar and colored brick, (xvii) ponding and/or controlled drainage on the roof surface, (xviii) cracks in pressure treated wood used or intended for use outside the Building, (xix) seepage through masonry walls, (xx) the partial or total death of any trees, shrubs, bushes, ground cover, grass or other landscape improvements, (xxi) damage to walkways or other concrete areas caused by the application of deicers, (xxii) water problems caused by "ice dams" forming on roofs, terraces or balconies (xxiii) normal settlement cracks on concrete foundations, Parking Space Units, patios, terraces, balconies, porches, green-houses, sidewalks and other flat work, (xxiv) spalling of concrete, including but not limited to on terraces, balconies and porches, sidewalks and stairs or (xxv) leaks or loss or damage caused by or resulting from accidents, riot, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, terrorism, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water and changes in the underground water table or alteration of landscaping or grading. Sponsor shall be obligated to repair abnormal scratches only by filling any plastic laminate scratches or refinishing any porcelain scratches but Sponsor shall not be obligated to replace such plastic laminate or porcelain surfaces. References in this section or elsewhere in this Plan to excluded repairs or excluded conditions with respect to various items listed shall not be construed to imply an obligation on the part of Sponsor to do any work or to install any equipment, fixtures or appliances or other items except as expressly provided in the "**Description of Property, Specifications and Building Condition**."

The Limited Warranty, set forth in Part II of this Plan, is in lieu of and replaces and excludes all other warranties on the construction and sale of the Unit and its components, both express and implied, including the Housing Merchant Implied Warranty set forth in New York General Business Law Article 36-B. The Limited Warranty excludes all consequential and incidental damages. Under the Limited Warranty, Warrantor's limit of total liability is the lesser of (i) ten percent (10%) of the purchase price of the Unit set forth in the Purchase Agreement and (ii) $30,000, less, in each case, any insurance proceeds received by Purchaser. The purpose of the Limited Warranty is to identify the seller's responsibility for construction defects of a latent or hidden nature that could not have been found or disclosed on final inspection of the Unit. The Limited Warranty does not cover any visible or patent defects not included on the punchlist or final inspection statement signed by Purchaser. The effective date of the Limited Warranty is the date that Purchaser or its family shall first occupy the Unit warranted or the date of delivery of the deed to such Unit to Purchaser, whichever occurs first. (The "date of delivery of the deed" is the date the Purchaser takes title to the Unit.) Commencing with the effective date of the Limited Warranty, there is one-year coverage for certain defective work performed and certain defective materials provided by the Sponsor, certain defective design provided by an architect retained exclusively by the Sponsor and certain defective installation of appliances, fixtures, items of equipment and goods sold with or included in the sale of the Unit by the Sponsor; two-year coverage for certain major building systems and six year coverage for certain major

structural defects that constitute defective workmanship or materials provided by the Sponsor or defective design by the architect exclusively retained by the Sponsor. Appliances, fixtures, items of equipment and goods sold with or included in the sale of the Unit are not covered under the Limited Warranty other than coverage under the First Year Basic Coverage for defects due to failure by Sponsor to have installed them in accordance with the standards of the codes identified in the Limited Warranty. Prospective purchasers are advised to read the full terms of the Limited Warranty set forth in Part II of the Plan, including for the substantial number of exclusions from coverage set forth therein, and this discussion of the Limited Warranty is qualified by reference to the full terms and provisions thereof as set forth in Part II of the Plan. In addition, Purchasers are advised that while Article 36-B, section 777-b, of the General Business Law permits a seller to provide a limited warranty in lieu of the Housing Merchant Implied Warranty, such law also provides that (i) any exception, exclusion or standard set forth in a limited warranty which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard and (ii) any exception, exclusion or standard that fails to ensure that the Unit is habitable, by permitting conditions to exist which render the Unit unsafe, shall be void; and, accordingly, the foregoing shall apply with respect to any exceptions, exclusions or standards set forth in the Limited Warranty and Sponsor shall have the duty to construct the premises in all material respects in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes.[1]

Nothing contained herein shall be construed to render Sponsor liable for consequential damages (whether based on negligence, or breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations pursuant to Paragraphs 5 and 6 above shall be to replace or repair, at Sponsor's option, any defective item of construction (arising as a result of substantial and material defects in material or as a result of improper workmanship substantially at variance with the Plans and Specifications) subject to the terms and conditions (and within the time limits) set forth herein.

The Sponsor reserves the right to amend the Plans and Specifications and to make changes in the materials, appliances, equipment and fixtures if (a) required or approved or accepted by governmental authorities having jurisdiction over the Property or by the Sponsor's architect; or (b) required by job conditions, local shortages or unavailability of materials; or (c) ordered by a Purchaser for his or her Unit without affecting Units previously sold. Changes in materials, appliances and fixtures may also be made by the Sponsor provided that such substitutions are of substantially equal or better quality. However, the Sponsor may not change the size, the location of the Buildings or Units, other improvements, or the Common Elements if any such change materially adversely affects the percentage of Common Interests or value of any Unit either to which title has closed, or for which a Purchase Agreement has been executed and is in effect, unless all of the directly affected Unit Owners consent in writing to such change and all directly affected contract vendees consent to such changes or are given the right to rescind

[1] For purposes of this paragraph, "building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

and receive a refund of their down payments. All the foregoing amendments, modifications and changes to the Plans and Specifications may be made without prior notice or amendment to the Plan.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of insubstantial variations in the dimensions or arrangement of rooms, walls or other areas within Units or the Common Elements from the Plans and Specifications, or the description of the Buildings, Common Elements or Unit set forth in Paragraphs 5 and 6.

Where alternatives are specified or where a particular practice, method, or design of construction, equipment, material or supply is not specified, the choice and decision of the Sponsor shall be determinative.

7. The foregoing undertakings set forth the entire obligations of Sponsor hereunder with respect to the construction of the Buildings, the Units and any other improvements or facilities at the Property in accordance with the Plans and Specifications and correction or repair of any defects, and no other warranties or undertakings (including, without limitation, the Housing Merchant Implied Warranty set forth in General Business Law Article 36-B) shall be implied. The Sponsor has no obligation to make repairs or improvements of any kind to the Property except as expressly set forth in Paragraphs 5 and 6. The construction or improvement obligations of the Sponsor under this section shall survive the transfer of the Units to the Unit Owners until the expiration of the periods heretofore set forth. All obligations of the Sponsor hereunder shall be enforceable only by the Board of Managers of the Condominium and not by the individual Unit Owners unless the claim against the Sponsor relates to one Unit only, is not a common claim affecting two or more Units, and the Board of Managers has failed to take action to enforce such obligation.

Sponsor's Right of Access

Sponsor and its designees, contractors, subcontractors, agents and employees will have a right of access to the Property, each Unit and all of the Common Elements, including Limited Common Elements, for purposes of construction of or making or completing improvements to the Buildings, the Property or the Marina or any part of any of same, and performing alterations and repairs in or about Units (including without limitation, the Marina Unit and the Marina) owned by Sponsor or its designees or in fulfilling Sponsor's obligations under the Plan or for any lawful purpose, provided (i) Sponsor repairs any resulting damage to the accessed Unit (other than any Units owned by Sponsor) or Common Elements, as the case may be, and restores it to substantially the condition it was in prior to Sponsor's entry and (ii) Sponsor provides reasonable prior notice to the owner of the Unit to which access is required or, in the case of access to the Common Elements (other than any Marina Limited Common Elements for which no notice shall be required), to the Board of Managers of the Condominium.

Marina Unit Owners and their guests and invitees shall have an easement (i) of ingress, egress and access through any of the Common Elements, including, without limitation, by foot, bicycle and/or by motor vehicles, to and from the Marina and the Marina Units, (ii) for the existence, use, maintenance, operation, repair and replacement of any pipes, ducts, conduits or other Facilities involved in the provision of utilities and serving the Marina or the Marina Units,

provided, however, that to the extent that any such utility Facility serves the Marina or Marina Units, the Marina Unit Owners shall bear the reasonable allocable cost of any utility provided through such Facility and the reasonable allocable cost of maintenance, operation, repair or replacement of such Facility.

Sponsor and its designees, employees and agents will also have the general right to perform all activities at the Condominium in connection with a program to sell or lease all or any portion of or interest in the Property. For example, Sponsor will have the right to show the Condominium and model Units to prospective Purchasers, to maintain model Units and a sales or leasing office at the Condominium and to post signs in connection therewith.

For additional special rights of Sponsor under the Declaration with respect to the combining and splitting of units, designation of limited common elements, and other matters, please see "**Rights And Obligations Of Unit Owners And Board Of Managers; Summary of By-Laws**" and the copy of the Declaration and By-Laws contained in Part II of the Plan.

Sponsor's Liability

All representations under the Plan, all obligations pursuant to the General Business Law (exclusive of the Housing Merchant Implied Warranty, which has been excluded under the Plan) and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the Deed. Except as otherwise provided above, Sponsor's obligations under the Plan, if any, shall not survive the closing under the Plan. Without limiting the foregoing, Sponsor's sole obligations shall be as expressly provided in this Plan including the Purchase Agreement for the Unit, and Sponsor shall have no other obligations, express or implied.

Sponsor has excluded the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, other than (i) the Limited Warranty annexed to the Purchase Agreement, which Limited Warranty applies to the purchase of Residential Units only, and (ii) the limited warranty to the Condominium Board of the Common Elements described below. Sponsor makes no undertakings or warranties except as hereinabove set forth and none should be implied. Sponsor does not warrant or guarantee the materials, workmanship or any other aspect of the Units or the Common Elements, any personal property or any portion thereof, except to the extent expressly provided in this Plan. See the Limited Warranty attached to the Purchase Agreement in Part II of the Plan.

Subject to the provisions of Paragraph 5 above as applicable to patent defects, for the Applicable Warranty Period (reckoning from the First Unit Closing) to the extent applicable or, to the extent not applicable, for a period of one year from the recording of the Declaration, Sponsor shall repair or replace (in Sponsor's sole discretion) any portion of the General Common Elements or Limited Common Elements which are defective as to materials or workmanship other than any and all of the foregoing covered by any electrical, plumbing, roofing or appliance or other warranties and/or bonds by the respective manufacturers, dealers, installation contractors and/or subcontractors which are assigned to the Condominium Board. Each Unit Owner, in accepting delivery of a Deed from Sponsor, expressly acknowledges and agrees that this limited warranty establishes the sole liability of Sponsor to the Condominium Board and such Unit

Owner relating to defects in the General Common Elements or Limited Common Elements and the remedies available with regard thereto.

Sponsor has reserved the right to transfer or sell the Units owned by Sponsor or its designees to any person or entity as Sponsor may elect (including, without limitation, in bulk to investors) and otherwise liquidate its assets at any time.

Indemnity of Condominium by Sponsor and Assumption by Condominium

The Sponsor shall indemnify and defend (with counsel selected by Sponsor) and hold the Condominium Board harmless from any costs, expenses, claims, suits or proceedings with respect to the Property arising out of the Sponsor's default prior to the Closing Date in performing its obligations under the Plan or the representations made by the Sponsor in this Plan. The foregoing obligation to indemnify and defend the Condominium Board is expressly conditioned upon the Condominium Board fully cooperating with any such defense. The settlement of any matter that is the subject of the foregoing indemnity shall be determined by Sponsor in its sole discretion. The Condominium shall assume the performance of all obligations (including payment obligations) of the Sponsor, if any, accruing on or after the date of the closing of title to the first Unit pursuant to the Plan, under the labor, service, maintenance and concessionaire agreements in effect on such date which have been assigned to the Condominium pursuant to the Plan, and shall indemnify and hold the Sponsor harmless from and against any and all claims, liabilities, costs and expenses arising out of or with respect to such agreements or with respect to the Property and accruing on or after such date.

Survival of Sponsor's Obligations

The Sponsor's representations under the Plan, all obligations pursuant to the GBL (exclusive of the Housing Merchant Implied Warranty, which has been excluded under the Plan) and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the deed to a Unit affected by such obligation, for the limited time periods set forth in the Plan. However, all obligations of the Sponsor under the Plan with respect to any Unit or Unit Owner and under the Purchase Agreement for such Unit with such Unit Owner shall not survive, and shall be deemed satisfied upon, the delivery of the deed for such Unit except as otherwise expressly provided in the Plan or such Purchase Agreement.

Sponsor's Obligations for Retained Units

So long as Sponsor retains title to any Units, Sponsor shall pay all common charges, special assessments and real estate taxes with respect to such Units. Sponsor represents that its financial resources are sufficient to meet its obligations described above in this paragraph and its other obligations under the Plan. Sponsor presently intends to fund such obligations primarily from income from projected sales of Units. However, no bond or other security has been furnished by Sponsor and Sponsor's ability to perform its obligations hereunder will depend solely upon its financial condition if and when called upon to perform. No warranty is made that Sponsor will be financially able to perform any or all of such obligations, provided that if at any time, while Sponsor is making an offering or making sales pursuant to the Plan, Sponsor's financial condition does not permit it to perform its obligations hereunder, Sponsor shall amend

this Plan to disclose such change in financial condition and to offer Purchasers with outstanding contracts a right to rescind such contracts and shall cease making sales pursuant hereto until Sponsor's financial condition shall again permit it to perform its obligations hereunder. If Sponsor shall be dissolved or liquidated Sponsor shall provide one or more financially responsible entities or individuals who will assume the status and obligations of Sponsor under the Plan. In addition, if Sponsor shall transfer the lesser of (i) ten (10) or more Residential Units or 20% or more of the total number of Residential Units in the Condominium in bulk to other than bona fide purchasers for occupancy, Sponsor shall provide one or more financially responsible entities or individuals (which may be Purchaser(s) or transferee(s) of such Units) who will assume the status and the obligations of Sponsor pertaining to such Units transferred. As used in the preceding sentence, "bona fide purchaser for occupancy" means a Purchaser who purchases a Residential Unit for occupancy by such Purchaser or for occupancy by a person related by blood or marriage to such Purchaser.

Insurance Described in Condominium Budget

Sponsor shall cause the Condominium to obtain and have in effect as of the Closing Date the insurance described in the Condominium Budget. Such coverage is estimated to be sufficient so as to avoid co-insurance or will contain an agreed amount replacement value provision.

CONTROL BY SPONSOR

Until the first meeting of the Unit Owners following the First Unit Closing, the members of the Condominium Board shall consist of three (3) persons appointed by the Sponsor. From and after such first meeting of the Unit Owners, the Condominium Board shall be composed of seven (7) members. The Marina Unit Owner(s) shall, at all times, as a group, have the right to designate one (1) member of the Condominium Board to represent them on the Condominium Board. The balance of the Condominium Board, consisting of six (6) members ("Residential Members") shall be elected by the Residential Unit Owners and Parking Space Unit Owners. During the Initial Control Period, the Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate four (4) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the By-laws) of the Residential Unit Owners and Parking Space Unit Owners (including Sponsor and other Unsold Unit Owners) from among a slate of candidates nominated by one or more Residential Unit Owners and Parking Space Unit Owners not related to or affiliated with Sponsor or other Unsold Unit Owners (each a "Non-Sponsor Owner"). There shall be no restriction on the right of Sponsor and other Unsold Unit Owners to vote for Residential Members who are nominated by Non-Sponsor Owners. After the Initial Control Period, the Unsold Unit Owners (including Sponsor), as a group, shall have the right, to designate the following number of members of the Condominium Board: (a) two (2) Residential Members of the Condominium Board for so long as the Common Interests attributable to the Unsold Units, equals, in the aggregate, more than ten (10%) percent of the Common Interests of all Residential Units and Parking Space Units combined and (b) one (1) Residential Member of the Condominium Board, for so long as there is at least one (1) Unsold Unit. Accordingly, after the Initial Control Period, Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate not more than two (2)

Residential Members of the Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the By-laws) of the Residential Unit Owners and Parking Space Unit Owners (including Sponsor and other Unsold Unit Owners) from among a slate of candidates nominated by one or more Non-Sponsor Owners.

After the expiration of the Initial Control Period, so many of those Residential Members who are related to or affiliated with Sponsor or other Unsold Unit Owners as shall exceed the following applicable number shall resign from the Condominium Board: (x) two (2), so long as the Common Interests attributable to the Unsold Units equals more than ten (10.0%) percent of the Common Interests of all Residential Units and Parking Space Units, (y) one (1), so long as the Common Interests attributable to any Unsold Units equals ten (10.0%) percent or less of the Common Interests of all Residential Units and Parking Space Units, but there is not less than one (1) Unsold Unit and (z) zero, once the number of Unsold Units falls below one (1) unit.

The effect of the foregoing is that, from and after the first meeting of Unit Owners and prior to the expiration of the Initial Control Period, two (2) of the six (6) Residential Members of the Condominium Board (that is, two (2) of the total seven (7) member Condominium Board) shall be elected from among candidates nominated by Non-Sponsor Owners and after the Initial Control Period, at least four (4) of the six (6) Residential Members of the Condominium Board (that is, at least four (4) of the total seven (7) member Condominium Board) shall be elected from among candidates nominated by Non-Sponsor Owners. However, for an indeterminate period after the Initial Control Period, Sponsor will continue to exercise significant control with respect to the composition of the Condominium Board on account of, among other things, (i) Sponsor's right to vote on Residential Members of the Condominium Board from among a slate of candidates nominated by one or more Non-Sponsor Owners (in addition to its right to designate the applicable specified number of Residential Members of the Condominium Board as provided above) and (ii) to the extent that Sponsor or an affiliate of Sponsor shall continue to own the Marina Unit(s), the right of Sponsor and/or an affiliate of Sponsor, as the owner(s) of the Marina Unit(s), to designate one (1) member of the Condominium Board as provided above (such right to designate such member on the part of the Marina Unit Owner(s) not being affected by whether or not Sponsor or an affiliate of Sponsor shall own the Marina Unit(s)).

The number of members of the Condominium Board may not be increased without the consent of a Marina Majority in Interest and, so long as there remains at least one Unsold Unit, a Majority in Common Interest of Unsold Unit Owners (including Sponsor). All Residential Members who are not designated or elected by Unsold Unit Owners (including Sponsor) shall be required to own a Residential Unit for so long as they are Residential Members.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS; SUMMARY OF BY-LAWS

Rights and Obligations of Unit Owners

Common Interest

Each Unit has been allocated a percentage ownership of the Common Elements of the Condominium (a "Common Interest") in accordance with Section 339-i(1)(iv) of the New York Real Property Law, 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. Every Unit Owner will be responsible for his proportionate share of the General Common Expenses of the Condominium, generally based upon his Common Interest (except as may otherwise provided in Schedule B and in the Declaration or By-Laws). Every Multi-Family Unit Owner shall also be responsible for his proportionate share of the Multi-Family Limited Common Expenses of the Condominium, generally based upon the Percentage of Multi-Family Common Interest of his Multi-Family Unit (except as may otherwise provided in Schedule B and in the Declaration or By-Laws).

Description of Unit

A Unit Owner will obtain fee title to the Unit, subject to the Permitted Encumbrances.

A Multi-Family Unit shall include, in addition to the apartment area designated on the Floor Plans for such Unit, (i) the balconies, if any, serving the Unit (each, a "Multi-Family Private Balcony"), (ii) any synthetic paver and/or other replacement surface material, suitable for use as a private roof terrace, from time to time located over the roof of the Garage, the Gymnasium and/or the storage space located in the Garage at the Multi-Family Building, serving certain Units on the first floor of the Multi-Family Building and identified on the Floor Plans as part of the Unit (a "Multi-Family Private Lower Terrace") and (iii) the synthetic paver and/or other replacement surface material, suitable for use as a private roof terrace, from time to time located over a portion of the roof(s) above the third floor, as applicable, serving the Unit, as identified on the Floor Plans as part of the Unit (each a "Multi-Family Private Roof Terrace" and collectively, the "Multi-Family Private Roof Terraces") and (iv) the stairway ("Multi-Family Roof Terrace Access Stairway"), if any, leading from the apartment portion of the Multi-Family Unit to a Multi-Family Private Roof Terrace that is part of the Unit.

A Townhouse Unit shall include, in addition to the apartment area designated on the Floor Plans for such Unit, (i) for upper Townhouse Units the internal stairway and vestibule area leading to the apartment portion of such Townhouse Units, (ii) the balconies, if any, serving the Unit (each, a "Townhouse Balcony"), (iii) the porch, if any, serving such Unit (each a "Townhouse Porch"), (iv) the rear yard if any, serving such Unit (lower Townhouse Units only to the extent applicable) as identified as part of such Unit on the Floor Plans (each a "Townhouse Rear Yard"), (v) the front yard or landscaped area, if any, serving such Unit (lower Townhouse Units only to the extent applicable) and identified as part of such Unit on the Floor Plans (a "Townhouse Front Yard"), (vi) the side yard if any, serving such Unit (lower Townhouse Units

only to the extent applicable) as identified as part of such Unit on the Floor Plans (each a "Townhouse Side Yard"), (vii) the synthetic paver and/or other surface material, suitable for use as a private roof terrace, from time to time located over a portion of the roof(s) above the third floor, as applicable, serving the Unit, as identified on the Floor Plans as part of the Unit (each a "Townhouse Roof Terrace"), and (viii) the stairway ("Townhouse Roof Terrace Access Stairway"), if any, leading from the apartment portion of the Townhouse Unit to a Townhouse Roof Terrace that is part of the Unit.

Any Common Elements located within any Unit will not be considered as part of that Residential Unit. Each Residential Unit includes, and each Residential Unit Owner will be responsible for, the doors opening from the Unit, flooring, windows, greenhouses (if any), wallcoverings, cabinets including, without limitation, kitchen and bathroom cabinetry, countertops, interior walls, partitions installed by the Unit Owner, smoke detectors, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("HVAC") units and equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Residential Unit and serving such Residential Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut off valves attached to fixtures, appliances and equipment and the fixtures, appliance and equipment to which they are attached and any special pipes or equipment which a Residential Unit Owner may install within a wall or ceiling or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, that is not installed by such Residential Unit Owner. Each Residential Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit.

For a detailed description of the Unit to be conveyed, see "**Declaration**" and "**Condominium Floor Plans**" in Part II of the Plan.

Each Parking Space Unit may be used solely for parking one passenger motor vehicle. Parking Space Units may only be sold to Unit Owners and may only be used by Unit Owners and their guests and invitees. The foregoing provision shall be inapplicable to Parking Space Units owned by Sponsor or any Unsold Parking Space Unit Owner (as defined in the By-laws). Handicapped Parking Space Units may only be used in accordance with applicable law governing the use of parking spaces by handicapped persons. Handicapped persons who reside in the Condominium shall have preference over handicapped persons who reside elsewhere for use of Handicapped Parking Space Units.

The Marina Units may be used as a Marina, for such other purposes as are set forth in Article 9 of the Declaration and for any other use permitted by the Zoning Resolution of the City of New York or other applicable law from time to time.

The Declarant, Sponsor, Unsold Unit Owners and the Marina Unit Owner shall have the right to maintain a general office or sales office in any Unit(s) owned by any of them or any affiliate or designee of any of them and to use any Unit(s) owned by any of them (or any affiliate

or designee of them) as model(s) and for other promotional purposes in connection with the sale or lease of Units in the Condominium.

Description of Common Elements

The Common Elements of the Condominium consists of the entire Property other than the Units and include, without limitation, certain specific elements of the Property as set forth in the Declaration. A Unit Owner will have an undivided interest in all of the Common Elements. The Common Elements may not be divided or partitioned except as provided in the Condominium Act.

The General Common Elements constitute all of the Common Elements other than the Limited Common Elements and include, but are not limited to, the Land and all parts of the Property, Buildings and improvements thereon for the common use of all Units and all Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Limited Common Elements consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units and include (a) those Common Elements that serve or benefit exclusively the Multi-Family Units as distinguished from the Townhouse Units and the Parking Space Units, including, without limitation, those areas or elements designated as Multi-Family Limited Common Elements on the Floor Plans (collectively, "Multi-Family Limited Common Elements"), (b) those Limited Common Elements which serve one or more but not all of the Townhouse Units including, without limitation (x) the walkway from the sidewalk and pavement, each if present, the stoop, adjoining porch area, and, if present, additional outdoor stairs leading from such porch area to an apartment on the second floor or cellar level and adjoining landing (but in each case excluding the porch and stairs which is designated on the Condominium Floor Plans as a part of a Townhouse Unit) servicing one or two sets of vertically stacked Townhouse Units ("Stacked Townhouse Units"), as the case may be, (y) the fences separating Townhouse Rear Yards and (z) such other areas or elements as may be designated Townhouse Common Elements on the Floor Plans (collectively, "Townhouse Limited Common Elements") and (c) those Common Elements that serve or benefit exclusively one or more Marina Units including, without limitation, as created upon a subdivision of the Marina Unit ("Marina Limited Common Elements"). The General Common Elements are for the common use of all Unit Owners. The Multi-Family Limited Common Elements are restricted to use by Multi-Family Unit Owners and their tenants, guests and invitees only. The Townhouse Limited Common Elements are restricted to use by the owners of the Townhouse Units served thereby and their tenants, guests and invitees only. The Marina Limited Common Elements are restricted to use by the Marina Unit Owners (and their guests and invitees).

The General Common Elements include (even if within the dimensions of a Unit) the following: (i) the Land; (ii) any foundations, columns, girders, beams, footings, supports, wood joists, concrete floor slabs, concrete ceilings, exterior walls and interior load-bearing walls; (iii) all walls and partitions separating Units from the General Common Elements; (iv) to the extent not located within or specifically made a part of a Unit or a Limited Common Element (including without limitation, a Multi-Family Limited Common Element), stairs, electric room, mechanical room, shafts, stairways, trash chutes and trash chute room, pump room if any, electric switch gear room if any, compactor and service rooms, work rooms if any, storage rooms, if any, the lobby, hallways and corridors within the General Common Elements and

entrances to and exits from the General Common Elements; (v) with the exception of the Multi-Family Limited Common Elements, the central and appurtenant installations and equipment for services such as power, light, telephone, gas, heat, hot and cold water, sewer and fire safety systems, including all pipes, ducts, wires, cables and conduits used in connection therewith and all maintenance and compactor rooms, the elevators including the elevator shafts, pits and machine rooms, meter and common equipment spaces in connection therewith (except for appliances and equipment located in and serving only a Unit which shall constitute a part of such Unit); (vi) maintenance and common equipment spaces and common tanks, pumps, motors, fans and controls or other such equipment; (vii) the Garage (exclusive of the Indoor Parking Space Units, and of the elevator and elevator shaft of the Multi-Family Building, which are Multi-Family Limited Common Elements);(viii) the Gymnasium; (vii) all Units acquired and held by the Condominium Board of Managers on behalf of all Unit Owners, but only while so held; (viii) to the extent not specifically made part of a Unit or a Limited Common Element by the terms of the Declaration, all other parts of the Property, including all apparatus and installations existing on the Land for common use or which are necessary or convenient to the existence, maintenance or safety of the Property; (ix) the roofs of the Buildings (including, without limitation, on the Townhouse Buildings and the Multi-Family Building); and (x)all other areas of the Property which are identified as General Common Elements on the Floor Plans.

The Multi-Family Limited Common Elements consist of the following: (i) each of the following which are part of the Multi-Family Building: stairs, electric room, mechanical room, shafts, stairways, trash chutes and trash chute room, pump room if any, electric switch gear room if any, compactor and service rooms, work rooms if any, storage rooms, if any, lobbies, hallways and corridors; (ii) each of the following which are part of the Multi-Family Building: the central and appurtenant installations and equipment for services such as power, light, telephone, gas, heat, hot and cold water, sewer and fire safety systems, including all pipes, ducts, wires, cables and conduits used in connection therewith and all maintenance and compactor rooms, the elevators including the elevator shafts, pits and machine rooms, meter and common equipment spaces in connection therewith, electric meters, gas meters, electric panels, electric closets and mechanical closets, and electric and gas feeders and risers and other electric and gas facilities except, in each case, those of the foregoing serving only a particular Multi-Family Unit, including without limitation, appliances and equipment located in and serving only a particular Multi-Family Unit; (iii) maintenance and common equipment spaces and common tanks, pumps, motors, fans and controls or other such equipment serving the Multi-Family Building exclusively but excluding those serving only a single Multi-Family Unit; and (iv) any and all other areas of the Multi-Family Building (or the Property) which are identified as Multi-Family Limited Common Elements on the Floor Plans.

The costs of repairing, maintaining, replacing, improving, or altering the Multi-Family Limited Common Elements are to be borne solely by the Multi-Family Unit Owners in accordance with their respective Percentage of Multi-Family Common Interest. "Percentage of Multi-Family Common Interest" means, as applied to each Multi-Family Unit, as the case may be, the Common Interest attributable to such Multi-Family Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Multi-Family Units.

The costs of repairing, maintaining, improving, replacing or altering particular Townhouse Limited Common Elements shall be borne solely by the owners of those Townhouse

Units which are served by such Townhouse Limited Common Elements in proportion to the respective Common Interests of their Townhouse Units.

Notwithstanding anything to the contrary contained in the Plan or any contrary denotation on the Floor Plans, Common Elements referred to in the Declaration as General Common Elements but which are contained within, located under or constituting part of a Townhouse Building or the Multi-Family Building, including, without limitation, the roofs of the Buildings, the external walls and foundations thereof and the Garage and Gymnasium located therein (but excluding any gas, water or other pipes, conduits, wiring or ductwork serving the Marina Unit(s)) shall, as between the Marina Unit Owner(s) and other Unit Owners only, for allocation of costs only, be deemed to be Limited Common Elements benefiting and serving all Unit Owners other than the Marina Unit Owner(s). Accordingly, the Marina Unit Owner(s) shall not bear any of the costs of repairing, maintaining, improving, replacing or altering such Common Elements and such costs shall be borne by the Unit Owners other than the Marina Unit Owners, to be allocated among them in proportion to the respective Common Interests of their respective Units.

Sales and Leases of Units

Any Residential Unit Owner or Parking Space Unit Owner, as the case may be, may sell or lease his Residential Unit or the Parking Space Unit, as the case may be, provided he first gives the Condominium Board notice of his intention to sell or lease such Unit and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as are offered in good faith by a prospective purchaser or lessee, as the case may be, as more specifically provided in the By-Laws. If the Board does not elect to purchase or lease such Unit by giving written notice as provided in the By-Laws to such Unit Owner within ten (10) business days after receipt of the Unit Owner's notice of intention to sell or lease described above (or within ten (10) business days following the date that the Unit Owner furnishes such additional information as the Condominium Board or Sponsor reasonably requests), then the Unit Owner will have a period of ninety days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in the notice. If such written agreement is not executed by the Unit Owner within the ninety day period, or the sale or lease, as the case may be, is not consummated on or before the intended closing date, or commencement date of the term of the lease which, as the case may be, is provided in the notice, then the Unit Owner will be required to offer again the Unit first to the Board as described above before entering into such sale or lease. The Condominium Board may not exercise its option to purchase or lease any Unit without prior approval of a Majority in Common Interest of the Unit Owners. The terms of any such lease, including the rent, will be subject to applicable state and local laws.

While held by either the Condominium Board or Sponsor, such Unit may be used for any purpose permitted by law for which such Unit may be used pursuant to the Declaration and the By-Laws. The Condominium Board may sublet any such Unit which is so leased without the consent of the landlord. The Condominium Board has the power to sell, lease, mortgage, or otherwise deal with any Unit acquired by the Condominium Board or its designee, on behalf of all Unit Owners, but shall not have the power to cast the votes appurtenant to such Unit. Any

proceeds of the disposition of a Unit will be received by the Condominium Board for all Unit Owners

The Condominium Board may not discriminate against any person for any reason proscribed by applicable civil rights laws.

The sale and lease restrictions described above shall not apply to (A) any Marina Unit or any condominium units created by subdivision or combination of a Marina Unit from time to time, or any part thereof, (B) any Unsold Unit, (C) any Unit transferred by a Unit Owner by gift, devise, will or intestacy, or (D) any lease, sale or conveyance of any Unit together with its Appurtenant Interest by (1) the Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof; (2) any Marina Unit Owner, Sponsor, or any Unsold Unit Owner; (3) the Condominium Board; or (4) the sale, transfer or lease of a Unit by or to a mortgagee or its nominee (including, without limitation, by a foreclosure sale); provided, however, that each succeeding Offeree shall be bound by, and his or her Unit subject to, the sale and lease restrictions described above.

Notwithstanding the foregoing, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than any mortgages) are paid and satisfied at or prior to closing.

A conveyance of a Unit by a Unit Owner must include the appurtenant Common Interest for such Unit.

Restrictions on Occupancy and Use

The Rules and Regulations annexed to the By-Laws provide, in part, as follows:

1. Each Residential Unit Owner shall keep his or her unit in a good state of preservation and cleanliness. He shall not allow anything whatever to fall from the windows or doors of the Building, nor shall he sweep or throw from the Building any dirt or other substance into any of the corridors or halls, elevators, ventilators or elsewhere in the Building. The Residential Unit Owners shall place their refuse in containers in such manner, at such times and in such places as the Condominium Board or its agent may direct. The Residential Unit Owners shall obtain extermination services for the Residential Units at such intervals as shall be necessary to maintain the Residential Units free of rats, mice, roaches and other vermin.

2. Except as otherwise expressly provided in the Declaration or the By-Laws (including, without limitation, the provisions thereof pertaining to the rights and prerogatives of the Sponsor, its designees, Unsold Unit Owners and the Marina Unit Owner(s)), the sidewalks, entrances, corridors, exits and other General Common Elements and Multi-Family Limited Common Elements shall not be obstructed or encumbered by refuse or otherwise.

3. Employees of the Residential Unit Owners' may not gather or lounge in the Common Elements.

4. Supplies, goods and packages of every kind for the Residential Units are to be delivered in such manner as the Condominium Board or its agent may reasonably prescribe and the said Condominium Board is not responsible for loss of or damage to any such property, including loss or damage that may occur through the carelessness or negligence of the employees of the Building.

5. No disturbing noises or objectionable odors may be produced upon or emanate from any Residential Unit including, without limitation, from any musical instrument, phonograph, radio, television, receiver or similar instrument if the same shall disturb or annoy any other Unit Owner. Corridor doors shall be kept closed at all times except when in actual use for ingress and egress.

6. Residential Unit Owners shall not permit or keep in their Residential Units any inflammable, combustible or explosive material, chemical or substance, except such products as are required in normal professional and business use.

7. Water closets and other water apparatus in the Residential Units shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish bags or other articles be thrown into same. Any damage resulting from misuse of any water closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Unit.

8. No vehicle belonging to a Residential Unit Owner or to an employee, or visitor of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building or Common Elements by any vehicle of any kind whatsoever.

9. Except as may be provided in Section 9 of the Declaration, no Residential Unit Owner shall (i) do or permit any act or thing to be done in or to his or her Unit which will invalidate or be in conflict with any public liability, fire, casualty or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (ii) keep anything in his or her Unit which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (iii) permit a Residential Unit to be used in any manner (other than the use in effect on the date of the Declaration) which will increase the insurance rate for the Property over that in effect as of the date of the Declaration unless such Unit Owner pays the additional cost thereof as provided below. Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a Residential Unit Owner's default hereunder or any increase in the premium charged for insurance carried by the Condominium Board resulting from a change in the insurance rate for the Property attributable to a use of a Residential Unit which is different from the use of the Unit in effect on the date of the Declaration, shall be assessed as a Common Charge against the Residential Unit Owner. In any action or proceeding relating to the foregoing, a schedule or "makeup" of rate for the Property issued by the New York Fire Insurance Exchange or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property. Each Unit Owner may carry other

insurance for his or her 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 Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by such Unit Owner; provided that nothing contained herein shall limit or restrict the amount or type of insurance which a Marina Unit Owner or the Marina Board (if any) may wish to carry.

10. No Residential Unit Owner shall place a load upon any floor of his or her Residential Unit exceeding the floor load per square foot area which it was designed to carry and which is allowed by law.

11. If any key or keys are entrusted by a Residential Unit Owner or occupant or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium Board, whether for such Residential Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner or occupant, and the Condominium Board shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith.

12. No Residential Unit Owner shall alter, impair or otherwise affect the Common Elements without the prior written consent of the Condominium Board, except as expressly permitted herein or in the Declaration or the By-Laws.

13. Each Residential Unit Owner shall:

(a) obtain and keep in full force and effect any governmental license or permit required for the proper and lawful conduct of any business carried on in his or her Unit, and shall submit same for inspection by the Condominium Board;

(b) Keep clean at all times the interior and exterior of windows and doors (including in each case, the frames thereof) in his or her Unit, with all such work to be done in conformity with law;

(c) not store any possessions of such Unit Owner, including, without limitation, bicycles and carriages in or on any hallways, stairwells, roofs or Roof Terraces at the Building.

(d) Promptly replace any and all broken or damaged glass (including in windows) in his or her Unit and the frames for such glass, regardless of the cause of such damage, including the negligence of the Condominium Board, its agents or employees without waiving any claims which such Unit Owner may have by reason of any of the foregoing;

(e) Not at any time, either directly or indirectly, use any contractors and/or labor and/or materials in connection with alterations or improvements to his or her Residential Unit, if the use of such contractors and/or labor and/ or materials would or will create any difficulty with other contractors and/or labor engaged by the Condominium Board and/or the other Unit Owners in the maintenance and/or operation of the Building and/or the other Units;

14. Any amounts assessed against a Unit as Common Charges which are in addition to the regular monthly installments of Common Charges due and payable as provided in the By-Laws shall be paid to the Condominium Board upon demand or if not demanded then with the next monthly installment of Common Charges due and payable as provided in the By-Laws.

15. No servant or employee of the Condominium Board or its managing agent shall be sent out of a Building by any Residential Unit Owner at any time for any purpose.

16. Complaints regarding services or operation of a Building shall be made in writing to the Condominium Board or its managing agent.

17. Any consent or approval given under the Rules and Regulations may be added to, amended or repealed at any time by resolution of the Condominium Board, except that, where a consent or approval may not be unreasonably withheld as herein elsewhere provided, then such consent may be added to, amended or repealed as set forth above provided such addition, amendment or repeal is not unreasonably made. A Unit Owner may apply to the Condominium Board for a temporary waiver of one or more of the foregoing Rules. Such temporary waiver may be granted by the Condominium Board, for good cause shown, if, in the Board's judgment, such temporary waiver will not interfere with the purposes for which the Condominium was formed.

18. Except as provided in the Declaration no sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed from any Residential Unit on any part of the outside of the Building, hung from windows or placed on window sills in or on any Residential Unit, without the prior written consent of the Condominium Board, except that no such restriction shall apply to an Unsold Unit Owner, Declarant or its designees.

19. No pet (including without limitation, a dog, cat or bird) weighing more than 65 pounds may be kept in a Unit without the consent of the Board or the Managing Agent. Each Unit Owner who keeps any type of pet in his or her Unit, regardless of the pet's weight, will be required to (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium adopted with respect thereto. The Condominium Board may require that pet owners enter into an agreement with the Board confirming such owners' obligations with respect to their pets and, in any event, the Condominium Board may require the removal of a pet which causes a nuisance, health hazard or unsanitary condition.

20. No awnings, radio or television aerials or other projections shall be attached from any Residential Unit to the outside walls of the Building, and no blinds, shades or screens shall be attached to, hung or used on the exterior of any window or door of any Residential Unit, without the prior written consent of the Condominium Board, which consent shall not be unreasonably withheld or delayed. No blinds, shades, screens, draperies or drapery backing that are visible through the exterior windows shall be hung or used in any Residential Unit without the prior written consent of the Condominium Board.

Except as may be provided in the Declaration, the Condominium Board (acting by a majority vote of its members) may from time to time amend the Rules and Regulations of the Condominium in such manner as shall be reasonably necessary for the proper operation of the Building, except that (i) a Majority in Common Interest of Unit Owners may overrule the Condominium Board with respect to any such amendment and (ii) no amendment may be made which may have an adverse affect on the Marina Unit Owners, Sponsor, any Unsold Unit Owner or their designees, or the Units owned by any of them, unless approved in writing by such Marina Unit Owners, the Sponsor, such Unsold Unit Owner or its designees, as the case may be.

There are no restrictions on occupancy of any Unit owned by corporations, partnerships, or fiduciaries in addition to the restrictions on individual Unit Owners.

Further restrictions on the use of Units are set forth in the Declaration, By-Laws and in the Rules and Regulations reproduced in Part II of the Plan.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his Unit provided that the Board is notified in writing as provided in the By-Laws of the making of such mortgage and the Board receives a conformed copy of the note and mortgage. The By-Laws provide certain rights to the Sponsor or the holder of a mortgage of record ("Permitted Mortgage") against a Unit.

Common Charges - Determination and Assessment

Generally, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements, including, without limiting, accounting, legal, architectural, engineering or other professional or services fees, and any and all other expenses identified in the By-laws or the Declaration as a General Common Expense (collectively, "General Common Expenses") are to be determined by the Condominium Board and are to be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units. General Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. The Condominium Board is to, from time to time, but at least annually, prepare a budget to meet General Common Expenses and shall allocate and assess to all Unit Owners, pro rata in accordance with their respective Common Interests (except as may otherwise be provided in the Declaration or By-Laws) charges ("General Common Charges") to meet General Common Expenses. A Unit Owner shall be obligated to pay the General Common Charges assessed by the Condominium Board against such Unit Owner at such time or times as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, the General Common Charges assessed by the Condominium Board to meet General Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year. From time to time the Condominium Board may increase or decrease the amount of General Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of General Common Expenses for such fiscal year or any portion thereof. In

addition to the foregoing duty to determine the amount of and assess General Common Charges, the Condominium Board of Managers shall have the right, to levy Special Assessments to meet the General Common Expenses. All Special Assessments to meet General Common Expenses shall be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or in installments, as the Condominium Board determines; provided, however, that the Condominium Board shall give each Unit Owner not less than fifteen (15) days' written notice prior to the date upon which such Special Assessment, or the first installation thereof, is due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board of Managers shall have all rights and remedies for the collection of Special Assessments for General Common Expenses as are provided in the Declaration and By-laws for the collection of General Common Charges.

Notwithstanding anything to the contrary contained in the Plan or the Declaration or By-laws, Common Elements referred to in the Declaration as General Common Elements but which are contained within, located under or constituting part of a Townhouse Building or the Multi-Family Building, including, without limitation, the roofs of the Buildings, the external walls and foundations thereof and the Garage and the Gymnasium located therein (but excluding any gas, water or other pipes, conduits, wiring or ductwork serving the Marina Unit(s)) shall, as between the Marina Unit Owner(s) and other Unit Owners only, be deemed to be Limited Common Elements benefiting and serving all Unit Owners other than the Marina Unit Owner(s). Accordingly, the Marina Unit Owner(s) shall not bear any of the costs of repairing, maintaining, operating, improving, replacing or altering such Common Elements and such costs shall be borne by the Unit Owners other than the Marina Unit Owners, to be allocated among them in proportion to the respective Common Interests of their respective Units.

Generally, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Multi-Family Limited Common Elements (the "Multi-Family Limited Common Expenses") is to be determined by the Condominium Board and shall be borne solely by the Multi-Family Unit Owners in accordance with the respective Percentages of Multi-Family Common Interest of their respective Multi-Family Units. Multi-Family Limited Common Expenses shall include, without limitation, (i) the cost of staff necessary for the operation, repair and maintenance of the Multi-Family Limited Common Elements, which shall be deemed to be sixty (60%) percent ("Multi-Family Labor Expense Percentage") of the total cost of employees (including salary and benefits, any uniforms and any telecommunications equipment and usage fees) of the Condominium Board (or employees of the managing agent on behalf of the Condominium Board) for purposes of operation, repair and maintenance of the Common Elements (other than any Marina Limited Common Elements) as a whole, and the balance of the total cost of staff for operating, repair and maintenance of the Common Elements, that is, forty (40%) percent of such total cost ("General Common Labor Expense Percentage") shall be deemed to be the share of the total cost of staff for operating, repair and maintenance of the General Common Elements, the cost of which shall be a General Common Expense; and (ii) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Multi-Family Limited Common Elements. Notwithstanding anything to the contrary above, all costs associated with the Superintendent's Unit (exclusive of charges for telecommunications equipment or usage) which are borne by the Condominium Board,

including, without limitation, real estate taxes, Common Charges on the Unit, debt service on the purchase money loan by Sponsor or other lender financing the acquisition of the Superintendent's Unit by the Condominium and repairs to the Unit shall be a General Common Expense. The Condominium Board shall from time to time and at least annually prepare a budget to meet Multi-Family Limited Common Expenses and shall allocate and assess to the Multi-Family Unit Owners, in accordance with the respective Percentages of Multi-Family Common Interest of their respective Multi-Family Units (except as may otherwise be provided in the Declaration or the By-Laws) charges ("Multi-Family Limited Common Charges"), to meet Multi-Family Limited Common Expenses. Such budgets shall include such amounts for reserves as the Condominium Board deems appropriate. A Multi-Family Unit Owner shall be obligated to pay the Multi-Family Limited Common Charges assessed by the Condominium Board against such Unit Owner at such time or times as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, the Multi-Family Limited Common Charges assessed by the Condominium Board to meet Multi-Family Limited Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year. From time to time the Condominium Board may increase or decrease the amount of Multi-Family Limited Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Multi-Family Limited Common Expenses for such fiscal year or any portion thereof. As used in the By-Laws, "Percentage of Multi-Family Common Interest" means, as applied to each Multi-Family Unit, as the case may be, the Common Interest attributable to such Multi-Family Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Multi-Family Units. In addition to the foregoing duty to determine the amount of and assess Multi-Family Common Limited Charges, the Condominium Board of Managers shall have the right, to levy Special Assessments to meet the Multi-Family Limited Common Expenses. All Special Assessments to meet Multi-Family Limited Common Expenses shall be levied against all Multi-Family Unit Owners in accordance with the respective Percentages of Multi-Family Common Interest of their respective Multi-Family Units (except as may otherwise be provided in the Declaration or the By-Laws) and may be payable either in one lump sum or in installments, as the Condominium Board determines; provided, however, that the Condominium Board shall give each Multi-Family Unit Owner not less than fifteen (15) days' written notice prior to the date upon which such Special Assessment, or the first installation thereof, is due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board of Managers shall have all rights and remedies for the collection of Special Assessments for Multi-Family Limited Common Expenses as are provided herein for the collection of Multi-Family Limited Common Charges.

Notwithstanding the foregoing, any and all costs and expenses paid or incurred by the Condominium in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, any Townhouse Limited Common Elements shall allocated and assessed as a Common Expense (collectively, "Townhouse Limited Common Expense") solely to the Townhouse Unit Owner or Townhouse Unit Owners owning the Units, if any, to which such Townhouse Limited Common Element exclusively services or benefits (individually, a "Benefited Townhouse Unit" and, collectively, "Benefited Townhouse Units") and, if there is more than one Benefited Unit, such costs and expenses shall be allocated and assessed to the owners of such Benefited Townhouse Units pro rata based upon the ratio that the

Common Interests allocated to their respective Benefited Townhouse Units bears to the total Common Interests allocated to all such Benefited Units. Any and all charges billed or assessed by the Condominium Board to particular Townhouse Unit Owners from time to time to pay such costs and expenses are sometimes referred to herein as "Townhouse Limited Common Charges."

Notwithstanding anything to the contrary in the respective paragraphs above which include a summary of the definitions of General Common Expenses, Multi-Family Limited Common Expenses and Townhouse Limited Common Expenses: (i) electricity consumed for the lighting of Outdoor Parking Space Units shall be measured on the meter measuring electrical consumption by or for General Common Elements and the cost thereof shall be deemed a General Common Expense; (iii) expenses for water consumption and sewer rents and sewer charges with respect the Indoor Parking Space Units, Outdoor Parking Space Units and half-bathroom in the Gymnasium shall be measured on the meter measuring consumption in or for the Multi-Family Building and shall be a Multi-Family Limited Common Expense; and (iv) water consumed in or for (i) the Townhouse Limited Common Elements, including, but not limited to, the walkway from the sidewalk and pavement (each if present), the stoop and adjoining porch area, and (if present) additional outdoor stairs leading from such porch area to an apartment on the second floor or cellar level and adjoining landing (but in each case excluding the porch and stairs which is or are part of any Townhouse Unit) servicing Stacked Townhouse Units, as the case may be, and (ii) grass or plants located on a General Common Element, shall be measured on the respective meters or sub-meters measuring water consumption in Townhouse Units located on the cellar and first floors and, the cost of such water consumption, together with the related sewer rents and sewer charges, shall be deemed as an expense of, and be payable solely by, the owners of such Townhouse Units located on the cellar and first floors, on whose meters or sub-meters such consumption shall be measured, respectively.

Common Expenses include, without limitation, the expenses of maintaining and operating the General Common Elements and the types of expenses set forth in Schedule B, which covers the first year of operation of the Condominium. In the discretion of the Board, the Common Expenses may also include reserves, working capital and other sums necessary to carry on the affairs of a condominium.

The Common Expenses set forth in Schedule B do not include maintenance, repairs or decoration of any of the Units or any portions thereof, payments required pursuant to the terms of the Unit Owners' mortgages, electricity and other utilities consumed within the Unit, and real estate taxes covering the individual Units. However, until the Units are separately assessed, all real estate taxes with respect to the Property will be treated as a Common Expense, to be borne solely by Units for which a temporary certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (half year or quarterly period, as the case may be) (collectively, "Completed Units") for which real estate taxes are being paid by the Condominium Board. After the Units are separately assessed for real estate tax purposes, the Board of Managers as agent of the Unit Owners shall promptly assess any Unit Owners who have underpaid real estate taxes with respect to their Completed Units based on the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s), and shall likewise reimburse any Unit Owners for overpayment of taxes based on the initial assessed valuation of their Completed Units (or portion

thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s)..

While the Marina Unit is undeveloped, the Common Charges payable by the Marina Unit to the Condominium Board shall be limited to its share of the General Common Expenses based upon the common interest of the Marina Unit. However, from and after the commencement of the operation of a Marina by the Marina Unit Owner(s), the Condominium Board (acting by a majority vote of the members thereof who were not designated by a Marina Unit Owner or an affiliate of such an owner) may require that the Common Charges payable by the Marina Unit Owner(s) to the Condominium Board be increased to a level such that the Marina Unit Owner(s) shall at all times be paying the share of the following General Common Expenses of the Condominium which is fairly attributable to the Marina Unit(s): insurance, labor, legal and audit services and maintenance and repair of the roadway and sidewalks that are General Common Elements. As a condition to the obligation of the Marina Unit(s) to pay increased Common Charges on account of the foregoing, the Condominium Board shall be required to provide from time to time, upon the request of the Marina Unit Owner(s) or the Marina Board, documentation reasonably supporting the increase in Common Charges which the Condominium Board wishes to impose on the Marina Unit(s). Any dispute between the Condominium Board and the Marina Unit Owner(s) pertaining to the amount of Common Charges that shall be payable to the Condominium Board from time to time shall be resolved by arbitration in accordance with Article XII of the By-Laws. Notwithstanding the provisions of this paragraph, in no event shall the Marina Unit Owners(s) be responsible for paying, nor shall its fairly attributable share take into account, any expenses of the Condominium that are Multi-Family Limited Common Expenses or Townhouse Limited Common Expenses. Similarly, and as noted above, the Marina Limited Common Expenses shall be borne solely by the Marina Unit Owners.

Liens for the Non-Payment of Common Charges

The Condominium Board shall assess General Common Charges against the Unit Owners from time to time, but at least monthly, and in an amount sufficient to cover its cash requirements for General Common Expenses for such period as it shall determine, but not less than the ensuing month. The Condominium Board shall assess Multi-Family Common Limited Charges against the Multi-Family Unit Owners from time to time, but at least monthly, and in an amount sufficient to cover its cash requirements for Multi-Family Limited Common Expenses for such period as it shall determine, but not less than the ensuing month.

If any Unit Owner fails to make payment of any General Common Charges, Multi-Family Limited Common Charges or Townhouse Limited Common Charges, as the case may be, within fifteen (15) days after its due date (although nothing herein shall be deemed to extend the period within which such General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, or Special Assessments, as the case may be, are to be paid), such Unit Owner shall be obligated to pay to the Condominium Board a late charge at the rate of $.02 per dollar per month or any part thereof for all such overdue General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, or Special Assessments, as the case may be, from the due date of such General Common Charges,

Residential Common Charge, Townhouse Limited Common Charges, or Special Assessments, as the case may be, until paid.

Repairs to and Maintenance of Units, Limited Common Elements, and Common Elements

Subject to the restrictions on extraordinary or structural repairs, alterations and improvements with respect to certain elements and the requirement under certain circumstances to obtain Condominium Board approval as set forth in the Bylaws, all maintenance, repairs and replacements in or to any Residential Unit (other than maintenance of, repairs to and replacements of any Common Elements contained in the Unit), any installations to the exterior of the Building made by or serving exclusively any Residential Unit (including, without limitation, any greenhouse or skylight, Multi-Family Roof Terrace Access Stairway, Townhouse Roof Terrace Access Stairway or Roof Terrace), and any electrical, plumbing, heating and air conditioning fixtures in the Residential Unit or serving the Residential Unit exclusively (other than those constituting Common Elements), whether structural or nonstructural, ordinary or extraordinary (including, without limitation, painting and decoration of the Unit), shall be performed by the owner of such Residential Unit, at such Unit Owner's sole cost and expense. Each owner of a Residential Unit which includes a Townhouse Balcony, Multi-Family Private Balcony, Townhouse Porch, Multi-Family Private Roof Terrace, Townhouse Roof Terrace, Townhouse Roof Terrace Access Stairway or Multi-Family Roof Terrace Access Stairway or a Townhouse Yard, as the case may be, shall keep each of the foregoing as applicable to such Unit Owner's Unit, as the case may be, free of debris (and will be responsible to keep any drains thereon free of debris and unclogged) and, in the case of a Roof Terrace, use it in a reasonably prudent manner so as to avoid damage thereto or to the underlying roof or other Common Elements as applicable.

Notwithstanding the above, all extraordinary or structural maintenance, repairs and replacements in and to any Townhouse Balcony, Multi-Family Private Balcony or Townhouse Porch, which is part of a Unit shall be made by the Condominium Board and the cost thereof shall be a Common Expense; provided that the expenses of any and all repairs and replacements to any of the foregoing arising by reason of excessive, abusive or unreasonable use thereof, by reason of any use thereof not for its intended purpose or by reason of any violation of the Declaration or the By-Laws or the Rules and Regulations of the Condominium, shall be borne by the Unit Owner whose Unit includes such element and such cost and expense shall be paid as a Common Charge within ten days after demand by the Condominium Board. No repairs, replacements, alterations or improvements may be made by a Unit Owner to a Roof Terrace (including, without limitation, replacement of the surface material and the installation of any equipment, amenity or fixture that might result in perforation or penetration of the underlying roof), Townhouse Balcony, Multi-Family Unit Balcony, Townhouse Porch or greenhouse or skylight without the prior written consent of the Condominium Board, which consent may be withheld in the Board's sole discretion. In addition, at the sole option and election of the Condominium Board, the Condominium Board rather than the Unit Owner shall make all repairs, replacements, improvements and alterations (whether ordinary or extraordinary, structural or non-structural) to any Roof Terrace, greenhouse or skylight, Multi-Family Roof Terrace Access Stairway or Townhouse Roof Terrace Access Stairway, including, without limitation, those that could cause or increase the likelihood of water leaks from the roof, greenhouse structure or skylight or stairway, as the case be, shall be performed by the Condominium Board and the cost

thereof charged as a Common Charge to the Unit Owner whose Unit includes such Roof Terrace, greenhouse, skylight or stairway. In addition, a Residential Unit Owner whose Unit includes a Townhouse Roof Terrace or a Multi-Family Private Roof Terrace (each a "Roof Terrace") shall pay to the Condominium Board as a Common Charge within ten days after demand, the cost of all repairs, alterations, replacements and improvements made by the Condominium Board to such Roof Terrace and the underlying roof (including, without limitation, to deal with water leaks) which arises by reason of excessive, abusive or unreasonable use thereof, by reason of any use thereof not for its intended purpose, by reason of any violation of the Declaration, the By-Laws or the Rules and Regulations of the Condominium, or by reason of the installation of any equipment, amenity or fixture thereon (or on the roof) made by such Unit Owner including, without limitation, resulting in perforation or penetration of the underlying roof (each of which shall require the prior written consent of the Condominium Board). If, however, the Condominium Board shall replace the entire roof of the Townhouse Building or Multi-Family Building, as the case may be, on which the Roof Terrace is located due to a general problem with the roof as a whole or for another reason unrelated to a particular Roof Terrace, the cost thereof will be borne by the Unit Owners as a General Common Expense.

Without limiting the rights of the Unsold Unit Owner(s) to improve, maintain, repair and alter the Unsold Units and the rights of the Marina Unit Owner(s) to improve, maintain, repair, replace and alter the Marina Unit and the Marina Limited Common Elements and their other rights as set forth in the Declaration and the By-laws, all maintenance of, replacement of and repairs to the exterior walls of the Buildings and the General Common Elements shall be performed by the Condominium Board and charged as a General Common Expense, as provided in the By-laws. All maintenance of, replacement of and repairs to the Multi-Family Limited Common Elements shall be performed by the Condominium Board and charged as a Multi-Family Limited Common Expense, as provided in the By-laws. In making repairs or replacements, the Condominium Board or its designee shall make all reasonable efforts (i) to minimize any interference with the Unit Owners' use and enjoyment of and business conducted in their Units and (ii) to conceal in the walls, floors or ceilings, or if not feasible, box in without materially reducing usable areas of the affected Unit or its ceiling height, any pipes or conduits installed by the Condominium Board.

The Marina Unit Owners shall have the right to develop and improve the Marina Units as provided in the Declaration. All maintenance of, alteration of, replacement of and improvement of the Marina Limited Common Elements shall be performed by the Marina Unit Owners (or the Marina Board if one shall then exist) and charged as a Marina Common Expense as provided in the By-Laws.

If any maintenance of, replacement of or repairs to the Property or any part thereof (including, without limitation those necessitated as a result of leaks in a greenhouse or skylight or any defective condition thereof) are necessitated by the negligence of (i) any Unit Owner, his or her tenants or visitors or occupants of the Unit, then the entire cost thereof shall be borne by such Unit Owner and shall be assessed by the Condominium Board against such Unit Owner as a Common Charge or (ii) the Condominium Board, then the entire cost thereof shall be a General Common Expense.

Generally, except as may otherwise be set forth herein, (i) all alterations, additions, improvements or repairs in or to any General Common Elements shall be made by the Condominium Board and the costs and expenses thereof shall be charged to all Units Owners as a General Common Expense, (ii) all alterations, additions, improvements or repairs in or to the Marina Limited Common Elements shall be made by the Marina Board and the costs and expenses thereof shall be charged to all Marina Unit Owners in accordance with the respective Percentages of Marina Common Interest of their respective Marina Units and (iii) all alterations, additions, improvements or repairs in or to the Multi-Family Limited Common Elements shall be made by the Condominium Board and the costs and expenses thereof shall be charged to all Multi-Family Unit Owners as a Multi-Family Limited Common Expense, that is, in accordance with the respective Percentages of Multi-Family Common Interest of their respective Residential Units and, (iv) all alterations, additions, improvements or repairs in or to the Townhouse Limited Common Elements shall be made by the Condominium Board and the costs and expenses thereof shall be allocated and assessed to the owners of the applicable Benefited Townhouse Units pro rata based upon the ratio that the Common Interests allocated to their respective Benefited Townhouse Units bears to the total Common Interests allocated to all such Benefited Units. Whenever in the judgment of the Condominium Board, the General Common Elements shall require additions, alterations or improvements costing in excess of $250,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Units and a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with the By-Laws and the Condominium shall have received prior written notice thereof); provided that no such approval shall be required for (1) facade repair and/or alteration work in the interests of safety (as determined by the Condominium Board) or in compliance with Local Law 11 of 1998 (or any successor or replacement law or statute), (2) roof replacements or (3) any addition, alteration or improvement paid for by Sponsor. Any additions, alterations or improvements to the General Common Elements costing in the aggregate $250,000.00 or less in any fiscal year may be made by the Condominium Board without the approval of the Unit Owners provided same are reasonably necessary to the operations of the Property as a first class building and to the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the General Common Elements shall, except as otherwise provided in the Declaration and the By-Laws, constitute part of the General Common Expenses. Whenever in the judgment of the Condominium Board, the Multi-Family Limited Common Elements shall require additions, alterations or improvements costing in excess of $250,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless such addition, alteration or improvement is paid for by Sponsor or first approved by Multi-Family Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Multi-Family Units and a majority of the Mortgage Representatives with respect to the Multi-Family Units (provided that Mortgage Representatives shall have been designated in accordance with the By-Laws and the Condominium shall have received prior written notice thereof). Any additions, alterations or improvements to the Multi-Family Limited Common Elements costing in the aggregate $250,000.00 or less in any fiscal year may be made by the Condominium Board without the approval of the Multi-Family Unit Owners provided same are reasonably necessary to the operations of the Multi-Family Limited Common Elements as part of a first class building and to

the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the Multi-Family Limited Common Elements shall, except as otherwise provided in the Declaration and the By-Laws, including without limitation the Rules and Regulations thereunder, constitute part of the Multi-Family Limited Common Expenses. In making any of the foregoing described additions, alterations and improvements, the Condominium Board shall make all reasonable efforts (i) to minimize any interference with the Unit Owners' use and enjoyment of and any business conducted in their Units and (ii) to conceal in the walls, floors or ceilings or if not feasible, box in without materially reducing usable areas of the affected Unit or its ceiling height, any pipes or conduits installed by the Condominium Board.

Additions, Alterations and Improvements by Unit Owners

No Unit Owner (except Sponsor or an Unsold Unit Owner) may perform any work consisting of any additions, alterations or improvements (other than painting and decorating of a non-structural nature) ("**Work**") in or to his Unit or any appurtenant Limited Common Elements without the prior written approval of both (1) Sponsor, for so long as (a) Sponsor owns any Unsold Units or (b) the Building is not covered by a Permanent Certificate of Occupancy and the (2) Condominium Board. In order to coordinate the performance of work and to maintain the integrity of the Building, the Building systems, the Facilities and the Common Elements the following procedures will govern work to be performed by Unit Owners: provided Sponsor grants such approval, the Condominium Board will not unreasonably withhold its approval. Further, provided the plans and specifications submitted by the Unit Owner have been reviewed by Sponsor's construction professionals, the Condominium Board will not require the Unit Owner to submit the plans and specifications to the Condominium Board's construction professionals for review. Such approval may be conditioned, in the discretion of Sponsor and the Condominium Board, upon the Unit Owner's compliance with the following:

(i) The Unit Owner shall submit to Sponsor (for so long as Sponsor (a) owns any Unsold Units or (b) the Building is not covered by a permanent Certificate of Occupancy) or to the Condominium Board (after Sponsor ceases to own any Unsold Units and the Building is covered by a permanent Certificate of Occupancy) proposed plans and specifications (the "Proposed Plans") for the work that the Unit Owner wishes to perform. Such Proposed Plans must be prepared by an architect or engineer licensed to practice in the State of New York engaged by the Unit Owner (the "Unit Owner's Architect") at the Unit Owner's sole cost and expense.

(ii) The Unit Owner shall submit an estimate prepared by a contractor licensed to do business in the City and State of New York of the cost of the work together with evidence of the Unit Owner's financial ability complete the work. Any contractor engaged by a Unit Owner to perform work must be compatible and engage laborers who are compatible with any labor engaged by Sponsor and/or the Condominium Board in or about the Building.

(iii) Simultaneously with the submission of the Proposed Plans, the Unit Owner shall submit to Sponsor or to the Condominium Board (whichever is applicable) for transmission to the architect or engineer reviewing same, his check, to order of such licensed architect or engineer as Sponsor or the Condominium Board (as the case may be) has engaged (the "**Building's Architect**") to review the Proposed Plans, in payment of the fee of the Building's Architect in connection with the review of the Proposed Plans.

(iv) The Unit Owner shall, promptly, and in no event later than 45 days from the date that the Unit Owner is notified of any changes that may be required in his Proposed Plans, at his sole cost and expense, cause such Unit Owner's Architect to make all changes that may be required by Sponsor, the Condominium Board and the Building's Architect. The Unit Owner shall promptly pay such additional fee(s) as may be incurred in connection with the review by the Building's Architect of any such changes.

(v) In this regard, each Unit Owner acknowledges that Sponsor, the Condominium Board and the Building's Architect may each deny or condition their approval of or require the Unit Owner to make changes in and to the Unit Owner's proposed plans and specifications for a broad range of reasons, including, without limitation, compliance with applicable law, aesthetic considerations, concerns regarding the impact of the work on the capacity of Building systems and Facilities, concerns about the impact and/or potential encroachment of the work (both during construction and as ultimately completed) on other Unit Owners, other Units or the Common Elements, the impact of the work on Sponsor's ability to market Unsold Units, Sponsor's ability to obtain a permanent Certificate of Occupancy, the need or desirability of coordination the work proposed by the Unit Owner with work to be performed by other Unit Owners and potential costs, if any (such as increased utility or insurance costs) resulting from the work.

(vi) The Unit Owner shall execute an agreement in form and content reasonably satisfactory to Sponsor or the Condominium Board, as the case may be, incorporating the provisions of this subsection (***"Additions, Alterations and Improvements by Unit Owners"***) and any other conditions as may be imposed by either of them in connection with the Work.

(vii) (vii) The Unit Owner shall submit the revised Proposed Plans to the Sponsor, the Condominium Board and the Building's Architect for approval and shall comply with any further comments regarding the Proposed Plans within fifteen (15) days.

(viii) The Unit Owner shall obtain all applicable governmental approvals and permits at his sole cost and expense and provide a copy thereof to Sponsor

and the Condominium Board within three (3) business days following receipt, but in all events prior to the commencement of the work.

(ix) The Unit Owner shall, at his sole cost and expense, prior to the commencement of the work obtain and provide evidence of such insurance coverage, including coverage for the types of risks and at such minimum policy limits as may be required by Sponsor and the Condominium Board in connection with the work. The insurance policies obtained by the Unit Owner must name Sponsor and the Condominium Board as additional insured parties, must provide that they may not be cancelled without thirty (30) days' prior written notice to Sponsor and the Condominium Board and must be maintained in effect until the work is complete and all governmental "sign-offs" and approvals have been obtained. Sponsor and the Condominium Board reserve the right to require the Unit Owner's contractor (the "**Contractor**") to maintain in effect during the course of the work such types and amounts of insurance coverage as they may reasonably determine.

(x) The Unit Owner shall only engage the services of a contractor(s) and professionals who are duly licensed to perform the services for which they have been engaged. The Unit Owner shall submit to the Managing Agent the name of the contractor(s) and professionals together with evidence that such contractor(s) and professionals satisfy the requirements of this subsection (*"**Additions, Alterations and Improvements by Unit Owners**")*.

(xi) The Unit Owner shall, within thirty (30) days of receipt of approval commence the work and proceed with all due diligence to complete same.

(xii) The Unit Owner shall notify Sponsor and the Condominium Board immediately in the event any hazardous situation or emergency situation arises during the performance of the work and shall immediately take all steps as may be appropriate to correct such hazardous situation.

(xiii) (xiii) Sponsor the Condominium Board and the Managing Agent and any professionals engaged by any of them shall have the right to inspect the Unit and the work from time to time, without notice to the Unit Owner. However, no such inspection shall be deemed to be either (I) a waiver of compliance or (ii) a determination as to compliance or conformance of such work with applicable laws.

(xiv) In the event that any hazardous situation or emergency situation, Sponsor, the Condominium Board and the Managing Agent may each, without notice to the Unit Owner, take all steps as may necessary, appropriate or desirable to cure, correct or alleviate such hazardous condition or emergency situation. The cost of any such cure, correction or alleviation shall be borne by the Unit Owner, paid by the Unit Owner within ten (10)

days of being billed and, if billed by the Condominium Board, shall constitute a lien on his Unit (with the same force and effect as a Common Charge lien) until paid.

(xv) If the Unit Owner fails to pursue the Work to completion with due diligence, Sponsor, the Condominium Board and the Managing Agent shall each have the right (but not the obligation) to complete the Work in accordance with the Unit Owner's Plans, at the expense of the Unit Owner. The cost of such completion shall be borne by the Unit Owner and shall be paid by the Unit Owner within ten (10) days of being billed, and, if billed by the Condominium Board, shall constitute a lien on the Unit (similar to the lien of Common Charges) until paid.

(xvi) The Unit Owner shall, within thirty (30) days of the imposition thereof, cause all mechanics liens and other liens to be bonded or discharged.

(xvii) The Unit Owner shall deliver a set of "as-built" plans to the Condominium Board at the Unit Owner's expense.

(xviii) Promptly, but in no event later than thirty (30) days following the completion of the Work, the Unit Owner shall obtain and provide to the Condominium Board all governmental "sign-offs" and documents evidencing the completion of the Work in accordance with all Applicable Law.

(xix) Sponsor, the Condominium Board and the Managing Agent each reserve all rights at law and in equity (including the right to injunctive relief) to enforce the provisions of this subsection (***"Additions, Alterations and Improvements by Unit Owners"***) and any agreement made by any of them with a Unit Owner in connection with work to be performed by such Unit Owner.

(xx) Unit Owners are advised that for so long as Sponsor owns at least one Unsold Unit, Sponsor reserves the right to require the Unit Owner to utilize a contractor and other professionals approved by Sponsor in connection with the performance of the Work.

(xxi) The Board shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within thirty (30) days after such request which shall be deemed to have been made following the submission of the items required in paragraphs (i), (ii), and (iii) above, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any Residential Unit permitted hereunder shall be executed by the

Board, without, however, incurring any liability on the part of the Board 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.

Non-structural interior additions, alterations, or improvements consisting of painting or decorating, by a Residential Unit Owner to his Residential Unit, may be made without the consent of the Board but subject to the Declaration and By-Laws.

Subject to the Roof Rights of Declarant, as described in the Declaration, following the closing of title to the first Unit under the Plan, no Unit Owner shall erect any enclosure on any roof or terrace of the Building.

Each of the Marina Unit Owners, shall have the right, without the consent of the Condominium Board or any Unit Owner (but if there shall then be more than one Marina Unit in the Building, the consent of the Marina Board (or a Marina Majority in Interest, as the case may be shall be required), to make repairs (extraordinary or ordinary), alterations, additions and improvements whether structural or non-structural, interior or exterior, ordinary or extraordinary, in and to or upon its Marina Unit and the Marina Limited Common Elements.

Sponsor, Unsold Unit Owners and their respective designees shall have the right, without the consent of the Condominium Board or any Unit Owner to make alterations, additions and improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in and to or upon Unsold Units.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agents, managers, superintendents and other persons authorized by the Board will have a right of access to any Unit on one day's prior notice, except in an emergency, in which case access shall be immediate, for the purposes, among others, of making inspections of, or removing violations of governmental laws or regulations against, any part of the Property, curing defaults under the Declaration and By-Laws and the Rules and Regulations thereunder, or correcting any conditions originating in any Unit and threatening another Unit or any Common Element. The Sponsor, and its designees owning Units, shall also have a right of access to each Unit, the Common Elements or elsewhere on the Property in order to inspect, maintain, repair, replace or alter their Units or the Common Elements as provided in the Declaration and the By-Laws.

Each owner of an Indoor Parking Space Unit together with their guests and invitees shall have a non-exclusive easement to obtain access to such Indoor Parking Space Unit, including, without limitation, the right to access such Indoor Parking Space Unit through the lobby of the Multi-Family Building and the elevator(s) thereof.

Each Unit Owner shall have a non-exclusive easement to obtain access to the Gymnasium, including, without limitation, the right to access the Gymnasium through the lobby of the Multi-Family Building and the elevator(s) thereof.

Compliance with Terms of Declaration, By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Condominium Declaration and the Condominium By-Laws and the Rules and Regulations thereunder. Failure to comply is grounds for an action for damages or injunctive relief, or both. The Condominium By-Laws, together with the Rules and Regulations thereunder, will be recorded with the Condominium Declaration in the Office of the City Register in Kings County.

Units Owned by the Sponsor or its Designees

Notwithstanding any other provision of the Declaration or Condominium By-Laws to the contrary, Declarant, Sponsor, their designees, Unsold Unit Owners and the Marina Unit Owners (to the extent that the Marina Board or Marina Majority in Interest shall not have the right under the Declaration or By-laws as they may be amended to prohibit same as pertaining to Marina Units only) shall have the right, without the consent of any of the other Unit Owners, the Condominium Board or the mortgagee of any Unit, from time to time, to (a) decorate or make alterations (including demolition), replacements, additions or improvements whether structural or nonstructural, interior or exterior, ordinary or extraordinary, to or upon its Units, the Limited Common Elements serving such Units or any part thereof and the utilities servicing its Units or such Limited Common Elements whether located in any Unit or the Common Elements; (b) change its Units or any part thereof by changing the layout, number of rooms, or size or number of such Units, (c) subdivide one or more of its Units into any desired number of condominium units and create and designate Limited Common Elements for the exclusive use of the newly created condominium units, including, without limitation, subdivide the Master Multi-Family Unit into the various Multi-Family Units as contemplated by the Declaration or in the Plan and/or subdivide the Marina Unit into one or more Marina Units, including without limitation, into Boat Slip Units; (d) convert space or constituents of its Units into a newly designated Limited Common Element and/or convert and designate a Limited Common Element serving one or more of its Units as a part of the newly created Units (including, without limitation, Multi-Family Limited Common Elements and Marina Limited Common Elements); (e) combine Units with the consent only of the owners of such Units to be combined; (f) reapportion among any newly created condominium unit resulting from any subdivision (or combination) as provided above the Common Interest appurtenant to the Units; (g) dedicate any or all utility, sewer, and drainage easements in any portion of the Property to any governmental body, public benefit corporation or utility company if Declarant, Sponsor or any designee of Declarant or of Sponsor, shall deem it necessary or desirable for the proper operation and maintenance of its Units and (h) amend the certificate(s) of occupancy of a Building or obtain a new certificate of occupancy therefor in connection with the exercise of any of its rights under this subsection (entitled "***Units Owned by the Sponsor or its Designees***"), including, without limitation, to reflect the combining or subdividing of Units.

In addition, the Marina Unit Owner(s) shall have the exclusive right and an easement, but without any obligation to exercise such right or easement, to construct and develop a Marina (as hereinafter defined) in compliance with law at some or all of the Marina Unit and/or anywhere along the waterfront at the Property, including the Platform at or adjoining the Property (the entire waterfront, including the Platform, collectively, the "**Waterfront Area**") and to maintain, operate, lease, sell, repair, replace, improve and alter the Marina Unit(s) and the

Marina (hereinafter defined), from time to time, without any requirement to obtain any consent by the Condominium Board or any Unit Owner. The marina shall include the original Marina Unit and any marina built in accordance with the right of Marina Unit Owner(s) as provided in the Declaration and may include, in the complete discretion of Marina Unit Owner(s), (i) one or more docks, piers and/or wharfs built out from any portion of the Waterfront Area (including, without limitation, the Marina Unit), in each case, whether supported by piles or constituting a floating structure, (ii) boat slips and other structures providing a protected water area for mooring or securing boats, ships or other vessels, (iii) boat launching facilities, (iv) a gasoline dock, (v) repair dock and (vi) supporting facilities for the foregoing, including, without limitation, facilities for the provision of utilities, rest rooms and a breakwater or similar protective structure (the Marina Units and all of the foregoing, referred to in clause "(i)", "(ii)," "(iii)," "(iv)," "(v)" and "(vi) above, as same may be modified, altered or replaced from time to time, the "**Marina**"). Marina Unit Owners shall have the right and an easement to connect to water, sewer, gas and electricity lines and conduits and other Facilities at the Property and to draw water, gas and/or electricity therefrom, in each case, for the development, construction, maintenance and operation of the Marina. Marina Unit Owners may, at their option, arrange for direct metering or submetering of utilities consumed by the Marina (in which case Marina Unit Owners shall pay the cost of such utilities consumed directly to the applicable utility or provider or to the Condominium, as the case may be) and/or make provision that such utilities be measured by one or more meters which also measure utilities consumed by other portions of the Property ("**Common Meters**"), in which case, Marina Unit Owners shall reimburse the Condominium the reasonable cost of any utilities so consumed by the Marina and covered by Common Meters. In addition, Marina Unit Owners shall have the right, without the necessity of obtaining the consent of the Board of Managers and/or other Unit Owners to establish, grant and create easements for any additional electric, transformer, amplifier, gas, telephone, water, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, the Units, and to relocate any existing utility, sewer and drainage easements in any portion of the Property, including, without limitation, the Units, provided that such additional utilities or the relocation of the existing utilities will not prevent or unreasonably interfere with the use of a Unit after construction thereof.

In connection with development, construction, alteration, improvement and operation of the Marina, Marina Unit Owner(s) may apply for and obtain from time to time, at their expense, in the name of Marina Unit Owner(s) or the name of the Condominium Board or otherwise (i) one or more zoning variances, zoning reconsiderations, and re-zonings to permit use and occupancy of a Marina at the Property, (ii) one or more building permits and such other consents, authorizations and permits from the Department of Buildings and other government agencies and departments (whether federal, state or local, in each case) having jurisdiction over the Waterfront Area and development thereof, in each case, as may be required for the construction, development, alteration, improvement and operation of a Marina at the Property and (iii) one or more certificates of occupancy (or amendments to the certificate(s) of occupancy of Buildings at the Property) as may be required to permit the construction, development, alteration and improvement and operation of a Marina at the Property. Notwithstanding the foregoing, the Condominium Board shall at the request of Marina Unit Owner(s) execute and deliver such applications and filings with governmental authorities as Marina Unit Owner(s) may request as referred to above. In addition, pursuant to the Declaration and By-laws, the Marina Unit

Owner(s) are appointed by the Unit Owners and the Condominium Board from time to time as their attorneys-in-fact, coupled with an interest and granted for a valuable consideration, with full power of substitution, for the purpose of approving and executing any such applications and filings as Marina Unit Owner(s) may request to be signed by such Unit Owners and Condominium Board.

If the owner of the Marina Unit shall determine at any time not to proceed with the development of a Marina at the Property, such owner (or successors) shall have the right to convey to the Condominium Board, by quitclaim deed, the Marina Unit, subject to whatever mortgages, liens, and encumbrances thereon and such other title exceptions as may then exist or apply, and, upon the tendering of such deed by such owner, such owner shall have no further liability or obligation to the Condominium for any Common Charges or any assessments or other charges pertaining to the Marina Unit or the Marina accruing from and after such conveyance. The Condominium Board shall execute such transfer tax returns and closing documents as such owner may reasonably request to effectuate the recording of the deed and the conveyance of the Marina Unit.

Wherever in the Declaration or the By-laws, the Marina Unit Owners are stated to have certain rights and prerogatives or it is stated that the consent of the Condominium Board or other party is not required for the taking of some action by the Marina Unit Owners, such rights, prerogatives and right to take action without such consent are, in each case, subject to any requirements to obtain the approval thereof by the Marina Board or a Marina Majority in Interest, as the case may be, as may be provided in the Declaration, the By-laws or a Marina Affairs Amendment (hereinafter defined). Wherever in the Declaration or the By-laws reference shall be made to "the Marina Board," "the Marina Board or Marina Majority in Interest, as the case may be," or words of like meaning, such reference shall be deemed to mean the Marina Board unless no Marina Board shall have been established and be in existence, in which case, the reference shall mean a Marina Majority In Interest. Wherever in the Plan, the Declaration or the By-laws, reference shall be made to "the Marina Board or a Marina Amendment Majority, as the case may be" or words of like meaning, such reference shall be deemed to mean the Marina Board unless no Marina Board shall have been established and be in existence, in which case, the reference shall mean a Marina Amendment Majority.

The Common Interest of the other Units shall not be affected by reason of any subdivision of a Unit by Declarant, its designees or the Marina Unit Owner or the construction or development of a Marina at the Property by Marina Unit Owner, unless the affected Unit Owner consents thereto, except that Limited Common Elements may be created for the exclusive use of any or all of the subdivided Units as provided above, in which case the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided Units in accordance with the By-Laws.

Declarant, its designees, the Unsold Unit Owners and the Marina Unit Owners, as the case may be, may reflect any of the matters described in this subsection (entitled "***Units Owned by Sponsor or its Designees***") above in a duly recorded amendment to the Declaration, the Condominium By-Laws and/or the Floor Plans, and may further amend the Declaration and Condominium By-Laws and Floor Plans to provide for the conduct of the affairs of a Unit as subdivided in any manner which does not increase the obligations or decrease the rights of any of

the other Unit Owners under the Declaration or the Condominium By-Laws, which amendment and the recording thereof shall not require the consent of the Condominium Board of Managers and/or other Unit Owners. In making any additions, alterations, or improvements pursuant to this subsection entitled "***Units Owned by the Sponsor or its Designees***", Declarant, its designees and Marina Unit Owners, as the case may be, shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conducted in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction and (iii) hold the Condominium Board of Managers and the other Unit Owners harmless from any liability arising therefrom.

Upon completion of the Marina, the owner of the Marina Unit may subdivide the Marina Unit into Boat Slip Units and/or other condominium units as it may determine. If there shall exist at any time more than one Marina Unit by reason of the subdivision thereof into more than one Unit, the owner(s) of the Marina Unit(s) having an aggregate Common Interest of 66-⅔% or more of the aggregate of the Common Interests appurtenant to all of the Marina Units (a "**Marina Amendment Majority**") shall have the right, without the consent of the Condominium Board any other Unit Owner or the holder(s) of any mortgage on a Unit, to cause the Declaration, the By-Laws, the Rules and Regulations and the Floor Plans to be amended, modified, added to or deleted from in such manner as they may determine in their sole discretion shall be necessary, appropriate or desirable in connection with the operation of the Marina or the subdivision of any Marina Unit into separate Marina Units, the combining of Marina Units and/or the offering for sale or lease of all or any portion of the Marina Units, including, without limitation, an amendment providing for the governance of the affairs of the Marina and the Marina Unit Owners and the relationship thereof and the sharing of costs pertaining to the Marina. Any such amendment, modification, addition or deletion (each, a "**Marina Affairs Amendment**") may include, without limitation, provision for the creation of a separate board (which may consist of those members of the Condominium Board designated by the Marina Unit Owners in accordance with the By-laws) elected or designated by the Marina Unit Owner(s) in such plurality and/or Common Interest percentage as may be prescribed by a Marina Amendment Majority (a "**Marina Board**"), which board may have jurisdiction over the Marina Units and the Marina Limited Common Elements and to provide for the granting to such Marina Board of such powers pertaining to the Marina Unit Owners, the Marina Units, the Marina Limited Common Elements and related matters, as may be determined by Marina Amendment Majority, including, without limitation (i) the power to set, collect and enforce the obligation to pay charges to fund the Marina Common Charges (as defined below), (ii) powers over and with respect to the Marina Limited Common Elements, including, without limitation, powers comparable to the powers of the Condominium Board over the General Common Elements and (iii) all of the powers of a Marina Majority in Interest acting in concert, under the Declaration, the By-laws and the Rules and Regulations, prior to the adoption of such amendment. The establishment of a Marina Board shall not affect the right of the Marina Unit Owners to designate members of the Condominium Board as provided in the By-laws. Pursuant to the Declaration and By-laws, the Declarant is appointed by the Unit Owners and the Board of Managers from time to time as their attorneys-in-fact, coupled with an interest and granted for a valuable consideration, with full power of substitution, for the purpose of approving and executing any instrument effecting or facilitating a Marina Affairs Amendment and the recording and filing thereof. As used herein, the term "**Marina Majority In Interest**" shall mean the

owners of Marina Units having an aggregate Common Interest of more than 50.0% of the aggregate of the Common Interests with respect to all of the Marina Units.

No consent of the Condominium Board, any other Unit Owner or the holder of any mortgage on a Unit, shall be required for the exercise by the Marina Unit Owner(s), Declarant, its designees or Unsold Unit Owners, as the case may be, of the rights and powers set forth in this subsection "***Units Owned by the Sponsor or its Designees***" or in Section 11 of the Declaration. Neither the provisions of this subsection (or of Section 11 of the Declaration) nor any of the other rights and powers of the Marina Unit Owner(s), Declarant, its designees or Unsold Unit Owners, as the case may be, under the Declaration or the By-Laws, including without limitation, the authority of the Marina Unit Owner(s), Declarant, its designees or Unsold Unit Owners, as the case may be, to record an amendment of the Declaration or By-Laws or the Floor Plans pursuant to or as described in this subsection, may be modified or deleted by amendment of the Declaration or By-Laws or otherwise. The signatures of any of the other Unit Owners or Condominium Board shall not be required in connection with any amendment to the Declaration or By-Laws or Floor Plans permitted above or to any application or other document necessary or convenient to the exercise by the Marina Unit Owner(s), the Declarant, its designees or Unsold Unit Owners, as the case may be, of any of their rights or powers under this subsection or under Section 11 of the Declaration, including but not limited to any application or document required by the Department of Buildings, the Real Property Assessment Bureau of the City of New York or any other governmental agency in connection with an amendment to the certificate of occupancy of any Building or the establishment of separate tax lots for any newly created condominium units and reapportionment of assessed valuation by reason thereof. Nevertheless, the Unit Owners and the Condominium Board are required, upon request, to execute any such amendments, applications or other documents referred to or described above and they grant to each Marina Unit Owner, the Declarant, its designees and Unsold Unit Owner, an irrevocable power of attorney to execute, deliver and/or record any and all such amendments, applications or other documents on behalf of the Condominium Board and the Unit Owners, and any such execution, delivery and/or recording shall not require the consent of the Condominium Board or the Unit Owners.

Declarant's Roof Rights

The Declaration provides that Declarant and its designees shall have an easement, without the necessity of obtaining the consent of the Condominium Board of Managers or the Unit Owners over the Property and the Common Elements to (i) install, erect, construct, operate, use, maintain, repair and replace antennas and other telecommunications equipment on the roof of the Multi-Family Building within any Mechanical Equipment Area or areas on such roof which is a Multi-Family Limited Common Element and which is shown on the Floor Plans as a "Telecommunication Easement Area," (ii) to run wiring, cables and equipment through any vertical chases (including, without limitation, elevator shafts) or horizontal chases in any Building for purposes of connection to such antennae and telecommunication equipment and (iii) to collect any and all income derived from the such antennas and telecommunications equipment (such easement and all appurtenant rights as described above, collectively, the "Roof Rights"). Declarant shall have the right to grant to any party (whether or not a Unit Owner) the Roof Rights, whether on an exclusive or non-exclusive basis, as Declarant may elect and such grantee(s) (and their successors and assigns) may, in turn, assign their Roof Rights on an

exclusive or non-exclusive basis, as they may determine. Subject to Declarant's rights to complete the Building and otherwise comply with its obligations under the Condominium Offering Plan for the Property and Declarant's rights to install, erect, construct, operate, repair, maintain and replace antennas and other telecommunications equipment on the roof, following the closing of title to the first Unit under the Plan, no Unit Owner shall erect any enclosure on any roof or terrace of the Building.

Certain Easements in Favor of Declarant

The Declaration provides that Declarant, each Unsold Unit and each Marina Unit Owner and their respective affiliates, designees, successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement of ingress and egress on, over and across all areas of the Property (including, without limitation, each Unit and the Common Elements), for (i) the construction of the Buildings, the Marina or any part thereof, (ii) the use of, obtaining access to and the inspection, maintenance and performance of alterations, replacements, and repairs of, to, in or about Units owned by such Declarant, Unsold Unit Owner or Marina Unit Owner (and, in the case of a Marina Unit, the Marina Limited Common Elements as well), as the case may be, together with all personal property, equipment and Facilities located therein, (ii) fulfilling the obligations of the Sponsor under the Plan and (iii) any other lawful purpose; provided (x) Declarant, such Unsold Unit Owner and such Marina Unit Owner or their respective designees, as the case may be, repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry and (y) Declarant, such Unsold Unit Owner, such Marina Unit Owner or their respective designees, as the case may be, provides reasonable prior notice to the Owner of the Unit to which access is required.

Marina Unit Owners and their guests and invitees shall have an easement (i) of ingress, egress and access through any of the Common Elements, including, without limitation, by foot, bicycle and/or by motor vehicles, to and from the Marina and the Marina Units, (ii) for the existence, use, maintenance, operation, repair and replacement of any pipes, ducts, conduits or other Facilities involved in the provision of utilities and serving the Marina or the Marina Units, provided, however, that to the extent that any such utility Facility serves the Marina or Marina Units, the Marina Unit Owners shall bear the reasonable allocable cost of any utility provided through such Facility and the reasonable allocable cost of maintenance, operation, repair or replacement of such Facility.

Declarant, its designees, each Unsold Unit Owner and Marina Unit Owner shall have an easement (without the necessity of obtaining the consent of the Condominium Board of Managers, any Unit Owners or any holder of a mortgage encumbering any Unit) over any part of the Property, including each Unit and the Common Elements, in order to inspect, maintain, repair, replace or alter its Units or the Common Elements as provided in the Declaration and the Condominium By-Laws, and in the Plan.

The Declarant, its designees and the Marina Unit Owner, as the case may be (without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering any Unit) and the Condominium Board (without the necessity of obtaining the consent of any Unit Owner other than Declarant, its designees and the Marina Unit

Owners), shall each have the right to establish, grant and create easements for any additional electric, transformer, amplifier, gas, cable television, telephone, water, sewer or other utility lines, flues, ducts and appurtenances (including such equipment rooms as may be required in connection with any of the foregoing) in, under and through the Property including, without limitation, within the Common Elements and any of the Units, and to relocate any existing utility, sewer and drainage easements in any portion of the Property including, without limitation, within any of the Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of a Unit or any Limited Common Elements appurtenant thereto, unless the owner of such Unit consents thereto.

The Marina Unit Owner(s) shall have an easement for the benefit of Marina Unit Owner(s) and their guests and invitees to:

(i) construct, maintain, alter, replace, and repair elements of the Marina and its supporting structures on and attachment to the Common Elements and appurtenances thereto (including, without limitation, the Waterfront Area and the Platform) and to anchor, fasten and affix the Marina and its various components to the Land and such Common Elements and appurtenances, Waterfront Area and Platform;

(ii) construct, maintain, alter, replace and repair on such Common Elements and appurtenances, stairs, ramps, gates, fencing and other improvements designed to permit access to the Marina by Marina Unit Owners and their guests and invitees and to prevent access thereto by those not authorized by the Marina Unit Owners for such access; and

(iii) sink piles into the ocean off of the Property for purposes of supporting the Marina or elements thereof;

(iv) to construct the Marina in the Waterfront Area and to build out the Marina from the Waterfront Area and to alter, improve, repair, replace and maintain the Marina (which Marina shall be deemed part of the Marina Unit); and

(v) to use the Common Elements, including, without limitation, in the vicinity of the Waterfront Area and Platform, as a construction staging area for purposes of construction of the Marina and for maintenance, alteration, replacement and repair of the Marina from time to time; and

(vi) over all areas of the Property as reasonably required for purposes of transporting to and from the Waterfront Area, construction materials, construction equipment, and construction vehicles as needed for the construction, repair, alteration, replacement and operation of the Marina; and

(vii) of ingress and egress to transport boats and other vessels over the Property to the Marina Unit(s), the Marina and any launching area thereat;

(viii) to erect an entrance to the Property or the Common Elements from any parcel of land owned by any Marina Unit Owners or their designee(s) or Declarant or its designee;

(ix) in connection with the use and operation of the Marina, to park vehicles anywhere within the Common Elements as may be permitted by law for such purpose and within any area that may leased or acquired by the Condominium for purposes of providing additional parking for the Property.

Declarant, and each Marina Unit Owner (to the extent applicable to the Marina Unit(s)) and their respective designees shall each have an easement, without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering a Unit, (1) over the Property, including each Unit and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, exterior facade, lobby or any other public portion of the Property or on the exterior portion of any Marina Unit) for the purposes of advertising the sale of Units, the leasing and/or sale of the Marina Units or of space in any of the Units and/or advertising any of the services, products, merchandise, wares and/or facilities of the Marina, a Marina Unit or a Marina Unit Owner or of any tenant occupying all or any portion of a Marina Unit or the Marina and (2) of ingress and egress over the Property, including each Unit and the Common Elements in connection with the sales and/or leasing of Units. "Signs" means any sign, advertisement, notice or other lettering.

Rights and Obligations of Board of Managers; Summary of By-Laws

The Condominium is an unincorporated association which is created by virtue of submission of the Property to the provisions of the Condominium Act in accordance with the Declaration and By-Laws set forth in Part II of the Plan. Summarized below are certain provisions of the By-Laws, including certain of the provisions relating to governance of the Condominium. A Purchaser should review in detail the full text of the Declaration, By-Laws, and Rules and Regulations thereunder which are set forth in Part II of the Plan.

Any member of the Condominium Board may be removed with or without cause by a Majority in Common Interest of the Unit Owners electing any such member pursuant to the By-Laws, except that if any member of the Board was elected by the Sponsor or its designees or the Unsold Unit Owners, he may not be removed for other than cause except by the written consent of the Sponsor, its designees or the Unsold Unit Owners, as the case may be.

The Board may, by the affirmative vote of a majority of its members, remove any officer, either with or without cause. Until the first meeting of the Unit Owners, the members of the Board shall consist of three (3) members appointed by the Sponsor. It currently is anticipated that such three members will be Jacob Pinson, Norman Pinson and Abraham Pinson, and that such three persons shall, respectively, be the first President, Secretary and Treasurer, and Vice President of the Board. Jacob Pinson is a principal of Sponsor and Norman Pinson and Abraham Pinson are related by blood or marriage to Jacob Pinson. From and after the first meeting of the Unit Owners following the First Unit Closing, the Condominium Board shall be composed of

seven (7) members. So long as their remains at least one Unsold Unit, the number of members of the Condominium Board may not be increased without the consent of a Majority in Common Interest of Unsold Unit Owners.

Powers and Duties of the Condominium Board

Subject to applicable laws and the Condominium Declaration and Condominium By-Laws, the powers and duties of the Board include, without limitation, (a) the operation and maintenance of the Common Elements (other than any Marina Limited Common Elements which shall be the prerogative and responsibility of the Marina Unit Owner(s) to maintain, repair, improve and alter without any requirement of obtaining the consent of the Condominium Board), and employment of personnel for such purpose, (b) determination and collection of the Common Charges, (c) amending the Rules and Regulations, (d) having bank accounts and investing funds for the Condominium, (e) acquiring, selling, leasing, and mortgaging Units, (f) insuring the Property, adjusting claims, and repairing the Common Elements after a casualty or condemnation, (g) enforcing obligations of Unit Owners, (h) borrowing money on behalf of the Condominium, (i) granting certain utilities and other easements, and (j) representing those Unit Owners who elect in the manner provided in the By-laws, in connection with a protest of real estate taxes.

Voting by Unit Owners

At each Unit Owner's meeting, each Unit Owner will be entitled to cast one (1) vote at all meetings of the Unit Owners for each one-hundredth of one percent (.01%) of Common Interest applicable to his or its Unit except as provided below.

Each Unit Owner shall for the purpose of electing members of the Condominium Board be entitled to cast his votes for each member of the Condominium Board to be elected, but may not cumulate such votes. Each member of the Condominium Board shall serve a one year term.

The Marina Unit Owner(s) shall, at all times, have the right, as a group, to designate one (1) member of the Condominium Board to represent them on the Condominium Board ("Marina Member"). The balance of the members of the Condominium Board (the "Residential Members") shall be elected by the Residential Unit Owners and the Parking Space Unit Owners. In the case where there shall be more than one Marina Unit Owner, the Marina Member shall be designated by a Marina Majority in Interest. The number of members of the Condominium Board may not be increased without the consent of a Marina Majority in Interest and, so long as there remains at least one Unsold Unit, all Unsold Unit Owners (including Sponsor). All Residential Members who are not designated or elected by Unsold Unit Owners (including Sponsor) shall be required to own a Residential Unit for so long as they are Residential Members.

During the Initial Control Period, the Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate four (4) Residential Members of the seven (7) member Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may be (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members of the Board shall be selected by the plurality vote of the

Residential Unit Owners and Parking Space Unit Owners (including Sponsor and other Unsold Unit Owners) as provided above from among a slate of candidates nominated by one or more Residential Unit Owners or Parking Space Unit Owners, in each case, not related to or affiliated with Sponsor or other Unsold Unit Owners (each a "Non-Sponsor Owner"). There shall be no restriction on the right of Sponsor and other Unsold Unit Owners to vote for candidates for Residential Members of the Board who are nominated by Non-Sponsor Owners. After the Initial Control Period, the Unsold Unit Owners (including Sponsor), as a group, shall have the right to designate the following number of Residential Members of the Condominium Board: (a) two (2) Residential Members of the Condominium Board for so long as the Common Interests attributable to the Unsold Units equals, in the aggregate, more than ten (10%) percent of the Common Interests of all Residential Units and Parking Space Units combined and (b) one (1) Residential Member of the Condominium Board, for so long as there is at least one (1) Unsold Unit. Accordingly, after the Initial Control Period, Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate not more than two (2) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members of the Condominium Board shall be selected by the plurality vote of all Unit Owners (including Sponsor and other Unsold Unit Owners) as provided above from among a slate of candidates nominated by one or more Non-Sponsor Owners. After the expiration of the Initial Control Period, so many of those Residential Members of the Condominium Board who are related to or affiliated with Sponsor or other Unsold Unit Owners as shall exceed the following applicable number shall resign from the Condominium Board: (x) two (2), so long as the Common Interests attributable to the Unsold Units equals more than ten (10.0%) percent of the Common Interests of all Residential Units and Parking Space Units, (y) one (1), so long as the Common Interests attributable to any Unsold Units equals ten (10.0%) percent or less of the Common Interests of all Residential Units and Parking Space Units, but there is not less than one (1) Unsold Unit and (z) zero, once the number of Unsold Units falls below one (1) unit.

As long as Unsold Unit Owners (including Sponsor) continue to own at least twenty-five percent (25%) of the Residential Units during the five (5) years following the First Unit Closing, the Condominium Board will not be permitted, without the prior written consent of a Majority in Common Interest of Unsold Unit Owners to:

(1) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

(2) assess any Common Charges or special assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of the lesser of (i) five percent (5%) in the aggregate of the estimated General Common Expenses and Multi-Family Common Expenses for any one (1) fiscal year of operation or (ii) the maximum assessment permitted under Applicable Law;

(3) increase the number or change the type of employees from that described in the First Year Budget;

(4) enter into any service or maintenance contracts for work not covered in the First Year Budget;

(5) borrow money on behalf of the Condominium; or

(6) exercise a right of first refusal to lease or purchase a Unit.

Notwithstanding the foregoing, the Unsold Unit Owners (including Sponsor) may not may exercise a veto over expenditures which: (i) conform to the First Year Budget and are for the period covered by the First Year Budget; or (ii) are required to comply with Applicable Law, including expenditures required to cure any notices of violations; or (iii) are necessary to remedy any work order by an insurer which is the responsibility of the Condominium Board to remedy.

Meetings of Unit Owners

The Bylaws require that after the first meeting of the Unit Owners following the First Unit Closing shall take place within 90 days after the date Sponsor conveys title to the first Residential Unit pursuant to the Plan and that annual meetings shall be held on the second (2nd) Tuesday of November of each succeeding year unless such day shall be a holiday, in which event the meeting shall be held on the next succeeding business day. At such meetings, the Unit Owners shall elect members of the Condominium Board and shall also transact such other business of the Condominium as may properly come before the meeting.

It shall be the duty of the President of the Condominium to call a special meeting of the Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Condominium by not less than twenty-five (25.0%) percent Common Interest of the Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. The By-Laws provide that no business shall be transacted at a special meeting except as stated in the notice.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. No officer of the Condominium shall, except as may otherwise be provided by the Condominium Board from time to time, receive any compensation for acting as an officer of the Condominium.

The President shall be the chief executive officer of the Condominium, and shall have all of the general powers and duties which are incident to the office of President, including presiding at meetings and appointing committees. The President must be a member of the Condominium Board. The Vice President performs the duties of the President when he is absent or unable to act. The Secretary keeps the minutes and gives notice of meetings. The Treasurer keeps financial records and deposits funds for the Condominium. As stated above in **"Rights and Obligations of Board of Managers; Summary of By-Laws,"** it currently anticipated that Jacob Pinson, Norman Pinson and Abraham Pinson shall, respectively, be the first President, Secretary and

Treasurer, and Vice President of the Board, who shall serve until the first meeting of Unit Owners.

Units Acquired By the Condominium Board

All Units acquired or leased by the Condominium Board or its designee, shall be held by such Condominium Board or its designee, on behalf of all Unit Owners and the rent or purchase price, closing costs and adjustments payable in connection therewith shall constitute a Common Expense. No Units held by the Condominium Board shall carry any voting rights.

Real Estate Taxes Prior to Separate Assessment of Units; Payment as Common Expense

Except as provided below, until the Units are separately assessed for real estate tax purposes, the Condominium Board as agent of the Unit Owners shall promptly pay all real estate taxes levied with respect to the Property as a Common Expense, to be borne solely by Completed Units and the Common Charges collected from owners of Completed Units to meet this Common Expense shall be earmarked for this purpose. The fact that an Owner of a Completed Unit may have established escrow deposit(s) with such Unit Owner's mortgage lender for the payment of real estate taxes by such mortgage lender with respect to such Unit Owner's Completed Unit, shall not release such Unit Owner from such Unit Owner's responsibility to timely pay (or cause its mortgage lender to pay), by such date as may be determined by the Condominium Board, such Unit's pro rata portion (based upon the ratio of such Completed Unit's Common Interest to the aggregate of the Common Interests of all Completed Units) of such portion of the Common Charges assessed for the purpose of payment of real estate taxes. If, prior to the separate assessment of the Units for real estate tax purposes, the Condominium Board shall fail to timely pay all or any portion of the real estate taxes levied with respect to the Property, Sponsor and each Unsold Unit Owner shall have the right (but not the obligation) to pay such taxes not timely paid and the Condominium Board shall reimburse Sponsor or other Unsold Unit Owner, as the case may be, upon demand, for the amount of such taxes so paid, plus interest thereon until paid in full, at a rate of interest equal to prime rate as announced from time to time by Citibank, N.A. After the Units are separately assessed for real estate tax purposes, the Board as agent of the Unit Owners shall promptly assess any Unit Owners who have underpaid real estate taxes with respect to their Completed Units (to the Board) based upon the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s), and shall likewise reimburse any Unit Owners who have overpaid real estate taxes (to the Board) based upon such initial assessed valuation of their Completed Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s).

Repair or Reconstruction after Fire or Other Casualty

If a Building or the Marina or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (but excluding machinery, appliances, fixtures, furniture, furnishings or other personal property within a Unit). If the insurance proceeds are insufficient to cover the cost

of repairs or restorations, then such cost shall constitute a General Common Expense. Any surplus insurance proceeds shall be paid to all Unit Owners in accordance with the respective Common Interests of their respective Units, except that no payment shall be made to a Unit Owner until there has first been paid, out of his share of such funds, such amounts as may be necessary to reduce unpaid liens on his or her Unit, in the order of priority of such liens.

If three-fourths or more of each of the Buildings and the Marina (if any shall have been built) is destroyed or substantially damaged and if seventy-five (75%) percent or more in Common Interest of all Unit Owners do not duly resolve within sixty (60) days from the day of such damage or destruction to proceed with the repair or restoration thereof, then the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common. In that case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in accordance with the respective Common Interests of their respective Units, provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of his share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable as hereinabove provided in the event of a loss amounting to $250,000.00 or less. However if such proceeds are in excess of $250,000.00, then such proceeds shall be payable to the Insurance Trustee, so long as such bank is the holder of a certain mortgage made by Sponsor to such bank, and thereafter to the Insurance Trustee pursuant to the provisions of the By-Laws. The Sponsor shall have the right to designate the Insurance Trustee for so long as there shall be at least one Unsold Unit. The fees and expenses of the Insurance Trustee shall be paid by the Condominium Board and shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the New York Real Property Law.

Insurance

The Condominium Board shall be required to obtain and maintain, to the extent obtainable at reasonable rates, and to the extent determined by the Condominium Board to be appropriate, the insurance set forth below, and the premiums for such insurance shall be a General Common Expense except as otherwise may be provided in the Rules and Regulations and except that the premiums for worker's compensation and disability insurance for employees of the Condominium Board shall be a Multi-Family Limited Common Expense: (1) fire insurance with all risks extended coverage, vandalism and malicious mischief endorsements, insuring the Buildings, all Units, the Marina, the Marina Units and improvements to the Marina Units (excluding machinery, appliances, fixtures, furniture, furnishings or other personal property within a Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to at least 80% of the full replacement value of the Buildings (inclusive of the Marina and Marina Unit(s) but exclusive, in the case of the Buildings, of foundations and footings), without deduction for depreciation, and each of such policies of insurance shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable

to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee hereinafter set forth; (2) worker's compensation insurance and New York State disability benefits insurance (if applicable); (3) comprehensive general liability coverage; (4) water damage insurance to the extent if any determined by the Condominium Board; (5) fidelity bond for managing agent to the extent if any determined by the Condominium Board; (6) errors and omissions insurance for members of the Condominium Board and officers to the extent if any determined by the Condominium Board; (7) such other insurance as the Condominium Board may determine and (8) at the request of the Marina Board, such other insurance and in such policy limits as may be customarily maintained by owners of Marinas. To the extent not specified above, all such insurance shall be in such amount as the Condominium Board shall from time to time determine to be reasonable. All of such policies shall provide that adjustment of loss shall be made by the Condominium Board and all policies of physical damage insurance shall provide that the proceeds thereof, if $250,000.00 or less, shall be paid to the Condominium Board, and if in excess of $250,000.00 shall be paid to the Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense of the Condominium.

Each Unit Owner may carry supplemental or additional insurance for his or her 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 Condominium Board shall not be affected or diminished by reason of any such supplemental or additional insurance.

The liability insurance coverage required to be obtained by the Condominium Board as set forth above shall cover, to the extent possible, liability claims arising out of the Property (including, without limitation, the Marina and the Marina Units) in such limits as the Condominium Board may from time to time determine, covering each member of the Condominium Board and the Marina Board, if any, the officers of the Condominium Board and of the Marina Board (if any), the managing agent, if any, and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Condominium Board shall review such limits at least once each year.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines from time to time.

Liability of Condominium Board Officers, and Unit Owners

Members of the Condominium Board are fiduciaries and are required to act in accordance with their fiduciary obligations. However, to the extent permitted by applicable law, no member of the Condominium Board or any managing agent, manager, or officer shall have any personal liability with respect to 1) any contract, act or omission of the Condominium Board or any managing agent, manager, or officer in connection with the affairs or operations of the Condominium (except in their capacities as Unit Owners), or 2) any mistake of judgment, negligence, or otherwise, except in either case for their own willful misconduct or bad faith. The Condominium By-Laws require that every contract made by the Condominium Board or by any managing agent thereof or any officer shall state that (a) it is made only as agent for all Unit Owners and such Condominium Board or managing agent or officer shall have no personal

liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interests of all Units owned by such Unit Owner bears to the aggregate Common Interests of all Units, and (ii) unless provided by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in his Unit and its appurtenant Common Interest. A Unit Owner shall, in the same proportion as his Common Interest, indemnify each member of the Condominium Board and each officer against any and all claims, liabilities, damages, costs and expenses (including, without limitation, reasonable attorney's fees) arising out of or related to the performance of such duties as a member of the Condominium Board or officer, except those arising out of his own bad faith or willful misconduct, and except as may be provided by law. The Condominium Board may contract, or effect any other transaction, on competitive terms, with any member of the Condominium Board, any officer, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct, and except as may be provided by law.

Reports. Notice, Books and Records

An annual financial statement with respect to the operations of the Condominium prepared in accordance with generally accepted accounting principles, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners within four months after the end of each fiscal year.

Except for the first meeting of Unit Owners after the Closing Date under the Plan, there is no notice required for annual meetings. Instead the Condominium By-Laws provide that the annual meeting is to be held on the second Tuesday of November each year, unless such day shall be a holiday, in which event the meeting shall be held on the next succeeding business day.

Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

Amendments to Condominium Documents

Generally, subject to certain exceptions including pertaining to the respective rights of the Sponsor, its designees, Unsold Unit Owners and Marina Unit Owner under certain circumstances to amend the Declaration and By-laws without the consent of the Condominium Board or the Unit Owners, any provisions of the Declaration and Condominium By-Laws may be amended, modified, added to or deleted by affirmative vote of not less than seventy-five percent (75%) in Common Interest of all Unit Owners, provided, however, (i) any such amendment shall not be effective against a holder of a mortgage of record affecting a Unit if Mortgage Representatives (as defined in Article VI of the By-Laws; see Article VI for manner of selection thereof) shall have been designated in accordance with the By-laws (and the Condominium shall have received written notice of such designation as provided therein) and, if so designated, a majority of such Mortgage Representatives shall not consent thereto in writing, which consent shall not be unreasonably withheld or delayed; (ii) if the Sponsor, the owners of a Majority in Common Interest of Unsold Unit Owners and a Marina Majority in Interest shall not

have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendment shall not reduce, impair or restrict the rights of Sponsor, any Unsold Unit Owner or any Marina Unit Owner or increase the obligations of any Unsold Unit Owner, the Sponsor or any Marina Unit Owner and (iii) an amendment to the Declaration or the By-laws which constitutes a Marina Affairs Amendment may be adopted solely by the written consent or approval of a Marina Amendment Majority, without any requirement of obtaining the consent of any Unit Owner, the Condominium Board or any holder of a mortgage encumbering a Unit. Any such amendment shall be executed by the Condominium Board as attorneys-in-fact for the Unit Owners, coupled with an interest and granted for a valuable consideration, and the Condominium Board is authorized by the Unit Owners so as to act as their attorney-in-fact.

It is possible that amendments, modifications, additions or deletions of or to the Declaration, the Condominium By-Laws and the Rules and Regulations, may be necessary, appropriate or desirable in connection with the subdivision or combination of Units owned by the Sponsor or Unsold Unit Owners and/or the offering for sale or lease of all or any portion of Units owned by (or the exercise of certain rights under the Declaration held by) the Sponsor or Unsold Unit Owners, and in connection therewith the Sponsor or Unsold Unit Owners, as the case may be, may, subject to compliance with all applicable laws and governmental regulations, if any, cause the Declaration, the Condominium By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted in accordance with the provisions of the Declaration and Condominium By-Laws.

Termination of Condominium

The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the Condominium By-Laws) until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least eighty-five (85%) percent in number and in Common Interest of all Unit Owners and all of the holders of mortgages affecting any of the Units. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale, otherwise payable to any Unit Owner, to the payment of any liens on his Unit, in the order of such priority of such liens. Until the termination of the Condominium, no Unit Owner shall maintain an action for partition of the Property or the Common Elements.

Review of Real Estate Tax Assessments

The Condominium Board may act as an agent of each Unit owner who has given his written authorization to complain or apply to the local and county real estate tax assessment agency or board of review by filing a single complaint on behalf of all such Unit Owners pursuant to the applicable sections of the Real Property Tax Law. The Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and assess as a Common Charge against all such Unit Owners a pro rata share of expenses, disbursements, and legal fees paid or incurred in connection with any such complaint or application.

Condominium Declaration and Condominium By-Laws

A copy of the Condominium Declaration and By-Laws is set forth in Part II of the Plan.

Real Property Law Section 339-kk.

Under Real Property Law Section 339-kk ("**Section 339-kk**"), if the owner of a Residential Unit is a non-occupying owner who rents his Residential Unit to a rental tenant and then fails to make payments due for common charges, special assessments or late fees (collectively "**Condominium Charges**") for such Unit within sixty (60) days of the expiration of any grace period after they are due, upon notice in accordance with the following paragraph, all rental payments from the tenant shall be directly payable to the Condominium.

If the common charges, special assessments or late fees due for any Residential Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, special assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Condominium Board at the address listed on the notice.

Where a majority of the Board has been elected by and from among the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as payments for common charges, special assessments, and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the date that such Board receives notice that such owner seeks to dispute such claim.

Nothing in Section 339-kk shall limit any right of Unit Owners or of the Condominium Board existing under any other law or agreement.

Payment by a rental tenant to the Condominium made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

Income Tax Deductions to Unit Owners

Ownership of a Unit entitles the owner, subject to certain restrictions described below, to deduct for federal, New York State, and in the case of New York City residents, New York City, income tax purposes, real estate taxes assessed against the Unit and paid by such owner and interest on certain mortgages made against the Unit. Generally, an individual Unit Owner may only deduct interest on debt incurred to acquire his principal residence or a designated secondary residence subject to certain limitations. See "**Counsel's Tax Opinion.**"

The following summary is for informational purposes only and is based upon information provided by Sponsor's counsel, Troutman Sanders LLP, in its opinion set forth in the Section of the Plan entitled "**Counsel's Tax Opinion.**"

Each Unit Owner will own his Unit, together with its appurtenant Common Interest, in fee simple, and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Because each Unit Owner will own his Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Troutman Sanders LLP that, under present law, Residential Unit Owners and Residential Unit Owners who own Parking Space Units will, for federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes incurred in connection with such Residential Units and Parking Space Units in the taxable year in which the same are paid or accrued. It is also the opinion of Troutman Sanders LLP, under present law, each Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction that is allowed for federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year.

The aforesaid deductions, however, are subject to certain exceptions and limitations, which are more particularly discussed in the income tax opinion set forth in the Section of the Plan entitled "**Counsel's Tax Opinion.**" No opinion is being given regarding the income tax consequences of the purchase or ownership of the Marina Units. In addition, the aforesaid deductions in favor of an owner of a Residential Unit may vary from year to year due to, where and to extent applicable, changes in the interest rate on the such owner's mortgage on his Residential Unit (if any) or from changes in the allocation of constant debt service payments to interest and principal thereunder, or due to changes in real property taxes resulting from changes in assessed value, the tax rate or the method of assessing real property or from the expiration of any 421-a tax exemption benefits. In addition, real estate taxes for future years will vary for particular Townhouse Units if either of the two, vertically-stacked Townhouse Units located in a particular two-family or two-Unit structure fails to meet or maintain eligibility for 421-b tax exemption benefits. See "**Real Estate Taxes.**"

Common Charges will be borne by the Unit Owners and assessed and collected by the Condominium Board. See the income tax opinion in the Section of the Plan entitled "**Counsel's Tax Opinion**" for a further discussion of the tax status of the Condominium.

No representations or warranties are made that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the aforementioned deductions or that the tax laws, or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Troutman Sanders LLP has based its income tax opinion will not change. In no event will Sponsor, the Selling Agent, the Managing Agent, or any other person connected with this offering be liable if, at any time or for any reason, it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid make any representations or warranties with respect to the tax consequences of this Plan or the tax consequences or ownership of any Units offered under the Plan, and no one has been authorized to make such representations or warranties.

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 LAWS UPON WHICH SPONSOR'S COUNSEL BASE ITS OPINION WILL NOT CHANGE AND IN NO SUCH EVENT WILL SPONSOR, THE SELLING AGENT, SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, OR ANY OTHER PERSON CONNECTED WITH THIS OFFERING BE LIABLE IF FOR ANY REASON IT SHALL BE DETERMINED THAT RESIDENTIAL UNIT OWNERS DO NOT MEET OR AT ANY FUTURE TIME CEASE TO MEET THE REQUIREMENTS OF THE INTERNAL REVENUE CODE, THE NEW YORK STATE TAX LAW, THE NEW YORK CITY ADMINISTRATIVE CODE OR ANY AMENDMENT TO ANY OF THEM. MOREOVER, NONE OF THE AFORESAID MAKES ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES WITH RESPECT TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF ANY UNIT OFFERED UNDER THE PLAN EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND NO ONE ELSE HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES OTHER THAN THOSE CONTAINED HEREIN.

ANY U.S. FEDERAL TAX ADVICE CONTAINED IN THIS OFFERING MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY PERSON FOR PURPOSES OF AVOIDING ANY PENALTIES THAT MAY BE IMPOSED UNDER THE INTERNAL REVENUE CODE. IN ADDITION, ANY U.S. FEDERAL TAX ADVICE CONTAINED IN THIS OFFERING MEMORANDUM WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING BY OR TO ANOTHER PARTY OF THE TRANSACTION(S) OR MATTER(S) ADDRESSED IN THIS OFFERING MEMORANDUM. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE PLAN AND OF UNIT OWNERSHIP.

Notwithstanding anything to the contrary contained herein, a prospective purchaser (and each employee, representative, or other agent of a prospective purchaser) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions described in this offering memorandum and all materials of any kind that are provided to the prospective purchaser relating to such tax treatment and tax structure (as such terms are defined in Treasury Regulation section 1.6011-4).

Tax Status of the Condominium

Ordinarily, a condominium board may elect to be exempt from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code, provided certain prerequisites are met.

However, in order to elect such status,

(a) the Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property;

(b) 60% or more of the gross income of the Condominium for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units in the Condominium;

(c) 90% or more of the net expenditures of the Condominium for the taxable year must be for the acquisition, construction, management, maintenance and care of the Property;

(d) no part of the net earnings of the Condominium may inure (other than by acquiring, constructing or providing management, maintenance and care of the Property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual;

(e) substantially all of the Units must be used by individuals as residences; and

(f) the Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

It is assumed and expected that more than 85% of the Buildings' total square footage will be used for residential purposes. Accordingly, the Condominium Board will be able to elect tax-exempt status under Section 528 of the Internal Revenue Code if the prerequisites set forth above shall be met. See "**Counsel's Tax Opinion**" and "**Schedule B: Budget for First Year of Condominium Operation**."

However, it should be noted that the Condominium would, even if permitted to make an election under Section 528 of the Code, still be required to pay a tax for any taxable income it may receive. For this purpose, "taxable income" is defined as the excess, if any, of (a) the gross

income for the taxable year (other than "exempt function income" as defined below) over (b) the deductions allowed by the Code which are directly connected with the production of such gross income (excluding "exempt function income") computed with certain modifications provided in Section 528. "Exempt function income" is defined as any amount received as membership dues, fees or assessments from owners of condominium housing units.

If an election under Section 528 is not available or in effect for a taxable year, then the tax status of the Board will be governed by the rules in effect prior to the enactment of Section 528 under which the tax status of the Condominium is uncertain.

Because the By-Laws provide that the Condominium Board will act as agent of the Unit Owners, the Board may take the position that it simply acts as agent for the Unit Owners and is not a separate taxable entity. In such a case, the Unit Owners would include in their gross income, and be taxed on, income derived by the Condominium Board. This income may include interest earned from investments on the amounts which are assessed and collected from the Unit Owners, or rental income.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Board, such as assessment and expenditure of Common Charges, the Board constitutes an association separately taxable as a corporation. In that event, the Condominium may be deemed to be subject to federal corporate income tax on the amount, if any, by which Common Charges (together with any income earned from other sources, such as interim investments of funds by such association) exceed the current expenses paid or incurred by the Condominium as are deductible for federal income tax purposes. The Condominium may likewise be subject to the New York State corporation franchise tax and the New York City general corporation tax. For a further discussion of the tax status of the Condominium, see **"Counsel's Tax Opinion."**

REAL ESTATE TAXES

From and after the date that Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to any lien arising from the non-payment of real estate taxes on other Units.

The New York City Department of Finance, Real Property Division, Assessor's Office, 210 Joralemon Street, Brooklyn, New York 11201 is the assessing authority for the Units.

The projected total assessed valuation of the Multi-Family Building and the Indoor Parking Space Units located therein after completion of construction (assuming construction is completed and a temporary Certificate of Occupancy for all Multi-Family Units and Indoor Parking Space Units or a Permanent Certificate of Occupancy for the entire Multi-Family Building and the Indoor Parking Space Units will be issued no later than December 31, 2006), as estimated by Moseson & Associates, is $2,091,519. Moseson & Associates serves as real estate tax consultants to Sponsor. Moseson & Associates maintains an office at 768 Empire Avenue, Far Rockaway, New York 11691.

Assuming the granting of exemption benefits set forth below, the real estate taxes projected for each Multi-Family Unit and each Indoor Parking Space Unit are based on its applicable MRET Interest multiplied by the aggregate projected real estate taxes payable by all Multi-Family Unit Owners and Indoor Parking Space Unit Owners in the aggregate of approximately $17,037 for tax year 2006/2007.

The projections are not guaranteed. The real estate taxes for future years will vary in accordance with the tax rate, the applicable assessed valuation and the percentage of the assessed valuation then exempt from taxation.

Sponsor has applied or shall apply for a Preliminary Certificate of Eligibility for real estate tax exemption under Section 421-a of the Real Property Tax Law ("421-a"). In the opinion of Moseson & Associates (see "**Real Estate Tax Opinion**"), assuming certain qualifications (such as the parcel on which the Multi-Family Building is situated satisfying site eligibility requirements, the parcel not having been mapped as a public park or utilized as a private park for ten or more consecutive years prior to October 1, 1971, and construction complying with the requirements and obligations set forth in Section 421-a of the New York Real Property Tax Law, including amendments by the local legislative body and the rules and regulations promulgated pursuant thereto) are met, the Multi-Family Building and Indoor Parking Space Units located therein will be eligible for a partial real estate tax exemption during construction and for a period of 15 years following completion of construction, pursuant to Section 421-a. (The "Real Estate Tax Opinion" provides additional details as to the eligibility requirements for 421-a.) Under this law, as presently interpreted by the New York City Department of Finance and as implemented and supervised by the Department of Housing Preservation and Development ("HPD"), the exemption applies only to the increase in a property's assessed valuation above the assessment in the tax year prior to commencement of construction. The following amounts of the increased assessment are exempt from taxes during this 15 year period:

Fiscal Tax Year (July 1 to June 30)	Percentage of Increased Assessment Exempt from Taxes
First through Eleventh tax years	100%
Twelfth tax year	80%
Thirteenth tax year	60%
Fourteenth tax year	40%
Fifteenth tax year	20%

The exemption expires at the end of the fifteen year period, at which time the entire assessment will be subject to taxation.

In the opinion of Moseson & Associates, during the fifteen (15) year period, the Multi-Family Units and Indoor Parking Space Units located in the Multi-Family Building will always be subject to a "minimum tax" equal to a portion of (i) the applicable portion of the assessed valuation of the Property for the tax year before construction began as allocated to the Multi-Family Units and Indoor Parking Space Units as a whole (estimated to be 20% of the assessed value of the Property as a whole as set forth in the "Real Estate Tax Opinion") for the tax year before construction began multiplied by (ii) the applicable tax rate in effect during each tax year. Thus, the minimum tax will fluctuate directly in proportion to changes in the tax rate.

In addition, assessments for local improvements (if any), and non-residential portions of the Property (except as set forth below) are not exempt from taxes.

Section 421-a and the related Regulations promulgated pursuant thereto by New York City provide that up to twelve (12%) percent of the aggregate floor area used for commercial, community facility and accessory use space may be eligible for exemption. For the purpose of this calculation, accessory use space shall not include accessory parking located not more than twenty-three feet above the curb level. Further, whenever a building containing two or more separately assessed parcels of real property has commercial, community facility and accessory use space in excess of such twelve percent, the tax arising out of the reduction in exemption for such excess space shall not be apportioned pro rata among all of the separately assessed parcels in the building but shall be applied first to those separately assessed parcels which are unrelated to the residential use of the building; and only after such unrelated parcels are fully taxable shall the remainder of such tax be apportioned pro rata among the remaining separately assessed parcels. Sponsor does not intend to construct commercial, community facility and/or accessory use space, as defined above, at the Multi-Family Building in excess of twelve (12%) of the aggregate floor area of the Multi-Family Building.

Under State law, increases in a property's "actual" assessed value due to changes in its market value are to be phased in over 5 years in equal annual increments of 20% by means of a "transition" assessment. Any further increase in the "actual" assessed value during such 5 year period resulting from a still higher market value is to be similarly phased in over an additional 5 year period from the tax year of such increase. In any given year, taxes are payable on the lower of either the "actual" or "transition" assessment.

NOTE: The projected real estate tax payable by the Multi-Family Units and Indoor Parking Space Units is predicated on an application made by Sponsor pursuant to Sections 421-a and 11-245 of the Administrative Code of the City of New York for an exemption from the payment of taxes based on an increase in the improvement valuation from the improvement assessed valuation prior to construction.

Based on the assumptions stated above (and below) and assuming the obtaining of Section 421-a benefits, (i) $17,037 in real estate taxes are projected for the Multi-Family Units and the Indoor Parking Spaces Units in the aggregate for tax year 2006/2007 and (ii) the real estate taxes projected for each Multi-Family Unit and Indoor Parking Space Unit for the

projected First Year of Condominium operation as set forth in Schedule A are based upon its applicable MRET Interest multiplied by the projected real estate taxes payable by all Multi-Family Units and Indoor Parking Space Units Owners of $17,037. This assumes that the assessed valuation for the Multi-Family Units and the Indoor Parking Space Units as a whole will be allocated among all such Units in accordance with their MRET Interests although there is no guarantee that the allocation among such Units will be made in this manner and may indeed be based on actual sales prices or some other method.

The projections are not guaranteed. The real estate taxes for any year will vary in accordance with the tax rate, the applicable assessed valuation and the percentage of the assessed valuation then exempt from taxation.

The foregoing projections assume:

(i) the Property's real estate tax exemption under 421-a will be in effect starting July 1, 2006.

(ii) the tax year 2003/2004 will be regarded as the tax year prior to commencement of construction for purposes of determining the minimum tax.

(iii) the tax rate for the Multi-Family Units for tax year 2006/2007 will be $12.216 per $100 of assessed valuation;

(iv) the tax rate for Indoor Parking Space Units for tax year 2006/2007 will be $12.216 per $100 of assessed valuation;

(v) the Multi-Family Building's assessed value will be apportioned among the Multi-Family Units and the Indoor Parking Space Units in proportion to their respective MRET Interests.

SPECIAL NOTE: Until the Units are separately assessed, real estate taxes assessed against the Property will be treated as a Common Expense, to be borne solely by Units for which a temporary or permanent certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (the first half or second half of the applicable real estate tax year) for which real estate taxes are being paid by the Condominium Board.

After the Section 421-a tax benefits are in effect and the Units are separately assessed, the real estate taxes payable by the Multi-Family Unit Owners will be reduced to the "minimum tax" described above plus the percentage of the real estate taxes that are phased in during the eleventh through fifteenth years of the partial tax exemption under 421-a.

While the Sponsor will use its best efforts to obtain 421-a tax exemption benefits as described in this Plan, no representation or warranty is made as to when or whether the application for 421-a tax exemption benefits will be approved or as to the amount of any tax exemption that may actually be received.

As estimated by Moseson & Associates, the projected total assessed valuation of all Townhouse Units after completion of their construction (assuming construction is completed and

a temporary or permanent Certificate of Occupancy for all Townhouse Units will be issued for all of Townhouse Units no later than December 31, 2005) is $1,523,784 for tax year 2006/2007.

Assuming the granting of exemption benefits set forth below, the real estate taxes projected for each Townhouse Unit are based on its applicable TRE Interest multiplied by the aggregate projected real estate taxes payable by all Townhouse Unit Owners, which is estimated to be approximately $66,444 for tax year 2006/2007.

The projections are not guaranteed. The real estate taxes for future years will vary in accordance with the tax rate, the Townhouse Units' assessed valuation, and the percentage of the assessed valuation then exempt from taxation.

In addition, real estate taxes for future years will vary for particular Townhouse Units if either of the two, vertically-stacked Townhouse Units located in a particular two-family or two-Unit structure fails to meet or maintain eligibility for 421-b tax exemption benefits. Each set of vertically-stacked Townhouse Units located in a two-family or two-Unit structure shall only be eligible for Section 421-b tax exemption benefits if each of the two Units located in such structure is occupied by its respective Owner. In addition, each such set of Townhouse Units will continue to remain eligible for such tax benefits during the term for which they may be available only for so long as each of the Townhouse Units comprising the set continues to remain Owner occupied. The projections herein assume the Townhouse Units will be owner-occupied during the term of 421-b (as defined below) eligibility .

Sponsor has applied or shall apply for a Preliminary Certificate of Eligibility for real estate tax exemption under Section 421-b of the Real Property Tax Law ("421-b").

In the opinion of Moseson & Associates (see "**Real Estate Tax Opinion**"), assuming certain qualifications (such as the parcel on which the Townhouse Units are situated satisfying site eligibility requirements, the parcel not having been mapped as a public park or utilized as a private park for ten or more consecutive years prior to October 1, 1971, and construction complying with the requirements and obligations set forth in Section 421-b of the New York Real Property Tax Law, including amendments by the local legislative body and the rules and regulations promulgated pursuant thereto) are met and maintained, the Townhouse Units will be eligible for a partial real estate tax exemption during construction and for a period of 8 years following completion of construction, pursuant to Section 421-b. (The Real Estate Tax Opinion provides additional details as to the eligibility requirements for 421-b.) Under this law, as presently interpreted by the New York City Department of Finance and as implemented and supervised by the Department of Housing Preservation and Development ("HPD"), the exemption applies only to the "increase" in a property's assessed valuation above the assessment in the tax year prior to commencement of construction. The following amounts of the "increased" assessment are exempt from taxes during this eight year period:

Fiscal Tax Year (July 1 to June 30)	Percentage of Increased Assessment Exempt from Taxes
First through Second tax years	100%
Third tax year	75%
Fourth tax year	62.5%
Fifth tax year	50%
Sixth tax year	37.5%
Seventh tax year	25%
Eighth tax year	12.5%

The exemption expires at the end of the eighth year, at which time the entire assessment will be subject to taxation.

In the opinion of Moseson & Associates, during the eight (8) year period, the Townhouse Units will always be subject to a "minimum tax" equal to a portion of (i) the applicable portion of the assessed valuation of the Property for the tax year before construction began as allocated to the Townhouse Units as a whole (estimated to be 78% of the assessed value of the Property as a whole as set forth in the Real Estate Tax Opinion) for the tax year before construction began multiplied by (ii) the applicable tax rate in effect during each tax year. Thus, the minimum tax will fluctuate directly in proportion to changes in the tax rate.

In addition, assessments for local improvements (if any), and non-residential portions of the Property (except as set forth above) are not exempt from taxes.

Based on the assumptions stated above and below, (i) $66,444 in real estate taxes are projected for the Townhouse Units in the aggregate for tax year 2006/2007 and (ii) the real estate taxes projected for each Townhouse Unit for the first year of Condominium operation are based upon its applicable TRE Interest multiplied by the projected real estate taxes of $66,444 payable in the aggregate by all Townhouse Unit Owners.

Under State law, increases in a property's "actual" assessed value due to changes in its market value are to be phased in over 5 years in equal annual increments of 20% by means of a "transition" assessment. Any further increase in the "actual" assessed value during such 5 year period resulting from a still higher market value is to be similarly phased in over an additional 5

year period from the tax year of such increase. In any given year, taxes are payable on the lower of either the "actual" or "transition" assessment.

NOTE: The projected real estate tax payable by the Townhouse Units is predicated on an application made by Sponsor pursuant to Section 421-b and Rules of HPD for an exemption from the payment of taxes based on an increase in the improvement valuation from the improvement assessed valuation prior to construction.

The projections are not guaranteed. The real estate taxes for any year will vary in accordance with the tax rate, the Townhouse Units' assessed valuation and the percentage of the assessed valuation then exempt from taxation.

The foregoing projections assume:

(i) the Property's real estate tax exemption under Section 421-b will be in effect starting July 1, 2006.

(ii) the tax year 2003/2004 will be regarded as the tax year prior to commencement of construction for purposes of determining the minimum tax.

(iii) the tax rate for the Townhouse Units for tax year 2006/2007 will be $15.094 per $100 of assessed valuation; and

(iv) the Townhouse Unit's assessed value will be apportioned 100% to the Townhouse Units in proportion to their respective TRE Interests and/or relative purchase price;

SPECIAL NOTE: Until the Units are separately assessed, real estate taxes assessed against the Property will be treated as a Common Expense, to be borne solely by Units for which a temporary or permanent certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (the first half or second half of the applicable real estate tax year) for which real estate taxes are being paid by the Condominium Board.

After the Section 421-b tax benefits are in effect and the Townhouse Units are separately assessed, the real estate taxes payable by Townhouse Unit Owners will be reduced to the "minimum tax" described above, plus the percentage of the real estate taxes that are phased in during the third through eighth years of the partial tax exemption under Section 421-b.

While the Sponsor will use its best efforts to obtain Section 421-b tax exemption benefits as described in this Plan, no representation or warranty is made as to when or whether the application for Section 421-b tax exemption benefits will be approved or as to the amount of any tax exemption that may actually be received or, if and when received, as to whether any particular set of vertically-stacked Townhouse Units shall continue to be eligible for such benefits.

As estimated by Moseson & Associates as set forth in the Real Estate Tax Opinion, the projected total assessed valuation of all Outdoor Parking Space Units in the aggregate after completion of construction of the Project (assuming construction is completed and a temporary

Certificate of Occupancy for all Units in the Project or a Permanent Certificate of Occupancy for all Units in the Project will be issued no later than June 30, 2006) is $149,066 for tax year 2006/2007.

Based upon the Real Estate Tax Opinion and assuming a projected tax rate of $15.094 per $100 of assessed value (which tax rate may change from time to time), the projected real estate taxes for tax year 2006/2007 payable by all of the Outdoor Parking Space Units, in the aggregate, is $22,500, and the projected real estate taxes payable by each Outdoor Parking Space Unit Owner is approximately $900 per year for tax year 2006/2007, assuming that the projected total real estate taxes payable by all 25 Outdoor Parking Space Units are equal. This is only an estimate and projections of real estate taxes in the Plan are not guaranteed.

Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall make all tax benefit documents available to the Condominium Board for inspection and copying for the life of the benefits and file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

On or after the filing and recording of the Condominium Declaration and the issuance a deed for a Unit, a separate tax lot is to be or will have been created for each Unit in the Condominium. After creation of the separate tax lot for a Unit the local assessor ("assessor") apportions the assessed valuation of the Property to each of the newly created tax lots representing the Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property to a tax lot in a manner consistent with the real estate tax projections for the respective Units as set forth in the Plan. Moreover, there can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Unit or the Property as described above on or after such apportionment or for any reason. Such an increase may increase a Unit Owner's real estate taxes above the amounts estimated on Schedule A.

Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to the newly created tax lot representing the Unit is officially made, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit (unless such real estate taxes are included in Common Charges and represent real estate taxes assessed against a Unit which is owned as part of the Common Elements) nor will his Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit (except to the extent provided above in this sentence). However, until separate tax bills are available for each Unit, real estate taxes will be paid by the Condominium as a Common Expense, to be borne solely by Units for which a temporary certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (half year or quarterly period, as the case may be) (collectively, "Completed Units") for which real estate taxes are being paid by the Condominium Board. This means, in effect, that prior to separate assessment, the real estate taxes for the Property will be apportioned to such Units based on their relative Common Interests, subject to adjustment by the Board of Managers which is required once the Units are separately assessed, as agent of the Unit Owners, (i) to assess any Unit Owners who have underpaid real estate taxes with respect to their Completed Units based on the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real

Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s), and (ii) to likewise reimburse any Unit Owners for overpayment of taxes based on the initial assessed valuation of their Completed Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s). It should be noted that both the tax rate and the assessed valuation of the Property may be changed from time to time.

Sponsor reserves the right both (1) to prosecute any tax certiorari proceedings challenging the assessed valuation of the Property, in the tax year in which the Closing Date takes place, and any preceding tax year, in its own name and/or the name of the Condominium, the Condominium Board or the Unit Owners by attorneys selected by Sponsor, and (2) to settle any such proceedings in its sole discretion and without the consent of the Condominium Board or the Unit Owners. After deducting the cost of such proceedings including, without limitation, attorney's and other experts' fees and expenses, any tax refunds obtained, attributable to either: (i) any tax year ended prior to the Closing Date, shall be paid to the Sponsor, or (ii) any tax year commencing after the Closing Date, may be retained by the Condominium or the appropriate Unit Owners as the case may be, or (iii) the tax year in which the Closing Date occurs shall be apportioned between the Sponsor and the Condominium as of the Closing Date.

Purchasers are referred to the column of Schedule A which sets forth the estimate of the monthly real estate taxes payable by each Unit during the projected First Year of Condominium Operastion. Such estimate is based on the following assumptions: (i) projected assessed valuation upon completion of construction of all Multi-Family Units, Indoor Parking Space Units and Townhouse Units, as estimated by Moseson & Associates will be $3,615,303 for tax year 2006/2007, (ii) the projected assessed value of the Outdoor Parking Space Units upon completion of construction as estimated by Moseson & Associates will be $149,066, (iii) the applicable tax rate for tax year 2006/2007 will be $15.094 per $100 of assessed valuation for all Townhouse Units; $12.216 per $100 of assessed value for all Multi-Family Units and Indoor Parking Space Units, and $15.094 per $100 of assessed valuation for all Outdoor Parking Space Units, and (iii) the Property's assessed value will be apportioned (A) 20% to the Multi-family Units and Indoor Parking Spaces Units in the aggregate, 78% to the Townhouse Units in the aggregate and 2% to the Outdoor Parking Space Units in the aggregate and with no allocation to the Marina Unit and (B) (1) in the case of the 20% projected to be apportioned to the Multi-Family Units and Indoor Parking Space Units, among such Units, in accordance with their respective MRET Interests, (2) in the case of the 78% projected to be apportioned to the Townhouse Units, among such Units, in accordance with their respective TRE Interests and (3) in the case of the 2% projected to be apportioned to the Outdoor Parking Space Units, among such Units, equally. As noted above, there can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Unit or the Property or that the Units will be assessed in accordance with the methods used for the projections contained in the Plan.

COUNSEL'S TAX OPINION LETTER

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December 30, 2005

Emmons-Sheepshead Bay Development LLC
22 Seventh Avenue
Brooklyn, New York 11217

Re: Condominium Offering Plan for
The Breakers at Sheepshead Bay Condominium at
3112-3144 Emmons Avenue
Brooklyn, New York (the "Plan")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the availability of certain deductions for Federal, New York State and New York City income tax purposes to persons who purchase Residential Units in The Breakers at Sheepshead Bay Condominium (the "Condominium") for residential use (the "Unit Owners") under the Plan, (ii) the treatment for such income tax purposes of the Common Charges paid or borne by the Residential Unit Owners, and (iii) whether the method used to determine the undivided percentage interest of each Unit in the Common Elements of the Condominium complies with New York Real Property Law Section 339-i ("Section 339-i"). Except where otherwise indicated herein, the terms used in this opinion have the same meanings as in the Plan.

In this connection, we have reviewed the Plan, the relevant sections of the Internal Revenue Code of 1986, as amended ("Code"), the New York State Tax Law ("State Tax Law"), the New York City Administrative Code and the Regulations promulgated thereunder, Section 339-i, and such other materials as we deemed relevant.

1 Deductibility of Mortgage Interest and Real Estate Taxes.

Pursuant to the Plan, a Residential Unit Owner will own his Unit, which may consist of a Residential Unit alone or a Residential Unit together with one or more Parking Space Units, and such Unit(s) appurtenant interest(s) in the Common Elements in fee simple, and, once each Unit is separately assessed for real estate taxes as provided in the Plan, each Unit will be taxed as a separate tax lot for real estate tax purposes. Each Unit Owner may mortgage his Residential Unit and Parking Space Unit and become individually liable for the payment of the principal and any

finance charges or interest on such mortgage indebtedness. In our opinion, under Sections 163 and 164 of the Code, respectively, a Residential Unit Owner will, for federal income tax purposes, be entitled to a deduction for interest paid with respect to such mortgage indebtedness and for real estate taxes paid with respect to a Unit during a taxable year, subject, however, to the conditions discussed below. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

An individual owner of a Residential Unit or a Residential Unit and Parking Space Unit who uses such Unit(s) for personal purposes may only deduct interest on debt secured by such Unit(s) if such debt was incurred to acquire, construct or substantially improve his principal residence or designated secondary residence but only to the extent the principal amount of all such debts does not exceed $1 million ($500,000 for married persons filing separately) in the aggregate and such debts are secured by such residence. In addition, an individual may deduct, generally, the interest on other debt secured by such residences to the extent the principal amount is not in excess of $100,000 ($50,000 for married persons filing separately).

The deductions for real estate taxes and mortgage interest incurred with respect to a Residential Unit which the Unit Owner uses for personal purposes are itemized deductions which are subject to the overall limitation on itemized deductions imposed by Section 68 of the Code. Pursuant to Section 68, if a taxpayer's adjusted gross income exceeds the "Applicable Amount" set forth in Section 68(b) of the Code, such person's itemized deductions are reduced by the lesser of (1) 3 percent of the amount by which such taxpayer's adjusted gross income exceeds the Applicable Amount, or (2) 80 percent of the amount otherwise allowable as an itemized deduction. The Applicable Amount is $100,000; adjusted for inflation for 2005, the inflation adjusted Applicable Amount is $145,950. The Applicable Amount for married persons filing separately is one-half of the foregoing amount.

Taxpayers who intend to use a Residential Unit or a Parking Space Unit in a trade or business or to hold a Residential Unit or Parking Space Unit for the production of rental income may be subject to the passive activity loss rules of Code Section 469. Taxpayers who intend to hold a Residential Unit or Parking Space Unit for investment will be subject to the investment interest rules of Code Section 163(d). Such taxpayers should consult their personal tax advisers as to the effect of Code Section 469 or 163(d) on deductions arising out of ownership of a Unit.

It is also our opinion that an individual Residential Unit Owner will, for New York State income tax purposes (and if such Unit Owner is a New York City resident, then for New York City resident income tax purposes), likewise be entitled to a deduction equivalent to that which is allowed for federal income tax purposes for such mortgage interest and real estate taxes paid or accrued during the taxable year. New York imposes its own limitation on itemized deductions. If a taxpayer's adjusted gross income is more than $100,000 ($150,000 for those whose filing status is head of household and $200,000 if married and filing jointly) New York itemized deductions are reduced by up to 25%.

A taxpayer may be subject to the alternative minimum tax ("AMT") if the tax computed on that basis exceeds his regular income tax. Certain deductions are not allowed in computing a taxpayer's income for AMT purposes including, generally, deductions both (1) with respect to a mortgage interest on a personal residence which is not "qualified housing interest" and (2) with respect to real estate taxes payable in connection with such residence. Interest in connection

with debts incurred to acquire, construct or substantially improve a principal residence or designated secondary residence used by the taxpayer is "qualified housing interest" which can be deducted in full in computing taxable income for AMT purposes.

2 Common Charges.

Common Charges will be borne by Unit Owners and assessed and collected by the Board of Managers of the Condominium ("Board"). Under Code Section 528, a condominium board may be eligible to elect to be exempt from federal income tax on Common Charges collected from the Unit Owners, provided the requirements of Section 528 are met.

Section 528 permits a condominium management association to elect its benefits only if (a) substantially all of the units are used by individuals for residences, and (b) the condominium management association is:

1. organized and operated to provide for the acquisition, construction, management, maintenance and care of association property;

2. 60 percent or more of the gross income of the association for the taxable year must consist solely of amounts received as membership dues, fees, or assessments from owners of residential units;

3. 90 percent or more of the expenditures of the organization for the taxable year are expenditures for the acquisition, construction, management, maintenance and care of association property; and

4. No percent of the net earnings of the organization may inure (other than by acquiring, constructing, or providing management, maintenance and care of the association property, and other than rebate of excess membership dues, fees or assessments) to the benefit of any private shareholder or individual.

Treasury Regulation §1.528-4(b) provides that substantially all of the units will be treated as used by individuals for residences only if at least 85% of the total square footage of all Units is used as such residences and for purposes of this opinion we are assuming that at least 85% of the total square footage of all Units will be used for residences. The condominium is comprised of Residential Units, Parking Space Units and a Marina Unit. With regard to the Parking Space Units, Treasury Regulation §1.528-4(b) provides that units which are used for purposes auxiliary to residential use shall be considered used for residential purposes. Accordingly, the Parking Space Units should be considered as used for residential purposes although no warranty can be made in this regard. The Marina Unit currently consists of vacant land. For purposes of this opinion, it is assumed that the Marina Unit will not qualify as residential use.

While no warranty or guarantee is made that the Condominium is permitted to make an election under Section 528 of the Code, it should be noted that the Condominium would, even if permitted to make an election under Section 528 of the Code, still be required to pay tax on any taxable income it may receive. For this purpose, "taxable income" is defined as the excess, if any, of (a) the gross income for the taxable year (other than "exempt function income" as defined below) over (b) the deductions allowed by the Code which are directly connected with the

production of such gross income (excluding "exempt function income") computed with certain modifications provided in Section 528. "Exempt function income" is defined as any amount received as membership dues, fees or assessments from owners of condominium housing units.

If an election under Section 528 is not available or in effect for a taxable year, the tax status of the Board will be governed by the rules in effect prior to the enactment of Section 528, under which the tax status of the Board is uncertain.

Because the By-Laws provide that the Board will act as agent of the Unit Owners, the Board may take the position that it simply acts as agent for the Unit Owners and is not a separate taxable entity. In such a case, the Unit Owners would include in their gross income, and be taxed on, income derived by the Board, which may include interest or similar income which is earned from interim investments of the amounts which are assessed and collected from the Unit Owners, and may also include income from any concession and other rental income.

However, the Internal Revenue Service may contend that, for purposes of those matters administered through the Board, such as assessment and expenditure of Common Charges, the Board constitutes an association separately taxable as a corporation, See, Code Section 7701(a)(3); Treasury Regulation §§301.7701-2. In such event, the Board may be deemed to be subject to federal corporate income tax on the Common Charges, which in such case would be deemed to constitute gross income of the Board to the extent that the Common Charges (together with any income earned from other sources, such as interim investments of funds by the Board) exceed the current expenses paid or incurred by the Board that would be deductible for federal income tax purposes. In such case, the Board may likewise be subject to the New York State Corporation Franchise Tax. See, e.g., Department of Taxation and Finance Advisory Opinion TSB-A-97(24)C (September 30, 1997). Likewise, the Board will be subject to the New York City General Corporation Tax.

Even if the Board is treated as a separate taxable entity, published rulings indicate that Common Charges assessed by the Board should not constitute gross income of the Board to the extent that they are designated for use solely to make specified capital improvements and are maintained in a separate bank account, because either the Board is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected (Rev. Rul. 75-370, 1975-2 C.B. 25) or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the Board (Rev. Rul. 75-371, 1975-2 C.B. 52; cf., Concord Village, Inc., 65 T.C. 142 (1975)). However, if such Common Charges are treated as contributions to capital, it should be noted that when such amounts (together with any other funds accumulated by the Board) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be subject to tax on his *pro rata* share of the amount expended to the extent of the earnings of the Board.

In the event that the Board is required to pay any federal, New York State or New York City income or franchise taxes, and an additional assessment is made in order to meet such tax liability, the additional amount collected through such assessment may itself be subject to tax. See, Old Colony Trust Co. v. Commissioner, 279 U.S. 716 (1929); Rev. Rul. 74-75, 1974-1 C.B. 19.

3 Compliance with Real Property Law Section 339(i).

Section 339-i.1 requires that the Common Interest of each Unit be based on any one of the following methods of calculation:

(i) the approximate proportion that the fair value of the unit at the date of the declaration bears to the then aggregate fair value of all the units;

(ii) the approximate proportion that the floor area of the unit at the date of the declaration bears to the then aggregate floor area of all of the units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all units in a part or parts of the common elements;

(iii) in equal percentages, one for each unit as of the date of filing the declaration, or in equal percentages within separate classifications of units as of the date of filing the declaration; or

(iv) 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.

Section 6 of the Declaration states that "the Common Interest of each Unit in the Common Elements ... (is) based upon floor space, subject to the location of such space and additional factors of relative value of such space 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 Unit." The Declaration also provides that the aggregate Common Interests of all Units equal one hundred percent (100%).

In connection with this opinion, we have reviewed the opinion of Wilk Real Estate Ltd. included in Part I of the Plan, the information provided by you on Schedule A and the Floor Plans and have assumed the statements and information contained therein are correct and accurate. We have not reviewed or verified the calculations of floor areas used in determining the sizes of Units or the Common Elements, which calculations have been furnished by you.

Based on the foregoing factors and the factual opinion of Wilk Real Estate Ltd. with respect to the allocation of the Common Interest among the Units made by the Sponsor, it is our opinion that the requirements of Section 339-i have been met.

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

Thus, this opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units are

acquired and/or leased by the Board. Purchasers must also be aware that under certain circumstances a Unit Owner, by virtue of his ownership of a Unit, may be deemed to become a resident of New York City and that no opinion is expressed herein as to the circumstances under which this may occur, or with respect to the income, estate or other tax consequences that may arise therefrom. Each person contemplating the purchase of a Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

We make no warranty that the Internal Revenue Service, the New York State Department of Taxation and Finance or The Department of Finance of the City of New York will accept any or all of the views stated above. Moreover, the Federal and State tax laws and Regulations (and the rulings and decisions thereunder) may change and thereby affect the views stated above in whole or in part.

NO WARRANTIES ARE MADE THAT 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 LAWS UPON WHICH THE COUNSEL TO THE SPONSOR BASE ITS OPINION (SET FORTH ABOVE) WILL NOT CHANGE AND IN NO SUCH EVENT WILL THE SPONSOR, THE SPONSOR'S COUNSEL, THE CONDOMINIUM BOARD, COUNSEL TO 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 STATE TAX LAW, 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.

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS, ANY U.S. FEDERAL TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY PERSON FOR PURPOSES OF AVOIDING ANY PENALTIES THAT MAY BE IMPOSED UNDER THE INTERNAL REVENUE CODE. IN ADDITION, ANY U.S. FEDERAL TAX ADVICE CONTAINED IN THIS OPINION IS WRITTEN TO SUPPORT THE PROMOTION AND MARKETING BY OR TO ANOTHER PARTY OF THE TRANSACTION(S) OR MATTER(S) ADDRESSED IN THIS OPINION. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Part 3 of the foregoing opinion is confined to the matters addressed herein with respect to Section 339-i and is not intended, nor should be construed, as an opinion on other aspects of the

Plan, such as the valid creation of a condominium, which is to be determined by a title insurance company.

The opinions contained herein are based upon our review of applicable statutory law and judicial precedent existing as of the date hereof, and we express no opinion as to the effect of any law that is hereafter enacted or any court case that is hereafter decided. We assume no obligation to update or supplement this opinion to reflect any changes in statutory law or judicial precedent, or any changes in fact or circumstances, that may hereafter come to our attention pertaining to the subject matter hereof.

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

Very truly yours,

Troutman Sanders LLP

TROUTMAN SANDERS LLP

REAL ESTATE TAX OPINION

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MOSESON & ASSOCIATES
768 Empire Avenue
Far Rockaway, NY 11691
Telephone (718) 327-4779
Fax (718) 327-5737

June 7, 2005

Emmons-Sheepshead Bay Development LLC
c/o Troutman Sanders LLP
405 Lexington Avenue
New York, NY 10174
Attn: Jacob Pinson, Managing Member
c/o Daniel Slatz, Esq.

Troutman Sanders LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174
Attn: Daniel Slatz, Esq.

Re: 3112-3126 and 3128-3140A Emmons Avenue, and
3144 Emmons Avenue, Brooklyn, NY
Block 8815, Lot 86, Kings County

Dear Messrs. Pinson and Slatz:

You have requested me to advise Emmons-Sheepshead Bay Development LLC (the "Sponsor") with respect to the applicability of the City of New York's program for partial real estate tax exemption under Section 421-a and Section 421-b of the Real Property Tax Law ("RPTL") to the proposed residential development (the "Project") of the above referenced property (the "Property"), and the procedure therefor.

In order to provide you with such advice, we have assumed:

A. That the following representations made to us by Sponsor and Sponsor's architects are true:

1. The development of the above-referenced property (the "Property") will have two building types: three-story, two family townhouse units (the "Townhouse Units"), and an apartment building with an indoor garage (the "Multifamily Building"). Parking also will be located outdoors;

2. Sponsor commenced construction of the Townhouse Units on or about April 19, 2004, based on an approved new building permit issued by the New York City Department of Buildings ("DOB"), the plans for which complied with RPTL §421-b and Rules of the City of New York (the "Rules") governing Partial Tax Exemption for Private Dwellings pursuant to §421-B of RPTL (28 RCNY §7-01 et seq; the "§421-b Rules");

3. Sponsor expects to commence construction on the Multifamily Building based on an approved new building permit to be issued by DOB on or before June 1, 2005, the plans for which comply with the Rules governing Partial Tax Exemption Pursuant to § 421-a of the RPTL and § 11-245 of the Administrative Code of the City of New York (28 RCNY § 6-01 et sq; the "§421-a Rules");

4. Upon completion of construction, the Multifamily Building will be classified as Class A Multiple Dwellings pursuant to the Multiple Dwelling Law; the Townhouse Units will be classified as private dwellings pursuant to the Multiple Dwelling Law;

5. The portion of Property comprising the Multifamily Building will have been underutilized (as defined in the Section 6-02(f)(3) of the §421-a Rules) for 36 months prior to the commencement of construction of the Multifamily Building;

6. The Townhouse Units and the Multifamily Building will be used for dwelling purposes for a period of at least eight years and fifteen years, respectively, following their respective completion;

7. Construction of the Townhouse Units is expected to be complete, and for the purpose of this opinion, it is assumed that construction of the Townhouse Units will be complete, by December 31, 2005, but in any event will be complete on or before April 18, 2006. Construction of the Multifamily Building is expected to be complete by December 31, 2006, but in any event, will be completed on or before May 31, 2008. However, for the purpose of this opinion, it is assumed that construction of the Multifamily Building will be complete by December 31, 2005;

8. An application for Preliminary Certificate of Eligibility ("PCE") was filed with HPD upon the commencement of the foundation for the Townhouse Units, and an application for a PCE will be filed with HPD upon of the commencement of the foundation for the Multifamily Building;

9. Upon completion, the Project will be a condominium consisting of seventy-five residential units and sixty-six parking spaces. Twenty-nine residential units and forty-one parking spaces will be in the Multifamily Building. Forty-six residential units will be in the Townhouse Units. Twenty-five parking spaces will be outdoors (the "Outdoor Parking");

10. The portion of the Property comprising the Townhouse Units prior to construction is deemed to be approximately 78% of the value of the Property;

11. The portion of the Property comprising the Multifamily Building prior to construction is deemed to be approximately 20% of the value of the Property;

12. The portion of the Property comprising the Outdoor Parking prior to construction is deemed to be approximately 2% of the value of the Property; and

B. That the following information, derived from the NYC Department of Finance's website, or based upon such information and the representations set forth in Section A, above, is true:

1. The assessed valuation of the Property as a whole prior to the commencement of construction was $675,000;

2. The taxes applicable to the Property as a whole prior to the commencement of construction were $85,185;

3. The tax class and rate for one and two family residential buildings prior to commencement of construction of the Townhouse Units was Class 1 and $14.550 per $100 of assessed value;

4. The tax class and rate for multifamily buildings prior to commencement of construction of the Multifamily Building is Class 2 and $12.620 per $100 of assessed value;

5. The tax class and rate for outdoor parking spaces prior to commencement of construction of the Outdoor Parking was Class 1 and $14.550 per $100 of assessed value;

6. Prior to the commencement of construction, the assessed value of the portion of the Property now attributable to the Townhouse Units would have been approximately $526,500; and that the taxes

applicable to the portion of the Property now attributable to the Townhouse Units, and would have been $66,444;

7. Prior to the commencement of construction, the assessed value of the portion of the Property now attributable to the Multifamily Building would have been $135,000, and that the taxes applicable to Property now attributable to the Multifamily Building would have been $17,037; and

8. Prior to the commencement of construction, the assessed value of the portion of the Property now attributable to the Outdoor Parking would have been $13,500, and that the taxes applicable to the portion of the Property now attributable to other Outdoor Parking would have been $1,704; and

C. That upon completion of construction, and for all relevant exemption periods thereafter:

1. It is estimated that the total assessed value of the Townhouse Units will be $1,523,784;

2. It is estimated that the total assessed value of the Multifamily Building will be $2,091,519;

3. The tax rate for the Townhouse Units will be as for Class 1 buildings, which is $15.094 per $100 of assessed value, which is the tax rate for tax year 2004/05 and is an increase over the tax rate for tax year 2003/04; and

4. The tax rates for the Multifamily Building will be as for Class 2 buildings, which will be $12.216 per $100 of assessed value, which is the tax rate for tax year 2004/05 and is a decrease from the tax rate for tax year 2003/04; and

D. That construction of the Townhouse Units and Multifamily Building will be performed and be completed, as described below, with the following agencies' review and approval:

1. Townhouse Units and the Multifamily Building will be constructed substantially in accordance with the plans and specifications described in Section A (2), above;

2. HPD will have been notified of any modifications to the plans for the Townhouse Units and the Multifamily Building;

3. HPD will have been notified of the "sell-out" price;

4. HPD will have determined that the portion of the Property comprising the Multifamily Building was "underutilized" for 36 months prior to the commencement of construction of the Multifamily Building;

5. A PCE will have been issued by HPD after commencement of construction and prior to the issuance of a temporary Certificate of Occupancy ("CO") for the Townhouse Units;

6. A PCE will have been issued by HPD after commencement of construction and prior to the issuance of a temporary CO for the Multifamily Building;

7. An application for a Final Certificate of Eligibility ("FCE") will have been filed within 90 days of the issuance of temporary COs or permanent CO's for the Townhouse Units and the Multifamily Building, respectively;

8. Copies of such FCEs and of the temporary or permanent COs for the Townhouse Units and the Multifamily Building, respectively, will have been filed with the NYC Department of Finance after the issuance of such FCEs; and

9. There will have been no change in Section 421-a, Section 421-a Rules, Section 421-b or the Section 421-b Rules, or in the decisional law.

CONCLUSION

Provided that all of the foregoing representations and assumptions are true, we conclude that residential units in the Townhouse Units and the residential units and the parking space units in the Multifamily Building will be eligible for the partial real estate tax exemption provided under RPTL Section 421-b and RPTL Section 421-a, respectively.

Real Estate Tax Consequences Regarding Townhouse Units

Provided that foregoing representations are true and that the assumptions and projections stated above as to the future are borne out to be valid, then upon completion of construction of the Townhouse Units, but for the Section 421-b partial tax exemption, the real estate taxes for tax year 2006/2007 pertinent to all of the Townhouse Units, would be $230,000.

However, the Townhouse Units should be entitled to a Section 421-b tax benefit under current law. Generally, under Section 421-b, 100% of the increased assessed value of the property resulting from the improvement of private dwellings thereon (i.e., the assessed value above the pre-construction assessed value) is exempt from taxation during construction (for a period of two years) and during the two (2) years following the first taxable status date immediately following completion of construction. The exemption declines to 75% of the increased assessed value for the third (3rd) year following completion of construction, and is further reduced by an additional 12-1/2% for each of the succeeding five years.

Thus, as a result of the Section 421-b partial tax exemptions, the real estate taxes pertinent to the Townhouse Units for the period immediately following the completion of construction and prior to the next taxable status date thereafter will be $66,444;

The real estate taxes pertinent to the Townhouse Units during tax years 2006/2007 and 2007/2008 (the two years following the first taxable status date immediately following completion of construction as set forth in Section A(7)) will be $66,444. Thereafter, the real estate taxes will escalate as follows:

Year	Old AV Prior to Construction	+	Non Exempt P/O Increased AV	=	Taxable AV	x	Tax Rate	=	Tax
2008/2009	526,500	+	249,321 (75% exemption)	=	775,821	x	.15094	=	$ 117,102
2009/2010	526,500	+	383,954 (62.5% exemption)	=	910,454	x	.15094	=	$ 137,424
2010/2011	526,500	+	498,642 (50% exemption)	=	1,025,142	x	.15094	=	$ 154,735
2011/2012	526,500	+	623,303 (37.5% exemption)	=	1,149,803	x	.15094	=	$ 173,551
2014/2013	526,500	+	747,963 (25% exemption)	=	1,274,463	x	.15094	=	$ 192,367
2013/2014	526,500	+	872,624 (12.5% exemption)	=	1,399,124	x	.15094	=	$ 211,184

Following this eight-year period of partial exemption, the real estate taxes for the Townhouse Units will be approximately $230,000. It is projected that each Owner of a Townhouse Unit will pay real estate taxes, subject to the partial tax exemption during such exemption period, based on either (a) the unit's "proportional share" of the real estate taxes

imposed on the Townhouse Units, based on their aggregate assessed value (such "proportional share" being equal to the percentage such unit's percentage common interest bears to the aggregate of the common interests of all Townhouse Units, or (b) the real estate taxes imposed on such unit based on such unit's assessed value.

You also are advised that the foregoing projections are only estimates and it is unlikely that the post-construction assessed value or tax rate will remain constant for the 8-year Section 421-b exemption period. Thus, the actual assessment and the real estate tax for each Unit in the Townhouse Units after the exemption period may be more or less than the amount estimated herein. Moreover, if any of the foregoing requirements or conditions, however, should not be met to the satisfaction of HPD, or if any of the foregoing representations should prove to be inaccurate, then, unless the Rules are modified to remove or change any requirement or condition that is not met, the Townhouse Units would not qualify for the partial real estate tax exemption provided under Section 421-b and the Townhouse Units would be taxed based on the actual assessed value.

Real Estate Tax Consequences Regarding Multifamily Building

Provided the foregoing representations are true and that the assumptions and the projections stated above as to the future are borne out to be valid, then upon completion of construction of the Multifamily Building, but for the Section 421-a partial tax emption, the real estate taxes for tax year 2006/2007 pertinent to the Multifamily Building would be $255,500.

However, the residential and parking space Units in the Multifamily Building should be entitled to Section 421-a tax benefits under the present law. Generally, under Section 421-a, 100% of the increased assessed value of the property resulting from the improvement of a multifamily building (condominium or cooperative) thereon (i.e., the assessed value above the pre-construction assessed value) is exempt from taxation during construction (up to three years) and during the eleven (11) years following the first taxable status date immediately following completion of construction. The exemption declines to 80% of the increased assessed value for the twelfth (12th) year and is further reduced by an additional 20% for each of the succeeding three (3) years. Following the 15-year period, the unit owners in the Multifamily Building will pay real estate taxes on their respective units, according to the tax rate then in effect, without the benefit of any exemption.

Thus, as a result of the Section 421-a partial tax exemption, the real estate taxes pertinent to the Multifamily Building, during tax years 2006/2007 through 2016/2017 (the eleven years following the first taxable status date immediately following estimated date for

completion of construction as set forth in Section A (7), will be $17.037. Thereafter, the real estate taxes would escalate as follows:

Year	Old AV Prior to Construction		Non Exempt P/O Increased AV		Taxable AV		Tax Rate		Tax
2017/2018	135,000	+	391,304 (80% exemption)	=	526,304	x	.12216	=	$ 64,293
2018/2019	135,000	+	782,608 (60% exemption)	=	917,608	x	.12216	=	$112,095
2019/2020	135,000	+	1,173,911 (40% exemption)	=	1,308,911	x	.12216	=	$159,897
2020/2021	135,000	+	1,565,215 (20% exemption)	=	1,700,215	x	.12216	=	$207,698

Following the fifteen year period of partial exemption from real estate taxes, the real estate taxes for the Multifamily Building will be approximately $255,500. It is projected that each owner of a residential unit or a parking space unit in the Multifamily Building will pay real estate taxes, subject to the partial tax emption during such exemption period, based on either (a) the unit's "proportional share" of the real estate taxes imposed on the Multifamily Building, based on the aggregate assessed value of all of the residential units and parking units therein (such "proportional share" being equal to the percentage that each such unit's common interest bears to the aggregate of the common interests of all units and parking space units in the Multifamily Building), or (b) the real estate taxes imposed on such unit based on such Unit's assessed value.

You are also advised that the foregoing projections are only an estimate and it is unlikely that the post-construction assessed value or tax rate will remain constant for the 15-year Section 421-a exemption period. Thus, the actual assessment and real estate tax for each residential or parking space unit in the Multifamily Building may be more or less described herein. Moreover, if any of the foregoing requirements or conditions should not be met to the satisfaction of HPD, or if any of the foregoing representations or assumptions should prove to be inaccurate, then, unless the Rules are modified to remove or change any requirement or condition that is not met, or some other factor affects the calculations, the Multifamily Building would not qualify for the partial real estate tax exemption provided under Section 421-a.

Real Estate Tax Consequences Regarding Outside Parking

The twenty-five Outdoor Spaces are not expected to benefit from either Section 421-a or Section 421-b treatment. Assuming (i) that upon completion of construction the assessed value of the Outdoor Spaces is $149,066, (ii) that outdoor parking spaces will be taxed at the rate of $3.00 per square foot, as they are currently taxed, (iii) each space is 300 square feet, and (iv) the applicable tax rate is $15.094 per $100 of assessed value, as it is currently, then each space would be expected to pay real estate taxes of approximately $900 per year for tax year 2006/2007.

We have been retained by you to undertake the procedures outlined in this letter and we consent to the inclusion of this letter in any offering plan with respect to the project. We make no representations and express no opinion as to whether or not any or all of the requirements and conditions set forth herein will be fulfilled.

Although the estimates of the 2006/2007 assessed valuations for the Townhouse Units, Multifamily Building and Outdoor Spaces set forth herein are good faith estimates, it is not possible to estimate it with any degree of certainty, and thus such assessed valuation when actually made, may be lesser or greater than as estimated. In no event will my firm, the Sponsor, the Sponsors' counsel, the Condominium Board or any other person be liable if the assessed valuation when actually made, is lesser or greater than predicted if the Administrative Code and the applicable rules and regulations of the City of New York are fn the future changed or if the facts as represented to my firm prove to be untrue.

As President of Moseson &Associates a real estate tax consulting firm, I have represented homeowners, real estate developers, attorneys, and corporations since 1983 in dealings with the NYC Department of Housing Preservation and Development.

I specialize primarily in obtaining Section 421-a, Section 421-b, ICIP, and J-51 tax abatements for my clients.

Very truly yours,

MOSESON & ASSOCIATES

BY: /S/
Jacob Moseson

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RESERVE FUND

No funds have been set aside by Sponsor as a reserve fund for capital expenditures. Since the Buildings are being newly constructed as set forth in "**Description of Property, Specifications and Building Condition**" and certain major components and systems of the Buildings will be covered by third-party warranties or limited warranties of varying duration (although, to the extent it otherwise might apply to the Common Elements and Units, Sponsor has excluded the Housing Merchant Implied Warranty), it is not anticipated that there will be any major capital expenditures needed for the Common Elements within five years after the Closing Date. However, since no reserve fund is being funded by Sponsor under this Plan and the First Year Budget does not provide for yearly contributions to a reserve fund for capital expenditures, Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within five years following the Closing Date should such capital expenditures be needed. However, the First Year Budget as set forth in this Plan provides for an amount for contingencies, which the Board may elect to use to apply to some or all of the costs of any such needed capital expenditures. In addition, the Board may also elect to apply some or all of the Working Capital Fund to such costs. No representation is made by Sponsor that the Working Capital Fund or other funds of the Condominium, if any, will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required over and above the Working Capital Fund (and such other funds, if any) for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges.

WORKING CAPITAL FUND

A working capital fund ("Working Capital Fund") for the Condominium shall be established as follows: Upon the closing of the purchase of a Unit from Sponsor, the Purchaser will be required to pay to the Condominium an amount equal to one month's common charges for such Unit ("Unit Working Capital Fund Contribution") as initial working capital. This contribution is not refundable or transferable if Purchaser sells his Unit.

The Working Capital Fund may be used by the Condominium for working capital and for other purposes as determined by the Board.

Sponsor shall have no obligation to establish or make any contributions to a working capital fund or reserve fund of any kind with respect to the Condominium or the Property.

So long as a majority of the members of the Board are Sponsor's representatives, Sponsor's representatives shall not use the Working Capital Fund to reduce the Common Charges projected in Schedule B.

No representation is made by Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required over and above the Working Capital Fund for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges.

Neither the Department of Law nor any other government agency has passed on the adequacy of the Working Capital Fund.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Summarized below are the terms of the management agreement and all of the contracts and leases made or to be made by Sponsor or the Board on or before the Closing Date, which will bind the Condominium on or after the Closing Date and which are not disclosed elsewhere in this Plan.

On or before the Closing Date, the Board on behalf of the Condominium will enter into an agreement, projected to be with Wentworth Property Management Inc., with offices at 3646 Nostrand Avenue, Brooklyn, New York 11229, to act as Managing Agent of the Property for a period of one year from the Closing Date. For its services, the Managing Agent will receive annual compensation of $20,000 as stated in Schedule B. The annual fee shall be payable in equal monthly installments. The management agreement will not be assignable by either party and may be canceled by either party for the other party's default of any substantial obligation thereunder after thirty (30) days' prior written notice and failure to cure the default within such thirty (30) days.

The services rendered to the Condominium by the Managing Agent will include (a) billing and collecting Common Charges (General Common Charges, Multi-Family Limited Common Charges and Townhouse Limited Common Charges) to and from the Residential Unit Owners and Parking Space Unit Owners and General Common Charges to and from the Marina Unit Owner(s); (b) causing the Common Elements of the Condominium other than any Marina Limited Common Elements (hereinafter, the "Managed Common Elements") to be serviced, maintained, repaired and altered in the manner deemed advisable by the Condominium Board, except that the Managing Agent shall not enter into any written contract in the name of the Condominium Board in excess of $1,000.00 for repairs, replacements, alterations, improvements, utilities or services to or of the Managed Common Elements or equipment thereon without the prior approval of the Condominium Board (other than in case of emergency); (c) employing, training, supervising, and discharging such employees of the Condominium Board, as are necessary for the operation and management of the Managed Common Elements; (d) maintaining, in full force and effect, all insurance required by the By-Laws, reasonably required by the Condominium Board; (e) maintaining records of cost and expenses incurred and income and receipts received in connection with the operation of the Managed Common Elements (and, with respect to insurance policies, with respect to the Property); (f) furnishing to the Condominium Board statements of operations of the Managed Common Elements and, if requested by the Condominium Board, an annual budget, setting forth a detailed projection of cash receipts, cash expenditures, working capital and other necessary reserves, and capital improvements and expenditures; (g) attending the meetings of the Residential Unit Owners, of the Condominium Board and of all Unit Owners as a group; and (h) paying, out of the Condominium Board's operating account, bills and invoices for the costs and expenses of operating the Condominium.

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

All out-of-pocket expenses incurred by the Managing Agent in performance of its duties under the Management Agreement will be reimbursed to the Managing Agent by the Condominium Board. In addition, the Managing Agent shall be entitled to the following additional compensation: for the sale or lease of any space or Unit acquired by the Condominium Board (only if requested by the Board), any commission mutually agreed upon, which commission shall be paid by the Condominium Board and charged to Unit Owners as a General Common Expense.

In addition, the Condominium Board will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the Management Agreement or the instructions of the Condominium Board or for personal injury or property damage not resulting from the Managing Agent's negligence or willful tortious acts or failure to comply with its obligations under the Management Agreement.

The insurance policy to be delivered by the Sponsor to the Condominium Board on the date of the First Unit Closing includes blanket employee dishonesty insurance (which includes acts of the Managing Agent and its employees) in the amount of $250,000. If requested by the Condominium Board, the Managing Agent shall, for the First Year of Condominium Operation, bond itself and all employees who handle, deal with or are responsible for monies of the Condominium Board under a fidelity bond in the amount of $50,000.00 for each loss, the cost of which fidelity bond shall be in addition to the expense currently budgeted for insurance and shall be a General Common Expense.

Although it is not anticipated that there will be any other contracts binding on the Condominium, except as disclosed above and as may be disclosed in the footnotes to Schedule B, Sponsor reserves the right, prior to the Closing Date, upon such terms and conditions to which Sponsor shall agree, to (a) renew, extend or modify any of the contracts summarized above, and (b) make other or additional labor, maintenance, service or concession contracts with respect to the Property. Thus the payments to be received and/or paid by the Condominium may be more or less than the amounts shown in Schedule B. However, if (i) the term of any new contract exceeds, or the term of any existing contract is extended for a period which exceeds two (2) years (or three (3) years in the case of any union contract), or (ii) the cost of any such new or modified contract materially increases any expense shown in Schedule B, then Sponsor will disclose such term, decrease in income or increase in expense, as the case may be, in a duly filed amendment to the Plan.

IDENTITY OF PARTIES

Sponsor is a New York limited liability company, formed on or about December 15, 2004. Sponsor's address is 22 Seventh Avenue, Brooklyn, New York 11217. The principal of Sponsor actively involved in the planning or consummation of this offering plan and who owns an interest in Sponsor is Jacob Pinson. Jacob Pinson has been involved in real estate development and/or management for over 15 years. Sponsor has not previously offered for sale cooperatives, condominiums, planned unit development homes or times shares which were initially offered within the past five years. During the past five years, Mr. Pinson has participated as a principal in initial offerings of cooperatives, condominiums, planned unit development homes or times shares with respect to the following other properties located in the

State of New York: 56 State Street, Brooklyn, New York and 616 Dean Street, Brooklyn, New York. Sponsor is the contract vendee for the Property pursuant to a net lease of the Property, dated December 29, 2004, between Emmons Avenue LLC, as landlord, and Sponsor, as tenant, which lease contains an option to purchase in favor of the tenant.

There are no cooperatives, condominiums and homeowners associations in New York State where the closing has occurred and where Sponsor or a Principal of Sponsor is an owner or Principal of the owner of shares or units therein and where in the aggregate such owner owns more than 10% of the shares or units, as the case may be, in such properties, other than the property at 616 Dean Street, Brooklyn, New York, with respect to which the Sponsor in which Jacob Pinson is a Principal owns more than 10% of the Unsold Units. The term "Principal" as used herein shall mean a "Principal" as presently defined under the regulations of the Department of Law of the State of New York.

Wentworth Property Management Inc., having an address at 3646 Nostrand Avenue, Brooklyn, New York 11229 ("Managing Agent") is the projected Managing Agent in connection with the Plan. Wentworth Property Management Inc. and/or related entities has been in business for approximately twenty (20) years and currently manages over 50 properties as condominiums or cooperatives, including the following properties in New York City: 444 East 87th Street, New York, New York; 1625 Emmons Avenue, Brooklyn, New York; Woodner House, 138-35 Elder Avenue, Flushing, New York; Oakwood Gardens, 215 31st Street, Brooklyn, New York; and Dayton Towers, Shore Front Parkway, Rockaway Beach, New York. Although Managing Agent has no ownership or proprietary interest in Sponsor, the Property, the Condominium or any other individual interest in this transaction, the Managing Agent may receive fees as compensation for services rendered in its capacity as Managing Agent. Individuals who are officers, directors or employees of Sponsor, the Selling Agent, the Managing Agent or their affiliates, respectively, may become Purchasers of Units.

Wilk Real Estate Ltd. (the "Selling Agent"), with an office at 626 Avenue U, Brooklyn, New York 11223, is the Selling Agent under the Plan. Wilk Real Estate Ltd. is licensed as a real estate broker in New York State and has been involved in the sale of real estate for over 16 years. The Selling Agent recently has acted as selling agent with respect to other condominiums, including the following condominiums located in Brooklyn: 2801-2805-2809 East 28th Street, Brooklyn, New York; 587 Kings Highway, Brooklyn, NY; 2246 84th Street, Brooklyn, New York; 1711 Sheepshead Bay Road, Brooklyn, New York; 76 Battery Avenue, Brooklyn, New York; 2827 Ocean Parkway, Brooklyn, New York; 2800-2900 Emmons Avenue, Brooklyn, New York; and 1313-1323 Avenue X, Brooklyn, New York. Although Selling Agent has no ownership or proprietary interest in Sponsor, the Property or the Condominium, the Selling Agent will receive commissions or fees for services rendered in its capacity as Selling Agent.

Sponsor's Architect is Elena Kalman Architect, having an office at 99 Wild Duck Road, Stamford, Connecticut 06903. Although Elena Kalman Architect has no ownership or proprietary interest in Sponsor, the Property or the Condominium, Elena Kalman Architect will receive fees as compensation for services rendered in its capacity as Sponsor's architect. Elena Kalman Architect and/or its sole proprietor has over 20 years of residential design experience and has been involved as an architect in the development of a number of other properties as cooperatives or condominiums including the buildings located at 57 Front Street, Brooklyn, New

York, 67 Front Street/41 Main Street, Brooklyn, New York, 675 Sackett Street, Brooklyn, New York, and 535 Dean Street, Brooklyn, New York.

Sponsor is represented by Troutman Sanders LLP, with offices at 405 Lexington Avenue, New York, New York 10174, in all matters generally relating to the Plan, including the preparation of the Plan.

REPORTS TO UNIT OWNERS

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

(1) a financial statement of the Condominium prepared by a certified public accountant or public accountant by four months after the end of each fiscal year. Such statement shall be a certified statement while Sponsor is in control of the Board; and

(2) prior notice of the annual Unit Owners' meeting.

In addition to the foregoing, the Condominium is to provide the Unit Owners with a copy of the proposed annual budget of the Condominium within fifteen (15) days prior to the date set for adoption thereof by the Board. While Sponsor is in control of the Board, such budget shall be certified by an expert in compliance with Section 20.4(d) of the Part 20 of Title 13 NYCCR.

DOCUMENTS ON FILE

Sponsor agrees that copies of this Plan and all exhibits and documents referred to herein shall be on file and available for inspection by prospective Purchasers and by any person who shall have purchased a Unit under this Plan or participated in the offering of such Units, at the office of Sponsor, and shall remain available for such inspection for a period of six (6) years from the date the Declaration is recorded. Sponsor shall deliver to the Condominium Board of Managers a copy of the filed Floor Plans and the filed Declaration at the time of the closing of the first Unit.

GENERAL

Pending Litigation

Except for any tax certiorari proceedings, there are no lawsuits or other proceedings now pending, or any judgments outstanding, either against Sponsor or the Condominium or any other person or persons, the outcome of which may materially affect this offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium, or the operation of the Property as a Condominium.

Amendments to Plan

Sponsor reserves the right, from time to time prior to the Closing Date, without obtaining the consent of Purchasers or others, to revise the terms and conditions on which the Units offered hereby are to be sold, including changes affecting the rights, obligations and liabilities of Purchasers, Sponsor and the Condominium. All substantive or material revisions will be contained in a duly filed amendment to this Plan (except to the extent that any such change may be the subject of negotiation with a Purchaser as provided in the Plan). See "Reservation of Right to Negotiate Terms. If an amendment materially adversely affects the rights, obligations or liabilities of then-existing Purchasers, or substantially and materially reduces the undertakings or obligations of Sponsor, Purchasers will be given the right to rescind their Purchase Agreements by notice personally delivered or sent by certified mail to Sponsor within fifteen (15) days after the date of service of the amendment, and Sponsor shall refund any payments made by such Purchaser pursuant to his Purchase Agreement with interest earned thereon, if any, within thirty (30) days of receipt of such notice of rescission. However, such rescission, as to Purchasers who are then tenants of any of the Buildings, shall be conditioned on the cancellation of any interim or other lease and surrender of possession of their Units.

No Prior Offering

To Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings in the past five (5) years.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, Sponsor and its agents will not discriminate against any person on any basis prohibited by applicable civil rights laws (including to the extent prohibited by such laws, race, sex or sexual orientation) relating to the sale of the Units offered by the Plan.

This Plan As Fair Summary

This Plan contains a fair summary of the material provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in -all respects by the contents of such documents.

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

The documents and reports contained in Part II of this Plan are an integral part of the Plan and should be considered carefully by prospective Purchasers. Merely reviewing the summaries of documents set forth in Part I of the Plan is no substitute for a careful review of the actual documents, some of which are set forth in Part II of the Plan and others of which are available for inspection by all prospective Purchasers at the office of Sponsor. Therefore, prospective purchasers and their attorneys and other, financial advisors should read the entire Plan, which consists of Part I and Part II, and should review all documents in connection with the Plan.

STATEMENT OF BUILDING CONDITION

Sponsor adopts the Description of Property and Specifications prepared by Elena Kalman Architect, contained in Part II of the Plan. Sponsor has no knowledge of any material defects or need for major repairs to the Property except as may be set forth in the Description of Property and Building Condition.

Annexed to "**Description of Property, Specifications and Building Condition**" in Part II of the Plan are copies of violations of record affecting the Property as of the date stated in the violations search. Sponsor shall not have any obligation at any time to cure any violations (whether of record or otherwise) affecting the Property, whether affecting the Common Elements or the Units. Within thirty (30) days from the date the Plan is accepted for filing by the Department of Law, Sponsor will arrange to keep on file with the Selling Agent, a listing of (or copies of) all outstanding violations of record against the Buildings, which list will be periodically updated until the Closing Date and which will be made available for inspection by interested prospective Purchasers.

Sponsor anticipates that the construction of each Applicable Building will be substantially completed on or before the closing of the first Unit located therein, respectively. See "**Rights and Obligations of Sponsor**" with regard to Sponsor's obligation to hold certain funds in escrow and/or obtain a certification from its engineers or architect with respect to building completion costs if a permanent certificate of occupancy for an Applicable Building shall not have been obtained prior to the first closing of title to a Unit located in such building. In addition, see the "*Completion of Building and Improvements*" subsection in "**Description of Property and Improvements**" in Part I of the Plan with respect to anticipated completion dates of substantial construction of the Buildings and Units.

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CONDOMINIUM OFFERING PLAN

PART II

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PURCHASE AGREEMENT

PURCHASE AGREEMENT made this _____ day of _____, 2005, between _____, as Purchaser, and Emmons-Sheepshead Bay Development LLC, as Seller

RECITALS

(a) The name of the Condominium is The Breakers at Sheepshead Bay Condominium.

(b) The address of the Property is 3112-3144 Emmons Avenue Brooklyn, New York.

(c) (i) The Residential Unit covered by this Purchase Agreement is the Unit designated as Unit Number _____.

(ii) **(Delete if inapplicable)** The Parking Space Unit covered by this Purchase Agreement is Unit Number:_____.

(d) (i) The Common Interest appurtenant to the Residential Unit is: _____%

(ii) The Common Interest appurtenant to the Parking Space Unit (if applicable) is _____%

(e) Purchaser's residence address, if an individual, or business address, if an entity, is:

_____

_____

_____, New York _____

(f) Purchaser's telephone number is _____.

(g) Purchaser's social security number or federal identification number is _____.

(h) (i) The Purchase Price for the Residential Unit is: $_____

(ii) The Purchase Price for the Parking Space Unit (if applicable) is $_____

(i) The total Purchase Price is $_____

(j) The Down Payment payable herewith: $_____

(k) The balance of the Purchase Price is: $_____

(l) SELLING AGENT/BROKER: _____

NOTE: FOR THE TERMS OF THE LIMITED WARRANTY, WHICH EXCLUDES ALL OTHER WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE HOUSING MERCHANT IMPLIED WARRANTY SET FORTH IN NEW YORK STATE GENERAL BUSINESS LAW SECTION ARTICLE 36-B, SEE EXHIBIT B ATTACHED TO THIS AGREEMENT. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE OF THE LIMITED WARRANTY SET FORTH AT EXHIBIT B.

1. The Plan. Purchaser acknowledges that he has, before signing this Purchase Agreement, received and read a copy of the Condominium Offering Plan for the above named Condominium sponsored by Seller and all amendments thereto, if any, filed with the Department of Law of the State of New York at least three (3) business days prior to the date hereof. Such Condominium Offering Plan together with any amendments heretofore or hereafter made thereto are hereinafter collectively referred to as the "Plan." The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. Purchaser also acknowledges and agrees that the Plan may be amended from time to time by the Seller and any such amendment shall neither excuse Purchaser from performing any of its obligations hereunder nor entitle Purchaser to any abatement in the Purchase Price. Any such amendments (i) may be made without Purchaser's consent or approval, except as otherwise provided in "Changes in Prices or Units" and the other provisions of the Plan, and (ii) shall not entitle Purchaser to a right of rescission, except as set forth in the Plan. Purchaser acknowledges that Purchaser has had a full opportunity to examine all documents referred to in the Plan including the Plans and Specifications for the Building described in the Plan and investigate all statements made in the Plan.

2. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Plan unless the context otherwise requires.

3. Agreement to Purchase. Seller agrees to sell and convey, and Purchaser agrees to purchase, the above-described Residential Unit, and, if so indicated, Parking Space Unit together with the above-stated Common Interest appurtenant to each (collectively "Unit"), each for the Purchase Price stated above, upon and subject to the terms and conditions set forth in this Agreement and in the Plan.

4. Payment of the Purchase Price. Purchaser shall deliver herewith, to the Seller, Purchaser's check to the order of "Troutman Sanders LLP as escrow agent under the Plan for The Breakers," for the amount of the above-stated Down Payment, subject to collection. The balance of the Purchase Price shall be paid to Seller at closing.

Except for the Down Payment, which is to be paid as provided above, any payments to be made by Purchaser under this Agreement (including, without limitation, the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of Seller, shall be made by unendorsed certified check, or bank check, drawn in either case on a member bank of the New York Clearing House Association payable to the order of the Seller, subject to collection.

In the event that any check for any payment to be made by Purchaser under this Agreement (including, without limitation, the Down Payment) shall be dishonored for any reason whatsoever, it shall be deemed a material default by Purchaser hereunder and Seller may, in that event, cancel this Agreement and notwithstanding such cancellation, be entitled to recover the amount of such check in addition to any other sums Seller may be entitled to under this Agreement. If at any time a check or other instrument for the payment of money delivered by Purchaser pursuant to the provisions of this Agreement is dishonored for any reason whatsoever, without limiting the foregoing provisions, Purchaser shall reimburse Seller for the costs and expenses (including, but not limited to, reasonable attorneys' fees) of collection of any such check or other instrument.

At the request of Seller at closing Purchaser shall pay the balance of the Purchase Price to such payees as Seller shall direct.

Notwithstanding the foregoing, the balance of the Purchase Price shall be payable at the pre-closing, if Seller elects to require same, except for such portion thereof to be financed by an Institutional Lender as evidenced by a bona fide mortgage commitment delivered to Seller at or before the pre-closing.

5. Closing of Title.

5.1 The closing of title hereunder shall occur at the offices of Seller's attorneys or at such other place as Seller shall designate and at a time and on a date ("Closing Date") designated by Seller which is not earlier than thirty (30) days, nor more than one hundred eighty (180) days, after the Plan has been declared effective, unless the Closing Date is adjourned by Seller. Notwithstanding the foregoing, the Closing Date may be adjourned from time to time as may reasonably be required to comply with the "Prerequisites to Closing of Title" set forth under the section of the Plan entitled "Terms of Sale; Closing of Title to Units." The closing of title shall not occur until there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan. Seller shall give Purchaser notice of the scheduled Closing Date at least thirty (30) days in advance thereof. Seller shall have the right to adjourn the date of closing of title from time to time by written notice to Purchaser. If the closing is adjourned by Seller, then Seller shall fix a new date and time for closing and shall give Purchaser not less than ten (10) days' prior written notice of the new scheduled date and time for closing. Closing of title shall occur only after or concurrently with compliance with the requisites to closing set forth in the Plan.

5.2 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Seller on which the deed to the Unit is to be delivered to Purchaser or any adjourned date fixed by Seller pursuant to subsection 5.1 hereof.

6. The Deed and Power of Attorney; Pre-Closing.

6.1 On the Closing Date, upon receipt by Seller of all payments and documents required hereunder, Seller shall deliver to Purchaser a deed or deeds to the Unit in substantially the form contained in Part II of the Plan, conveying the Unit to Purchaser as

provided in the Plan, subject to the exceptions referred to in the Declaration, By-Laws, the Plan and Exhibits thereto. The deed(s) shall be executed and acknowledged by Seller, and shall be in form for recording.

6.2 On the Closing Date and simultaneously with the delivery of the deed(s) conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Board of Managers of the Condominium, Seller and others, and which shall be prepared by Seller and which shall be substantially in the form contained in Part II of the Plan. Purchaser shall pay all recording or other fees in connection with the recording of the power of attorney. The power of attorney may be delivered to Purchaser's title company, if any, for recording and shall be marked for return to the Condominium Board of Managers or their attorneys after recording.

6.3 Purchaser agrees that at the Closing Purchaser shall (i) execute and deliver (a) the power of attorney as provided in Section 6.2 above and (b) other closing documents as requested by the Seller, (ii) pay any net adjustments in favor of Seller, Purchaser's closing costs and fees, as provided in the Plan, and (iii) to pay to the Condominium the contribution(s) to the Working Capital Fund required to be made by each Purchaser as provided in the Plan, together with all other payments to or deposits with the Condominium as may be provided in the Plan.

6.4 Purchaser agrees that at the option of Seller, upon five (5) days' notice by Seller to Purchaser, Purchaser will attend a pre-closing of the purchase of his or her Unit at a time and place to be designated by the Seller. At that time the Purchaser shall (i) execute and deliver the power of attorney, a copy of the form of which is contained in Part II of the Plan, the New York State and New York City real property and real estate transfer tax returns covering the sale of the Unit, any real estate reporting return and statement required by the Internal Revenue Code or the regulations thereunder, all other closing documents as requested by the Seller and all other documents required by law or reasonably required by Sponsor, (ii) pay the balance of the Purchase Price (other than the portion thereof to be financed by an Institutional Lender as evidenced by a bona fide mortgage commitment delivered to Seller at or before the pre-closing), (iii) pay any net adjustments in favor of Seller, and Purchaser's closing costs and fees as required by the Plan, including, without limitation, the closing costs, fees and attorneys fees set forth in Paragraph 9 hereof, and (iv) make any deposits (including the contribution to the Working Capital Fund of the Condominium required to be made by Purchaser as described in the Plan). Purchaser also agrees, upon request of the Seller, and in connection with the pre-closing with Seller (but in any event in advance of the Closing Date), to pre-close with the lender providing any portion of the balance of the purchase price not paid by Purchaser to Seller at the pre-closing with Seller, so that Purchaser's attendance shall not be required at the closing under the Plan.

7. State of Title. On the Closing Date, Seller shall convey to Purchaser title in fee simple to the Unit, free and clear of all encumbrances other than the Permitted Encumbrances set forth in the Plan. Seller shall have no obligation to cause Purchaser's title company, if any, to omit any exceptions to title.

8. Closing Adjustments.

8.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit, except as provided in the Plan:

(a) If the Unit is separately assessed as of the Closing Date, then, real estate taxes and assessments against the Unit (if any) on the basis of the period for which assessed;

(b) If the Unit is not separately assessed as of the Closing Date, then adjustments for real estate taxes and assessments against the Unit shall be calculated based upon the product of real estate taxes and assessments against the Property on the basis of the period for which assessed multiplied by the Common Interest appurtenant to the Unit, divided by the aggregate of the Common Interests of all Units at the Property subject to such real estate taxes and assessments;

(c) Common Charges for the month in which title closes;

(d) Accrued rent and any other charges pursuant to the lease, if any, covering the Unit; and

(e) Water charges and sewer rents, if separately assessed, on the basis of the period for which assessed.

8.2 In the event that the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed(s), if any, shall be paid by Purchaser and shall not be considered a defect in title.

8.3 If Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the Closing Date originally specified by the Seller (or the originally scheduled closing date specified in this Agreement, as the case may be) and (ii) Purchaser shall pay to Seller, as a late fee, an amount equal to 0.0003 times the unpaid balance of the Purchase Price for his Unit for each day's delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Seller postpones the Closing Date except to the extent that thereafter Purchaser postpones the closing for any reason or is in default.

8.4 To the extent that Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Unit or the Property, Purchaser shall pay to the Seller at the closing for such Unit the amount of any such credit.

8.5 Any error or omissions in computing closing adjustments shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing of title.

9. Closing Costs. Purchaser, in addition to the legal fees of Purchaser's counsel, if any, and the amount of any net adjustments in favor of Seller and the other payments required under this Agreement, shall pay any closing costs specified in the Plan including, without limitation, any processing fees, and closing fees to Seller's attorneys, and other fees and payments provided in the Plan. Without limiting the foregoing, Purchaser shall be required to pay to the Seller or Seller's attorneys a fee for each Unit purchased, which will cover the legal and other fees and expenses of processing the sale of the Unit, at the same time as the balance of the purchase price for the Unit is due and payable hereunder, as follows:

(ii) Basic fee for closing of sale without financing: $1,950.00.

(iii) Additional fee in the event Purchaser finances a portion of the Purchase Price: $500.00

(iv) Additional attendance fee if the closing takes place (subject to consent of Seller's attorneys) at a place other than the offices of Troutman Sanders LLP: $600.00 (may be increased if closing occurs at a location outside of New York City).

(v) Additional fee if closing adjourned for any reason other than at Seller's request: $500.00 for each time closing is so adjourned.

(vi) Reimbursement to Seller for costs incurred by it in connection with any application to the New York City Department of Finance in connection with "421-a" or "421-b" tax benefits, as the case may be, including but not limited to application fees, attorneys' fees and architects' fees -- $750.00 per Unit for each Residential Unit and each Indoor Parking Space Unit purchased.

The above fees shall be payable by Purchaser to Seller's attorney or its designee for as many of the above events that occur and in each instance of said event (for example each time Purchaser adjourns the Closing).

Without limiting the foregoing, the above fees shall be due with respect to each Residential Unit and Parking Space Unit purchased notwithstanding that a single Purchase Agreement may cover the purchase by a purchaser of a Residential Unit and a Parking Space Unit (or Units) and that each such Unit is defined in such Agreement collectively as the "Unit."

Purchaser further agrees to pay at the closing of title the following costs that apply to the closing of any purchase money loan to finance the purchase: the actual cost of title examination; cost of mortgage title insurance; bank attorneys' fees for preparation of the documents necessary for the mortgage loan; mortgage origination fees; bank credit and appraisal fees; survey costs; mortgage recording taxes; private mortgage insurance (if applicable); and any other governmental charges assessed on a loan. Purchaser shall pay the premium for a fee title insurance policy if desiring such coverage.

10. Real Property Transfer Tax. Purchaser shall pay all real property transfer taxes (including, without limitation, the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax and the New York State so-called "Mansion" tax, if applicable), recording and other fees in connection with this transaction and the recording of the deed(s).

Purchaser's responsibility to pay real property transfer taxes shall include any increases or additions to such taxes which are due by reason of the fact that Purchaser is paying such taxes instead of the Seller. Seller and Purchaser shall duly execute and swear to any transfer tax return and any other form then required by law, all of which shall be prepared by Seller.

11. Federal Form 1099. Purchaser shall cause its attorney to execute a designation agreement designating such attorney, or such other person specified by the Seller, as the "real estate broker" who is required to file a 1099 return with respect to the sale of the Unit pursuant to Section 6045 of the Code. Purchaser shall cause such "real estate broker" to make such 1099 return and to comply with all other requirements of Section 6045 of the Code in connection with the sale of the Unit, and Purchaser shall indemnify and hold harmless the Seller and its attorneys against any and all penalties, loss, and expense (including, without limitation, attorneys' fees) resulting from the failure of Purchaser or such "real estate broker" to comply with the Code and the provisions of this Agreement and such designation agreement.

12. Down Payment to be held in Trust. The down payment paid by Purchaser hereunder on account of the Purchase Price of the Unit, together with all interest accrued thereon (collectively the "Deposit"), will be placed in an account in conformity with the provisions set forth below. Seller will comply with the escrow and trust fund requirements of Section 71-a of the Lien Law and General Business Law Sections 352-e(2-b) and 352-h and the New York State Department of Law's regulations promulgated pursuant thereto. Purchaser shall not be obligated to pay any legal or other expense of the Seller in connection with the handling or disposition of the Deposit paid by Purchaser. However, nothing in the preceding sentence shall limit the obligation of Purchaser to pay the fees and expenses of the Seller's attorneys as set forth herein or in the Plan in connection with the purchase or closing of the Unit purchased by Purchaser under the Plan.

The Deposit will be deemed to have been unconditionally tendered when it is delivered to the Selling Agent, together with this Purchase Agreement in the form agreed to by the Seller and signed by Purchaser, without any request for a change in such form or the terms of the Purchase Agreement. The Deposit will be placed, within five business days after the date on which such Deposit has been unconditionally tendered in a special escrow account of Troutman Sanders LLP (hereinafter the "escrow agent"), whose address is 405 Lexington Avenue, New York, New York and whose telephone number is 212-704-6000. The signatories on this escrow account, who are each members of Troutman Sanders LLP, and any one of whom is authorized to withdraw funds, are: Mark Abramowitz, Carol Burger, Aurora Cassirer, Charles Greenman and Michael Leichtling, c/o Troutman Sanders LLP, 405 Lexington Avenue, New York, New York. The name of the escrow account is "Troutman Sanders as escrow agent under the Plan for The Breakers" (the "escrow account"), and such escrow account is located in JP Morgan Chase, 1211 Avenue of the Americas, New York, New York 10036 (the "Bank"). The Bank is covered by federal bank deposit insurance generally to a maximum of $100,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limit, amounts deposited directly by such person and Deposits held in escrow for such person by the escrow agent). **If Purchaser makes a Deposit in excess of $100,000 for the purchase of a Unit, or if the amount of such Purchaser's deposits at the Bank and such Deposit exceed $100,000, the aggregate of such Deposit and all other such deposits will generally not be federally insured in excess of $100,000.**

The escrow account will be an interest bearing account. Purchaser will receive the interest earned on the Deposit except in the event of a default by Purchaser, as provided in Paragraph 15 hereof.

The check for the down payment shall be made payable to or endorsed to the order of "Troutman Sanders LLP as escrow agent under the Plan for The Breakers." Within ten business days after unconditional tender and delivery by Purchaser to the Selling Agent of a check for the down payment submitted with this Purchase Agreement on account of the purchase price hereunder, the escrow agent will notify Purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate. Subject to the provisions of the next sentence, if Purchaser does not receive notice of such deposit within fifteen business days after unconditional tender and delivery to the Selling Agent of such down payment, then Purchaser may cancel this purchase and rescind this Purchase Agreement so long as such right to rescind is exercised within ninety (90) days after Purchaser's unconditional tender and delivery of such down payment to the Selling Agent. However, Purchaser shall not be entitled either to rescind this Purchase Agreement or to receive a refund of the Deposit where proof satisfactory to the Department of Law is submitted establishing that such down payment was timely deposited and notice as provided above was timely mailed to Purchaser in conformity with the Department of Law's regulations.

The escrow agent will hold the Deposit in escrow until:

(i) otherwise directed in one or more writings signed by each of the Seller and Purchaser; or

(ii) otherwise directed in a determination of the Department of Law, pursuant to the dispute resolution procedures contained in the Department of Law's regulations; or

(iii) a judgment or order of a court of competent jurisdiction permits or requires the release of the Deposit; or

(iv) the Deposit is paid by the escrow agent into a court of competent jurisdiction; or

(v) the Deposit is paid to the Seller as provided below; or

(vi) such Deposit is paid to Purchaser as provided below.

If there is no written agreement between the Seller and Purchaser to release the Deposit paid by Purchaser, the escrow agent will not pay such Deposit to the Seller until after ten business days following the date that the escrow agent has given Purchaser written notice that the escrow agent intends to pay such Deposit to the Seller. Thereafter, the Deposit may be paid to the Seller unless Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Department of Law regulations and the escrow agent has received, within such ten business day period, notice from Purchaser that such application has been made. Notwithstanding the foregoing, Purchaser hereby agrees that the Deposit will be paid to the Seller at the Closing.

Purchaser expressly authorizes the escrow agent to release the Deposit and pay same to Seller upon Seller's compliance with such requirements as may be imposed by the Attorney General and the acceptance for filing by the Attorney General of an amendment authorizing Seller's use of alternate security.

The Seller will not object to the release of the Deposit paid by Purchaser to Purchaser, provided such Purchaser has not defaulted and has timely and validly rescinded this Purchase Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

Purchaser or the escrow agent may apply to the Department of Law in the event of a dispute for a determination on the disposition of the Deposit paid by Purchaser. Seller must avail itself of this procedure if there is a dispute which needs to be resolved between the Seller and Purchaser relating to Purchaser's Deposit and, in the case of Purchaser, Purchaser has given notice of objection to the escrow agent within the ten business day period described above. A form for this purpose is contained in Part II of the Plan. The party applying for a determination must send all other parties a copy of the application.

Notices given by escrow agent, Seller or its agents pursuant to this paragraph 12 shall be deemed given (i) upon delivery if personally delivered or (ii) upon the fifth day after the date of mailing. Purchaser acknowledges and agrees that in any dispute between Purchaser and the Seller, Troutman Sanders LLP may act as Seller's attorneys.

13. Binding Effect of Declaration, By-Laws and Rules and Regulations. Purchaser hereby accepts and approves the Plan including, without limitation, the Declaration, and By-Laws and Rules and Regulations thereunder contained therein and agrees to abide and be bound by the terms and conditions thereof.

14. Agreement Subject to Mortgage. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage against the Unit or the Property, or any part thereof or any interest therein, heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which hereafter may 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 any schedule of payments or accelerated by virtue of the right of the lender to make advances before they become due in accordance with the schedule of payments. Seller shall, at its option, either satisfy such mortgages or obtain a release of the Unit from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of his other obligations hereunder or be the basis of any claim against, or liability of, Seller, provided that the Unit is released from, or not subject to, the lien of any such mortgage.

15. Default by Purchaser. If Purchaser shall (a) fail to pay any installment of the Purchase Price or any other payment when due as herein provided (including, without limitation, if any check made or delivered by Purchaser hereunder is dishonored), (b) fail to execute the power of attorney, New York City and New York State real property transfer tax returns or any other documents, as herein provided, (c) fail to pay any closing costs or other payments due and payable pursuant to this Agreement or the Plan, or (d) default in the performance of any of his other obligations hereunder (including, without limitation, the failure to attend a pre-closing and perform the obligations of Purchaser thereat as set forth herein or in the Plan), then the sole right and remedy of Seller under this Agreement shall be to cancel this Agreement by giving notice to Purchaser and to proceed against Purchaser as provided below. At the expiration of thirty (30) days after the date of giving of the cancellation notice (unless Purchaser shall have theretofore cured his default) this Agreement shall be deemed canceled and (i) Seller shall be entitled to the amount due and payable upon execution of this Agreement and any amounts paid hereunder (but not exceeding the sum of 10% of the Purchase Price hereunder plus all costs incurred for any special work ordered by Purchaser), together with interest earned thereon, if any, as and for liquidated damages, (ii) Seller shall have the right to sell the Unit to others as though this Agreement had never been made and (iii) Purchaser shall not have any further rights against or obligations to the Seller, the Condominium, or any Purchaser of the Unit. Whether or not Seller has canceled this Agreement as provided above, if Seller has not collected the proceeds of any check for any payments due under this Agreement, then Seller may take such actions at law and in equity as may be required in order to collect the same.

16. Interim Leases and Default or Rescission. If Purchaser is a tenant at the Property pursuant to an Interim Lease for the Unit, and Purchaser shall default in such Interim Lease, then Seller may elect to terminate the Interim Lease and such default shall be deemed a default under this Agreement. The provisions of this Agreement shall not limit any other rights or remedies at law or in equity or under the Interim Lease which Seller or any other party may have by reason of such default under the Interim Lease. The right is reserved to the Seller to apply any rent security against any rent arrearage or other default and in addition to sue any tenant to the extent such rent security is insufficient. Notwithstanding the foregoing, before Seller may utilize the default under the Interim Lease to declare a default under this Agreement, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.

17. Agreement Subject to Plan Being Declared Effective. The performance by Seller of its obligations under this Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned at any time prior to its becoming effective as provided in the Plan and thereafter upon certain terms and conditions as provided in the Plan. If the Plan is abandoned or does not become effective or if after being declared effective the Plan shall not be consummated for any reason, then this Agreement shall be deemed canceled and the Plan terminated on the date specified in a notice thereof by the Seller to Purchaser. Within forty-five (45) days thereafter Purchaser shall receive a refund in full of all moneys paid by him hereunder with interest earned thereon, if any (except as provided in Paragraph 15 hereof), and, upon such refund neither party shall have any further rights, obligations, or liability to or against the other or the Condominium under this Agreement and the Plan.

18. Seller's Inability to Convey Marketable Title. If Seller is unable to deliver marketable title to the Unit to Purchaser subject to the exceptions set forth in the Plan in accordance with the provisions of this Agreement and the Plan, Seller shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Seller elects to attempt to cure such inability then it shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete such cure. However, Seller may notify Purchaser at any time of its refusal either to cure or to continue to cure, as the case may be, such inability and if Purchaser is not in default hereunder, Purchaser shall have the option to (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Seller for damages or otherwise) or (b) terminate this Agreement and this shall be the sole right of Purchaser if Seller does not cure such inability. If Purchaser so elects to terminate this Agreement, Seller shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and upon making such payment, this Agreement, shall be terminated and neither party shall have any further rights, obligations or liability to or against the other under this Agreement and the Plan. The foregoing option must be exercised by notice of Purchaser in writing to Seller within ten (10) days after the giving of Seller's notice of refusal to cure such inability. If Purchaser fails to give such notice to Seller within said ten (10) day period, it shall be conclusively deemed that Purchaser has elected to acquire title to the Unit subject to such inability as aforesaid.

19. Construction. (a) The Seller shall complete the construction of the Property contemplated under the Plan in accordance with the terms and conditions of the Plan. Purchaser acknowledges and agrees that, among other things, under the Plan the Seller has the right to modify and amend the Plans and Specifications including among other things in order to substitute materials, equipment or fixtures, all in accordance with the terms and conditions of the Plan. Purchaser also acknowledges and agrees that (i) completion of the construction will occur in accordance with the provisions of the Plan notwithstanding the fact that there may be any number of items which remain uncompleted as of the Closing Date within the Unit covered by this Agreement or in the Property and (ii) no escrow will be required in connection with any uncompleted item within the Unit covered by this Agreement or in the Property. Seller however will be obligated to complete any uncompleted portions of the construction in accordance with the Plans and Specifications as of the Closing Date after the closing. In connection therewith, Purchaser shall permit Seller and its designees access to the Unit for the purpose of completing any such construction in accordance with the provisions of the Plan or to satisfy any of Seller's other obligations under the Plan or under any purchase agreement for a Unit.

(b) Purchaser acknowledges and agrees that: (i) any of the obligations of Seller under this Agreement or the Plan, including the obligation to complete the improvements described in the Plan, are subject to acts of God, strikes, lockouts, weather, floods, epidemics, quarantine restrictions, freight embargo, shortages of or inability to obtain adequate materials, equipment or labor, governmental restrictions or preemptions, damage by fire or the elements or any other cause over which the Seller does not have control and the period within which Seller must complete any of its obligations, if any, shall be extended by the period of such delay; (ii) Seller will not be liable for and will have no obligation to correct certain variations from the Plans and Specifications as provided in the Plan and will only be responsible to correct certain construction

defects to the extent and on the terms and conditions set forth in the Plan; and (iii) Seller will not be liable to Purchaser for any delay in completing its obligations hereunder or under the Plan or closing hereunder.

20. Fixtures, Appliances and Personal Property. Only those appliances, fixtures, furnishings and items of personal property which are described in the Plan as being part of the Unit and are actually located in the Unit on the Closing Date are included in the sale of the Unit pursuant to the provisions of this Agreement. Purchaser acknowledges and agrees that other than as expressly provided in the Plan, Seller makes no representation in connection with such appliances, fixtures, furnishings and items of personal property and Seller expressly disclaims any implied warranties of merchantability or fitness for a particular purpose.

21. Acceptance of Unit. Purchaser will accept title to the Unit without any reduction or postponement of payment of the Purchase Price even if construction of the Unit is not fully completed although substantially completed as provided in the Plan or if the Applicable Building (as defined below), any other Building, any other Unit or any of the Common Element have not been completed. As used herein, Applicable Building shall mean the building or structure in which it the particular Unit is located, including, in the case of a Townhouse Unit, either the Townhouse Building or the two-family or two-unit structure in which the Unit is located, as determined by Sponsor. Purchaser agrees to inspect the Unit with the Seller's representative during normal business hours before the Closing Date and to sign and deliver to the Seller before that time a Final Inspection Statement in the form of Exhibit A to this Agreement ("Final Inspection Statement"), showing the condition in which Purchaser has received the Unit. Purchaser acknowledges and agrees that: (i) acceptance by the Seller of the Final Inspection Statement shall not constitute an agreement by the Seller to cure the exceptions noted therein, and Seller's sole obligation with respect to the same shall be as provided in the Plan; (ii) notwithstanding the fact that there may be construction items noted on the inspection statement which Seller has the obligation to correct under the Plan, Purchaser shall nonetheless be obligated to close on the Closing Date and pay the full purchase price without provision for any escrow. If Purchaser fails to inspect the Unit within seven (7) days of written notice from Seller or the Selling Agent, Purchaser will be deemed to have accepted the condition of the Unit and shall be obligated to close title to such Unit without any obligation on the part of Sponsor to correct any defects in the Unit. Purchaser will sign and deliver a separate statement signifying its satisfaction with each item excepted in Exhibit A, if any, immediately upon completion of the repair and adjustment or correction of the same. Purchaser also acknowledges and agrees that the Seller shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof or its fixtures, appliances, equipment, etc., contained therein from and after the date of delivery of possession of the Unit to the undersigned, except for those items, if any, expressly excepted in the Final Inspection Statement signed by Purchaser to the extent Seller is required to repair, adjust or correct the same under the Plan or under the Limited Warranty annexed hereto as Exhibit B, and Seller's obligation regarding any such excepted items shall cease upon either the completion of the repair, adjustment or correction of the same or the assignment to Purchaser of any applicable warranty covering the same. Nothing contained herein shall be construed to expand Seller's obligations to correct defects in design or construction beyond those expressly required under the Plan and on the terms and conditions set forth therein.

22. Damage to the Unit. If between the date of this Agreement and the Closing Date, the Unit is damaged by fire or other casualty, the following shall apply:

22.1 The risk of loss to the Unit by fire or other casualty until the earlier of (a) the Closing Date or (b) possession of the Unit by Purchaser, is assumed by Seller, but without any obligation of or liability by Seller to repair or restore the Unit or the Property. If Seller elects to repair or restore the Unit, then this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price, and Seller shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall belong entirely to Seller and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Seller. The provisions of the preceding sentence shall survive the closing of title.

22.2 If the Seller notifies Purchaser that it does not elect to repair or restore the Unit or, if the Declaration has been recorded prior thereto, there is damage to part of the Building other than the particular Unit covered by this Agreement and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, then provided that Purchaser has not assumed the risk of loss by taking possession of the Unit, this Agreement shall be deemed terminated, and provided Purchaser is not then in default under this Agreement, Seller shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party shall have any further rights, obligations or liability to or against the other hereunder and under the Plan.

If Purchaser has assumed the risk of loss, then this Agreement shall continue in full force and effect but without any obligation of or liability by Seller to repair or restore the Unit or the Property and upon closing hereunder, subject to the rights of any holder of a mortgage affecting the Unit, Seller shall turn over to Purchaser the net proceeds (after legal and other expenses of collection) actually collected by Seller under the provisions of such insurance policies, if any, covering such damage to the extent that they were attributable to such damage to the Unit, less any sums expended or incurred by Seller for restoration of the Unit, and the Seller shall assign, without recourse, Seller's right to any insurance payments, not yet received by Seller attributable to such damage to the Unit, less any unrecouped sums therefore expended or incurred by Seller for the restoration of the Unit and any legal and/or other expenses of collection.

23. No Representations. Purchaser acknowledges and represents that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Seller, or otherwise, including, but not limited to, any relating to the description or physical condition of the Property or the Unit, or the size or the dimensions of the Unit, or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Seller except as

herein or in the Plan specifically set forth. No oral representation or statements shall be considered a part of this Agreement. Purchaser agrees that the Seller and its agents and contractors will have no liability to Purchaser nor shall Purchaser be relieved of any of his obligations hereunder if there is a minor error or inaccuracy in the layout or dimensions of the Unit or of the General Common Elements or any Limited Common Elements of the Condominium as shown on the Floor Plans or the Plans and Specifications so long as the layout and dimensions conform substantially to the plans and specifications as they may be changed when permitted by the Plan.

24. Broker. Purchaser represents to Seller that Purchaser has not dealt with any broker, other than the Selling Agent or broker identified on the first page of this Agreement (collectively, the "Selling Agent"), in connection with this transaction. Purchaser agrees that should any claim be made against Seller for commissions by anyone other than the Selling Agent, based on alleged dealings with Purchaser or Purchaser's representatives, Purchaser shall (i) give testimony to such effect in any case, action or proceeding by any broker other than the Selling Agent, and (ii) indemnify and hold Seller harmless from and against any and all liabilities, claims, damages, costs and expenses (including but not limited to reasonable attorneys' fees) in connection therewith. The provisions of this paragraph shall survive the closing of title.

25. Assignment. Purchaser shall not have the right to assign or otherwise transfer to another person, persons or entity, his rights and obligations under this Agreement without the prior written consent of Seller. If the Seller consents to such assignment, the Seller and/or its designees shall be paid by Purchaser such additional fees as the Seller specifies. Seller may assign this Agreement without limitation. Purchaser shall not advertise the sale of his Unit prior to the acquisition thereof under this Purchase Agreement.

26. Purchaser's Certifications. Purchaser certifies that he has agreed in good faith to purchase the Unit for his own use and not as an accommodation to Seller and with no repurchase agreement. Purchaser represents to the Seller and the Condominium as follows: (i) if Purchaser is an individual then Purchaser is over 18 years of age and resides in the State of New York, and (ii) if Purchaser is an entity, then it is legally authorized to acquire the Unit and has an office for the conduct of its business in New York State.

27. Possession of Unit and Purchaser's Work. Purchaser shall not be entitled to possession of the Unit until after the closing has occurred under this Agreement. Purchaser shall not make any alterations or installations (by himself or with any of his contractors) in the Unit, and Purchaser will not make any applications (with respect to such alterations or installations) to any governmental entity, until the later of (i) the closing has occurred under this Agreement and (ii) new permanent certificates of occupancy with respect to all of the Buildings at the Property have been obtained after the completion of the work described on the Plans and Specifications. Purchaser's agreements under this Paragraph **27** shall survive the delivery of the deed(s).

28. No Financing Contingency. While Purchaser is free to seek mortgage financing from any lending institution to purchase the Unit, the rights and obligations of Purchaser hereunder (including without limitation, the obligation of Purchaser to close on this transaction) are not conditioned upon Purchaser obtaining a commitment for financing. Accordingly, in the

event that Purchaser fails to pay the balance of the Purchase Price when due, because Purchaser has been unable to obtain mortgage financing (or otherwise), Purchaser will be deemed to be in default under this Purchase Agreement. Any references in this Agreement to any loan to finance this purchase shall not be deemed to imply that this transaction is contingent in any manner on Purchaser obtaining financing.

29. Right to Cancel. Unless Purchaser has received a copy of the Plan and all filed amendments thereto at least three (3) days before signing this Agreement, Purchaser may cancel this Agreement for a period of seven (7) days after the date of this Purchase Agreement by giving notice of cancellation to the Seller prior to the expiration of said seven (7) day period. If Purchaser exercises his option to cancel this Agreement, then in that event all moneys paid by Purchaser on account of the Purchase Price hereunder shall be refunded to Purchaser within ten (10) days after the expiration of the aforesaid seven (7) day period. If Purchaser does not give a cancellation notice to the Seller in accordance with Paragraph **32** within the aforesaid seven (7) day period, this Agreement will become binding upon Purchaser upon the expiration of said period.

30. Binding Effect. Purchaser acknowledges that this Agreement will not be binding on the Seller until a fully executed counterpart of this Agreement has been delivered to Purchaser or Purchaser's attorney. Within twenty (20) days after delivery to the Seller of three (3) copies of this Agreement (with the terms, including, without limitation, the Purchase Price, and in the form which has previously been provided by the Seller) executed by Purchaser, together with the above-stated Down Payment, the Seller shall either (i) accept this Agreement and return one fully executed copy thereof to Purchaser or Purchaser's attorney or (ii) reject this Agreement, by giving to Purchaser or Purchaser's attorney notice thereof together with a refund of the above-stated Down Payment with interest earned thereon, if any. In the event that Seller takes no action within said twenty (20) day period, then in such event this Agreement (with the terms and in the form provided above) shall be deemed canceled.

31. Working Capital Fund Contribution. On the Closing Date, Purchaser shall pay to the Board of Managers a sum equal to one month of Common Charges with respect to the Unit purchased as initial working capital for the Condominium as provided in the Plan; provided that if Seller has already paid such contribution to the Working Capital Fund for the Unit, then such amount shall be paid instead to Seller to reimburse Seller for such contribution to the Working Capital Fund attributable to such Unit.

32. Notices. Notices hereunder shall be in writing and shall be personally delivered or mailed by registered or certified mail, return receipt requested, as follows: to Purchaser, at the address stated in this Agreement; and to the Seller at the address set forth above, with a copy to Troutman Sanders LLP, 405 Lexington Avenue, New York, New York 10174, Attention: Daniel J. Slatz, Esq. Notices shall be deemed given when personally delivered or mailed. Any of the parties noted in this paragraph may change their address for purposes of this paragraph by giving notice thereof to the other parties as provided above. Troutman Sanders LLP may give notice on behalf of the Seller.

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

34. Survival of Seller's and Purchaser's Obligations. All of the obligations of Seller under this Agreement shall be deemed satisfied upon delivery of the deed to the Unit and the closing of title hereunder and no obligations of Seller shall survive delivery of the deed except as otherwise expressly provided in this Agreement or the Plan. Except where the context otherwise requires, all the representations, warranties, and obligations of Purchaser under this Agreement shall survive delivery of the deed and the closing of title hereunder.

35. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments, and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or any transaction contemplated herein or to confirm any of the obligations of Purchaser hereunder or any right to be created or transferred hereunder or pursuant to any such transaction.

36. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable either as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

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

38. Governing Law. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to contracts made and to performed wholly in the State of New York, without regard to principles of conflicts of law. Any action commenced by Purchaser under this Agreement must be commenced in a court of competent jurisdiction location within the City of New York.

39. Waiver of Jury. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate any such claim with, any action or proceeding in which a jury trial is waived.

40. No Recordation. This Agreement shall not be recorded by Purchaser without Seller's consent. Any purported recordation thereof by Purchaser shall be void and constitute a default by Purchaser hereunder.

41. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties hereto and constitutes the entire agreement between them. Purchaser acknowledges and agrees that the Plan may be amended by Seller from time to time as provided in the Plan and that this Agreement may be amended by

Seller to conform to the provisions of any such amendment by delivering to Purchaser a notice thereof (or a copy of the applicable amendment to the Plan), subject however to any rights which Purchaser may have as provided in the Plan.

42. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used unless the context otherwise requires.

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

44. Successors and Assigns. The provisions of this Agreement shall (i) bind Purchaser and his heirs, legal representatives, successors and assigns, (ii) with the exception of the provisions of paragraph 48 hereof, inure to the benefit of Purchaser's heirs, legal representatives and permitted assigns, and (iii) bind and inure to the benefit of Seller and its successors and assigns. The provisions of paragraph 48 shall bind Purchaser's heirs, successors and assigns but shall only inure to the benefit of the Purchaser named on the first page of this Agreement while the Purchaser owns the Residential Unit, and not to any subsequent owners, tenants or mortgagees in possession of the Unit or any one who may succeed to the rights of Purchaser by subrogation or otherwise or any other persons.

45. Lease Termination. If Purchaser is or will be a tenant before the Closing Date, then by executing and delivering this Agreement such tenant hereby terminates his lease of the Unit as of the Closing Date.

46. No Oral Changes. This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto at the time of execution hereof, in a separate written agreement signed by the parties or in an amendment to the Plan as provided in Section 41 above.

47. Seller's Right to Make Changes in Materials, etc. The Seller reserves the right to make changes or substitutions of materials or construction for items as set forth in the Offering Plan or the Plans and Specifications, provided any such changes are of comparable value and quality.

48. LIMITED WARRANTY APPLICABLE TO RESIDENTIAL UNITS ONLY. SELLER HEREIN MAKES NO HOUSING MERCHANT IMPLIED WARRANTY OR ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS AGREEMENT OR THE UNIT(S) COVERED HEREBY AND ALL SUCH WARRANTIES ARE EXCLUDED, EXCEPT AS PROVIDED IN THE LIMITED WARRANTY ANNEXED TO THIS AGREEMENT AS EXHIBIT B, WHICH WARRANTY ONLY APPLIES TO RESIDENTIAL UNITS (AND NOT PARKING SPACE UNITS). THE TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED INTO THIS AGREEMENT AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE THEREOF.

PURCHASER HEREBY ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE ANNEXED LIMITED WARRANTY HAS BEEN PROVIDED BY SELLER TO PURCHASER FOR PURCHASER'S EXAMINATION NOT LESS THAN THREE (3) DAYS PRIOR TO THE TIME OF PURCHASER'S EXECUTION OF THIS AGREEMENT AND PURCHASER AFFIRMS THAT PURCHASER HAS HAD ADEQUATE OPPORTUNITY TO REVIEW IT. PURCHASER UNDERSTANDS AND ACCEPTS THE WARRANTY ANNEXED TO THIS AGREEMENT IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTIES IN CONNECTION WITH THIS TRANSACTION. THE WARRANTY ANNEXED TO THIS AGREEMENT WILL BE FULLY EFFECTIVE, WITHOUT THE EXECUTION OF ANY OTHER DOCUMENT BY EITHER PURCHASER OR SELLER, ON THE DATE THAT PURCHASER OR ITS FAMILY SHALL FIRST OCCUPY THE UNIT WHICH IS THE SUBJECT OF THIS AGREEMENT AS A RESIDENTIAL UNIT OR THE DATE THAT THE DEED TO SUCH UNIT SHALL BE DELIVERED TO PURCHASER, WHICHEVER OCCURS FIRST.

49. Sponsor's Sales Goal under the Plan. ***[Purchaser, please strike out the following representation if it does not apply:]*** Purchaser represents to Seller that Purchaser intends that Purchaser, or a person related by blood or marriage to Purchaser, shall occupy the Residential Unit.

50. Closing Deed. The closing deed(s) shall be in proper statutory form for recording; shall be Bargain and Sale with covenants against grantor's acts; shall be duly executed and acknowledged by the Seller at the Seller's expense and shall contain such a description of the premises as shall be acceptable and/or approved so as to validly convey under Article 9-B of the New York Real Property Law (the "Condominium Act") the Unit and the undivided interest in the common elements referred to herein.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement the day and year first above written.

Purchaser(s): _____

_____

Seller: EMMONS-SHEEPSHEAD BAY DEVELOPMENT, LLC

By:_____
Name:
Title:

EXHIBIT A TO PURCHASE AGREEMENT

FORM OF FINAL INSPECTION STATEMENT

Date: _____

_____

_____

_____

Re: Residential Unit _____ (and Parking Space Unit _____) at 3112-3144 Emmons Avenue, Brooklyn, New York

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted I/we found the following items in good condition:

Number	Items	Initials	Exception if any
1	Walls		
2	Floors		
3	Ceilings		
4	Windows		
5	Doors		
6	Electric, plumbing and heating fixtures		
7	Painted surfaces		
8	Sinks, tubs, bowls		
9	Kitchen cabinets and counter tops		
10	Vanity tops and base cabinets		
11	Medicine cabinets		
12	Hardware		
13	Kitchen Appliances		

Number	Items	Initials	Exception if any
	(Item 14 below is to be completed by Purchaser if Purchaser is purchasing a Parking Space Unit:)		
14	Parking Space Unit		

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets and vanity knobs, may be installed just prior to my/our date of moving in. I/we agree and I/we will sign-off each item requiring adjustment or repairs as it is completed.

_____
Purchaser's Signature

_____ _____
Seller's Representative Purchaser's Signature

RIDER TO PURCHASE AGREEMENT DATED _____, 20__ BY AND BETWEEN EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC, AS SELLER, AND _____, AS PURCHASER

LIMITED WARRANTY

NAME OF PURCHASER(S):	_____
ADDRESS OF PURCHASER(S):	_____ _____ To the exclusion of all future owners
DESIGNATION OF CONDOMINIUM UNIT WARRANTED:	_____ (hereinafter referred to as the "Unit") at Breakers at Sheepshead Bay Condominium
NAME OF SELLER/WARRANTOR:	Emmons-Sheepshead Bay Development LLC
ADDRESS OF SELLER/WARRANTOR:	22 Seventh Avenue Brooklyn, New York 11217
EFFECTIVE DATE OF THIS LIMITED WARRANTY:	The date that Purchaser or its family shall first occupy the Unit warranted or the date of delivery of the deed to such Unit to Purchaser, whichever occurs first. (The "date of delivery of the deed" is the date the Purchaser takes title to the Unit.)
WARRANTOR'S LIMIT OF TOTAL LIABILITY:	The lesser of (i) ten percent (10%) of the purchase price of the Unit set forth in the Purchase Agreement to which this Warranty is annexed as a rider and (ii) $30,000, less, in each case, any insurance proceeds received by Purchaser.

THIS LIMITED WARRANTY IS IN LIEU OF AND REPLACES AND EXCLUDES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE UNIT AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED, INCLUDING THE HOUSING MERCHANT IMPLIED WARRANTY SET FORTH IN NEW YORK STATE GENERAL BUSINESS LAW SECTION ARTICLE 36-B (AND ANY SUCCESSOR OR SIMILAR LAW) AND ANY OTHER WARRANTIES OF MERCHANTABILITY OR FITNESS OR OTHERWISE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF AND THIS LIMITED WARRANTY EXCLUDES ALL CONSEQUENTIAL AND INCIDENTAL DAMAGES. THE PURCHASER MAY NOT RECOVER CONSEQUENTIAL AND INCIDENTAL DAMAGES UNDER THIS LIMITED WARRANTY OR FROM WARRANTOR OR ANY OTHER PERSON WITH RESPECT TO THE UNIT.

ANY EXCEPTION, EXCLUSION OR STANDARD WHICH DOES NOT MEET A RELEVANT SPECIFIC STANDARD OF THE BUILDING CODE (OR, IN THE ABSENCE OF SUCH RELEVANT SPECIFIC STANDARD, A LOCALLY ACCEPTED BUILDING PRACTICE) SHALL BE DEEMED TO ESTABLISH THE APPLICABLE BUILDING CODE STANDARD (OR, IN THE ABSENCE OF SUCH A STANDARD, THE LOCALLY ACCEPTED BUILDING PRACTICE), AS THE WARRANTY STANDARD AND, ACCORDINGLY, SPONSOR HAS THE DUTY TO CONSTRUCT THE PREMISES IN ALL MATERIAL RESPECTS IN ACCORDANCE WITH ALL APPLICABLE CODES, FILED PLANS AND SPECIFICATIONS AND LOCALLY ACCEPTED BUILDING PRACTICES FOR ITEMS WHICH ARE NOT COVERED BY CODES. [1]

EXCEPT AS EXPRESSLY SET FORTH IN THIS LIMITED WARRANTY, THE WARRANTOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY DEFECT OR CONDITION IN THE UNIT OR THE BUILDING OR ANY OTHER INSTALLMENTS, APPARATUSES, FIXTURES OR APPURTENANCES. NOTHING CONTAINED IN THIS LIMITED WARRANTY SHALL BE DETERMINED TO MAKE THE WARRANTOR AN INSURER OF PERSONAL PROPERTY OF THE PURCHASER/OWNER OR OF ANY THIRD PARTY. NO STEPS TAKEN BY THE WARRANTOR TO CORRECT DEFECTS SHALL EXTEND THE LIMITED WARRANTY PERIOD. THE WARRANTOR SHALL HAVE THE OPTION OF SELECTING THE MATERIALS AND THE METHODS USED IN MAKING ANY REPAIR. ITEMS COVERED IN THIS LIMITED WARRANTY ALTERED BY A PERSON OR PERSONS OTHER THAN THE WARRANTOR, ITS EMPLOYEES OR AGENTS ALSO ARE EXCLUDED AND THE WARRANTOR SHALL NOT BE LIABLE OR RESPONSIBLE FOR ANY CORRECTIVE WORK PERFORMED BY OTHERS OR THE COST THEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR CONSTRUCTION DEFECTS OF A LATENT OR HIDDEN NATURE THAT COULD NOT HAVE BEEN FOUND OR DISCLOSED ON FINAL INSPECTION OF THE UNIT. THIS LIMITED WARRANTY DOES NOT COVER ANY VISIBLE OR PATENT DEFECTS NOT INCLUDED ON THE PUNCH LIST OR FINAL INSPECTION STATEMENT SIGNED BY PURCHASER.

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

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

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[1] For purposes of this paragraph, "building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

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

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

When the Purchaser occupies the Unit or accepts the deed, the Seller's responsibility is limited to (a) completion of the items shown on the Final Inspection Statement if, to the extent and in the manner agreed to in writing by Seller and (b) performance of certain warranty obligations under this Limited Warranty, as listed below. The purpose of this Limited Warranty is to identify the Seller's responsibility of construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Unit.

This Limited Warranty excludes all other warranties on the construction and sale of the Unit and its components, both express and implied. There are no other warranties which extend beyond the face hereof and this Limited Warranty excludes all consequential and incidental damages.

4. Warranty Coverages and Periods.

The Warranty Period for all of the following coverage begins on the Effective Date of this Warranty shown on page 1 of this Limited Warranty. This Limited Warranty ends at the expiration of the coverages shown below. Certain exclusions from each coverage are listed after the description of the coverage and certain additional exclusions are shown at paragraph 5.

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

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

(ii) defective materials provided by the Seller or an agent, employee or subcontractor of the Seller;

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

(iv) defective installation of appliances, fixtures, items of equipment and goods sold with or included in the sale of the Unit by the Seller or an agent, employee or subcontractor of the Seller.

Appliances, fixtures, items of equipment and goods sold with or included in the sale of the Unit are not considered "materials provided by the Seller or an agent, employee or subcontractor of the Seller" and are excluded from such coverage.

Workmanship, material, design and installation only will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code, the Building Code of The City of New York and the Accepted Standards which are attached to this Limited Warranty. Standards and specifications of the New York State Uniform Fire Prevention and Building Code and the Building Code of The City of New York mean the standards and specifications of those codes in effect on the date the building permit for the Unit (or the building in which such Unit is located) was issued.

Seller does not warranty any work, materials or design ordered directly by Purchaser from Seller's design professionals, subcontractors or suppliers or from other design professionals, suppliers or subcontractors, nor is Seller responsible for any incidental or consequential damages resulting from any such work, materials or design ordered directly by Purchaser.

TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Effective Date of this Limited Warranty (as shown on page 1), the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Seller are warranted to be free from latent defects that constitute defective installation by the Seller.

Installation will be considered to be defective only if the Seller's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code, the Building Code of The City of New York and the Accepted Standards which are attached to this Limited Warranty. Standards and specifications of the New York State Uniform Fire Prevention and Building Code and the Building Code of The City of New York mean the standards and specifications of those codes in effect on the date the building permit for the Unit (or the building in which such Unit is located) was issued.

The Plumbing System, to the extent located in the Unit or exclusively serving the Unit, means: the gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; and water, gas and sewer service piping and their extensions to the tie-in of a public utility connection.

The Electrical System, to the extent located in the Unit or exclusively serving the Unit, means: wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation Systems, to the extent located in the Unit or exclusively serving the Unit, means: duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

All systems do not include appliances, fixtures and items of equipment or moving parts.

Seller under this coverage does not warranty any work, materials or design ordered directly by Purchaser from Seller's design professionals, subcontractors or suppliers or from other design professionals, suppliers or subcontractors, nor is Seller responsible for any

incidental or consequential damages resulting from any such work, materials or design ordered directly by Purchaser.

Certain Disclaimers regarding Purchaser's Actions and Inactions. The foregoing system warranties do not include the relevant system or any of its parts which become defective through faulty operation, lack of routine maintenance, or alteration by the Purchaser or its agents. It shall be the responsibility of the Purchaser or Condominium Board, as the case may be, to perform normal maintenance functions, such as lubrication and replacement of filters (which, in the case of a system or part supplied by an equipment manufacturer may be explained in instructions supplied by such manufacturer and/or its warranty manual, if applicable).

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Effective Date of this Limited Warranty (as shown on page 1), the Unit will be free from latent defects that are Major Structural Defects (as defined below), and that constitute:

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

(ii) defective materials provided by the Seller, or an agent, employee or subcontractor of the Seller; or

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

Workmanship, materials and design will be considered to be defective only if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code, the Building Code of The City of New York and the Accepted Standards which are attached to this Limited Warranty. Standards and specifications of the New York State Uniform Fire Prevention and Building Code and the Building Code of The City of New York mean the standards and specifications of those codes in effect on the date the building permit for the Unit was issued.

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

Damage to and failure of the following non-load bearing portions of the Unit does not constitute a Major Structural Defect and is excluded from the Major Structural Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages, if any, and concrete floors in cellars, including any concrete cellar-level floors of Units, that are built separately from foundation walls or other structural elements of the Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures, items of equipment and other goods sold with the Unit; paint; doors and windows; trims; cabinets; hardware; and insulation.

Seller under this coverage does not warranty any work, materials or design ordered directly by Purchaser from Seller's design professionals, subcontractors or suppliers or from other design professionals, suppliers or subcontractors nor is Seller responsible for any incidental or consequential damages resulting from any such work, materials or design ordered directly by Purchaser.

5. Exclusions From All Coverage. The following are excluded from the Basic Coverage, Major System Coverage and Major Structural Defect Coverage:

1. any defective workmanship other than by the Seller or any of its agents, employees or subcontractors;

2. any defective materials not supplied by the Seller or by any of its agents, employees or subcontractors;

3. defective design not provided by a design professional retained exclusively by the Seller with respect to the Unit;

4. any work performed pursuant to plans, specifications or instructions provided by or on behalf of the Purchaser;

5. any obvious or patent defects including (i) defects shown on the Final Inspection Statement and (ii) defects which an examination of the Unit prior to the Effective Date of this Warranty ought to have revealed;

6. defects in: common areas including the Garage, outdoor common parking areas and common sidewalks, walkways, stoops, stairs and landings; outbuildings, if any, including detached garages and detached carports; swimming pools and other recreational facilities, if any; driveways; common patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); Parking Space Units; and any improvements which are not a part of the Unit itself;

7. damage to real or other property which is not part of the Unit covered by this Limited Warranty, including the common areas of the Condominium;

8. normal settlement, shifting or deflection or any consequential damage resulting therefrom including but not limited to on walls, terraces, balconies, porches, patios, concrete roof pavers, sidewalks, stairs and curbs and green-houses;

9. spalling of concrete, including but not limited to on terraces, balconies and porches, sidewalks and stairs;

10. after the First Year Basic Coverage, floors that are built separately from foundation walls or other structural elements of the Unit including but not limited to concrete floors in attached garages, if any, and concrete floors in cellars, including any concrete cellar-level floors of Units;

11. in the case of any stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, and any other appliances, fixtures, equipment or goods sold with or included in the sale of the Unit, any defects relating to any of them, other than defects prior to expiration of the First Year Basic Coverage due to failure by the Seller or its agents, employees or subcontractors to have installed them in accordance with the standards;

12. any insubstantial variations in the dimensions or arrangements of any room, wall or area within the Unit or any common areas, or in the plans and specifications or description of the Unit or any common areas set forth in the offering plan;

13. any part of the Unit to which the Seller or its agents, employees or subcontractors is not given full access upon reasonable notice;

14. any condition resulting from normal wear and tear or normal deterioration;

15. all of the following:

(i) nail pops and ridging on sheet rock walls and ceilings;

(ii) doors or windows sticking due to weather and air infiltration from windows;

(iii) door warpage less than ½", warpage of closet shelves, adjustment of bi-fold doors and any lumber shrinkage;

(iv) bath and kitchen tile grouting;

(v) slight separation in joints for floor tile or between base and floor;

(vi) normal plumbing, heating and air conditioning noises and normal noises from kitchen and bath fans, vents and ducts, trash chutes, wood floors, elevators, and elevator rooms and mechanical rooms, including any such noises from any such equipment or facilities located on the roof of a building and/or on the roof terraces which are part of particular Units;

(vii) painting imperfections or defects, chips, scratches, mars, stains, breaks, variations in tone or color or discoloration or other blemishes in any windows and window sashes, sliding glass doors, painted surfaces, plastic, laminate, porcelain enamel and metallic surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, ceramic tile, marble floors and walls and other marble or stone aggregate surfaces, resilient flooring, carpets, other flooring, saddles, appliances, woodwork, doors, exterior siding, mirrors, and hardware, electrical plates not straight, walls not square, variations in width, length or tone of wood floors; variation in floor levels, salting or color variation in exterior colored mortar and colored brick, if any, cracks in pressure treated wood used or intended for use outside a building, and the partial or total death of any trees, shrubs, bushes, ground cover, grass or other landscape improvements. If agreed to by Seller on the Final Inspection Statement, the Seller shall repair abnormal scratches deemed objectionable by Purchaser prior to the date Purchaser occupied or takes title to the Unit (whichever occurs first),

by filling, repolishing and/or refinishing the material abnormally scratched but the Seller shall not be obligated to replace the material or object so scratched.;

(viii) after the Purchaser occupies or takes title to the Unit (whichever occurs first), paint touch-ups; dented appliances, carpet discoloration, stretching or shrinkage, or replacement of fluorescent light ballasts and bulbs and screen doors.

16. any damage to the extent that it is caused or made worse by:

(i) the failure by the Purchaser or anyone other than the Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment;

(ii) the negligence, improper maintenance or failure to perform maintenance, or improper operation with respect to or of the Seller's original construction, workmanship, material or installation by anyone other than Seller, its employees, agents and subcontractors;

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

(iv) changes in the grading of the ground made by anyone other than the Seller, its employees, agents or subcontractors;

(v) changes, alterations or additions made to the Unit after the Effective Date of this Limited Warranty (as shown on page 1) except if such changes, alterations or additions as are on the Final Inspection Statement and are made by Seller or its employees, agents or subcontractors and are not work performed by Seller or its employees, agents or subcontractors pursuant to plans, specifications or instructions provided by or on behalf of the Purchaser;

(vi) changes, alterations or additions made to the Unit by Seller's agents and subcontractors if such work was ordered directly by Purchaser after the Effective Date of this Limited Warranty (as shown on page 1);

(vii) dampness or condensation due to the failure of the Purchaser or occupant to maintain adequate ventilation;

17. leaks or loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, terrorism, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, changes in the underground water table or alteration of landscaping or grading;

18. loss or damage caused by seepage of water, including but not limited to through masonry walls, unless such loss or damage is the direct result of defect that constitutes a defect in workmanship, materials or design under the First Year Basic Coverage, and ponding and/or controlled drainage on the roof surface;

19. any damage which Purchaser has not taken timely action to minimize;

20. any damage caused by soil movement for which compensation is provided by legislation, or which is covered by other insurance, including Unit Owners and rental policies;

21. insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests;

22. bodily injury, death, or damage to personal property;

23. costs of shelter, transportation, food, moving, storage or other expenses related to relocation during repair or replacement;

24. consequential, incidental, special and indirect damages;

25. any claim not filed in a manner set forth in Paragraph 7 of this Warranty;

26. loss or damage which arises while and/or due to or is made worse by the Unit being used in any manner for nonresidential or other improper purposes.

27. loss or damage due to abnormal loading on floors which exceeds design loads as mandated by the applicable building code or building standards.

28. damage due to sewer back-ups or refusal of sewage to drain;

29. any condition which does not result in actual physical damage to the Unit.

30. failure of the Seller to complete construction of the Unit.

31. any defect or damage in appliances, fixtures and items of equipment covered by any assignable warranty, guaranty or other undertaking from a manufacturer, contractor or other party, which is assigned to the Purchaser.

32. any loss or damage covered by insurance maintained by or for the benefit of the Purchaser.

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

In no event will the Seller's total liability for deficiencies under this Limited Warranty exceed the Warrantor's Limit of Total Liability shown on page 1. If actual cost of any individual repair or replacement is less than such Limit of Total Liability, then the Seller's liability under

this warranty shall be limited to such actual cost of repair or replacement and the Seller's liability in the aggregate for all repairs or replacements under this Limited Warranty shall be limited to the amount listed on page 1.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to repair of damage to the load-bearing portions of the Unit which is necessary to restore their load-bearing function and to Major Structural Defects which make the Unit unsafe, unsanitary or otherwise unlivable.

7. Step by Step Claims Procedures.

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

2. No steps taken by the Seller, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. No steps taken by Seller in response to a complaint or request, including but not limited to an improperly completed or untimely delivered Notice of Warranty Claim Form, will prejudice any right of the Seller or give rise to any liability of Seller to Purchaser in connection with such complaint, request or claim.

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

4. The Seller will complete inspection and, if applicable, testing within a reasonable time under the circumstances after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Seller will determine whether to accept or reject the claim. If the Seller rejects the claim, the Seller will give written notice of that decision to the Purchaser at the address shown on the Notice of Claim Form, and Seller shall be entitled to receive a service call fee of $25 to partially cover its costs and time. If the Seller rejects four or more claims from a Purchaser, Seller shall be entitled to receive a service call fee of $150 per claim. Charging or receiving any service call fee shall not limit or prejudice the Seller's rights to seek compensation or other redress against a Purchaser whom Seller in its sole discretion determines is filing nuisant or fraudulent claims. If the Seller accepts the claim, the Seller will take corrective action within a reasonable time under the circumstances.

The Seller will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to weather conditions, availability of materials, and other events beyond the Seller's control. When the Seller finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release and discharge of all legal obligations with respect to the defect must be signed and delivered by the Purchaser to the Seller.

8. Legal Actions.

1. No claim under this Limited Warranty be commenced or asserted against Seller in any lawsuit, arbitration or other legal proceeding unless a properly completed Notice of Warranty Claim Form has been received by the Seller in the time period set forth in Paragraph 7 of this Limited Warranty, and no lawsuits against Seller may be commenced unless first arbitrated in non-binding arbitration by the Arbitration Association of America.

2. No lawsuit, arbitration or other legal proceeding against the Seller under this Limited Warranty may be commenced: (i) after the expiration date of the applicable warranty coverage or (ii) more than thirty (30) days after Seller has given written notice of its rejection of Purchaser's claim with respect to such claim or a claim that is substantially the same claim or more than thirty (30) days after Seller has substantially completed corrective action for a defect with respect to such defect.

9. Miscellaneous Provisions.

1. This Warranty may not be changed or amended in any way unless the Purchaser obtains the Seller's prior written agreement to such change or amendment in each instance.

2. If any provision of this Limited Warranty will not be enforced by an appropriate court, the determination will not affect the enforceability of the remaining provisions.

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

4. This Limited Warranty shall be governed in accordance with the laws of the State of New York.

5. This Limited Warranty will inure to the benefit and be binding on the Seller, the Purchaser and the Seller's successors and assigns. This Limited Warranty shall be

binding on but shall not inure to the benefit of Purchaser's heirs, distributees, executors, administrators, successors and assigns.

Sworn to before me this _____
day of _____, 20__

_____
Notary Public

_____
Purchaser

Sworn to before me this _____
day of _____, 20__

_____
Notary Public

_____
Purchaser

NOTICE OF LIMITED WARRANTY CLAIM FORM

Dear Purchaser:

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

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

Your Name:

Mailing Address:

Phone:

Designation of Unit Warranted:

Effective Date of the Warranty:

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

(signature) (date)

(signature) (date)

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

ACCEPTED STANDARDS
TOPIC INDEX

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

1. Possible Deficiency - a brief statement, in simple terms, of problems that may be encountered.

2. Performance Standard - a performance standard relating to a specific deficiency.

3. Responsibility - a statement of the correction action required of the Seller to repair the deficiency or a statement of the Unit Owner's maintenance responsibilities.

Workmanship and Materials, First Year Only

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PERFORMANCE STANDARDS

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

A. Site Grading

(1) Possible Deficiency: Setting of ground around foundation, utility trenches or

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

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

B. Site Drainage

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

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

Responsibility: The Seller is responsible only for initially establishing the proper grades and swales. The Unit Owner or Condominium Board, as the case may be, is responsible for maintaining such grades and swales once they have been properly established.

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

A. Expansion and Contraction Joints

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

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

Responsibility: None.

B. Cast-in-Place Concrete

(1) Possible Deficiency: Basement foundation wall cracks.

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

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

(2) Possible Deficiency: Cracking of basement or cellar floor.

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

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

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

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

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

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

(5) Performance Standard: Except for basement and cellar floors or where a floor or portion of floor has been designated for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions, or areas of unevenness exceeding 1/4 inch in 32 inches.

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

(6) Possible Deficiency: Cracks in concrete slab-on-grade floors with finish flooring.
Performance Standard: Cracks which rupture the finish flooring material shall be repaired.

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

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

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

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

(8) Possible Deficiency: Settling. heaving or separating of stoops, steps or garage floors.

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

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

(9) Possible Deficiency: Standing water on Stoops.

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

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

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

A. Unit masonry

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

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

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

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

Performance Standard: Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width are considered excessive.

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

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

A. Rough Carpentry

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

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

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

(2) Possible Deficiency: Uneven wood floors.

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

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

(3) Possible Deficiency: Bowed walls.

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

Responsibility: Seller will repair to meet Performance Standard.

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

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

Responsibility: Seller will repair to meet the Performance Standard.

B. Finish Carpentry (Interior)

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

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

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

C. Finish Carpentry (Exterior)

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

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

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

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

A. Waterproofing

(1) Possible Deficiency: Leaks in basement or cellar.

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

Responsibility: Seller will take such action as necessary to correct basement and cellar leaks, respectively, except where the cause is determined to result from Unit Owner action or negligence or the action or negligence of the Condominium Board from and after any such time that Seller shall not control such Board.

B. Insulation

(1) Possible Deficiency: Insufficient insulation.

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

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

C. Louvers and Vents

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

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

Responsibility: None.

D. Roofing and Siding

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

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

Responsibility: Prevention of ice build-up on the roof is a Unit Owner or Condominium Board maintenance item.

(2) Possible Deficiency: Roof or flashing leaks.

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

Responsibility: Seller will repair any verified roof or flashing leaks not caused by ice build-up or Unit Owner, other unit owner or Condominium Board action or negligence.

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

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

Responsibility: Seller will make corrective action to assure proper drainage of roof.

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

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

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

E. Sheet metal

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

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

Responsibility: Seller will repair leaks. It is a responsibility of the Unit Owner or Condominium Board, as the case may be, to keep gutters and downspouts free of leaves and debris which could cause overflow.

(2) Possible Deficiency: Water standing in gutters.

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

Responsibility: Seller will correct to meet Performance Standard.

F. Sealants

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

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

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

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

A. Wood and Plastic Doors

(1) Possible Deficiency: Warpage of exterior doors.

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

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

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

Performance Standard: Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards (1/4 inch measured diagonally from corner to corner).

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

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

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

Responsibility: None.

(4) Possible Deficiency: Split in door panel.

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

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

B. Glass

(1) Possible Deficiency: Broken glass.

Performance Standard: None.

Responsibility: Broken glass not reported to Seller prior to closing is the Unit Owner's responsibility.

C. Garage Doors an Attached Garages

(1) Possible Deficiency: Garage doors fail to operate properly, under normal use.

Performance Standard: Garage doors shall operate properly.

Responsibility: Seller will correct or adjust garage doors as required. except where the cause is determined to result from Unit Owner, other unit owner or Condominium Board action or negligence.

(2) Possible Deficiency: Garage doors allow entrance of snow or water.

Performance Standard: Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.

Responsibility: Seller will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Plastic and Metal Windows

(1) Possible Deficiency: Malfunction of windows.

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

Responsibility: Seller will correct or repair as required.

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

Performance Standard: Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created by the Unit Owner and/or, if the Unit is not the only Unit in its building, the Condominium Board.

Responsibility: Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Seller 's control. No corrective action required.

E. Weatherstripping and Seals

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

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

Responsibility: Seller will adjust or correct poorly fitted doors, windows and poorly fitted weatherstripping.

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

A. Lath and Plaster

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

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

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

B. Gypsum Wallboard

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

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

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

C. Ceramic Tile

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

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

Responsibility: Seller will replace cracked tiles and re-secure loose tiles unless the defects were caused by the action or negligence of the Unit Owner, other unit owner or Condominium Board. Seller will not be responsible for discontinued patterns or color variations in ceramic tile.

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

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

Responsibility: Seller will repair grouting if necessary one time only, during the first year of the Limited Warranty period. Seller will not be responsible for color variations or discontinued colored grout. Regrouting of these cracks is a maintenance responsibility of the Unit Owner or Condominium Board, as the case may be, within the life of the Unit.

D. Finished Wood Flooring

(1) Possible Deficiency: Cracks developing between floor boards.

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

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

E. Resilient Flooring

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

Performance Standard: Readily apparent nail pops shall be repaired.
Responsibility: Seller will correct nail pops which have broken the surface. Seller will repair or

replace. at Seller 's sale option, resilient floor covering in the affected area with similar material. Seller will not be responsible for discontinued patterns or color variations in the floor covering.

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

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

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

(3) Possible Deficiency: Resilient flooring loses adhesion.

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

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

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

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

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

F. Painting

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

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

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

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

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

Responsibility: Seller will finish repair areas as indicated.

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

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

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

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

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

Responsibility: Mildew or fungus formation is a condition the Seller cannot control and is a Unit Owner or Condominium Board, as the case may be, maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

G. Wall Covering

(1) Possible Deficiency: Peeling of wall Covering.

Performance Standard: Peeling of wall covering shall not occur.

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

(2) Possible Deficiency: Edge mismatching in pattern of wall covering.

Performance Standard: None.

Responsibility: None.

H. Carpeting

(1) Possible Deficiency: Carpet seams.

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

Responsibility: Seller will correct.

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

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

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

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

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

Responsibility: None.

I. Special Coatings

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

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

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

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

A. Louvers and Vents

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

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

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

B. Fireplaces.

(1) Possible Deficiency: Fireplace or chimney does not draw properly.

Performance Standard: A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some units may need to have a window opened slightly to create an effective draft, if they have been insulated and weather-proofed to meet high energy conservation criteria.

Responsibility: Seller will determine the cause of malfunction and correct, if the problem is one of design or construction of the fireplace.

(2) Possible Deficiency: Chimney separation from structure to which it is attached.

Performance Standard: Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed ½½ inch from the main structure in any 10 foot vertical measurement.

Responsibility: Seller will determine the cause of separation and correct if standard is not met. Caulking is acceptable.

(3) Possible Deficiency: Firebox paint changed by fire.

Performance Standard: None.

Responsibility: None. Heat from fire will alter finish.

(4) Possible Deficiency: Cracked firebrick and mortar joints.

Performance Standard: None.

Responsibility: None. Heat and flames from ""roaring"" fires will cause cracking.

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

A. Residential Equipment

(1) Possible Deficiency: Surface Cracks, point delaminations and chips in high pressure laminates on vanity and kitchen cabinet countertops.

Performance Standard: Countertops fabricated with high pressure laminate coverings shall not delamination

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

(2) Possible Deficiency: Kitchen cabinet malfunctions.

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

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

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

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

Responsibility: Seller will correct to meet Performance Standard.

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

A. Water Supply System

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

Responsibility: Seller will correct situations not meeting the code. It is the responsibility of the Unit Owner or Condominium Board, as the case may be, to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

B. Plumbing System

(1) Possible Deficiency: faucet or valve leak.

Performance Standard: No valve or faucet shall leak due to defects in workmanship and materials.

Responsibility: Seller will repair or replace the leaking faucet or valve.

(2) Possible Deficiency: Defective plumbing fixtures, appliances or trim fittings.

Performance Standard: Fixtures, appliances or fittings shall comply with their manufacturer's standards.

Responsibility: Seller will replace any defective fixture or fitting which does not meet acceptable standards, as defined by manufacturer.

(3) Possible Deficiency: Noisy water pipes.

Performance Standard: There will be some noise emitting from the water Pipe system, due to the flow of water. However, water hammer shall be eliminated.

Responsibility: Seller cannot remove all noises due to water flow and pipe expansion. Seller will correct to eliminate "water hammer".

(4) Possible Deficiency: Cracking or chipping of porcelain or fiberglass surfaces.

Performance Standard: Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.

Responsibility: Seller will not be responsible for repairs unless damage has been reported to Seller prior to first occupancy.

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

A. Heating

(1) Possible Deficiency: Inadequate heating

Performance Standard: Heating system shall be capable of producing an inside temperature of 70 F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHREA handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility: Seller will correct heating system to provide the required temperatures. However, the Unit Owner or Condominium Board, as the case may be, shall be responsible for balancing dampers, registers and other minor adjustments.

B. Refrigeration

(1) Possible Deficiency: Inadequate cooling.

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

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

C. Condensation Lines

(1) Possible Deficiency: Condensation lines clog up.

Performance Standard: None.

Responsibility: Condensation lines will clog eventually under normal use. This is a Unit Owner or Condominium Board, as the case may be, maintenance item. Seller shall provide unobstructed condensation lines at time of first occupancy.

D. Evaporative Cooling

(1) Possible Deficiency: Improper mechanical operation.

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

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

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

A. Air Distribution

(1) Possible Deficiency: Noisy ductwork.

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

Responsibility: None.

(2) Possible Deficiency: Oilcanning.

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

Responsibility: Seller will correct to eliminate this sound.

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

A. Electrical Conductors, Fuses, and Circuit Breakers

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

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

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

B. Outlets, Switches and Fixtures

(1) Possible Deficiency: Drafts from electrical outlets.

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

Responsibility: None.

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

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

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

C. Service and Distribution

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

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

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

SYSTEMS: FIRST AND SECOND YEARS

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

A. Water Supply

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

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

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

B. Septic Tank System

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

Performance Standard: Septic system shall function adequately during all seasons, under climatic conditions normal or reasonable anticipated (based on local records) for the location of the Unit. Septic System shall be designed and installed to comply with applicable, approved Code requirements.

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

C. Piping

(1) Possible Deficiency: Leakage from any pipe.

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

Responsibility: Seller will make repairs to eliminate leakage.

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

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

Responsibility: Seller will not be responsible for sewers, fixtures and drains which are clogged through the negligence of the Unit Owner, other unit owners or the Condominium Board. If a problem occurs, the Unit Owner should consult Seller for a proper course of action. Where defective construction is shown to be the cause, Seller will assume the cost of the repair. Where Unit Owner or Condominium Board negligence is shown to be the cause, the Unit Owner (or Condominium Board, as the case may be) shall assume all repair costs.

(3) Possible Deficiency: Refrigerant lines leak.

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

Responsibility: Seller will repair leaking refrigerant lines and re-charge unit. unless damage was caused by the Unit Owner or Condominium Board.

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

A. Air Distribution

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

Performance Standard: Ductwork shall remain Intact and securely fastened.

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

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

A. Wiring

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

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

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

MAJOR STRUCTURAL DEFECTS: FIRST YEAR THROUGH SIXTH YEAR

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

A. Load-bearing Portions of the Unit

(1) Possible Deficiency: The failure of any of the following load-bearing portions of the Unit: foundations systems and footings. beams, girders, lintels, columns, structural walls and partitions, floor systems, and roof framing systems. (Note: load-bearing portions do not include, for example: roofing and sheathing, drywall and plaster, exterior siding, brick or stone or stucco venter, floor covering material, wall tile or other wall coverings, non-load bearing walls and partitions, concrete floors in attached garages and in basements and cellars that are built separately from foundation walls or other structural elements of the Unit, electrical systems, plumbing systems, heating or cooling systems. ventilation system, appliances, fixtures and items of equipment, paint, doors and windows, trim, cabinets, hardware, or insulation.)

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

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

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

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UNIT OWNER'S POWER OF ATTORNEY

1. All terms used in this Unit Owner's Power of Attorney that are used (a) in the declaration (the "**Declaration**") establishing a plan for condominium ownership of the Land and Buildings known as and by the street number 3112-3144 Emmons Avenue, Brooklyn, New York, as well as all other property, real, personal or mixed, intended for use in connection therewith, and all easements, rights, privileges and hereditaments appurtenant thereto (collectively, the "**Property**") under Article 9-B of the Real Property Law of the State of New York, dated _____, 200_, and recorded in the Office of the Register of the City of New York, County of Kings, on _____, 200_, in Reel _____, Page ____, or (b) in the by-laws of the Condominium (the "**By-Laws**") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

2. The undersigned _____, (having an office) (residing)** at _____, the owner of the Residential Unit (the "**Undersigned's Unit**") known as Unit No. _____ *[delete if inapplicable]* and Parking Space Unit _____ in The Breakers at Sheepshead Bay Condominium (the "**Condominium**"), known by the street address 3112-3144 Emmons Avenue, Brooklyn, New York, and consisting of the Property including the real property and improvements thereon as more particularly described on Schedule A annexed hereto and made a part hereof, such Residential Unit being also designated as Tax Lot _____ in Block _____, (*delete if inapplicable*: and such Parking Space Unit also designated as Tax Lot _____ in Block _____,) of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans, (does)(do)** hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner so desiring to sell, convey, transfer, assign or lease, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender such Unit pursuant to the terms of Article V, Section 7 of the By-Laws, and (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and, with respect to any transfer pursuant to the terms of subdivision (1)(a) or (1)(c) of this paragraph at such price or at such rental, as the case may be, as such attorneys-in-fact deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, on such terms as such attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in such premises which the undersigned could do if the undersigned were personally present; (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the

**Delete inapplicable parenthetical(s).

Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the New York City Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other Governmental Authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property and (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Property (including, without limitation, the Common Elements), that the Condominium Board deems necessary or appropriate.; and (3) any other document or instrument which the undersigned shall, under any provision of the Declaration or By-laws, be obligated to execute, acknowledge and/or deliver upon the request of the Condominium Board.

The acts of a majority of such persons constituting the Condominium Board, from time to time, shall constitute the acts of said attorneys-in-fact.

3. The undersigned (does)(do)** hereby irrevocably nominate, constitute and appoint Emmons-Sheepshead Bay Development LLC (the "Declarant"), and each of its designees, as the undersigned's true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with full power of substitution, acting severally, to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Declarant or its designees deem necessary or appropriate to comply with any law, zoning resolution, or requirement of the Department of Buildings, or any other Governmental Authority applicable to the construction, rehabilitation, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof.

4. In addition, the undersigned (does)(do)** hereby irrevocably nominate, constitute and appoint the Declarant, each of its designees, each Unsold Residential Unit Owner and each Marina Unit Owner, as the undersigned's true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with full power of substitution, acting severally, to amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of such documents, when such amendment (i) shall be required to reflect any changes in, subdivision of or combination of, the Unsold Residential Units, the Marina Units, or the Marina Limited Common Elements and/or the reapportionment of the Common Interests of the affected Unsold Residential Units and Marina Units or Unsold Residential Units resulting therefrom, as the case may be, made by Declarant, any of its designees, any Unsold Residential Unit Owner or the Marina Unit Owner(s) in accordance with the Declaration and By-laws (including without limitation pursuant to Section 9 of the Declaration), (ii) shall, under the terms of the Declaration and/or By-laws, be permitted to be filed by Declarant, any Unsold Residential Unit Owner, or the Marina Unit Owner(s) without the consent of the undersigned or that of the Condominium Board or (iii) will be required by (A) an Institutional Lender designated by Declarant or its designees 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

**Delete inapplicable parenthetical(s).

Declarant or its designees to insure title to any Unit; provided, however, that any amendment made pursuant to the terms of subdivisions (i), (ii) or (iii) of this paragraph will not (x) change the Common Interest of the Undersigned's Residential Unit (or, if applicable, Parking Space Unit), (y) require a material, physical modification to the Undersigned's Residential Unit (or, if applicable, Parking Space Unit), or (z) 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 Residential Unit (or, if applicable, Parking Space Unit) unless the undersigned (in the event described in subdivisions (x) or (y) of this paragraph) or the holder of such mortgage (in the event described in (z) of this paragraph) shall consent thereto by joining in the execution of such amendment.

5. In addition, the undersigned (does)(do)** hereby irrevocably nominate, constitute and appoint the Declarant and each of the Marina Unit Owners, as the undersigned's true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with full power of substitution, acting severally, to execute and deliver any and all applications and filings as the Marina Unit Owners may request to be signed by the undersigned in connection with the development, construction, alteration, improvement and operation of the Marina or as otherwise contemplated or permitted pursuant to Section 9 of the Declaration as pertaining to the Marina Unit(s) or the Marina.

6. In addition, the undersigned (does)(do)** hereby irrevocably nominate, constitute and appoint the Declarant, each of its designees and each Marina Unit Owner, as the undersigned's true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with full power of substitution, acting severally, to approve, execute, record and/or file a Marina Affairs Amendment and/or any instrument effecting or facilitating a Marina Affairs Amendment or the recording, filing or putting into effect thereof, including without limitation, amendments to or replacements of the Floor Plans.

7. In addition, the undersigned (does)(do)** hereby irrevocably nominate, constitute and appoint the Declarant, each of its designees, each Unsold Unit Owner and each Marina Unit Owner, as the undersigned's true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with full power of substitution, acting severally, to execute, acknowledge and deliver any document or instrument which the undersigned shall, under any provision of the Declaration or By-laws be obligated to execute, acknowledge and/or deliver upon the request of any of the foregoing, respectively.

This Power of Attorney has been granted for a valuable consideration and shall be irrevocable.

Terms not defined herein are intended to have the meanings given to them in the Declaration and By-Laws.

**Delete inapplicable parenthetical(s)

IN WITNESS WHEREOF, the undersigned (has)(have)** executed this Unit Owner's Power of Attorney as of the _____ day of _____, 200___.

_____

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

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

_____
Notary Public

**Delete inapplicable parenthetical(s).

Schedule A

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Emmons Avenue distant 316.14 feet westerly from the corner formed by the intersection of the southerly side of Emmons Avenue with the westerly side of Bragg Street;

RUNNING THENCE westerly along with southerly side of Emmons Avenue 296.24 feet;

THENCE southerly on a line forming an interior angle of 92 degrees 52 minutes with the southerly side of Emmons Avenue 233.60 feet to The United States Bulkhead line approved by The Secretary of War on 8/31/15;

THENCE southeasterly along the United States Bulkhead line approved by The Secretary of War on 8/31/15 and on a line forming an interior angle of 97 degrees 53 minutes 21 seconds with the last mentioned course 298.71 feet;

THENCE northerly on a line forming an interior angle of 82 degrees 06 minutes 39 seconds with The United States Bulkhead line approved by The Secretary of War on 8/31/15 117.46 feet to a point;

THENCE westerly at right angles to the last mentioned course 49.50 feet;

THENCE northerly at right angles to the last mentioned course 44.00 feet;

THENCE easterly at right angles to the last mentioned course 49.25 feet to a point; and

THENCE northerly at right angles to the last mentioned course 127.95 feet to the southerly side of Emmons Avenue, the point or place of BEGINNING.

For conveyancing only, if intended to be conveyed:

TOGETHER with all the right, title and interest of the party of the first part of, in and to the land lying in the street in front of and adjoining said premises.

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FORM OF UNIT DEED

THIS INDENTURE, made the _____ day of _____, 200___ between Emmons-Sheepshead Bay Development LLC, a New York limited liability company, having an office at 22 Seventh Avenue, Brooklyn, New York 11217, ("Grantor"), and _____, a _____, with offices/residing at _____, New York, ("Grantee").

WITNESSETH

That the Grantor, in consideration of Ten Dollars ($10.00) 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 residential unit known as Unit No._____ (hereinafter called (hereinafter called the "Residential Unit") (delete if inapplicable) (and the Parking Space Unit known as Parking Space Unit _____) in the Condominium known as The Breakers at Sheepshead Bay Condominium and by the street number 3112-3144 Emmons Avenue, Brooklyn, New York, in the Borough of Brooklyn, County of Kings, City and State of New York (hereinafter called the "Premises"), and designated and described as such in the Declaration made by the Grantor under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York) dated _____, and recorded in the Kings County Office of the Register of the City of New York, on the ___ day of _____, 2005, in CRFN File No. _____ (hereinafter called the "Declaration") which Residential Unit is also designated as Tax Lot _____ in Block _____ (delete if inapplicable) (and which Parking Space Unit is designated as Tax Lot _____ in Block _____) of Section 26 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York, and on the floor plans of said building, certified by Elena Kalman Architect, and filed with the Real Property Assessment Department of the City of New York on _____, 200__ as Condominium Plan No. _____ and also filed in the Kings County Office of the Register of the City of New York on _____, 200__, as Condominium Map No. ____.

The land on which the Condominium is located is described as follows:

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Emmons Avenue distant 316.14 feet westerly from the corner formed by the intersection of the southerly side of Emmons Avenue with the westerly side of Bragg Street;

RUNNING THENCE westerly along with southerly side of Emmons Avenue 296.24 feet;

THENCE southerly on a line forming an interior angle of 92 degrees 52 minutes with the southerly side of Emmons Avenue 233.60 feet to The United States Bulkhead line approved by The Secretary of War on 8/31/15;

THENCE southeasterly along the United States Bulkhead line approved by The Secretary of War on 8/31/15 and on a line forming an interior angle of 97 degrees 53 minutes 21 seconds with the last mentioned course 298.71 feet;

THENCE northerly on a line forming an interior angle of 82 degrees 06 minutes 39 seconds with The United States Bulkhead line approved by The Secretary of War on 8/31/15 117.46 feet to a point;

THENCE westerly at right angles to the last mentioned course 49.50 feet;

THENCE northerly at right angles to the last mentioned course 44.00 feet;

THENCE easterly at right angles to the last mentioned course 49.25 feet to a point; and

THENCE northerly at right angles to the last mentioned course 127.95 feet to the southerly side of Emmons Avenue, the point or place of BEGINNING;

TOGETHER with an undivided _____% Common Interest in the Common Elements appurtenant to the Residential Unit (*delete if inapplicable*) (and an undivided _____% interest in the Common Elements appurtenant to the Parking Space Unit);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Residential Unit (*delete if inapplicable*) (and Parking Space Unit);

Together with and subject to the rights, obligations, easements, restrictions and other provisions of the Declaration and of the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) as such Declaration and By Laws may be amended from time to time by instruments recorded in the Kings County Office of the Register of the City of New York, all of which rights, obligations, easements, restrictions and other provisions, shall constitute covenants running with the land and shall bind any and all persons having at any time any interest or estate in any of the Property (as defined in the Declaration) covered thereby including any Unit, as though recited and stipulated at length herein; and subject to any other matters of record as of the date hereof;

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

Grantee by accepting delivery of this deed covenants and agrees to be bound by and to comply with the provisions of the Declaration and the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Kings County Office of the Register of the City of New York.

If the Unit is a Residential Unit (as defined in the Declaration) then such Unit shall be used solely for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law.

If the Unit is a Parking Space Unit (as defined in the Declaration) then such Unit may be used for parking one passenger motor vehicle.

The Grantor covenants that the Grantor has not done or suffered anything to be done whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the Condominium By-Laws (and any Rules and Regulations adopted under the Condominium By-Laws). This covenant is for the personal benefit of the Grantee only and cannot be assigned to or exercised by, and shall not inure to the benefit of, any other person or entity, including, but not limited to, any insurer of the Grantee's title or any successor to the Grantee's interest.

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

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

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

WITNESS

_____

GRANTOR:

EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC

By:_____
Name:
Title:

STATE OF NEW YORK)
) **ss.**
COUNTY OF _____)

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

_____
Notary Public

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:_____
The Breakers at Sheepshead Bay Condominium

File Number:_____

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

1. Name of Applicant

2. Address of Applicant

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

4. This is an application for

   [ ] return of down payment.

   [ ] forfeiture of down payment.

   [ ] other: _____

   _____

5. The project is

   [ ] a conversion of occupied premises.

   [x] newly constructed or rehabilitated.

   [ ] vacant (as is).

6. The project is structured as

   [ ] a cooperative.

   [x] a condominium.

   [ ] a homeowners association.

   [ ] a time share.

   [ ] other:_____

7. Name and Address
of Sponsor: _____
_____

8. Name and Address
of Escrow Agent:_____
_____

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

(a) Name of account _____

(b) Name and address
of bank_____

(c) Account number (if known) _____

(d) Initial interest rate (if known) _____

10. If down payments have been secured by bonds:

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

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

11. If down payments have been secured by a letter of credit:

(a) Name and address of bank which issued the letter of credit:
_____
_____
_____

(b) Date of expiration of the letter of credit, if known:
_____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

[ ] has been declared effective. Approximate date:
_____

[ ] has not been declared effective.

(c) If effective, the plan

[ ] has closed or the first unit has closed.
Approximate date: _____

[ ] has not closed.

[ ] don't know.

(d) Down payments are secured by

[ ] escrow account.

[ ] bonds.

[ ] letter of credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of down payment(s): _____

(d) Total amount of down payment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____
_____
_____
_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____
_____
_____
_____
_____

15. I am contemporaneously sending a copy of this application to the following persons:

_____

_____

_____

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from 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:

ESCROW AGREEMENT

AGREEMENT made this 3rd day of June, 2005, between Emmons-Sheepshead Bay Development LLC ("SPONSOR"), as SPONSOR of the offering plan to the extent provided below, and Troutman Sanders LLP ("ESCROW AGENT"), as ESCROW AGENT.

WHEREAS, SPONSOR is the Sponsor of a condominium offering plan for the sale of Condominium Units in a condominium to be known as The Breakers at Sheepshead Bay Condominium, 3112-3144 Emmons Avenue, Brooklyn, New York 11235 (the "Premises") (such plan being called the "Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an ESCROW AGENT hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as ESCROW AGENT for deposits by purchasers on account of the purchase price of units in such Condominium (collectively, "Units" and each a "Unit") under the Plan, together with all accrued interest thereon (collectively the "Deposits"), pursuant to the terms of this agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers on account of the purchase price of Units under the Plan. The escrow account has been opened with JP Morgan Chase Bank at its branch located at 1211 Avenue of the Americas, New York, New York 10036.

1.2 The name of the account into which deposits initially will be deposited in accordance with the provisions of this Agreement is "Troutman Sanders LLP Primary Segregated Account" and the name of the respective sub-escrow accounts into which respective purchasers' deposits, once cleared, will be transferred in accordance with the provisions of this Agreement shall be "Troutman Sanders LLP Attorneys Trust Account for (name of respective purchaser).".

1.3 Members of the ESCROW AGENT are the sole signatories on such account and sub-escrow accounts (such account and sub-escrow accounts, collectively, the "escrow account").

1.4 The sub-escrow account into which the Deposit, once cleared, shall be deposited shall be an interest-bearing account, provided however, that Escrow Agent shall not be responsible for transferring the Deposit from the primary segregated account to the sub-escrow account, and the Deposit shall not earn interest, unless and until Escrow Agent receives a completed and signed Purchase Agreement and a completed and signed Form W-9 Request for Taxpayer Information or appropriate Form W-8 certificate regarding foreign status, as applicable, from Purchaser.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received by ESCROW AGENT from each prospective purchaser of a Unit under the Plan, on account of the purchase price thereunder, prior to closing of such Unit, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of "Troutman Sanders LLP Primary Segregated Account." Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser promptly after receipt by ESCROW AGENT of such instrument following any attempts to deposit it; but, in any event, following such unsuccessful attempts to deposit it, ESCROW AGENT shall mail or otherwise send such instrument to such prospective purchaser within five business days of such receipt of such instrument by ESCROW AGENT. In the event of such return of such instrument, then such instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 For purposes of this Section 2.2, an unconditional tender and delivery of a Down Payment shall be deemed to have been made if a Down Payment is delivered together with a Purchase Agreement in the form agreed to by SPONSOR without any request for a change in such form or the terms of such Purchase Agreement. Within 10 business days after unconditional tender and delivery to the Selling Agent of the Down Payment required to be submitted by a purchaser on account of the purchase of a Unit under the Plan, together with the Purchase Agreement for the purchase of such unit, ESCROW AGENT shall notify such purchaser of the deposit of such funds in the bank indicated in the Plan, provide the account number of the escrow account, and disclose the initial interest rate. Subject to the provisions of the next sentence, if such purchaser does not receive notice of such deposit within fifteen (15) business days after unconditional tender and delivery to the Selling Agent of such Down Payment, then such purchaser may cancel the purchase and rescind such purchaser's Purchase Agreement so long as such right to rescind is exercised within ninety (90) days after such purchaser's unconditional tender and delivery of such down payment to the Selling Agent, or such purchaser may apply to the Attorney General for relief. However, a purchaser shall not be entitled either to rescind such purchaser's Purchase Agreement or to receive a refund of such purchaser's Deposit where proof satisfactory to the Attorney General is submitted establishing that such Deposit was timely deposited and notice as provided above was timely mailed to such purchaser in accordance with all regulations of the Attorney General.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall continue to hold a purchaser's Deposit in escrow until: (a) otherwise directed in one or more writings signed (whether on the same or separate counterparts) by each of SPONSOR and such purchaser, or (b) otherwise directed in a determination of the Attorney General, pursuant to the dispute resolution procedures contained in the Attorney General's regulations, or (c) a judgment or order of a court of competent jurisdiction permits or requires the release of such Deposit, or (d) such Deposit is paid by ESCROW AGENT into a court of competent jurisdiction, or (e) such Deposit is paid to SPONSOR as provided below, or (f) such Deposit is paid to such purchaser as provided below.

3.2 SPONSOR shall not object to the release of the Deposit of any purchaser to such purchaser, provided such purchaser has not defaulted and has timely and validly rescinded such purchaser's Purchase Agreement in accordance with an offer of rescission contained in the Plan or an amendment to the Plan.

3.3 If there is no written agreement between SPONSOR and a purchaser to release the Deposit paid by such purchaser, ESCROW AGENT shall not pay such Deposit to SPONSOR until after 10 business days following the date that ESCROW AGENT has given such purchaser written notice that ESCROW AGENT intends to pay to SPONSOR such Deposit. Thereafter, such Deposit may be paid to SPONSOR unless such purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and ESCROW AGENT has received, within such 10 business day period, notice from such purchaser that such application has been made.

4. RECORD KEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL RIGHTS AND OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship, pursuant to this Agreement, shall exist between ESCROW AGENT and purchasers who have paid Deposits which are held by ESCROW AGENT, and ESCROW AGENT acknowledges such fiduciary obligations.

5.3 ESCROW AGENT undertakes to perform only such duties as are expressly set forth herein. If there is any conflict or inconsistency between the provisions of this Agreement and either the Plan or any Purchase Agreement (as defined in the Plan), the provisions of this Agreement shall be controlling.

5.4 If conflicting demands are made or notices are served upon ESCROW AGENT with respect to this Agreement, or if ESCROW AGENT shall hold a good faith belief that the rights of a claimant to any Deposit are not absolutely clear, the signatories hereto agree that ESCROW AGENT may refuse to comply with any such claim or demand and, except as hereinafter set forth in this Agreement, may withhold and stop all further proceedings in the performance of this Agreement so long as such disagreement shall continue. In so doing, ESCROW AGENT shall not

be or become liable for damages or interest to any of the signatories hereto or to any other person for its failure to comply with such conflicting or adverse demands or notices. ESCROW AGENT may continue to so refrain and so refuse to act until (i) the rights of the adverse claimants have been finally adjudicated in a court having and assuming jurisdiction of the parties and/or the Deposit, as the case may be, or (ii) all differences, with respect to any Deposit, shall have been resolved by mutual agreement of SPONSOR and the purchaser who paid such Deposit, and ESCROW AGENT shall have been notified thereof in writing signed by both of said parties. In the alternative, ESCROW AGENT may, but shall not be obligated to, file a suit in interpleader for a declaratory judgment for the purpose of having the respective rights of the claimants adjudicated, and/or may deposit any Deposit with a court of competent jurisdiction, in which event SPONSOR agrees to pay all costs, expenses and attorneys' fees incurred by ESCROW AGENT in connection therewith. In the event that ESCROW AGENT shall deposit any Deposit with such court, the ESCROW AGENT shall be fully released and discharged from any and all further duties and obligations hereunder with respect to such Deposit.

5.5 ESCROW AGENT shall not be responsible for any interest on any Deposit except for such as is actually received by ESCROW AGENT.

5.6 SPONSOR hereby agrees to indemnify ESCROW AGENT from, and to hold it harmless against, any loss, liability or expense (including, without limitation, attorneys' fees and expenses) incurred without gross negligence, willful default, or bad faith on the part of ESCROW AGENT, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim or liability.

5.7 In any action or proceeding, ESCROW AGENT may represent SPONSOR, even if such action or proceeding relates to or involves any Deposit, at the same time as ESCROW AGENT is holding such Deposit pursuant to this Agreement.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver to ESCROW AGENT each Deposit on account of the sale of a unit under the Plan which has been received by SPONSOR or such agents prior to closing of the sale of such unit within one business day of receipt thereof.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor ESCROW AGENT; or

(c) All Deposits held by ESCROW AGENT have been paid by ESCROW AGENT from the escrow account as provided in this Agreement.

ESCROW AGENT shall not be responsible for any delay between either i) any such cancellation by SPONSOR of the designation of ESCROW AGENT or ii) the resignation of ESCROW AGENT, and, in either such case, the date on which an amendment to the Plan appointing a successor ESCROW AGENT has been filed by the Department of Law and notice thereof has been given to ESCROW AGENT. Once any such cancellation of the designation of ESCROW AGENT has been given to ESCROW AGENT, or once ESCROW AGENT has given to SPONSOR notice of resignation as ESCROW AGENT, then in either case ESCROW AGENT shall not be obligated to accept thereafter any new Deposits in the escrow account.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1(a) or (b) above, ESCROW AGENT shall deliver any and all Deposits held by it in escrow to the new successor ESCROW AGENT set forth in such amendment to the Plan, provided ESCROW AGENT has received a copy of such amendment.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

10.1 SPONSOR agrees that ESCROW AGENT's compensation shall not be paid from the Deposits nor from any interest accruing thereon (unless and to the extent SPONSOR is entitled to be paid such Deposits pursuant to this Agreement) and that compensation to ESCROW AGENT, if any, shall not be deducted from the Deposits (unless and to the extent SPONSOR is entitled to be paid such Deposits pursuant to this Agreement) by any financial institution under any circumstance. SPONSOR shall reimburse to ESCROW AGENT any fees or charges incurred in connection with the establishment and maintenance of the escrow account.

11. SEVERABILITY.

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. ENTIRE AGREEMENT.

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

13. NOTICE.

13.1 All notices and communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or sent by regular, certified or registered mail, with or without return receipt requested, postage prepaid, addressed as follows:

To SPONSOR: Emmons-Sheepshead Bay Development LLC
22 Seventh Avenue
Brooklyn, New York 11217
Attention: Mr. Jacob Pinson

To ESCROW AGENT: Troutman Sanders LLP
405 Lexington Avenue
New York, New York 10174
Attention: Daniel J. Slatz, Esq.

or at such other address as any of the above may have furnished, as the address of such party, to the other parties in a notice given in accordance with the provisions of this Section. All notices sent in accordance with this Section shall be deemed given upon personal delivery or five days after the date of mailing, as the case may be.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT: TROUTMAN SANDERS LLP

By: /s/
Daniel J. Slatz

SPONSOR: EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC

By: /s/
Name: Jacob Pinson
Title: Manager

DESCRIPTION OF PROPERTY, SPECIFICATIONS AND BUILDING CONDITION

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ARCHITECT'S REPORT

THE BREAKERS CONDONINIUM

PREMISES KNOWN AS:

Emmons Avenue

Brooklyn, NY

Tax Block Number: 8815

Tax Lot Numbers F/K/A: 86, 97, 98, 99,100, 509, 510,513,514,515,516, 518, 519,520.

N/K/A: 86

BUILDING NUMBERS: 3112-3144

N/K/A: 3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A, 3144

75 dwelling units.

Prepared By:

Elena Kalman, AIA

99 Wild Duck Road

Stamford, CT 06903

This "Report" describes the structure know as The Breakers Condominium, located in the Borough of Brooklyn, County of Kings, City and State of New York; in the Sheepshead Bay section of Brooklyn, located in Tax Block 8815 and designated as Tax Lot, F/K/A: 86, 97,98,99,100,509,510,513,514,515,516, 518,519,520; **N/K/A: 86**

a.) ZONING AND PERMISSIBLE USE

The site is located in Sheepshead Bay Special District in C2-2 and R5, as designated on Map 29a of the 1961 Zoning Resolution (ZR). This zone permits residential use as-of-right.

b.) STATUS OF CONSTRUCTION

The building are under construction and the anticipated date of completion of all buildings and common areas by the third quarter of 2006

The buildings will be erected, as per plans, which were filed with, and approved by the Brooklyn Office of the New York City Department of Buildings. The buildings

have been assigned Building Department application numbers: 301510880, 301510899, 301510906, 301510915, 301510924, 301510933, 301510942, 301510951, 301510960, 301510979, 301510988, 301510997, 301511004, 301509035, 301509124, 301509115, 301509106, 301509099, 301509071, 301509080, 301509062, 301509053, 301509044, 301509133.

The Class of Construction shall be II-B for all the two family buildings, identified as buildings with street numbers: 3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A; and I-D Class of Construction for the multi family building 3144, as described under the 1968 Administrative Building Code.

The Certificate(s) of Occupancy for seventy five dwelling units and the accessory parking will be issued when work is completed to the satisfaction of the Department of Buildings.

As stated in the offering plan, the issuance of a partial, temporary or permanent certificate of occupancy covering a Unit or the building or structure in which the particular Unit is located (including, in the case of a Townhouse Unit, either the Townhouse Building or the two-family or two-unit structure in which the Unit is located, as determined by Sponsor) shall be a prerequisite to closing title to such Unit.

Multifamily Building 3144 (Building"A") will conform to Local Law 58 (Handicapped Access Law). All two family buildings are exempt from Local Law 58 (Handicapped Access Law).

All the buildings will have residential uses. All the buildings are attached to at least one other, and all share at least one wall with another building.

The buildings with street numbers: 3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A are three storey structures with cellars.
Each of the structures above has one two level apartment occupying the first and cellar floors, and another two level apartment occupying the second and third floors. Every apartment located on the first and cellar floors has outdoor spaces in front, rear and/or side yard, every apartment located on the second and third floors has a private terrace located on the roof. Most of the apartments located in townhouse buildings have one or

more balconies. All apartments located on the second and third floors have, as apart of the unit, an entry door leading to the landing, staircase, and sometimes a closet, which are located on the first floor.

In some cases, two buildings, such as 3112 and 3112A share a townhouse common exterior stair and an entry porch. In other cases, each building containing two apartments (such as 3122) have a townhouse common exterior stair and an entry porch shared by two apartments only. See the condominium floor plans in part II of the offering plan for details of particular units.

For the purposes of this report we designated letters: A, B, C, D & E to various types of buildings:

The two-family buildings with the overall plan dimensions of 14'x50' are designated as buildings type"B". The two-family buildings with the overall plan dimensions of 21'x44' are designated as buildings type "C". The two-family buildings with the overall plan dimensions of 28'x42' are designated as buildings type "D". There is one L-shaped two-family building designated as a building type "E".

The building 3144 is designated as Building "A" and is a three storey structure with parking garage locate in the cellar floor. This building is sometimes referred in this report as the Multi-Family building. The building has apartments located on floors one through three. Some of the apartments have private roof terraces. The private terraces are either directly accessed via private staircase located inside the apartment and leading to the roof, or via a multi-family common staircase leading to the roof. Some apartments have a 1.private balcony, or 2.a private "lower terrace" located on the first floor level, where the terrace extends as a roof over the garage. See the condominium floor plans in Part II of the plan for details of particular units.

3.) STREETS

The streets beyond the lot lines are the New York City sidewalks, curbs and roadways. The sidewalks and curbs fronting the property, (that is outside of the property lines) will be repaired as necessary when construction is completed. Catch basins are located in the roadway on Emmons Avenue to drain the storm water run-off, into the existing New York City Sewer System.

There will be a new roadway on the property servicing all the buildings on the property and connecting to the Emmons Avenue. The roadway leading into the property is asphalt paved. Maintanance for the roadway will be the responsibility of the condominium.

There will be new concrete sidewalks and curbs along the new roadway. All street exterior lighting on the property sidewalks or the roadway will be connected to multi-family building common house meter. Refer to electrical section of the report for site lighting descriptions.

d.) UILITIES

Water will be provided by the City of New York.

Natural Gas will be provided by the Key Span Company for heating.

The telephone service will be pre-wired. It will be the purchaser's obligation to obtain the services from a telephone company. The entire sanitary waste will be carried from the buildings into the existing New York City Sewer System. Some of the storm water run-off will be dissipated through drywells. Paving, curbs, basins and lighting are in conformity with applicable codes.

e.) SUB-SOIL CONDITIONS

The site is located mostly in Flood Zone A-5 (elevation 9.0) (Area of 100 Year Flood). Only a small portion of the site (approximately 10%) at north-west corner is Flood Zone B (Area between limits of 100 year flood and 500 year flood). The entire development is designed to satisfy the codes and requirements for a more restrictive Flood Zone A-5.

Cellar level located under the flood plane line is designed to allow water in case of flooding to flow through the interior space via lowered opening provided in front and rear walls of the cellar. All materials to be used in the cellar are water resistant and all construction elements will be anchored to concrete slab and/of foundation walls.

Cellar of Building "A" contains the covered portion of parking garage. Cellars of Buildings "B", "C", "D" and "E" contain areas designated for recreation and storage uses only.

The property is new construction. All foundations erected at the time of inspection showed no significant movement or settlement of any of the structural components..

f.) LANDSCAPING

There will be thirteen (13) Aristocrat Pear trees 4" caliper planted along the sidewalk outside the entry gate (see below), as per zoning requirements. Maintenance of the city sidewalk and trees will be the responsibility of the city. Designated areas along the Visual Corridor, and private front yards will be planted with grass and decorative shrubs. Private rear yards shall be partially paved with concrete pavers, and will have grass areas. The parking spot OPU-60 which borders the Emmons Avenue will be screened from Emmons Avenue with 3' wide planting area with shrubs. There will be a 6'tall metal fence with sliding gate at the portion of the property bordering Emmons Avenue. The sliding gate will be operated by tenants only via code or card access system. and will allow the vehicular entry into the property. There will be 6'tall privacy fences located on both sides of the property to separate property form neighbors on the Eastern and Western sides.

g.) BUILDING SIZE

The development consists of two clusters of buildings, on both sides of visual corridor: "Breakers West" on the west side, and "Breakers East" with adjoining multi-family Building "A" on the east side.

As stated in the offering plan, the Sponsor excludes the Housing Merchant Implied Warranty set forth in Article 36-B of the General Business Law which grants to buyers of certain newly-constructed housing units a warranty that homes will be free of certain defects, and all other warranties, express or implied, other than the Limited Warranty annexed to the Purchase Agreement in Part II of the offering plan, which Limited Warranty applies to the purchase of Residential Units only. Neither the Housing Merchant Implied Warranty nor the Limited Warranty applies to the purchase of Parking

Space Units. Please see the "Special Risks," "Description of Property and Improvements," and "Rights and Obligations of Sponsor" sections of the offering plan as well as the Limited Warranty attached to the Purchase Agreement in Part II of the Plan.

1. BREAKERS WEST:
BUILDINGS: 3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A, 3120, 3120A, 3122, 3124, 3126.

There will be thirteen (13) two-family buildings, with demising walls adjoining them. There will be a cellar level with three (3) stories above. The buildings will have a total height of approximately 34.56' measured from the line of 100 year flood plane (El. 9.0 NGVD). The grade level in front of each building is approximately 12"-18" lower then a designated flood plane line. The lowest level in each building will be the cellar with a floor to ceiling height of approximately 7'-6" inside the units. There will be three (3) floors above the cellar each with a floor to ceiling height of approximately 9'-0". Of these thirteen (13) buildings there will be six (6) two-family buildings type "B" with footprint of 14'x50' each, five (5) two-family buildings type "C" with footprint of 21'x 44'each, and two (2) two-family buildings type "D" with footprint of 28'x42' each.

2. BREAKERS EAST:
BUILDINGS: 3128, 3130, 3132, 3134, 3136, 3136A, 3138, 3138A, 3140, 3140A

There will be ten (10) buildings, with demising walls adjoining them. There will be a cellar level with three (3) stories above. The buildings will have a total height of approximately 34.56' measured from the line of 100 year flood plane (El. 9.0 NGVD). The grade level in front of each building is approximately 12"-18" lower then a designated flood plane line. The lowest level in each building will be the cellar with a floor to ceiling height of approximately 7'-6" inside the units. There will be three (3) floors above the cellar each with a floor to ceiling height of approximately 9'-0". Of the ten (10) buildings there will be: six (6) two-family buildings type "B" with footprint of approximate dimensions of: 14'x50' each, one (1) two-family buildings type "C" with

footprint of approximate dimensions of: 21'x 44'each, and two (2) two-family building type "D" with footprint of approximate dimensions of: 28'x42'each, and one building type two-family "E" (see condominium floor plans for building "E" foot print dimensions)

3. MULTI-FAMILY BUILDING "A": 3144

There will be one multifamily building type "A" (see condominium floor plans for building "A" foot print dimensions) . Building "A" will be three storeys high on top of parking level located in cellar. It will contain 29 dwelling units, and have total residential area of approximately 37,805 square feet. Gymnasium and parking areas located in the cellar floor are not included in the residential area calculations.

h.) STRUCTURAL SYSTEM

1.) TYPE OF STRUCTURE

1.1. The structural system for the two family buildings **(types: "B", "C", "D", and "E")** is classified as a bearing wall type, with the masonry bearing walls serving as demising walls, and steel light gage studs used for all the exterior walls, and wood ceiling joists. The foundations shall consist of concrete piles & grade beams of reinforced concrete on earth for support of the bearing walls. The foundation walls shall be of reinforced concrete.

The interior floor at the cellar will be concrete slab on grade with ceramic tile finished flooring. The other floors shall have plywood and finished flooring on wood joists. The roof construction shall be wood joists, type"x" plywood underlayment, membrane type roofing, and synthetic pavers.

The party walls between the buildings will be constructed of 8"thick 75% solid concrete block with sheetrock on both sides, and will have fire rating exceeding 3 hours.

The construction classification of these building will be combustible construction class 2-B, as per Table 3-4 of the New York City Building Code.

1.2. The structural system for the multi family building **(Building "A")** is classified as steel frame type, with steel columns and beams supporting concrete slabs at all floors and roof. The foundations shall consist of concrete piles & grade beams of reinforced concrete on earth for support of the steel columns and walls. The foundation walls shall be of reinforced concrete.

There will be a party wall between multi family building "A" and adjacent two-family building type "B", constructed of 8"thick 75% solid concrete block with sheetrock on both sides, and will have fire rating exceeding 3 hours.

The interior floor at the cellar will be concrete slab on grade. The interior floor assembly of all other the floors and roof shall be light weight concrete on corrugated metal decking.

The construction classification Building "A" building will be combustible/non combustible construction class 1-D as per Table 3-4 of the New York City Building Code.

2.) EXTERIOR OF BUILDINGS

The exterior walls of all buildings shall be cast stone bonded to ¼"thick exterior type gypsum board sheathing up to the second floor on all front facades (facing the Emmons Avenue, waterfront and the roadway), and stucco system on ¼"thick exterior type gypsum board sheathing at all rear facades and all walls above the second floor. Cast stone and stucco are supported by concrete block walls up to first floor and load bearing steel framing above. Local Law 10 will apply.

The interior of the masonry walls shall be finished with batt insulation inserted between steel studs with a minimum R value of 11, and gypsum wall board. The exterior wall composition shall have a maximum thermal performance value (Uo) of 0.20 to comply with Table 4-1 of the New York State Energy Conservation Construction Code.

3.) WINDOWS

Windows shall be double-glass insulated, wood frame with vinyl cladding, and of the casement type as manufactured by Anderson Windows and Patio Doors Corporation

or similar equal. Air infiltration rate of windows shall not exceed 0.5 cfm/ft., in compliance with Table 4-4 of the New York State Energy Conservation Construction Code.

The manufacturer guarantees one-year parts and hardware and five years glazing. Windowsills shall be constructed of masonry. Lintels above window opening shall be of steel fabrication.

The Sponsor reserves the right to provide windows by different manufacturers, which are equal to or better than those listed above.

All windows on the eastern property line in Building "A"(#3144), and in one of the buildings of type "D"(#3128) are considered lot line windows. These windows will have sprinkler heads located next to them, which satisfies the requirements of current New York City Building Code with regard to lot line windows. There will be small lot line windows on the western property line in building "D*"(#3126), not protected by sprinkler heads. Said windows will be constructed of wired or laminated glass, and each of them will have area less then 10 square feet, which satisfies the requirements of current New York City Building Code with regard to lot line windows. Other windows in each of these buildings in the each of the rooms containing lot line windows provide the required light and air for the room to be considered a legal living/kitchen area, Living/dining room, or a bedroom. In case if the lot windows become blocked by any future or modified structures on the adjoining lots, they will have to be filled-in with 2 hr. rated exterior wall. Our estimated cost for filling in the windows with the wall is $1,000 per window; or an estimated $13,000 per building #3144 Emmons as the whole, an estimated $10,000 per building #3128 Emmons as the whole, an estimated $10.000 per building #3126 Emmons as the whole. (Each in current cost)

4.) AREAWAYS

There will be no open areaways aside from rear yards which are parts of certain dwelling units. They will be located at rear of all two family buildings (types "B", "C", "D" and "E") will be accessible from the cellars via patio doors.

The retaining walls around the rear yards shall be reinforced concrete. The rear yard separations between dwelling units, and property line fences will be 6' tall minimum, constructed of metal supports and wood plank infills.

5.) EXTERIOR ENTRANCES

1. **Buildings: "B", "C", "D" and "E"**- there will be forty six (46) exterior entrances to the residential condominium units, located at the first level on the façades facing Visual Corridor and water edge, transecting the site from Emmons Avenue to the edge of bulkhead, North-South. The exterior entry doors will be steel paneled weather stripped doors.
2. **Multi-family Building "A"** – there will be one accessible main entry leading to a main lobby leading to the condominium units on three floors of multi family building. The main entry will be located at the street level on the façade facing Emmons Avenue. There will be two egress staircases extending from the cellar to the roof level of building "A". One of them discharges into the main lobby, the other, although allowing for entry into the first floor hallway, also allows for the direct discharge to the sidewalk on Emmons Avenue. In addition there will be an entry from the first floor leading into a first floor terrace open for multi-family residents and from there down to the outdoor parking behind the building. (Refer to condominium floor plans.)

6.) MAILBOXES

1. **Buildings: "B", "C", "D" and "E"**- residential mailboxes will be provided wall mounted next to each entry door.
2. **Multi-Family Building "A"** – residential mailboxes will be provided inside the main lobby.

7.) ROOF AND ROOF STRUCTURE

1. The roofs of all the buildings, located above the third (3rd) floor of each building, will be flat membrane type roofing and will be drained at a minimum of ¼-inch per foot to roof drains..
2. **Buildings: "B", "C", "D" and "E"**- The finished roof shall be two ply membrane roofing system as manufactured by the Firestone roofing company, over tapered insulation, pitched in the direction of the required roof drains.

plywood decking supported by wood roof joists. All roof surfaces will be covered with approved synthetic pavers suitable for walking. All roofing materials shall be of a kind approved by the City of New York and shall have an M.E.A. approval.

3. **Buildings: "B", "C", "D" and "E"**- The roof terraces will be accessible from duplex dwelling units located on second & third floor, of which the roof terrace is a part, as indicated on condominium floor plans. Each roof terrace of which it is a part will contain some of the mechanical equipment of the respective unit.
4. **Building "A"**- The finished roof shall be two ply membrane roofing system as manufactured by the Firestone roofing company, over tapered insulation, pitched in the direction of the required roof drains, on concrete and metal decking supported by steel roof joists. All roof surfaces, except for mechanical equipment areas, will be covered with approved synthetic pavers or planks suitable for walking. All roofing materials shall be of a kind approved by the City of New York and shall have an M.E.A. approval.
5. **Building: "A"**- The roof will have one roof terrace area open to all residents of multi-family building. In addition there will be private roof terraces which will be a part of residential units located on the third floor. Some of them will be accessible directly from dwelling units located on the third floor via enclosed stairs. The other private roof terraces will be accessed through common stairs. All roof terraces will be separated by approximately 6'tall privacy fences, constructed of metal supports and wood planks. There will also be two separate areas each with an approximately 6'tall fence around it for the multi family building mechanical equipment. All condenser units serving the dwelling units will be located in these areas.
6. Noises emanating from mechanical equipment on the roofs and roof terraces may be noticeable and/or irritating to residents while spending time on a roof terrace or otherwise to particular residents who are sensitive to such noises.
7. Vents and drains will be located on roof terraces. Penetration of all ducts, pipes, etc. shall be flashed and waterproofed.

8. Fiberglass batt insulation, with an R-value of 19, will be provided at the underside of all roofs in the space between the beams and the girders.
9. All parapet walls will be framed with metal or wood studs, with plywood sheathing, Tyvec waterproofing, and synthetic stucco system finish. Tops of the parapets will be wholly covered with new metal flashing and capped with a protective aluminum coping, or equal. The height of parapets will vary, and in places where parapets are less then 42"high there will be metal railings of no less then 42"high. Therefore, all roofs will have perimeter enclosures of at least 42"high.
10. All rooftop metalwork shall be new.
11. The life span of the membrane of the roofing system is expected to be minimum ten (10) years; a ten (10) year warranty on membrane roofing is to be provided by the manufacturer. Installation of the membrane roofing system will have standard ten (10) year warranty from the roofing subcontractor.
12. There will be bulkheads containing staircases on all roofs. The bulkhead walls will be the same, as each building's typical exterior building walls on floors two and three. The bulkhead roofs will be the same construction, as all other membrane roofs. There will be no parapets or railings on top of the bulkhead roofs.

8.) ROOF DRAINAGE

1. The roof areas shall be provided with tapered insulation, below the membrane roofing system, pitched and drained to roof drains.
2. The run-off from the roof areas shall be transported via the leaders and horizontal drains to the existing combined street sewer, located in the roadway beneath Emmons Avenue.

9.) SKYLIGHTS: there will be no skylights on this project. There will be greenhouse structures on the third floors in the buildings: 3126, 3124, 3130 and 3128.

1. All greenhouses installed will be guaranteed by the manufacturer against certain leakage and other defects for a period of ten (10) years from the date of installation.

2. All greenhouses will be made of acrylic with metal tube frames.
3. Where provided, the greenhouses are not separate rooms, but are integral parts of the living rooms. The transparent acrylic roofs are continuations of the ceilings in such living rooms, and the glass walls of the greenhouses form exterior walls facing the water. The highest point of the Greenhouse roof is at approximately the same elevation as the roof of the unit, and where the slope of the acrylic roof comes down on top of the glass exterior wall it is no less then 7'-0"aff.

10.) INTERIOR STAIRS

Buildings: "B", "C", "D" and "E":

1. All the interior stairs within the dwelling units from first floor up will be wood construction. The stairs will have railings at 36"above finished floor.
2. The stairs will be saparated from living rooms and other areas within the units by partial and full height frame type walls. The full height fire enclosure is not required within dwelling units.
3. All stairs from cellar to first floor will be steel construction pan staircases.
4. There will be no common interior staircases shared by dwelling units.
5. Residential stairs inside the dwelling units will be lit by residential type recessed lights.

Building "A":

1. All the interior stairs within the dwelling units from third floor up to private roof terraces will be wood construction.
2. All common use egress stairs from cellar to roof will be steel construction pan staircases.
3. All stairs will have steel painted railings at 36"above finished floor. Balusters will be painted steel vertical bars with distances between bars no larger then 4".

4. All common use stairs will be lit by fluorescent lighting fixtures with battery back ups, and will be connected to multi-family building's common electrical meter.
5. All stairs within the dwelling units from third floor up to private roof terraces will be lit by incandescent lighting fixtures, and will be connected to the corresponding unit's meter.

11.) EXTERIOR STAIRS

Buildings: "B", "C", "D" and "E":

1. There will be concrete stairs at the front entries. Each set of exterior stairs will serve two two-family houses (4 dwelling units), except exterior stairs in buildings: #3122, #3132, and #3134 will each serve only one two-family house (2 dwelling units)
2. All exterior stairs and landings will be concrete.
3. The exterior stairs will have steel hand rails at 36"high above nosing, stair landings will have 42" high guard rails. The balusters will be no more then 4"apart, and constructed of painted steel.
4. The exterior stairs will be lit by wall mounted fixtures located next to unit entries.

Multi-Family Building "A":

1. There will be one exterior concrete stair connecting first floor multi-family common residential terrace down to outdoor parking level.
This stair will have steel hand rails at 36"high above nosing. The balusters will be no more then 4"apart, and constructed of painted steel.

12.) INTERIOR DOORS AND FRAMES

1. All interior doors inside of the residential condominium units will be solid core flush wood doors, except the mechanical room doors.
2. All doors leading form the common hallways to dwelling units in multi-family building "A" shall be 1-hr fire rated and provided with security locksets.

3. All doors to mechanical, electrical and refuse rooms shall be steel doors and frames, 90 minute fire rated and provided with security locksets.
4. Exterior entrance doors in buildings "B", "C", "D" and "E" located at the first floor shall be paneled steel 90 minute fire rated doors and frames, and provided with security locksets.

13) ELEVATORS

Buildings: "B", "C", "D" and "E":

1. There will be no elevators in the buildings.

Building "A":

2. There will be one elevator in the building of traction type as manufactured by Hollister Whitney Elevators with automatic sliding doors, and motor-generator manufactured by Imperial Electric. The elevator will serve floors: Cellar, First, Second, and Third. The machine room will be located on the roof. The cab will be manufactured by Rotavele Elevator, Inc. The elevator capacity will be 2000 lb or 6 people. Elevator machine room will be located on the roof of the elevator bulkhead.
3. There will be one inclined platform lift by Ascenda; MEA# IL92 with 30"x 41" platform to accommodate wheelchair access from entry on grade level to first floor level. It will be located inside the lobby, folded against the wall next to the stairs.

14.) YARD

Buildings: "B", "C", "D" and "E":

1. The buildings will have front, rear yards and/or side accessible from cellar floors of dwelling units located on such floors, serving as private gardens for those units.
2. The depth of the rear yards will vary from approximately 24' to 13'.
3. Each rear yard will have concrete paved area and grass area. Each front and side yard will have grass and/or groundcover. The side yards of units #3124 and #3134 will in addition to grass and/or groundcover areas also have paved areas. The paving material will be concrete slab or prefabricated cement tiles.

4. All yards will be drained into a common drainage system.
5. All yards will be lit by wall type lighting fixtures mounted next to patio doors leading to the yards. Front and side yards will be lit by wall type lighting fixtures. Every private yard will serve only one dwelling unit and have at least one such lighting fixture, connected to the corresponding unit's electrical meter.

Building "A":

1. There will be no private yards for the dwelling units in the multi family building.

2.) REFUSE DISPOSAL

1. Residential Condominium Unit Owners will be required to comply with NYC Sanitation Department regulations on recycling, and storing of refuse within their
2. units until regularly scheduled pickup days.
3. In the Multi-family Building "A" daily refuse, of the type permitted by the NYC Department of Sanitation, can be disposed of in the trash chute by residents, and then disposed of by Residential Condominium superintendent.
4. All other refuse to be disposed of shall be the responsibility of the individual residential condominium owners, and shall be placed in the designated refuse areas in front of their buildings on days scheduled for pickup by the Sanitation Department, by the individual owners of the residential condominium units.

3.) LAUNDRY AREAS

1. There will be laundry closets in each of the Residential Condominium Units, provided with electrical washer and dryer.

4) GYMNASIUM:

1. There will be a Gymnasium room in the cellar of the Multi-family Building "A", equipped with 2 stationary bikes, 2 eliptical trainers, and a television set.

j.) PLUMBING AND DRAINAGE

Buildings B, C, D, E Domestic Cold Water

Water will be supplied to the units through connection from the structure to the New York City Water Distribution System. An approved backflow prevention device will be installed on the incoming water line. Each unit is to be supplied with cold water from copper piping. Each unit will have its own source for hot water. This building relies on normal city water pressure for supplying water to the units. Each unit shall be separately metered for direct customer billing from the utility. Each unit located on first/cellar floors will have a bib on each front, rear and/or side yards. Each unit located on second/third floors will have a bib on a roof terrace. It is assumed that hosing of common sidewalks, stoops, outside porches and stairs, will utilize hoses attached to bibs of cellar/first floor units and, thus that consumption of water for such purposes will be billed to such unit owners, respectively. *See heating below for the information on metering of gas, used among other things, for heating of hot water.

Building A Domestic Cold Water

Water will be supplied to the units from a central water meter room at the first floor of the building from the structure to the New York City Water Distribution System. An approved backflow prevention device will be installed on the incoming water line. Each unit is to be supplied with cold water from copper piping. Each unit will have its own source for hot water. This building relies on normal city water pressure for supplying water to the units. *See heating below for the information on gas metering for heating of hot water.

All private roof terraces, lower terraces and balconies will have bibs connected to the corresponding unit meter. The common roof terrace will have a bib connected to the multi family house meter.

The garage located in the cellar floor of this building will have two house bibs metered to multi family house meter. It is assumed that these bibs will be utilized to hose the garage and outside parking space units.

Domestic Hot Water – Building s B and C (Studios)

Domestic hot water will be provided for each residential unit by gas-fired domestic hot water heaters. Each apartment will be provided with one 40-gallon, 40,000 Btu/hr hot water heater located in the mechanical closet. The hot water heater for each unit shall be AO SMITH Model # FPD-40, with MEA # 302-93-EE.

Domestic Hot Water – Building s B and C (Two Bedrooms)

Domestic hot water will be provided for each residential unit by high efficiency, sealed combustion gas-fired domestic hot water heaters. Each apartment will be provided with one 50-gallon, 40,000 Btu/hr hot water heater located in the mechanical closet. The hot water heater for each unit shall be AO SMITH Model # FPD-50, with MEA # 302-93-EE.

Domestic Hot Water – Building A (All Units)

Domestic hot water will be provided for each residential unit by gas-fired domestic hot water heaters. Each apartment will be provided with one 50-gallon, 40,000 Btu/hr hot water heater located in the mechanical closet. The hot water heater for each unit shall be AO SMITH Model # GPSH-50, with MEA # 302-93-EE.

Domestic Hot Water – Buildings D and E (All Units)

Domestic hot water will be provided for each residential unit by high efficiency sealed combustion gas-fired domestic hot water heaters. Each apartment will be provided with one 50-gallon, 40,000 Btu/hr hot water heater located in the mechanical closet. The hot water heater for each unit shall be AO SMITH Model # FPD-50, with MEA # 302-93-EE.

Fire Protection System

The multi family building "A" 3144, and three of two-family buildings: 3132, 3130 and 3138 will be fully sprinklered. The sprinkler system shall be light hazard occupancy type. Sprinkler heads in the residential portion of the buildings shall be a combination of side wall mounted and ceiling mounted pendant heads. The garage shall be sprinklered with the dry pipe system. Sprinkler heads in the garage will be ceiling mounted pendant type on exposed pipes. Sprinkler systems shall be fabricated using steel piping. Fire department Siamese connections shall be proved on exteriors of the sprinklered buildings, as required by the building department.
No fire protection system is required for other two-family buildings.

Water Storage Tank(s): all buildings

No water storage tanks are required.

Water Pressure: all buildings

The buildings rely on normal New York City water pressure.

Sanitary Sewage System Buildings B, C, D and E

The sanitary waste will be conveyed to the New York City sewer system via no hub cast iron sewer pipes that lead to a house trap. A 4" house trap will be located in the cellar area towards the front of each building. Beyond the house trap will be an 8" combined sanitary and storm drainpipe that connects to the existing combined sewer located in Emmons Avenue.

Sanitary Sewage System Building A

The sanitary waste will be conveyed to the New York City sewer system via no hub cast iron sewer pipes that lead to a house trap. All residential units shall be conveyed to a central building drain, collected and sent to the city sewer. A 6" house trap will be located in the cellar area towards the front the building where it exits to the sanitary sewer. Beyond the house trap will be an 8" combined sanitary and storm drainpipe that connects to the existing combined sewer located in Emmons Avenue.

Storm Drainage System Building A

The storm drainage system will consist of area roof drains and internal downspouts. The runoff from the pitched roof areas will be conveyed through 8" storm piping which will connect downstream of the sanitary house trap and then to the existing combined sewer in Emmons Avenue.

Storm Drainage System Building B,C,D,E

The storm drainage system will consist of aluminum exterior gutters and downspouts conveyed through storm piping to the city sewer system.

k.) HEATING

Building A (all units)

Each individual ***dwelling*** unit will have a mechanical closet with a high efficiency, sealed combustion gas furnace manufactured by Carrier models 58MVP060-14 ***(all dwelling units, except unit #310)*** and 58MVP080-20 ***(in dwelling unit #310 only)***. The output range for the furnaces is 57 MBh (57,000 Btuh) and 75 MBh, respectively. Each residential unit will have a single heating zone regulated by a thermostat. The ***heating units*** are selected to provide an indoor temperature of 70 degrees at outdoor design conditions of 8 degrees Fahrenheit.

The furnaces will be fired using natural gas supplied by Consolidated Edison utility company. Individual gas meters will be used for the dwelling units.

Building B, C, D, E, (all units)

Each residential unit will have a mechanical closet with a high efficiency, gas furnace models:

York GY85060A12DN11(48 MBh output)
for all lower level units in buildings type "B

York GY85080B16DN11 (64 MBh output)***for all upper level units in buildings type "B" and all lower level units in buildings type "C"***

York GY85100C20DN11 (80 MBh output)
for all upper level units type "C"

York GY85130D20DN11 (104 MBh output)***for all upper and lower level units in buildings type "D" and type "E".***

Each unit will have two heating zones regulated by thermostats. Each thermostat shall control temperature for an entire floor of the unit. The units are selected to provide an indoor temperature of 70 degrees at outdoor design conditions of 8 degrees Fahrenheit.

The ***individual*** furnaces inside ***dwelling unit mechanical closets*** will be fired using natural gas supplied by Consolidated Edison utility company. ***All furnaces distribute heat via air handling equipment combined for heating and air conditioning.*** Individual gas meters will be used for the dwelling units.

l.) AIR CONDITIONING

Building A (all units)

Each individual unit will have an electric powered condensing unit for central air conditioning manufactured by Carrier with an individual thermostat controlling single zone distribution. Condensing units shall be located on the roof of building A. The unit's energy efficiency rating shall be 12 SEER. Each condensing unit shall be provided with power from the individual unit electric panel and meter so that individual tenants/owners are responsible for the cost of running their air conditioning. The units are selected to provide an indoor temperature of 75 degrees at outdoor conditions of 94 degrees Fahrenheit. Each condensing unit will be coupled with a matching cooling coil located at the individual gas furnace for each unit. The condensing units along with their cooling coil models are:

Carrier 38TRA018 – 1½ ton with Cooling Coil Carrier CK5-018
For dwelling units: 102,103,104, 105,202,203,204,205,302,303,304,305.

Carrier 38TRA030 – 2½ ton with Cooling Coil Carrier CK5-030
For dwelling units:106,107,108,201,206,207,208

Carrier 38TRA036 – 3 ton with Cooling Coil Carrier CK5-036
For dwelling units: 101,209,307,308

Carrier 38TRA042 – 3½ ton with Cooling Coil Carrier CK5-042
For dwelling units: 109,210,301,306,309

Carrier 38TRA048 – 4 ton with Cooling Coil Carrier CK5-048
For dwelling unit: 310

Building B, C, D, E (all units)

Each individual unit will have a condensing unit for central air conditioning manufactured by York with individual thermostats controlling the two zone distribution.
For the units comprised of the first and cellar floors the condensing units shall be located in the rear, side or front yards of the individual units. For the units comprised of the second and third floors the condensing units will be located on roof terraces that belong to the corresponding dwelling unit below. The noise emanating from the unit may be noticeable in the immediate area surrounding it.
The units energy efficiency rating shall be 12 SEER. Each condensing unit shall be provided with power from the individual unit electric panel and meter so that individual tenants/owners are responsible for the cost of running their air conditioning. The units are selected to provide an indoor temperature of 75 degrees at outdoor conditions of 94 degrees Fahrenheit. Each condensing unit will be coupled with a matching cooling coil located at the individual gas furnace for each unit. The models for condensing units with matching cooling coils are as follows:

York AC036X1223 – 3 Ton with Cooling Coil York G2FD035H14
for all lower level units in buildings type "B.

York AC042X1223 – 3½ Ton with Cooling Coil York G2FD046H17
for all upper level units in buildings type "B" and all lower level units in buildings type "C"

York AC048X1223 – 4 Ton with Cooling Coil York G2FD048H21
for all upper level units type "C"

York AC060X1223 – 4 Ton with Cooling Coil York G2FD060H24
for all upper and lower level units in buildings type "D" and type "E".

m.) VENITILATION

Building A, B, C, D, E (all units)

There will be ventilation in the units via operable windows, and individual unit bathroom fans vented to the outside through the wall via inline ceiling mounted exhaust fans. The fans shall be wired to individual tenant meters so that each tenant shall be responsible for the cost of running the bathroom fans.

Building A Public Space Ventilation

Corridors, a lobby and first floor common areas shall be ventilated with a rooftop gas-electric HVAC unit. The unit shall be connected to a house gas and electric meter. The garage ventilation system as well as gas meter room exhaust, electric room exhaust, elevator machine room exhaust and refuse rooms exhaust shall be wired to the building house panel and meter.

n.) ELECTRICAL SYSTEM

MAIN POWER DISTRIBUTION SYSTEM

Building A

The building is served from the Con Edison Company utility manhole located on the street. The utility service is terminated at a Con Edison end box where it is spliced together with the main building electric feeder and extended to the main switchgear. The main switchgear is a free standing, multi-section, stainless steel structure rated 1600 amperes at 120/208-volts, 3-phase, 4-wire and located in the first floor electric room.

The main switchgear consists of the following components: 1600 amps main circuit breaker with thermal-magnetic adjustable trip element, 1600 amps continuous copper bus, the house section including 600 amps distribution panel board and 600 amps metering compartment, and the tenant section including 1200 amps main circuit breaker and 1200 amps metering center.

The house meter shall have incorporated power distribution for non-residential unit loads such as corridor and lobby lighting and venting, garage lighting and venting, common roof terrace lighting and other general house loads.

The metering center is a multi-sectional structure with each section consisting of four (4) unit electric utility meters feeding individual units throughout the building. There is a total of 29 individual meters assembled in this section of the main switchboard. Each metering module is equipped with a meter socket and 100 amps, 1-phase circuit breaker, which in turn provides power to an electrical panel located in each unit.

Each individual unit is provided with a 100 amps at 120/208-volt, 1-phase, 3-wire electrical panel and is individually metered by the electric utility. This panel is provided with 1-pole and 2-pole circuit breakers of various rating to feed all electrical loads in the unit. Each unit is equipped with kitchen appliances, electric hot water heaters, air handling units, receptacles, outlets and lights, with a total load not to exceed 80 amps. There is at least 20% of spare capacity and spare circuit breakers on each electrical panel Kitchen appliances are provided with appliance outlets; dedicated counter top receptacles spaced 4 foot-on-center are provided in the kitchen for additional small appliances. All unit electrical power including appliances, lights, air conditioning etc shall be paid directly to the utility by each unit tenant/owner. There will be approximately eight to twelve pole mounted 10' tall street lights along the roadway and at open parking areas on the property. Light fixtures will be LP56350-15-2132 (white polycarbonate finish, 6.5"TCP Jar diffuser, max wattage:

two 13 w CFL) on 83233-75 pole and 13151-00-10 (color: white) by Light Process Company.

Buildings B, C, D, E

Each individual unit is provided with a 100 amps at 120/208-volt, 1-phase, 3-wire electrical panel and is individually metered by the electric utility. This panel is provided with 1-pole and 2-pole circuit breakers of various rating to feed all electrical loads in the unit. Each unit is equipped with kitchen appliances, electric hot water heaters, air handling units, receptacles, outlets and lights, with a total load not to exceed 80 amps. There is at least 20% of spare capacity and spare circuit breakers on each electrical panel. . Kitchen appliances are provided with appliance outlets; dedicated counter top receptacles spaced 4 foot-on-center are provided in the kitchen for additional small appliances. All unit electrical power including appliances, lights, air conditioning etc shall be paid directly to the utility by each unit tenant/owner.

See lighting types described in the attached Appendix "A"

BUILDING TELECOMMUNICATION AND CABLE TV SYSTEM

Building A

The building is provided with a telephone system comprised of the plywood backboard located in the first floor electric room and vertical conduit riser through the building. 4-inch conduit is run from the main telephone backboard to the Telephone Company manhole. The telephone outlets are provided in all common areas, and in each unit, at least three outlets per unit. The unit owner arranges for a separate telephone service at their own risk and expense.

The building is provided with a cable TV system consisting of incoming service splitter box located at the telephone backboard and the vertical conduit riser through the building. 2-inch conduit is run from the main splitter box to the Telephone Company manhole. Cable TV outlets are provided in selected common areas and in each unit, two or three outlets per unit.

Building B, C, D, E

Each unit is provided with at least three telephone outlets per unit wired back to a telephone company junction/termination box. The unit owner arranges for a separate telephone service at their own risk and expense.

Each building is provided with a cable TV system consisting of incoming service splitter box located at the telephone demarcation point. Cable TV outlets are provided in each unit, two or three outlets per unit.

BUILDING INTERCOM SYSTEM

Buildings A, B, C, D, E

The buildings are equipped with a stand-alone intercommunication system comprised of the following components: intercom outdoor station with telephone key buttons and microphone for two-way communication, intercom control panel located at the main telephone backboard and power supply transformer with door release mechanism. The telephone apparatus in each individual unit is connected to the outdoor intercom station via a dedicated telephone line and will release the exterior door lock upon pressing the button. The intercom system is manufactured by Door King. The Sponsor reserves the right to furnish the intercom system, which is equal or better quality than the one described here above.
The cost of operating the intercom system in buildings A, B, C, D, and E shall be a part of the individual tenant's phone bill.

FIRE ALARM DETECTION AND SIGNALING SYSTEM

BuildingsA

Each individual unit is provided with required line voltage smoke and carbon monoxide detectors with built-in 90-minute battery back up. These detectors are powered from the unit electrical panel and are connected to a central station building fire alarm system. The fire alarm control panel monitors local unit alarms, the sprinkler system, pull stations and horn/strobes installed throughout the common areas

The requirements for Mechanical, Electrical, Plumbing and Fire Protection Systems described herein shall be in strict compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

Buildings B, C, D, E

Each individual unit is provided with required line voltage smoke and carbon monoxide detectors with built-in 90-minute battery back up. These detectors are powered from the unit electrical panel and are not connected to a central building fire alarm system.

The requirements for Mechanical, Electrical, Plumbing and Fire Protection Systems described herein shall be in strict compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

o.) **PARKING AREAS**

1. At the completion of the construction there will be total of sixty six (66)-parking spaces located in the parking garage at the cellar level of Building "A", along the roadway next to the western wall of Building "A", and on grade behind the Building "A" and Breakers East two-family buildings.

The garage will be accessible via a roadway and a ramp leading down into the cellar level. The parking in the rear of the Building "A" shall be accessible through the garage in the cellar of Building "A".

2. The parking spaces shall be paved with blacktop, and parking areas shall be provided with area drains connected to the storm drainage system.

3. Parking spaces are being offered for sale as condominium Units under the Plan. Each Parking Space Unit may be used solely for parking one passenger motor vehicle. Under the offering plan, Parking Space Units may only be sold to Unit Owners and may only be used by Unit Owners and their guests and invitees, except that such restrictions do not apply to Parking Space Units owned by Sponsor or the Declarant or any Unsold Parking Space Unit Owner. Under the offering plan, the Handicapped Parking Space Units will be sold by Sponsor to the Condominium. Handicapped Parking Space Units may only be used in accordance with applicable law governing the use of parking spaces by handicapped persons. Handicapped persons who reside in the Condominium shall have preference over handicapped persons who reside elsewhere for use of Handicapped Parking Space Units.

4. The parking will be lit by ceiling mounted fluorescent fixtures in the covered parking area, and by pole type lighting fixtures in the open outdoor parking area.

5. Parking garage located in the cellar of the Building "A" shall have floor to ceiling openings facing the outdoor parking area on the southern wall, providing fresh air. Wall mounted exhaust propeller fans installed in the northern wall shall be used to ventilate the garage. Ventilation rate shall be as required by code.

6. Garage door shall be a sectional, automatic, overhead, aluminum type, 8'high x 16"wide, as manufactured by: Arm-R-Lite or similar.
7. Garage will be fully sprinklered. The garage shall be sprinklered with the dry pipe system. Sprinkler heads in the garage will be ceiling mounted pendant type on exposed pipes. Sprinkler systems shall be fabricated using steel piping.
8. Walls and posts of the garage will be concrete. Ceiling of the garage will be finished with stucco. The rating of the ceiling between the garage and the residential portion of the building above shall be no less then two hours.

p.) **CONDOMINIUM UNITS:**

1. **BREAKERS WEST**

The buildings will have twenty six (26) residential units in total.

There will be twelve(12) residential units in building type "B', ten (10) residential units located in buildings type "C", and four (4) residential units in building type "D".

BREAKERS WEST TOWNHOUSES, LIST OF CONDOMINIUM UNITS:

Building #3112A (type "B")

Unit #1 (BW-3112A-1) will consist of:

First Floor: entry hall way with stair leading to the second floor, and closet;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.

Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet) , two (2) closets, one(1) closet with a washer/dryer, and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.

Zoning Rooms: four and one half (4.5)

Unit #2 (BW-3112A-2) will consist of:

First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.

Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3112 (type "B")

Unit #4 (BW-3112-4) will consist of:
First Floor: entry hall way with stair leading to the second floor, and closet;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.
Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #3 (BW-3112-3) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3114A (type "B")

Unit #1 (BW-3114A-1) will consist of:
First Floor: entry hall way with stair leading to the second floor, and closet;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.
Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #2 (BW-3114A-2) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3114 (type "B")

Unit #4 (BW-3114-4) will consist of:
First Floor: entry hall way with stair leading to the second floor, and closet;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.
Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #3 (BW-3114-3) will consist of:

First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3116A (type "B")

Unit #1 (BW-3116A-1) will consist of:
First Floor: entry hall way with stair leading to the second floor, and closet;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.
Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #2 (BW-3116A-2) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3116 (type "B")

Unit #4 (BW-3116-4) will consist of:
First Floor: entry hall way with stair leading to the second floor, and closet;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.
Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #3 (BW-3116-3) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3118A (type "C")

Unit #1 (BW-3118A-1) will consist of:
First Floor: entry hall way with stair leading to the second floor;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), den room, two closets, and stair leading to the third floor.
Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), three (3) walk-in closets, one(1) closet with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: six and one half (6.5)

Unit #2 (BW-3118A-2) will consist of:
First Floor: entry hall, living /dining area with balcony, one (1) bedroom, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet),. two (2) closets, one closet with

HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.

Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.

Zoning rooms: four and one half (4.5)

Building #3118 (type "C")

Unit #4 (BW-3118-4) will consist of:

First Floor: entry hall way with stair leading to the second floor;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), den room, two closets, and stair leading to the third floor.

Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), three (3) walk-in closets, one(1) closet with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, stair leading up to private roof terrace.

Zoning Rooms: six and one half (6.5)

Unit #3 (BW-3118-3) will consist of:

First Floor: entry hall, living /dining area with balcony, one (1) bedroom, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), two (2) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.

Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage and outdoor private rear yard.

Zoning rooms: four and one half (4.5)

Building #3120A (type "C")

Unit #1 (BW-31120A-1) will consist of:

First Floor: entry hall way with stair leading to the second floor;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), den room, two closets, and stair leading to the third floor.
Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink , whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), three (3) walk-in closets, one(1) closet with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: six and one half (6.5)

Unit #2 (BW-3112A-2) will consist of:
First Floor: entry hall, living /dining area with balcony, one (1) bedroom, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), two (2) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer hook-up, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.
Zoning rooms: four and one half (4.5)

Building #3120 (type "C")

Unit #4 (BW-3120-4) will consist of:
First Floor: entry hall way with stair leading to the second floor;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), den room, two closets, and stair leading to the third floor.
Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), three (3) walk-in closets, one(1) closet with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: six and one half (6.5)

Unit #3 (BW-3120-3)will consist of:

First Floor: entry hall, living /dining area with balcony, one (1) bedroom, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), two (2) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage and outdoor private rear yard.
Zoning rooms: four and one half (4.5)

Building #3122A (type "C")

Unit #1 (BW-3122A-1) will consist of:
First Floor: entry hall way with stair leading to the second floor;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), den room, two closets, and stair leading to the third floor.
Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink , whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), three (3) walk-in closets, one(1) closet with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: six and one half (6.5)

Unit #2 (BW-3122A-2)will consist of:
First Floor: entry hall, living /dining area with balcony, one (1) bedroom, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), two (2) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer hook-up, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.
Zoning rooms: four and one half (4.5)

Building #3124 (type "D")

Unit #4 (BW-3124-4) will consist of:

First Floor: entry hallway with stair leading to the second floor;

Second Floor: living room/dining area with balcony, kitchen, half-bath (lavatory and toilet), family room, den room, five (5) closets, and stair leading to the third floor.

Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub, shower stall and toilet; another with pedestal sink, bath tub and toilet),, two (2) walk-in closets, three (3) closets, one(1) laundry room with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, one balcony accessible from master bedroom, stair leading up to private roof terrace.

Zoning Rooms: seven and one half (7.5)

Unit #3 (BW-31124-3) will consist of:

First Floor: entry hall, living /dining area, one (1) bedroom, one (1) study, kitchen, two (2) bathrooms (one with pedestal sink, whirlpool bath tub and toilet: another with pedestal sink, shower stall and toilet),, three (3) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, stair leading to the cellar, and a private side porch with stair leading to grade level terrace.

Cellar Floor: recreation room with half-bath (lavatory and water closet), and one storage.

Zoning rooms: five and one half (5.5)

Building #3126 (type "D")

Unit #1 (BW-31126-1) will consist of:

First Floor: entry hallway with stair leading to the second floor;

Second Floor: living room/dining area with balcony, kitchen, half-bath (lavatory and toilet), family room, den room, five (5) closets, and stair leading to the third floor.

Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub, shower stall and toilet; another with pedestal sink, bath tub and toilet), two (2) walk-in closets, three (3) closets, one(1) laundry room a washer/dryer, one(1) closet with

HVAC equipment and Hot Water Heater, one balcony accessible from master bedroom, stair leading up to private roof terrace.
Zoning Rooms: seven and one half (7.5)

Unit #2 (BW-31126-2) will consist of:
First Floor: entry hall, living /dining area, two (2) bedroom, one (1) study, kitchen, two (2) bathrooms (one pedestal sink, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet),, three (3) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and water closet), and one storage, and outdoor private rear yard.
Zoning rooms: five and one half (5.5)

2. **BREAKERS EAST**

There will be twelve (12) residential units in building type "B', two (2) residential units located in buildings type "C", four (4) residential units in building type "D", and two (2) residential units located in buildings type "E".

BREAKERS EAST, LIST OF CONDOMINIUM UNITS:

Building #3128 (type "D")

Unit #4 (BE-3128-4) will consist of:
First Floor: entry hallway with stair leading to the second floor;
Second Floor: living room/dining area with balcony, kitchen, half-bath (lavatory and toilet), family room, den room, five (5) closets, and stair leading to the third floor.

Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub, shower stall and toilet; another with pedestal sink, bath tub and toilet), two (2) walk-in closets, three (3) closets, one(1) laundry room with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, one balcony accessible from master bedroom, stair leading up to private roof terrace.
Zoning Rooms: seven and one half (7.5)

Unit #3 (BE-3128-3) will consist of:
First Floor: entry hall, living /dining area, one (1) bedroom, one (1) study, kitchen, two (2) bathrooms (one with pedestal sink, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), , three (3) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, stair leading to the cellar, and a private side porch with stair leading to grade level terrace.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage.
Zoning rooms: five and one half (5.5)

Building #3130 (type "D")

Unit #1 (BE-3130-1) will consist of:
First Floor: entry hallway with stair leading to the second floor;
Second Floor: living room/dining area with balcony, kitchen, half-bath (lavatory and toilet), family room, den room, five (5) closets, and stair leading to the third floor.
Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub, shower stall and toilet; another with pedestal sink, bath tub and toilet), two (2) walk-in closets, three (3) closets, one(1) laundry room with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, one balcony accessible from master bedroom, stair leading up to private roof terrace.
Zoning Rooms: seven and one half (7.5)

Unit #2 will consist of:

First Floor: entry hall, living /dining area, two (2) bedroom, one (1) study, kitchen, two (2) bathrooms (one with pedestal sink, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet),, three (3) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.
Zoning rooms: five and one half (5.5)

Building #3132 (type "E")

Unit #1 (BE-3132-1) will consist of:
First Floor: entry hallway with stair leading to the second floor;
Second Floor: living room/dining area with balcony, kitchen, (1) bathroom (lavatory, shower stall and toilet), family room, den room, five (5) closets, and stair leading to the third floor.
Third Floor: three (3) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub, shower stall and toilet; another with pedestal sink, bath tub and toilet), two (2) walk-in closets, three (3) closets, one(1) laundry room with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, one balcony accessible from master bedroom, stair leading up to private roof terrace.
Zoning Rooms: seven and one half (7.5)

Unit #2 (BE-3132-2) will consist of:
First Floor: entry hall, living /dining area, one (1) bedroom, one (1) study, kitchen, one (1) bathroom (with pedestal sink, whirlpool tub and toilet), , three (3) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, stair leading to the cellar, and a private side porch with stair leading to grade level terrace.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage.
Zoning rooms: five and one half (5.5)

Building #3134 (type "C")

Unit #3 (BE-3134-3) will consist of:

First Floor: entry hall way with stair leading to the second floor;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), den room, two closets, and stair leading to the third floor.

Third Floor: three (3) bedrooms, two (2) bathrooms (one with pedestal sink, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), three (3) walk-in closets, one(1) closet with a washer/dryer, one(1) closet with HVAC equipment and Hot Water Heater, stair leading up to private roof terrace.

Zoning Rooms: six and one half (6.5)

Unit #4 (BE-3134-4) will consist of:

First Floor: entry hall, living /dining area with balcony, one (1) bedroom, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), two (2) closets, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.

Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.

Zoning rooms: four and one half (4.5)

Building #3136 (type "B")

Unit #4 (BE-3136-4) will consist of:

First Floor: entry hall way with stair leading to the second floor, and closet;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.

Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2)

closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #3 (BE-3136-3) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3136A (type "B")

Unit #1 (BE-3136A-1) will consist of:
First Floor: entry hall way with stair leading to the second floor, and closet;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.
Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #2 (BE-3136A-2) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3138 (type "B*")

Unit #4 (BE-3138-4) will consist of:

First Floor: entry hall way with stair leading to the second floor, and closet;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.

Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.

Zoning Rooms: four and one half (4.5)

Unit #3 (BE3138-3) will consist of:

First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.

Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.

Zoning rooms: three and one half (3.5)

Building #3138A (type "B")

Unit #1 (BE-3138A-1) will consist of:

First Floor: entry hall way with stair leading to the second floor, and closet;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.

Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2)

closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #2 (BE-3138A-2) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3140 (type "B")

Unit #4 (BE-3140-4) will consist of:
First Floor: entry hall way with stair leading to the second floor, and closet;
Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.
Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.
Zoning Rooms: four and one half (4.5)

Unit #3 (BE-3140-3) will consist of:
First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.
Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage, and outdoor private rear yard.
Zoning rooms: three and one half (3.5)

Building #3140A (type "B")

Unit #1 (BE-3140A-1) will consist of:

First Floor: entry hall way with stair leading to the second floor, and closet;

Second Floor: living room, dining /kitchen area with balcony, half-bath (lavatory and toilet), and stair leading to the third floor.

Third Floor: two (2) bedrooms, two (2) bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, shower stall and toilet), two (2) closets, one(1) closet with a washer/dryer and HVAC equipment, and one (1) closet with Hot Water Heater, stair leading up to private roof terrace.

Zoning Rooms: four and one half (4.5)

Unit #2 (BE-3140A-2) will consist of:

First Floor: entry hall, living /dining area with balcony, kitchen, one bathroom (pedestal sink, whirlpool bath tub and a toilet), one closet, one closet with HVAC equipment and Hot Water Heater, and one closet with a washer/dryer, and stair leading to the cellar.

Cellar Floor: recreation room with half-bath (lavatory and toilet), and one storage room. and outdoor private rear yard.

Zoning rooms: three and one half (3.5)

3. BUILDING "A" MULTI-FAMILY # 3144

There will be twenty nine (29) residential units in Multi-family Building"A".

Unit MU-101 will consist of:

Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.

Zoning rooms: four and one half (4.5)

Unit MU-102 will consist of:

Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet), two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.

Zoning rooms: three and one half (3.5)

Unit MU-103 will consist of:

Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet), two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.

Zoning rooms: three and one half (3.5)

Unit MU-104 will consist of:

Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet), two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.

Zoning rooms: three and one half (3.5)

Unit MU-105 will consist of:

Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet). two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.

Zoning rooms: three and one half (3.5)

Unit MU-106 will consist of:

Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and an outdoor terrace.

Zoning rooms: four and one half (4.5)

Unit MU-107 will consist of:

Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and an outdoor terrace.

Zoning rooms: four and one half (4.5)

Unit MU-108 will consist of:

Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and an outdoor terrace.

Zoning rooms: four and one half (4.5)

Unit MU-109 will consist of:

Living/dining room, kitchen, three bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), five closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and an outdoor terrace.

Zoning rooms: four and one half (5.5)

Unit MU-201 will consist of:

Living/dining room, kitchen, three bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), six closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.

Zoning rooms: four and one half (4.5)

Unit MU- 202 will consist of:

Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet),, two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.
Zoning rooms: three and one half (3.5)

Unit MU-203 will consist of:
Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet),. two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.
Zoning rooms: three and one half (3.5)

Unit MU-204 will consist of:
Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet),, two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.
Zoning rooms: three and one half (3.5)

Unit MU-205 will consist of:
Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet),, two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.
Zoning rooms: three and one half (3.5)

Unit MU-206 will consist of:
Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and a balcony.
Zoning rooms: four and one half (4.5)

Unit MU-207 will consist of:

Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and a balcony.
Zoning rooms: four and one half (4.5)

Unit MU-208 will consist of:
Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer.
Zoning rooms: four and one half (4.5)

Unit MU-209 will consist of:
Living/dining room, kitchen, three bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), five closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and a balcony.
Zoning rooms: four and one half (5.5)

Unit MU-210 will consist of:
Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, and a balcony.
Zoning rooms: four and one half (4.5)

Unit MU-301 will consist of:
Living/dining room, kitchen, three bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), six

closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer hook-up, stair and bulkhead leading to roof terrace above, and a roof terrace.
Zoning rooms: four and one half (4.5)

Unit MU-302 will consist of:
Living/dining room, kitchen, one bedroom (pedestal sink, whirlpool bath tub and toilet),, one bathroom, two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer, and a roof terrace.
Zoning rooms: three and one half (3.5)

Unit MU-303 will consist of:
Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet),, two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer, and a roof terrace.
Zoning rooms: three and one half (3.5)

Unit MU-304 will consist of:
Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet),, two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer, and a roof terrace.
Zoning rooms: three and one half (3.5)

Unit MU-305 will consist of:
Living/dining room, kitchen, one bedroom, one bathroom (pedestal sink, whirlpool bath tub and toilet),, two closets, one closet with HVAC equipment and Hot Water Heater, and one closet with washer/dryer, and a roof terrace.
Zoning rooms: three and one half (3.5)

Unit MU-306 will consist of:

Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, a balcony, stair and bulkhead leading to roof terrace above, and a roof terrace.
Zoning rooms: four and one half (4.5)

Unit MU-307 will consist of:
Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, a balcony, stair and bulkhead leading to roof terrace above, and a roof terrace.
Zoning rooms: four and one half (4.5)

Unit MU-308 will consist of:
Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, stair and bulkhead leading to roof terrace above, and a roof terrace.
Zoning rooms: four and one half (4.5)

Unit MU-309 will consist of:
Living/dining room, kitchen, three bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), five closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, a balcony, stair and bulkhead leading to roof terrace above, and a roof terrace.
Zoning rooms: four and one half (5.5)

Unit MU-310 will consist of:

Living/dining room, kitchen, two bedrooms, two bathrooms (one with sink in vanity cabinet, whirlpool bath tub and toilet; another with pedestal sink, bath tub and toilet), three closets, one closet with HVAC equipment and Hot Water Heater, one closet with washer/dryer, a balcony, stair and bulkhead leading to roof terrace above, and a roof terrace.

Zoning rooms: four and one half (4.5)

(r) **CONDOMINIUM UNIT FINISHES:**

The dwelling units will be finished as described herein:

The finished floor of the living, dining, bedroom and hallway areas shall be hardwood. The walls and ceilings shall be sheetrock. When finished the walls and ceilings shall be primed and painted.

Kitchens will have wood floors, and sheetrock walls and ceilings. When finished the walls and ceilings will be primed and painted.

Full bathrooms will be equipped with a washbasin, medicine cabinet or mirror, water closet, and combination bathtub and shower, or a shower stall. Guest bathrooms shall have ceramic tile floors, 4' high tiled wainscot on the walls, and tile around the bathtub or shower stall extending to the ceiling. Master bathrooms shall have marble tile floors, 4' high tiled wainscoat on the walls, and tile around the bathtub extending to the ceiling. The upper portion of walls shall be of moisture resistant sheetrock, primed and painted.

Powder rooms (half bath) will be equipped with a washbasin, medicine cabinet or mirror, and water closet. Powder rooms (half bath) shall have ceramic tile floors, 4"high tiled base on the walls.

	Room	Floors	Base	Walls	Ceilings
1)	Living Room	Wood	Wood	G.W.B Painted	G.W.B. Paint
2)	Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Paint
3)	Dining Area	Wood	Wood	G.W.B. Painted	G.W.B. Paint
4)	Kitchen	Wood	Wood	G.W.B. Painted	G.W.B. Paint
5)	GUEST				

	Bathroom	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Paint
6)	MASTER				
	Bathroom	Marble Tile	Tile	G.W.B. Painted	G.W.B. Paint
7)	Closets	Wood	Wood	G.W.B Painted	G.W.B. Paint

Note: G.W.B. (Gypsum Wall Board)

(s) BATHROOM FIXTURES AND FITTINGS
Note: all bathroom fixtures and fitting may be substituted with products of equal or higher quality.

Guest Batrhroom:

Lavatory: Kohler Memoris K2241-1 White

Lavatory Faucet: Kohler Fairfax K12182 Nickel

Water Closet: Kohler Memoris K3452 White

Bathtub: Kohler Mendota 505/506 White (bath tub is not provided in some bathrooms)

Shower head: Kohler Fairfax KT12007 Chrome or Nickel

Master Bathroom:

Lavatory: Barklay Linea Marina White

Lavatory Faucet: Barklay or Danza Enfield 304466CP Chrome

Water Closet: Kohler Welworth K3422 or Santarosa

Bathtub: Vita Bath Linterlude 42661W White or 36661W (42"x66" or 36"x66")

Dec Trap: High Tech HT3316 Chrome

Shower head: Barklay 0115/88fva or Danza Enfield 304466CP Chrome

t) KITCHEN CABINETS, COUNTERS, EQUIPMENT
Note: all kitchen fixtures and fitting may be substituted with products of equal or higher quality.
Kitchens will provided with wood wall and base cabinets with Corian or stone countertop.

Sink: Mocn # 22868 ED stainless steel
Faucet: Delta # 400 Chrome with spray

Refrigerator: Frigidare Model FRT21H7AS – 21CF, Stainless
Dishwasher: Frigidare Model FDB956RB (C)- Stainless
Cooktop/Stove: Frigidare Model PLES389A, Stainless. Ceramic cooking surface

Refrigerator: Frigidare Model FRT21P5A (W) – 21CF, White
Dishwasher: Frigidare Model FDB635RB (S) - White
Cooktop/Stove: Frigidare Model FES367A, White, Ceramic cooking surface

q) LAUNDRY EQUIPMENT

Laundry closets inside the dwelling units will be provided with 27" electric stackable laundry centers by Maytag LSG 7806AAE. Drier unit is located on top of the washer unit. Capacity of washer is 3.0 cu.ft. Capacity of dryer is 5.7 cu.ft.

r) COMMON AREAS FINISHES

1. MULTI-FAMILY LIMITED COMMON ELEMENTS –INTERIOR AREAS;

	Room	Floors	Base	Walls	Ceilings
1)	Lobby	stone tiles	stone	G.W.B Painted	G.W.B. Paint
2)	Hallways	carpet	vinyl	G.W.B. Painted	G.W.B. Paint
4)	Mechanical rooms	concrete	n/a	G.W.B. Painted	G.W.B. Paint

2. TOWNHOUSES LIMITED COMMON ELEMENTS

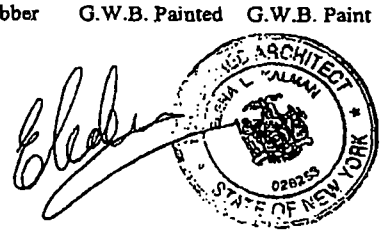
Entry stairs and landings: concrete
Railings: Metal painted.

3. GENERAL COMMON ELEMENTS

Roadway: Paved with blacktop –new construction
Sidewalks: poured concrete with some decorative concrete tiles-new construction
Platform: A concrete platform is located at the southern most end of the property. It is level with the adjacent grade of the property, and is connected to sidewalk of Breakers West. It is separated from the neighboring properties located to the east and to the west of the Property by 8'tall chain link fences and is not accessible from the neighboring properties. There is water and sandy or rocky beach under the platform. The buildings #3124 and #3126 are accessed from the platform. Existing concrete slab is supported by wood piles in the water, and will be repaired and paved over with new poured concrete and decorative concrete tiles, matching the material of the sidewalks at the property.

4. GENERAL COMMON ELEMENTS –INTERIOR AREAS

Room	Floors	Base	Walls	Ceilings
Gymnasium	rubber tiles	rubber	G.W.B. Painted	G.W.B. Paint



APPENDIX "A"

LIGHTING TYPES:

LIGHTING TYPE	SPECIFICATIONS	LOCATIONS
Ⓐ	RECESSED SHALLOW BOX FLUORESCENT DOWNLIGHT 5"DIAMETER MAX. WHITE TRIM CLEAR ALZAK REFLECTOR BY LIGHTOLIER OR SIMILAR	IN MULTIFAMILY BUILDING "A" HALLWAYS, LOBBY AND COMMON AREAS.
Ⓐ	RECESSED SHALLOW BOX FLUORESCENT DOWNLIGHT 5"DIAMETER MAX. WHITE TRIM CLEAR ALZAK REFLECTOR BY LIGHTOLIER OR SIMILAR	INSIDE DWELLING UNITS
Ⓓ	3.75" DIAMETER RECESSED LOW VOLTAGE LIGHT, WHITE TRIM	
Ⓗ	TRACK LIGHTS MOUNTED AT FACE OF CEILING, OR ON WALLS @ 12" BELOW CEILING; TRACK DIMENSIONS AND NUMBER OF HEADS INDICATED ON PLANS, LIGHTOLIER 6320 MATTE WHITE UNIVERSAL HOUSING, PAR 16 75W MAX.	
Ⓕ	WALL MOUNTED INCANDESCENT LIGHT	
Ⓒ	VANDAL PROOF WALL MOUNTED FLUORESCENT	INSIDE COMMON STAIRCASES IN MULTIFAMILY BUILDING "A"
Ⓔ	EXIT LIGHTS	IN BUILDING "A" HALLWAYS, EGRESS STAIRS, COMMON AREAS.
Ⓖ	2'X2' CEILING MOUNTED FLOURESCENT-UTILITY LIGHT	PARKING GARAGE, STORAGES, MECHANICAL ROOMS, UTILITY ROOMS
Ⓘ	RECESSED INCANDESCENT SHOWER LIGHT, WITH CLASS OR ACRYLIC LENS SUITABLE FOR WET LOCATIONS, WHITE TRIM, BY LIGHTOLIER OR SIMILAR	IN DWELLING UNIT BATHROOMS WHICH CONTAIN SHOWERS OR BATH TUBS
Ⓙ Ⓙ1	LINEAR LIGHT GLASS LENS SATIN CHROME FINISH. USE 3' LONG FIXTURE IN MASTER BATHROOMS, USE 2' LONG FIXTURE IN SMALL BATH.	ABOVE BATHROOM MIRROR IN DWELLING UNITS
Ⓚ	EXTERIOR WALL MOUNTED LIGHT	AT TOWNHOUSE UNIT ENTRIES, AT FRONT, SIDE AND REAR YARDS, AT ROOF TERRACES, AND AT BUILDING"A" MAIN ENTRY

TEAM RESEARCH

189 MONTAGUE ST * SUITE 201 * BROOKLYN, NY 11201
PHONE: (718)596-8500 FAX: (718)596-3500
WEB: WWW.TEAM-RESEARCH.COM
E-MAIL: ORDERS@TEAM-RESEARCH.COM

DATE: 04/29/2005 TITLE NUMBER: SL26434-8
TN: 327118 COMPANY: SUTTON LAND SERVICES
COUNTY: KINGS BLOCK: 8815 LOT: 509

PREMISES: 3140 D EMMONS AVENUE
A.K.A. 16 EMMONS AVENUE

HOUSING and BUILDING DEPARTMENT SEARCH

A SEARCH OF THE RECORDS OF THE DEPARTMENT OF BUILDINGS, AND THE DEPARTMENT OF RENT AND HOUSING MAINTENANCE OF THE CITY OF NEW YORK WAS MADE AND THE FOLLOWING VIOLATIONS WERE REPORTED PENDING AS OF THE LAST DATE OF POSTING: 24-JAN-2005

BUILDING DEPARTMENT:

ONE VIOLATION ATTACHED AND NO COPY AVAILABLE FOR COMPUTER POSTED LOCAL LAW VIOLATION NUMBER LL10 / 80NRFSQ00452

RENT AND HOUSING MAINTENANCE DEPARTMENT:

NONE

BUILDING CLASSIFICATION:

VACANT LAND

** DUE TO H.P.D's NO ACCESS POLICY, THIS SEARCH MAY NOT CONTAIN HOUSING VIOLATIONS PRIOR TO THE YEAR 2000.

THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY AND FOR THE EXCLUSIVE USE OF SUTTON LAND SERVICES

TEAM RESEARCH DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCIES WERE EXAMINED. THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED HEREIN, AND NO LIABILITY IS ASSUMED.

HB Page: 1 of 1 327118

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DEPARTMENT OF BUILDINGS
ELEVATOR DIVISION

FIRST-CLASS MAIL
U.S. POSTAGE PAID
NEW YORK, N.Y.
PERMIT NO.2597

S A M P L E C O P Y - EIT

SECTIONS C-26-1802.2 AND C-26-1802.4 OF THE NYC ADMINISTRATIVE CODE AND A.S. 18-1 RULE 1001.4(B) HAVE BEEN VIOLATED.
CONDITION REPORTED: A REVIEW OF THE RECORDS OF THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS INDICATES THAT THE FOLLOWING HAVE NOT BEEN PERFORMED FOR THE PREMISE AT
(A) THE ONE (1) REQUIRED PERIODIC INSPECTION PER ELEVATOR PROVIDED BY THE OWNER TO BE PERFORMED BETWEEN JAN 1 AND SEPT 15 OF EACH YEAR.
(B) THE FIVE-YEAR (5-YR) MAINTENANCE INSPECTION AND TESTS OF THE ELEVATOR CAR(S) AND COUNTERWEIGHT SAFETIES, GOVERNORS AND OIL BUFFERS.
REMEDY: THE OWNER SHALL ARRANGE TO HAVE REQUIRED INSPECTIONS/TESTS MADE BY AN INSPECTION AGENCY QUALIFIED BY THIS DEPT. AN INSPECTION/TEST RESULT REPORT MUST BE FILED WITH THIS DEPT. IN CONFORMANCE WITH OUR REGULATIONS.
NOTE: ALL INQUIRIES AND REFERENCE TO THIS VIOLATION SHOULD BE DIRECTED TO ELEVATOR VIOLATION DIVISION (643-7815).
****BRIBERY IS A CRIME PUNISHABLE BY IMPRISONMENT AND/OR FINE ****
10/01/81 VIOLATION NO. EIT ISSUED TO OWNER/AUTHORIZED AGENT BELOW.

BOROUGH SUPERINTENDENT T
COMMISIONER DEPT. OF BUILDINGS O

N O T I C E O F V I O L A T I O N

236 ww

TEAM RESEARCH

189 MONTAGUE ST * SUITE 201 * BROOKLYN, NY 11201
PHONE: (718)596-8500 FAX: (718)596-3500
WEB: WWW.TEAM-RESEARCH.COM
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DATE: 11/16/2004 TITLE NUMBER: SL25846
TN: 307488 COMPANY: SUTTON LAND SERVICES
COUNTY: KINGS BLOCK: 8815 LOT: 86

PREMISES: 3112 / 3128 EMMONS AVENUE

HOUSING and BUILDING DEPARTMENT SEARCH

A SEARCH OF THE RECORDS OF THE DEPARTMENT OF BUILDINGS, AND THE DEPARTMENT OF RENT AND HOUSING MAINTENANCE OF THE CITY OF NEW YORK WAS MADE AND THE FOLLOWING VIOLATIONS WERE REPORTED PENDING AS OF THE LAST DATE OF POSTING: 23-AUG-2004

BUILDING DEPARTMENT:

TWO VIOLATIONS NO COPIES AVAILABLE FOR COMPUTER POSTED PUBLIC ASSEMBLY VIOLATION # V1-20-81PA624R, V7-14-83PA241BB, V7-28-83PA242R, V5-23-85PA71

RENT AND HOUSING MAINTENANCE DEPARTMENT:

NONE

BUILDING CLASSIFICATION:

NOT A MULTIPLE DWELLING

** DUE TO H.P.D's NO ACCESS POLICY, THIS SEARCH MAY NOT CONTAIN HOUSING VIOLATIONS PRIOR TO THE YEAR 2000.

THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY AND FOR THE EXCLUSIVE USE OF SUTTON LAND SERVICES

TEAM RESEARCH DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCIES WERE EXAMINED. THE INFORMATION REPORTED ABOVE IS A TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED HEREIN, AND NO LIABILITY IS ASSUMED.

Page: 1 of 1

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NYC BUILDINGS

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NYC Department of Buildings

ECB Violation Details

Premises: 3128 EMMONS AVENUE BROOKLYN BIN: 3328919 Block: 6815 Lot: 86

Filed At: 3128 EMMONS AVENUE , BKN , NY 11235

ECB Viol Number: 34406343N VIOL ACTIVE **Status: NO COMPL RECORD**

Respondent Info: CB: 315

MMG DESIGN . 85 MEADE LOOP , SI , NY 10309 GEO Flag: 1

Viol Issue Date:	07/11/2003	**Delivered Date:**	07/11/2003		
Viol Type:	SS - SITE SAFETY	**DOB Viol Number:**	071103CSSTN02		
Issuing Insp ID:	1763	**Tax Lien Serv:**	NO		
Device Type:		**Device Number:**	3328919		
Sched Hrg Date:	02/02/2004	**Hearing Time:**	8:30	**Location:**	BKN
Amount Imposed:	$5,000.00	**Amount Paid:**	$0.00		
Hearing Status:	F - DEFAULT	**Compl Status:**	N - NO COMPL RECORD		
Compl By Date:	03/10/2004	**Compl Met Flag:**			
Compl Met Date:		**Viol Severity:**	A - HIGH		

Infraction Codes:
B3X 27-1039 NO PERMIT FROM FIRE DEPT FOR WELDING/CUTTING OPER DURING

Description of Violation:
NO PERMIT FROM FIRE DEPARTMENT FOR WELDING OR CTTING OPERATIONS DURING DEMOLITION. UPON INSPECTION AT ABOVE PROPERTY DEMOLITION WAS IN PROGR ESS AND CUTTING CURTAIN WALL WITH USING TORCH WAS IN PROGRESS AND NO P

Historical Event Dates:

CUR:	**HRG:**	**COM:**	**DEF:** 02/09/2004	**STIP ACC:**
AJR: 12/29/2003	**ASG:** 02/02/2004	**WRI:**	**Reinspection Compliance:**	

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

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NYC BUILDINGS

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NYC Department of Buildings

ECB Violation Details

Premises: 3128 EMMONS AVENUE BROOKLYN BIN: 3328919 Block: 8815 Lot: 86
Filed At: 3128 EMMONS AVENUE , BKN , NY 11235
ECB Viol Number: 34385068H VIOL ACTIVE **Status: NO COMPL RECORD**

Respondent Info:
MMG DESIGN . 85 MEADE LOOP , SI , NY 10309

CB: 315
GEO Flag: 1

Viol Issue Date:	04/08/2003	**Delivered Date:**	04/08/2003		
Viol Type:	SS - SITE SAFETY	**DOB Viol Number:**	040803CSSTN02		
Issuing Insp ID:	1763	**Tax Lien Serv:**	NO		
Device Type:		**Device Number:**	3328919		
Sched Hrg Date:	12/29/2003	**Hearing Time:**	8:30	**Location:**	BKN
Amount Imposed:	$5,000.00	**Amount Paid:**	$0.00		
Hearing Status:	F - DEFAULT	**Compl Status:**	N - NO COMPL RECORD		
Compl By Date:	07/10/2004	**Compl Met Flag:**			
Compl Met Date:		**Viol Severity:**	A - HIGH		

Infraction Codes:
B3X 27-1039 NO PERMIT FROM FIRE DEPT FOR WELDING/CUTTING OPER DURING

Description of Violation:
NO PERMIT FROM FIRE DEPARTMENT FOR NELDING OR CUTTING OPERATIONS DURIN
G DEMOLITION UPON INSOECTION AT ABOVE PROPERTY CUTTING OF STEEL POOL
WITH USING TORCH WAS IN PROGRESS AND NO PERMIT FROM FIRE DEPARTMENT WA

Historical Event Dates:

CUR:	HRG:	COM:	DEF: 08/10/2004	STIP ACC:
AJR:	ASG: 12/29/2003	WRI:	Reinspection Compliance:	

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

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FLOOR PLANS

All dimensions of the following Floor Plans and Schedule B of the Declaration are approximate, to within construction and other reasonable variances and tolerances, and may exceed the usable floor area of the Unit which is so depicted. The following Floor Plans are subject to variations between such Floor Plans and the actual condominium Floor Plans to be filed with the Kings County Office of the City Register of New York, and to changes in fenestration and other revisions which are deemed advisable by the local department of buildings or other agencies having jurisdiction over same, or which are necessitated by job conditions, or are permitted to be made by Sponsor in accordance with the Plan.

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EMMONS AVENUE

TOWNHOUSE LIMITED COMMON ELEMENT

MULTI-FAMILY LIMITED COMMON ELEMENT

GENERAL COMMON ELEMENT

IPU INDOOR PARKING UNIT (UNDER A ROOF)
OPU- OUTDOOR PARKING UNIT

EXCLUSIVE USE AREA

6'TALL PRIVACY FENCES BETWEEN INDIVIDUAL REAR YARDS AND AT PROPERTY LINE

RETAINING WALL AND 6'TALL FENCE AT PROPERTY LINE, TYP.

NOTE: REAR YARDS ARE PARTS OF CERTAIN DWELLING UNITS. REFER TO FIRST FLOOR PLANS OF INDIVIDUAL UNITS.

6'TALL PRIVACY FENCES BETWEEN INDIVIDUAL REAR YARDS

GENERAL COMMON ELEMENT AT GRADE BUILDINGS ARE CONNECTED ON SECOND AND THIRD FLOORS.

#3144
MULTI FAMILY BUILDING
29 RESIDENTINAL UNITS
3 STORY, CLASS 2B BUILDING

"THE BREAKERS WEST" TOWNHOUSE BLDG.
13 TWO FAMILY, 3 STORY, CLASS 2B HOUSES

"THE BREAKERS EAST" TOWNHOUSE BLDG.
7 TWO FAMILY, 3 STORY, CLASS 2B HOUSES

3 TWO FAMILY, 3 STORY, CLASS 2B HOUSES

#3112, #3112A, #3114, #3114A, #3116, #3116A, #3118, #3118A, #3120, #3120A, #3122, #3124, #3126

#3140A, #3140, #3138A, #3138, #3136A, #3136, #3134, #3132, #3130, #3128

OPU-60, OPU-61, OPU-62, OPU-63, OPU-64, OPU-65, OPU-66, OPU-27, OPU-45, OPU-46, OPU-47, OPU-48, OPU-49, OPU-50, OPU-51, OPU-52, OPU-53, OPU-54, OPU-55, OPU-56, OPU-57, OPU-58, OPU-59, OPU-39, OPU-40

H/C

TERRACE FOR CERTAIN FIRST FLOOR UNITS

RAMP TO GARAGE

VISUAL CORRIDOR: 60' WIDE ROADWAY

ROADWAY

REAR YARDS

5' WIDE SIDEWALK EXTENSION

CURB CUT

28'-0" DRIVEWAY

PAVING

GRASS

SIDEWALK

GRASS SIDEWALK PAVING

PROPERTY LINE 298.24' LOT

PROPERTY LINE 127.98 LOT

PROPERTY LINE 2127.98 LOT

49.25' LOT

44' LOT

49.50' LOT

PROPERTY LINE

PLATFORM 42.25'

92.26'

CONC. PAVING - SIDEWALK

PLATFORM

MARINA UNIT

BAY WATER

BAY WATER

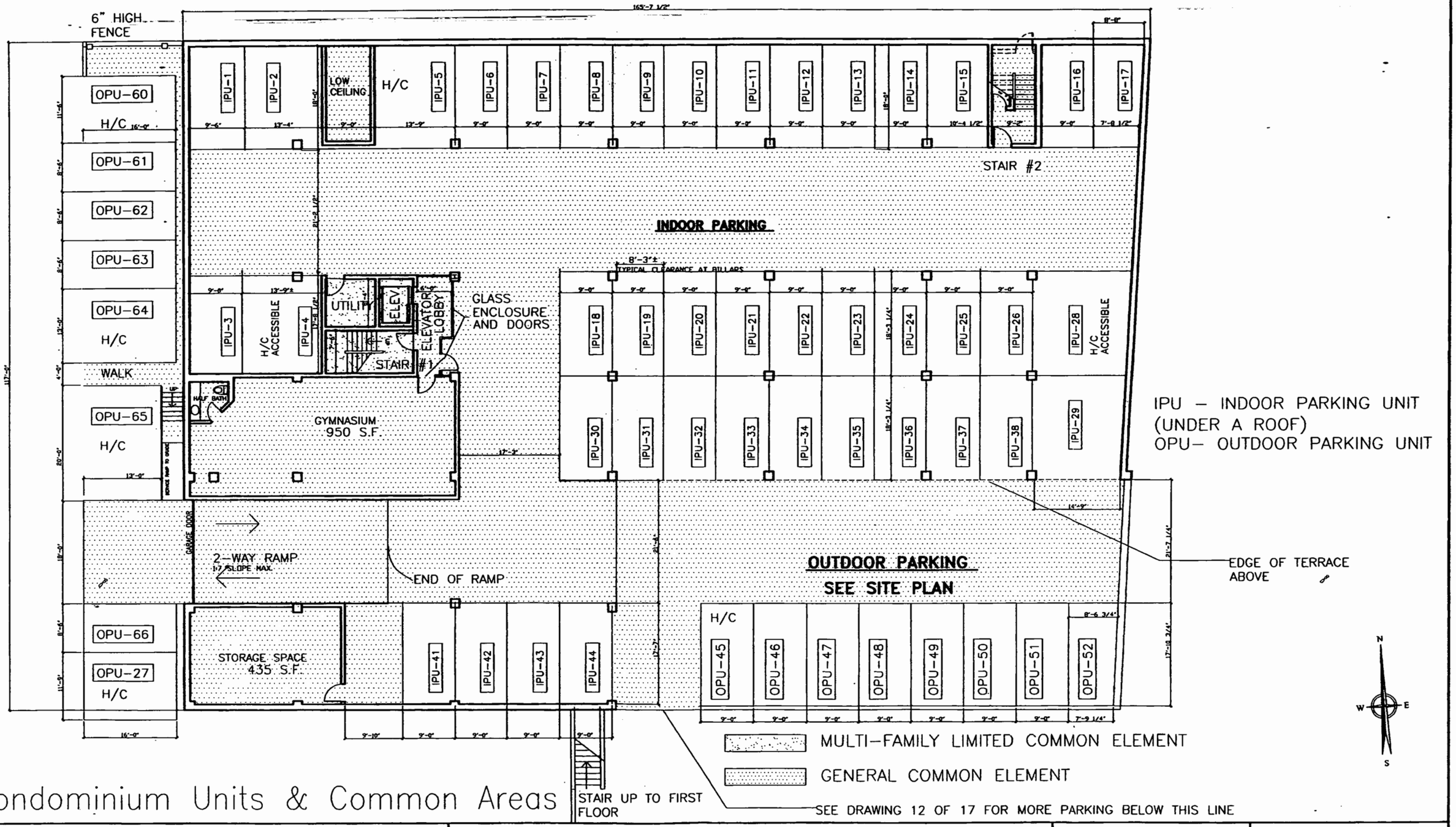
60'-0"

N

W E

S

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	PLOT PLAN OF PROPOSED DEVELOPMENT NOT TO SCALE	DATE: 12/15/05	1 OF 17



IPU – INDOOR PARKING UNIT (UNDER A ROOF)
OPU– OUTDOOR PARKING UNIT

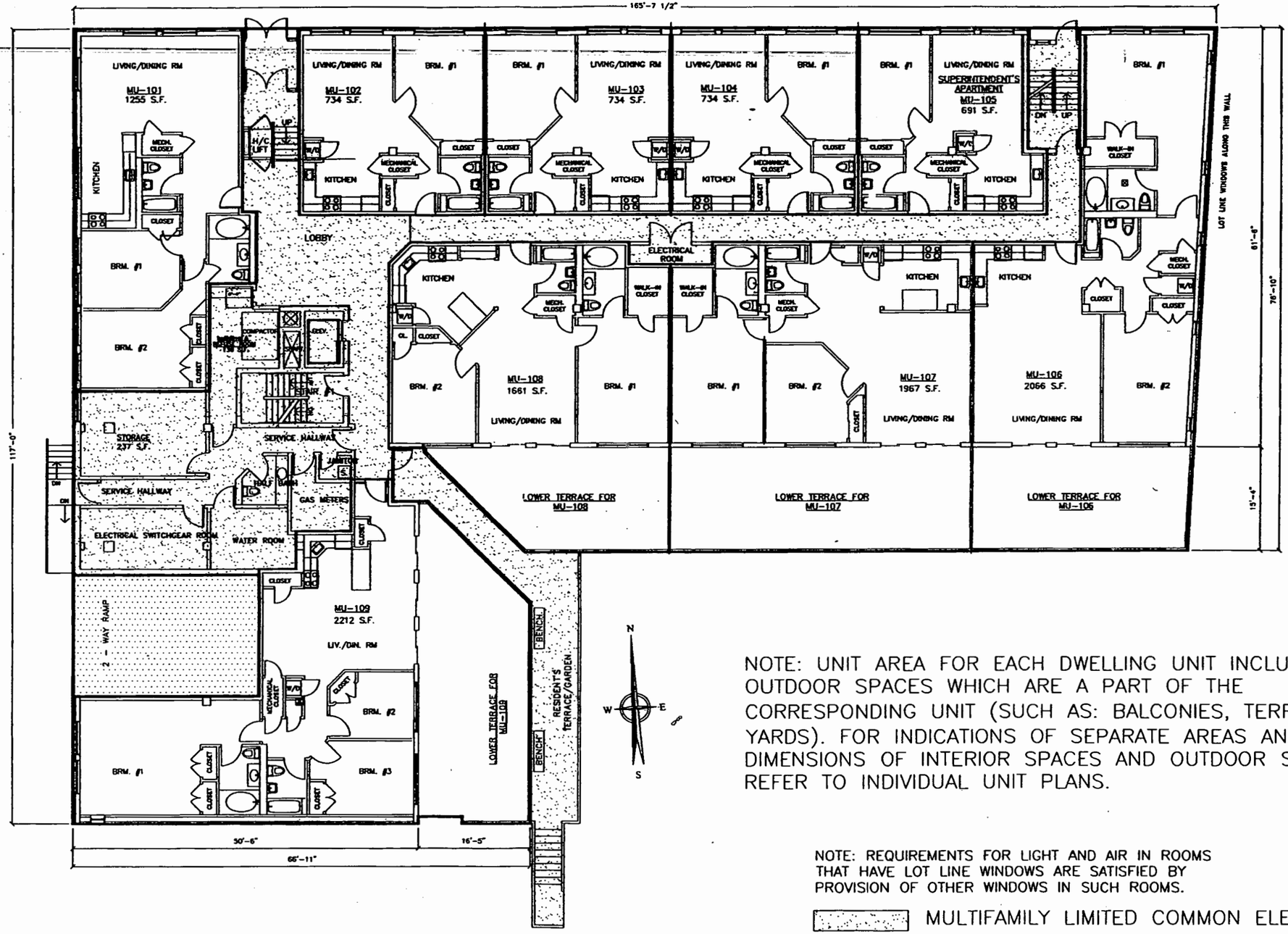
Condominium Units & Common Areas

THE BREAKERS
EMMONS AVENUE, BROOKLYN, NY

MULTI–FAMILY BUILDING (#3144)
PARKING LEVEL PLAN
NOT TO SCALE

DATE: 8/15/05

2 OF 17



NOTE: UNIT AREA FOR EACH DWELLING UNIT INCLUDES OUTDOOR SPACES WHICH ARE A PART OF THE CORRESPONDING UNIT (SUCH AS: BALCONIES, TERRACES, YARDS). FOR INDICATIONS OF SEPARATE AREAS AND DIMENSIONS OF INTERIOR SPACES AND OUTDOOR SPACES REFER TO INDIVIDUAL UNIT PLANS.

NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.

MULTIFAMILY LIMITED COMMON ELEMENT

GENERAL COMMON ELEMENT

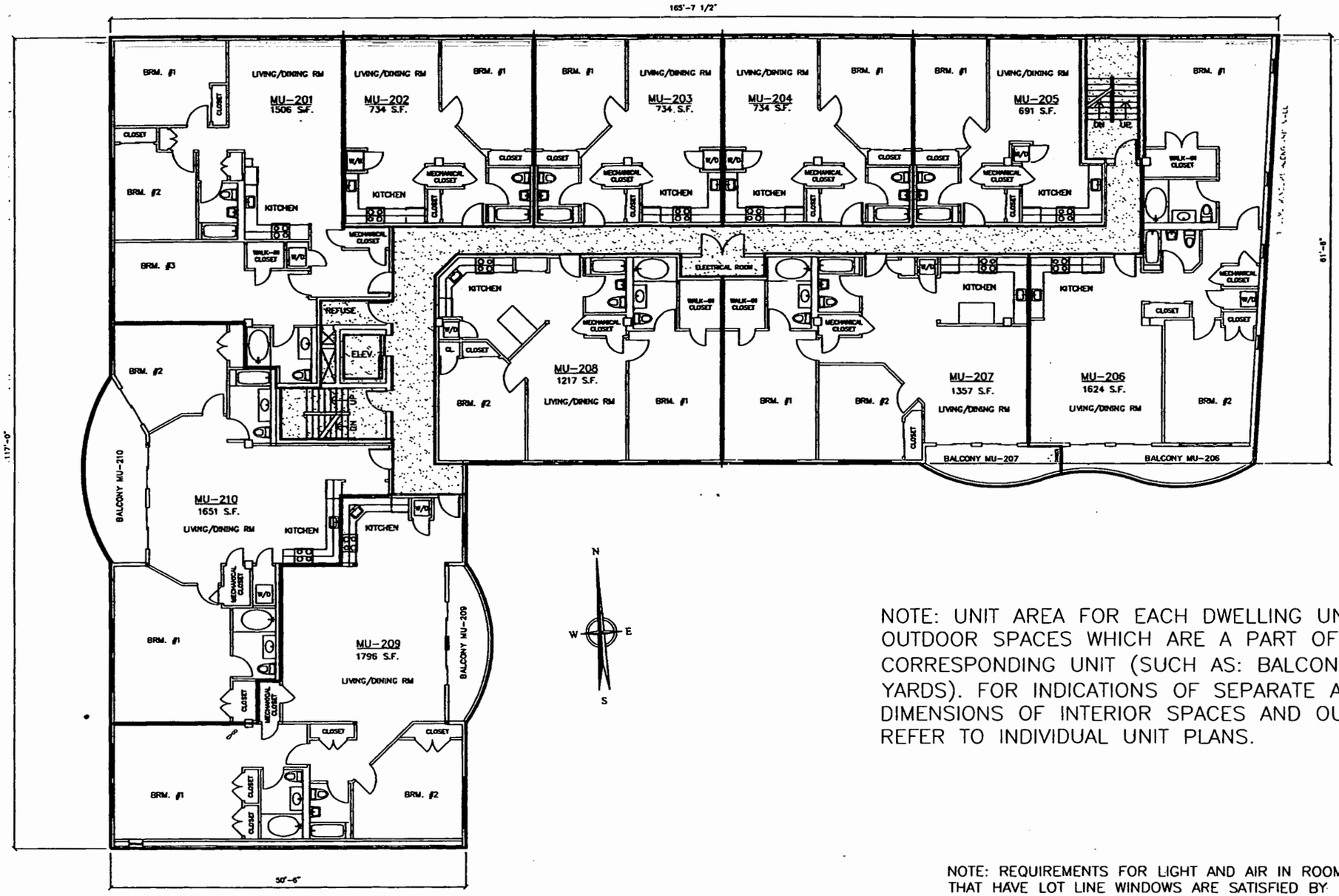
Residential Condominium Units & Common Areas

THE BREAKERS
EMMONS AVENUE, BROOKLYN, NY

MULTI-FAMILY BUILDING (#3144)
FIRST FLOOR PLAN
NOT TO SCALE

DATE: 8/15/05

3 OF 17



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NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.

MULTIFAMILY LIMITED COMMON ELEMENT

GENERAL COMMON ELEMENT

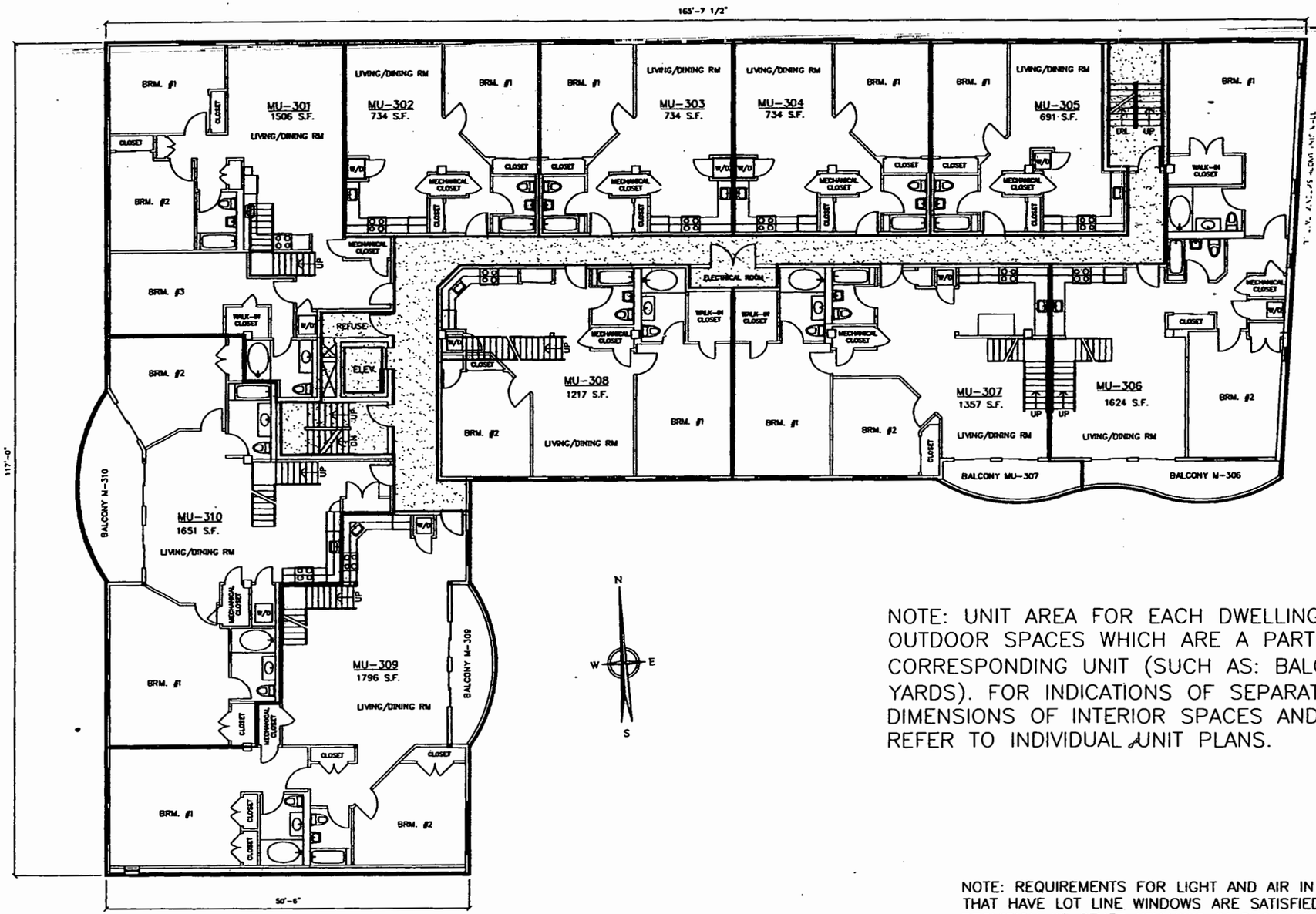
Residential Condominium Units & Common Areas

THE BREAKERS
EMMONS AVENUE, BROOKLYN, NY

MULTI-FAMILY BUILDING (#3144)
SECOND FLOOR PLAN NOT TO SCALE

DATE: 8/15/05

4 OF 17



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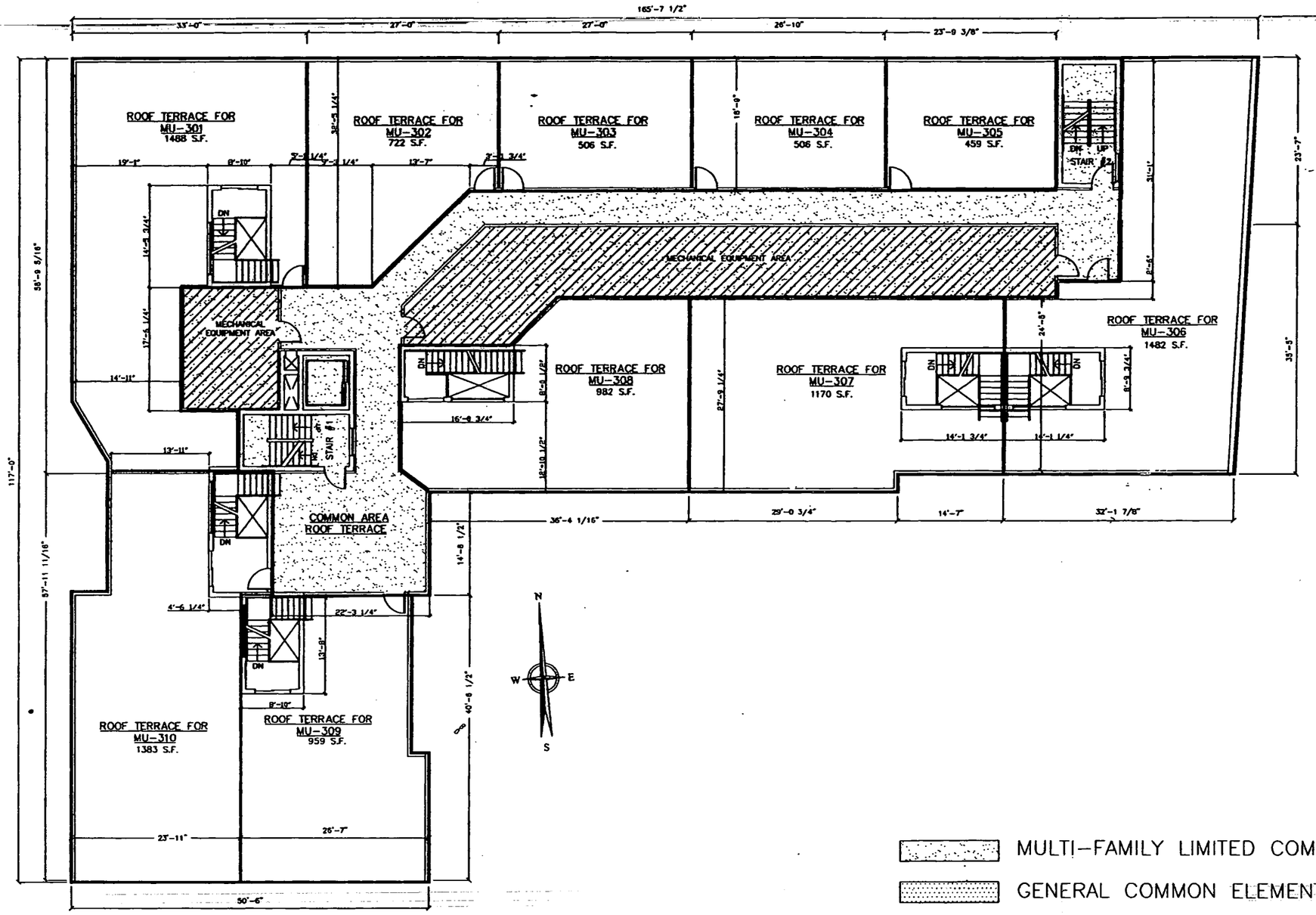
MULTI-FAMILY LIMITED COMMON ELEMENT

GENERAL COMMON ELEMENT

Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	MULTI-FAMILY BUILDING (#3144) THIRD FLOOR PLAN NOT TO SCALE	DATE: 8/15/05	5 OF 17



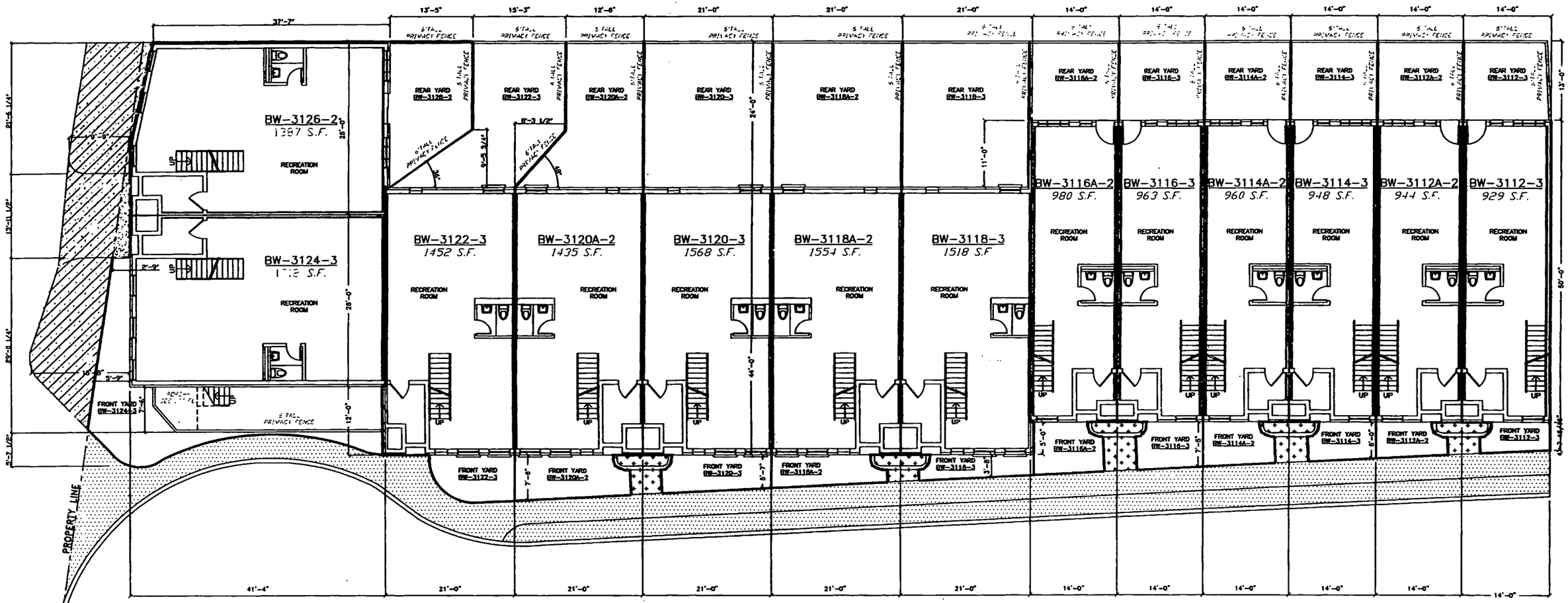
MULTI-FAMILY LIMITED COMMON ELEMENT

GENERAL COMMON ELEMENT

TELECOMMUNICATION EASEMENT AREA

Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	MULTI-FAMILY BUILDING (#3144) ROOF PLAN — NOT TO SCALE	DATE: 8/15/05 REVISED ON: 8/1/05	6 OF 17



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EXCLUSIVE USE AREA

TOWNHOUSE LIMITED COMMON ELEMENT

GENERAL COMMON ELEMENT

Residential Condominium Units & Common Areas

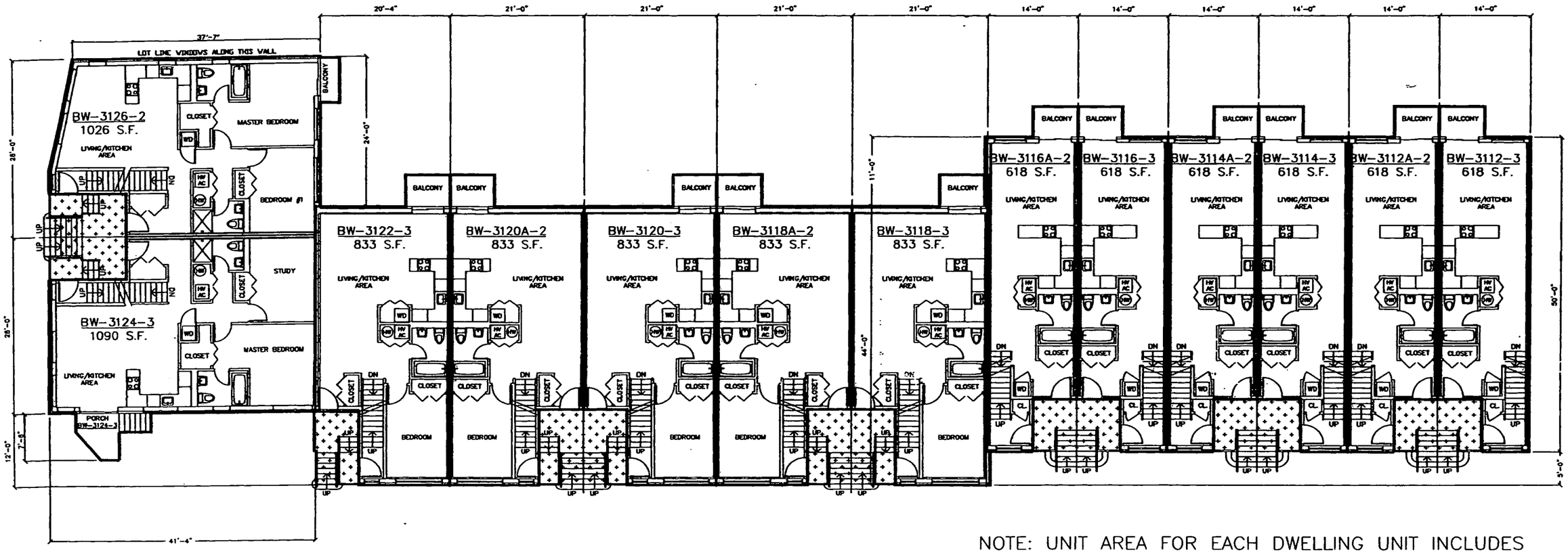
THE BREAKERS
EMMONS AVENUE, BROOKLYN, NY

BREAKERS WEST CELLAR FLOOR PLAN

NOT TO SCALE

369

DATE: 1/11/06



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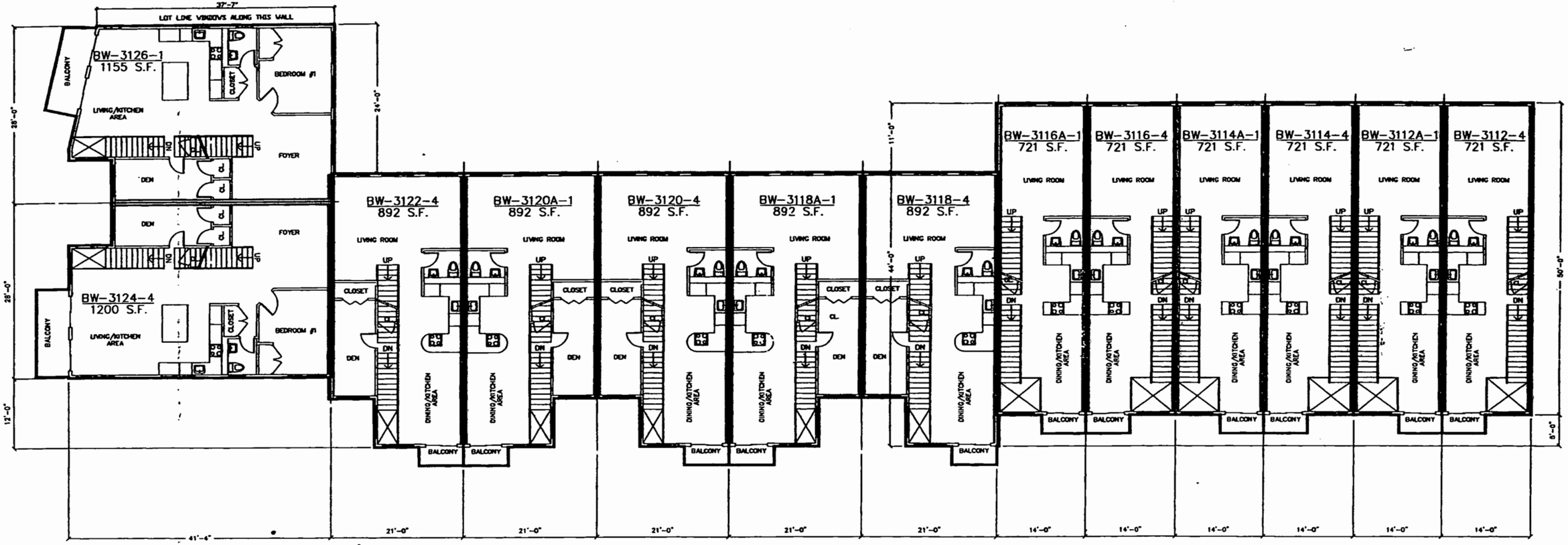
TOWNHOUSE LIMITED COMMON ELEMENT

Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS WEST FIRST FLOOR PLAN NOT TO SCALE 370.	DATE: 8/15/05	8 OF 17



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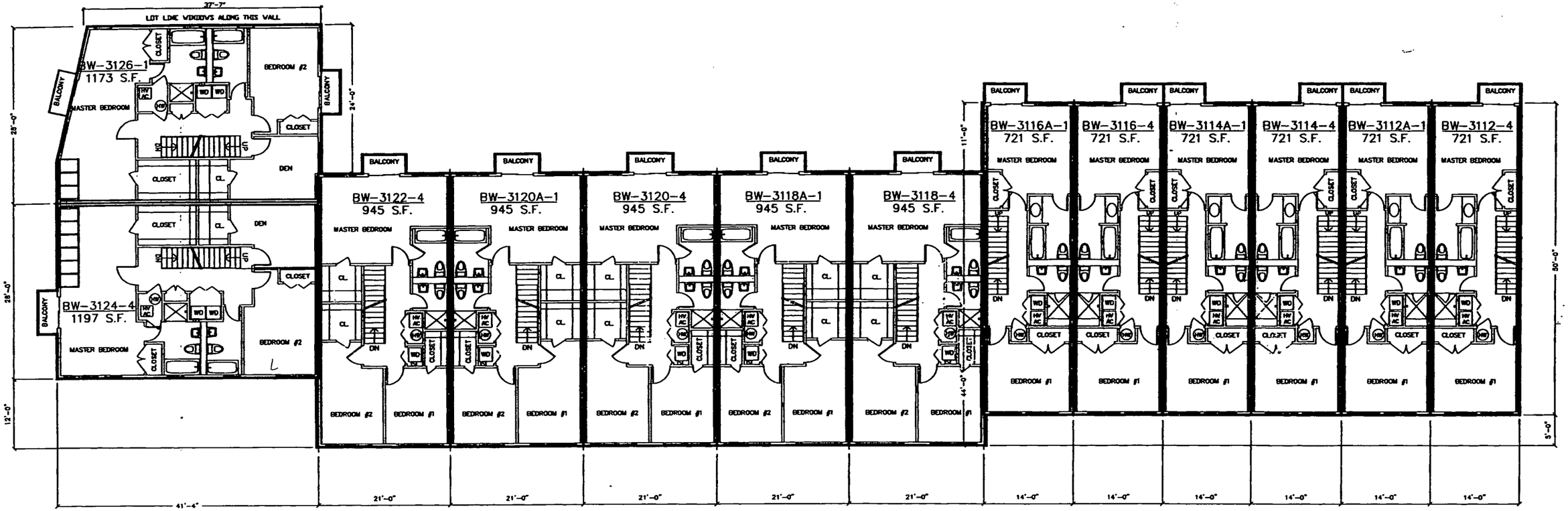
Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS WEST SECOND FLOOR PLAN NOT TO SCALE 371	DATE: 8/15/05	9 OF 17



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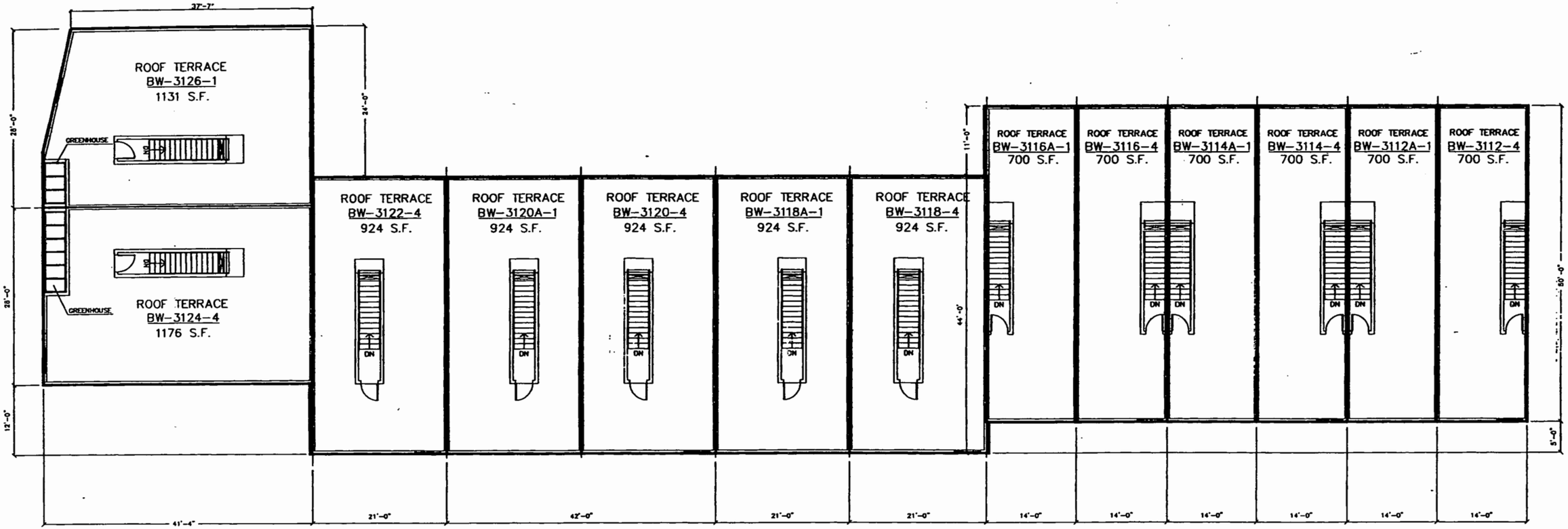
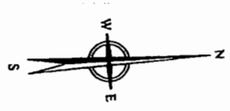
Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS WEST THIRD FLOOR PLAN NOT TO SCALE 372	DATE: 8/15/05	10 OF 17





Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS WEST ROOF PLAN NOT TO SCALE 373	DATE: 8/15/05	11 OF 17

SEE DRAWING 2 OF 17 FOR MORE PARKING ABOVE THIS LINE

TOWNHOUSE LIMITED COMMON ELEMENT

GENERAL COMMON ELEMENT

OPU– OUTDOOR PARKING UNIT

NOTE: UNIT AREA FOR EACH DWELLING UNIT INCLUDES OUTDOOR SPACES WHICH ARE A PART OF THE CORRESPONDING UNIT (SUCH AS: BALCONIES, TERRACES, YARDS). FOR INDICATIONS OF SEPARATE AREAS AND DIMENSIONS OF INTERIOR SPACES AND OUTDOOR SPACES REFER TO INDIVIDUAL UNIT PLANS.

BE–3140A–2
1034 S.F.
RECREATION ROOM

BE–3140–3
1070 S.F.
RECREATION ROOM

BE–3138A–2
1097 S.F.
RECREATION ROOM

BE–3138–3
1097 S.F.
RECREATION ROOM

BE–3136A–2
1083 S.F.
RECREATION ROOM

BE–3136–3
889 S.F.
RECREATION ROOM

BE–3134–2
1426 S.F.
RECREATION ROOM

SIDE YARD
BE–3134–2

PARKING

OPU–53
OPU–54
OPU–55
OPU–56
OPU–57
OPU–58
OPU–59
OPU–39
OPU–40

BE–3132–2
1578 S.F.
RECREATION ROOM

BE–3130–2
2137 S.F.
RECREATION ROOM

BE–3128–3
2111 S.F.
RECREATION ROOM

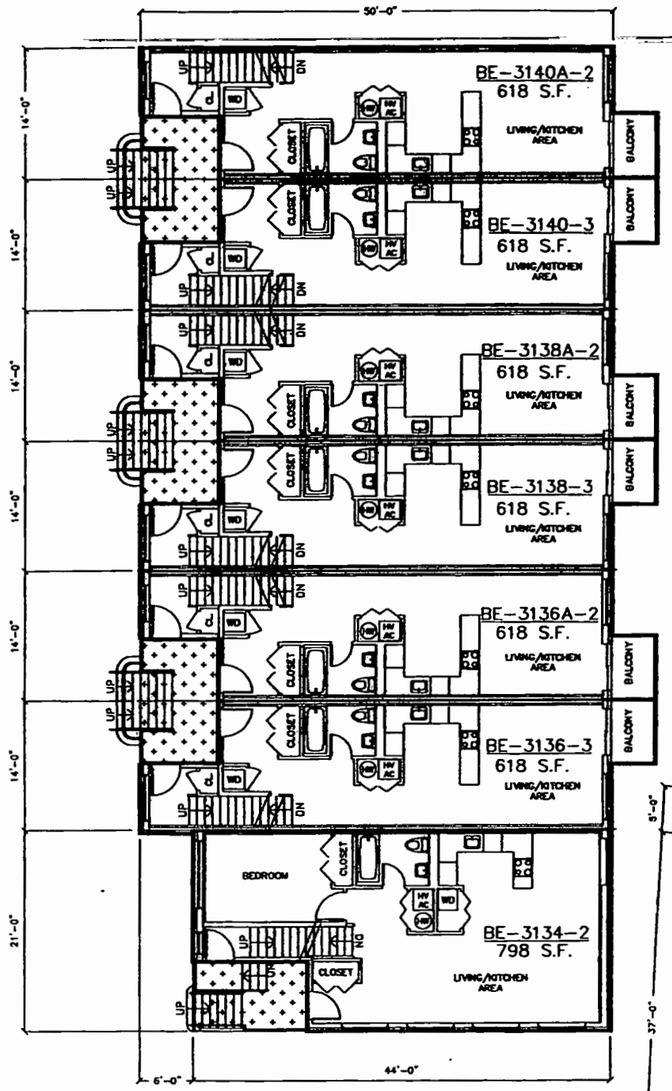
6'TALL PRIVACY FENCE

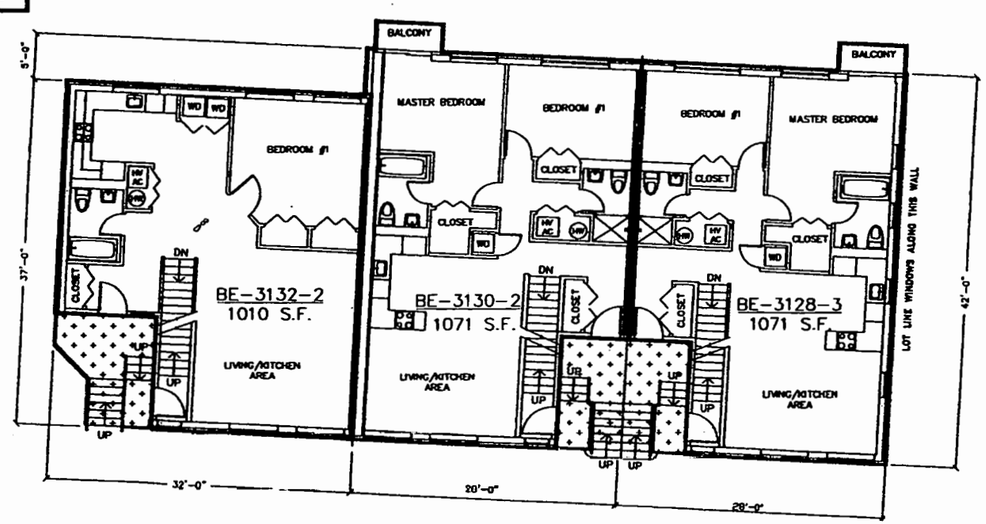
FRONT YARD BE–3140A–2
REAR YARD BE–3140A–2
FRONT YARD BE–3140–3
REAR YARD BE–3140–3
FRONT YARD BE–3138A–2
REAR YARD BE–3138A–2
FRONT YARD BE–3138–3
REAR YARD BE–3138–3
FRONT YARD BE–3136A–2
REAR YARD BE–3136A–2
FRONT YARD BE–3136–3
REAR YARD BE–3136–3
FRONT YARD BE–3134–2
REAR YARD BE–3132–2
FRONT YARD BE–3132–2
REAR YARD BE–3130–2
FRONT YARD BE–3130–2
REAR YARD BE–3128–3
FRONT YARD BE–3128–3

N
W
E
S

Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS EAST CELLAR FLOOR PLAN AND PARTIAL OUTDOOR PARKING PLAN NOT TO SCALE	DATE: 8/15/05	12 OF 17





TOWNHOUSE LIMITED COMMON ELEMENT

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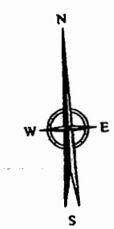
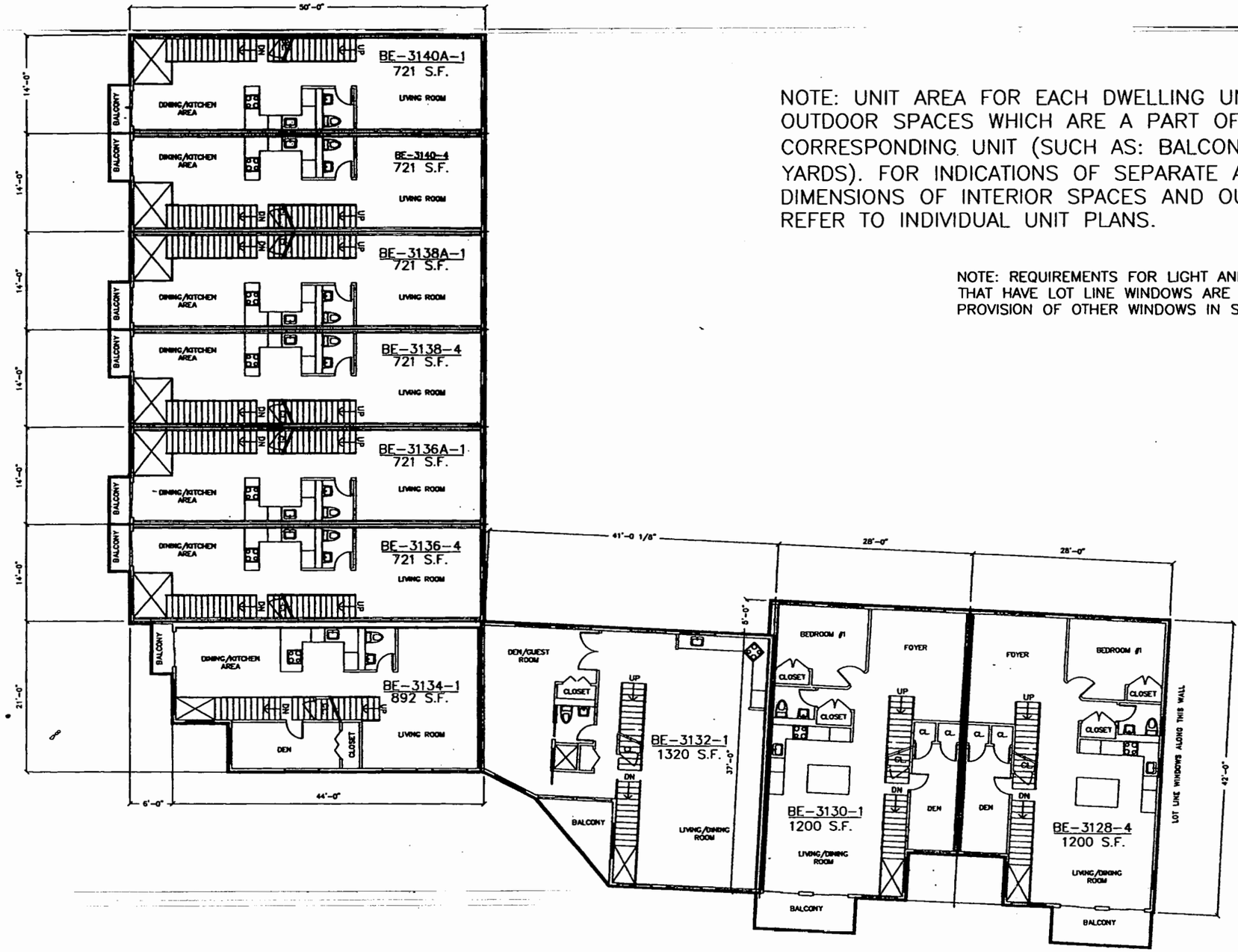


Residential Condominium Units & Common Areas.

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS EAST FIRST FLOOR PLAN NOT TO SCALE	DATE: 8/15/05	13 OF 17



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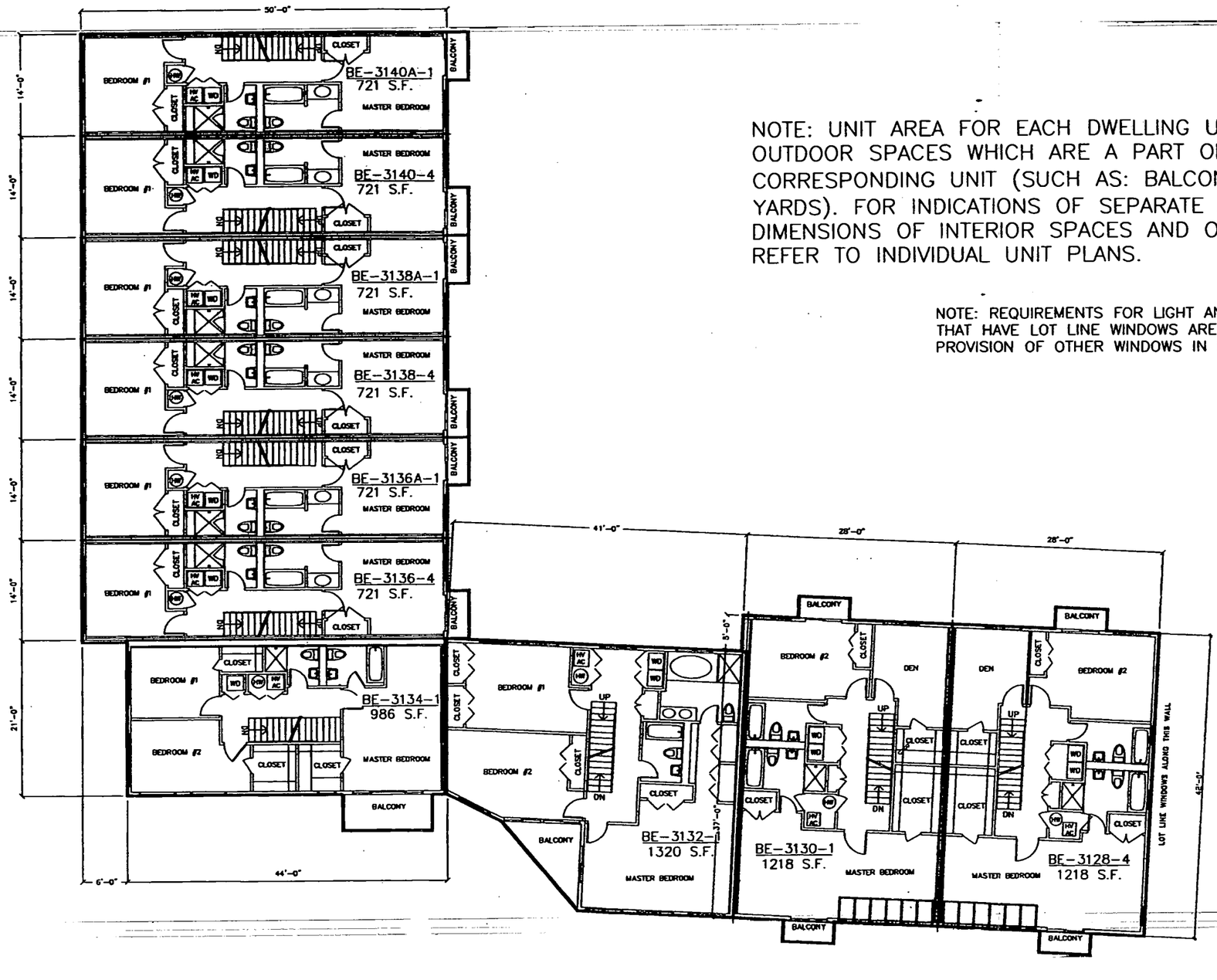
Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS EAST SECOND FLOOR PLAN NOT TO SCALE	DATE: 8/15/05	14 OF 17



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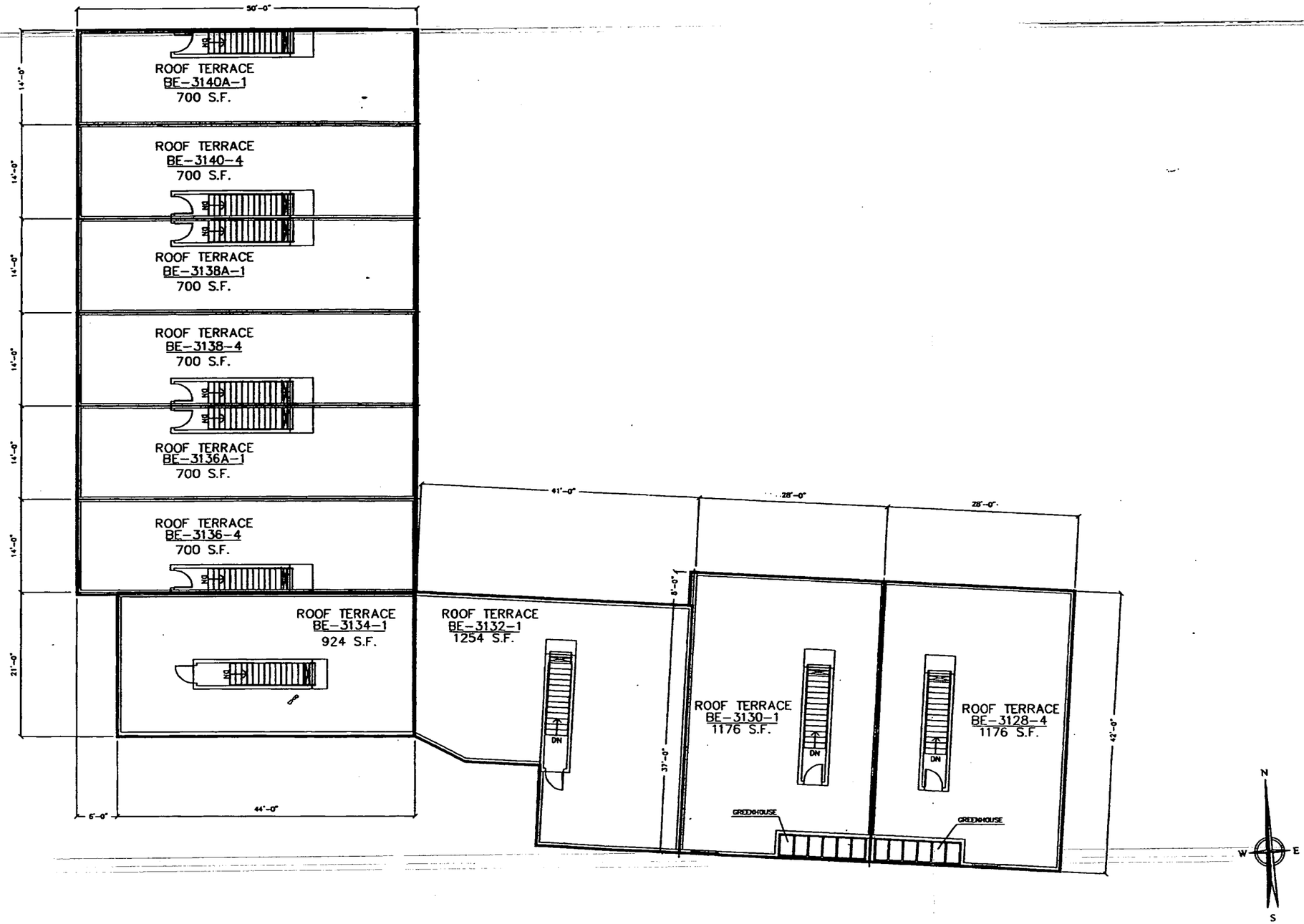
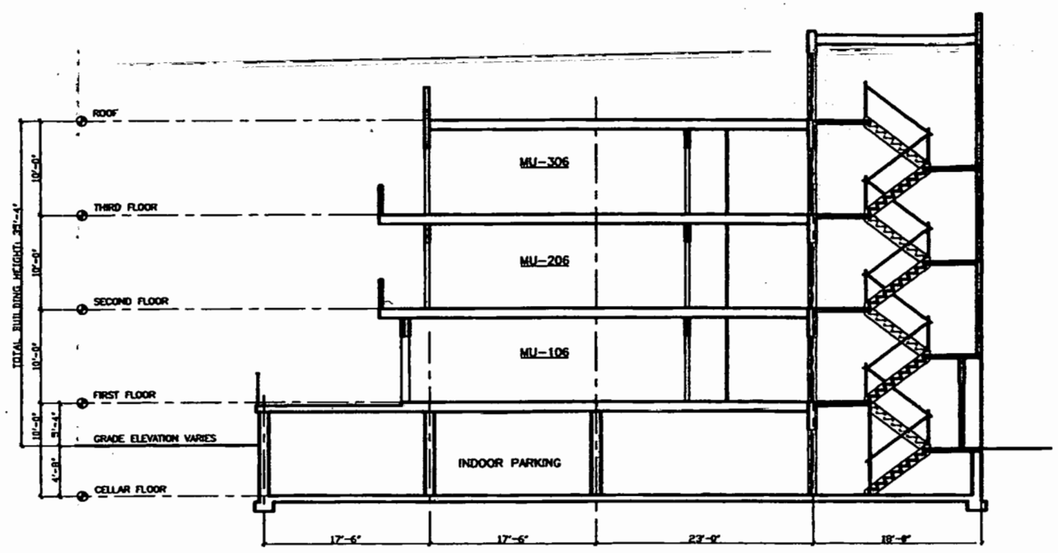
Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS EAST THIRD FLOOR PLAN NOT TO SCALE	DATE: 8/15/05	15 OF 17

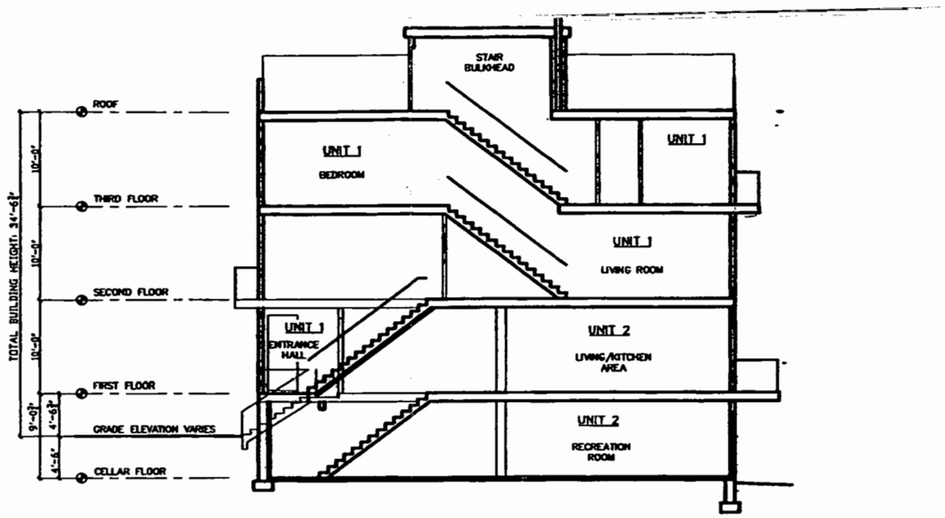


Residential Condominium Units & Common Areas

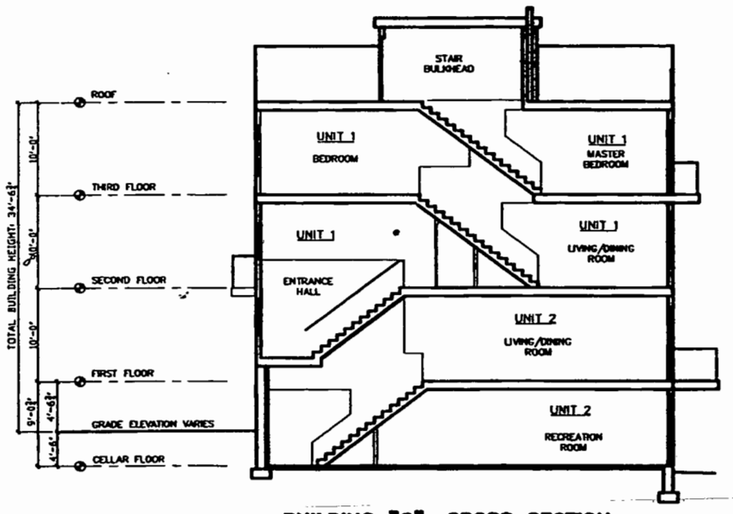
THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BREAKERS EAST ROOF PLAN NOT TO SCALE	DATE: 8/15/05	16 OF 17



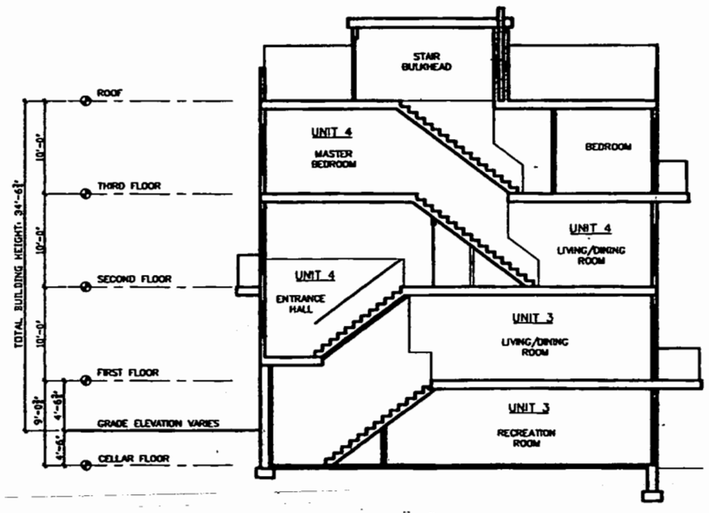
MULTI FAMILY BUILDING "A": CROSS SECTION



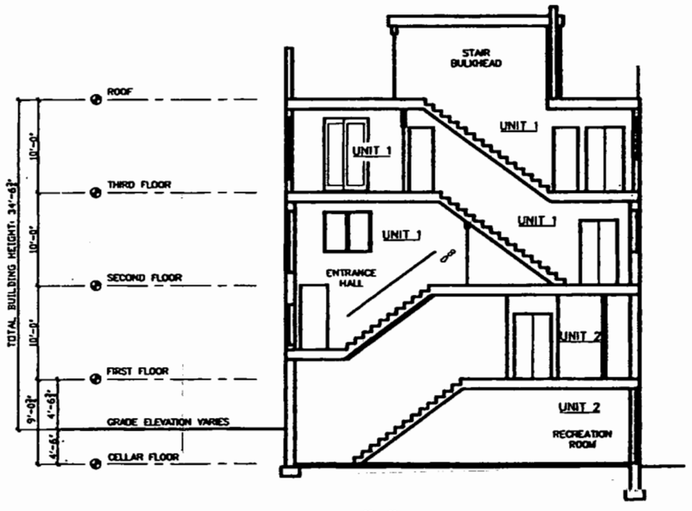
BUILDING "B": CROSS SECTION



BUILDING "C": CROSS SECTION



BUILDING "D": CROSS SECTION



BUILDING "E": CROSS SECTION

Residential Condominium Units & Common Areas

THE BREAKERS EMMONS AVENUE, BROOKLYN, NY	BUILDING SECTIONS NOT TO SCALE	DATE: 8/15/05	17 OF 17

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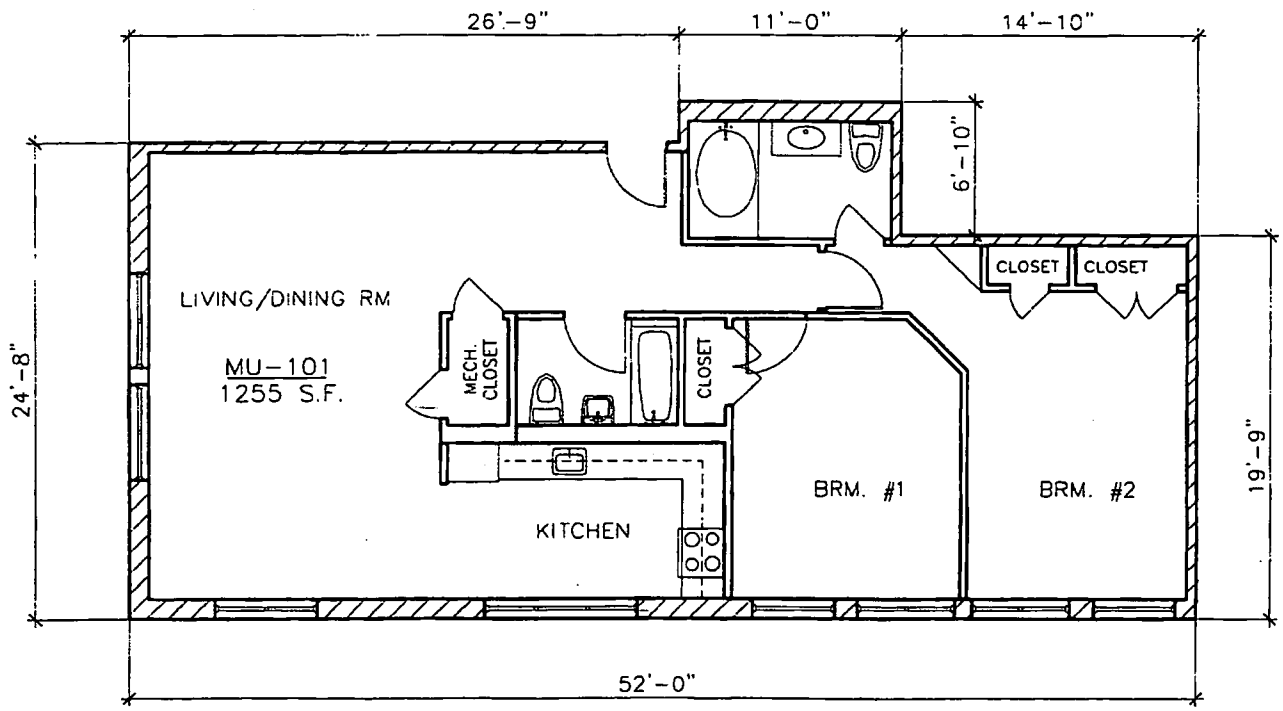
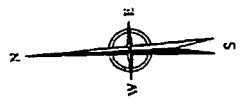
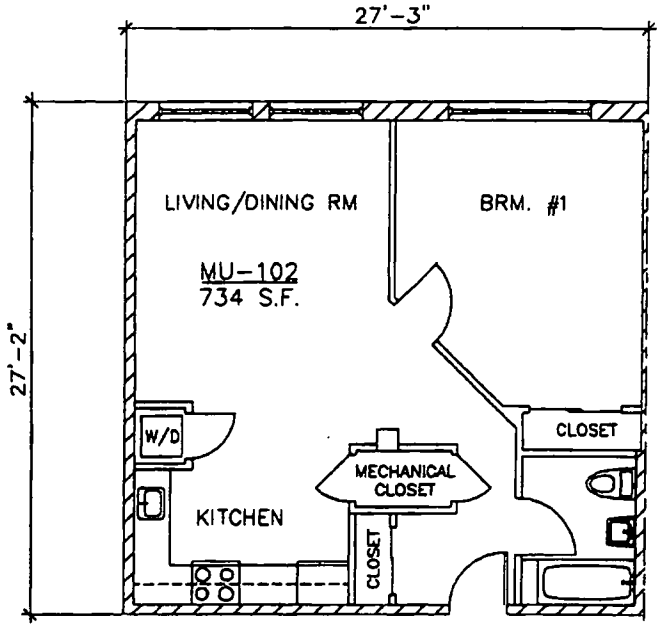
THE BREAKERS BUILDING "A"
INDIVIDUAL UNIT PLANS





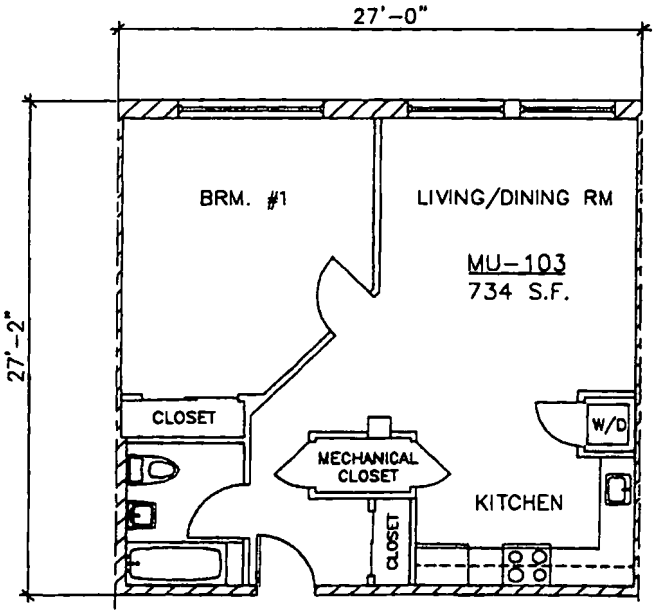
Residential Condominium

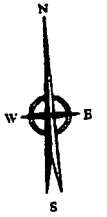
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-101 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	1 OF 39



Residential Condominium

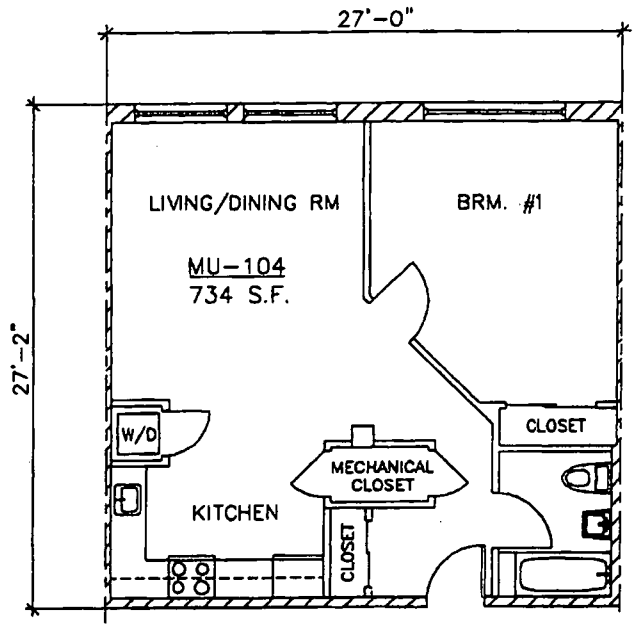
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-102 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	2 OF 39





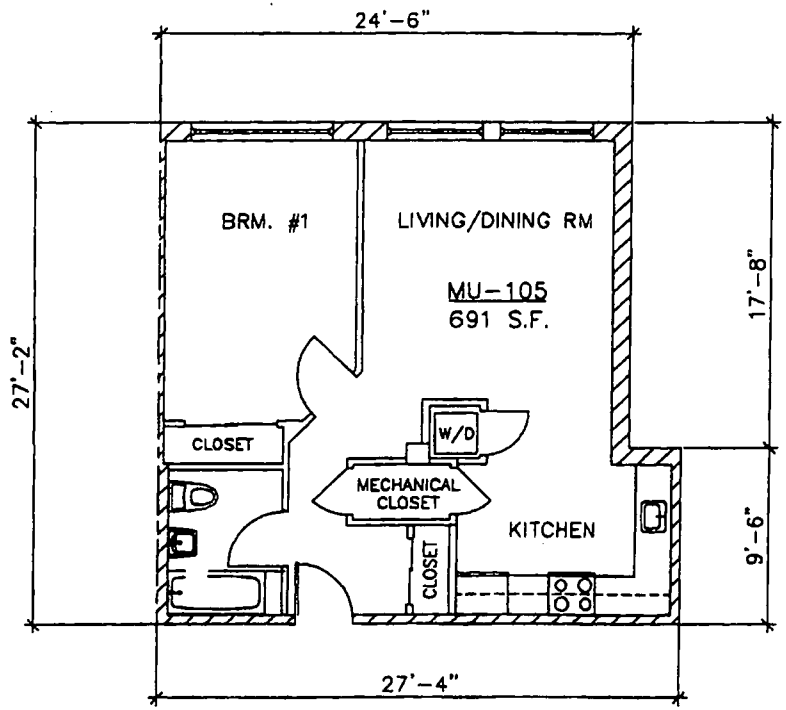
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-103 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	3 OF 39



Residential Condominium

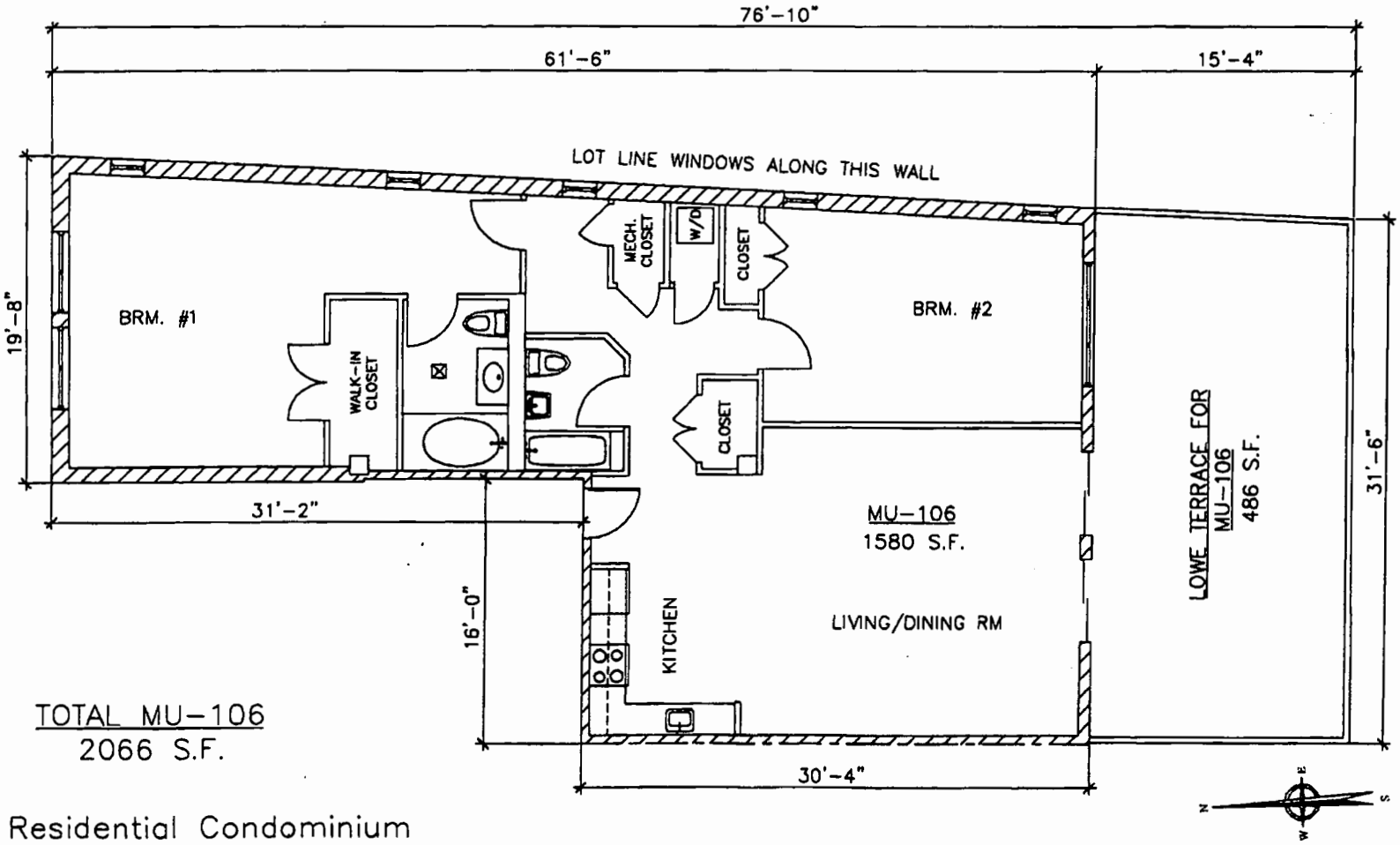
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-104 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	4 OF 39



Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-105 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	5 OF 39

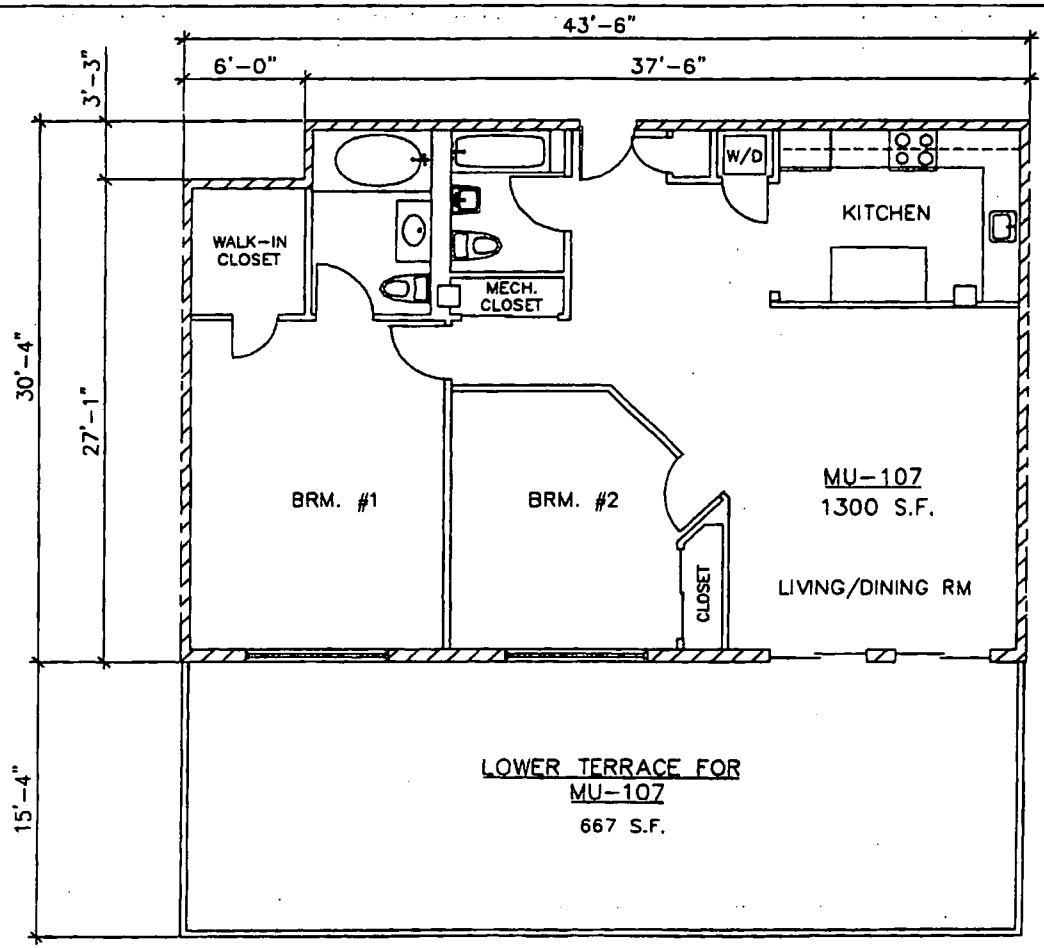
NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.



TOTAL MU-106
2066 S.F.

Residential Condominium

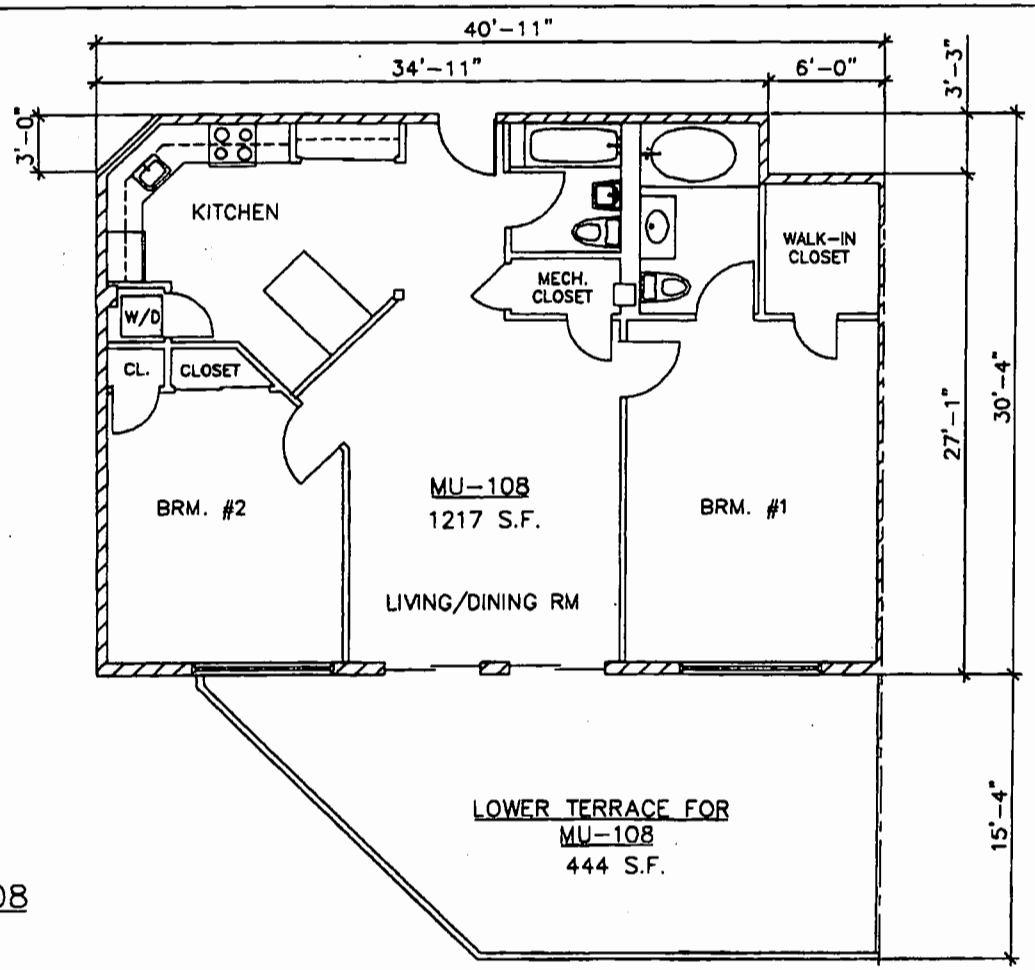
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-106 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	6 OF 39



TOTAL MU-107
1967 S.F.

Residential Condominium

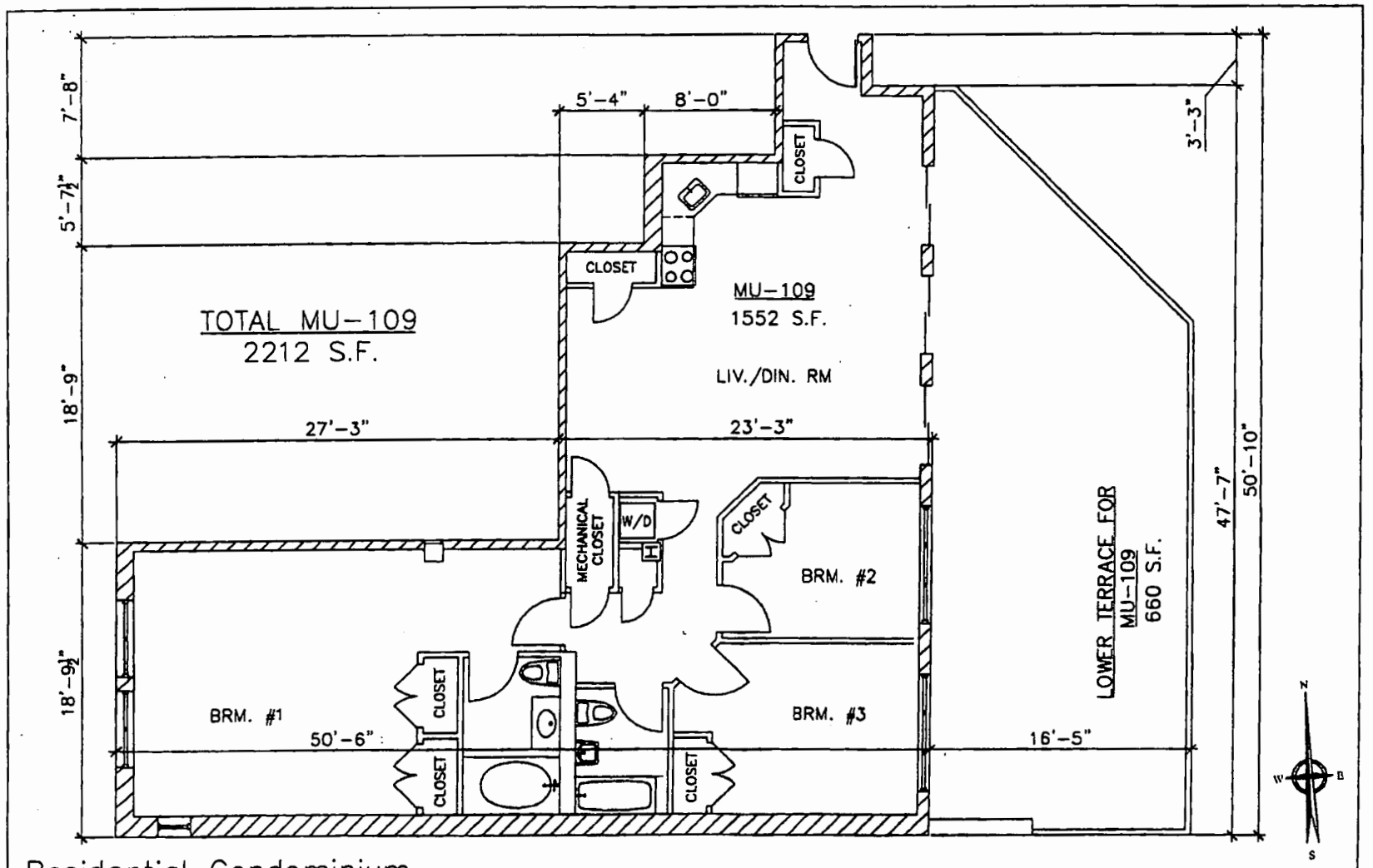
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-107 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	7 OF 39



TOTAL MU-108
1661 S.F.

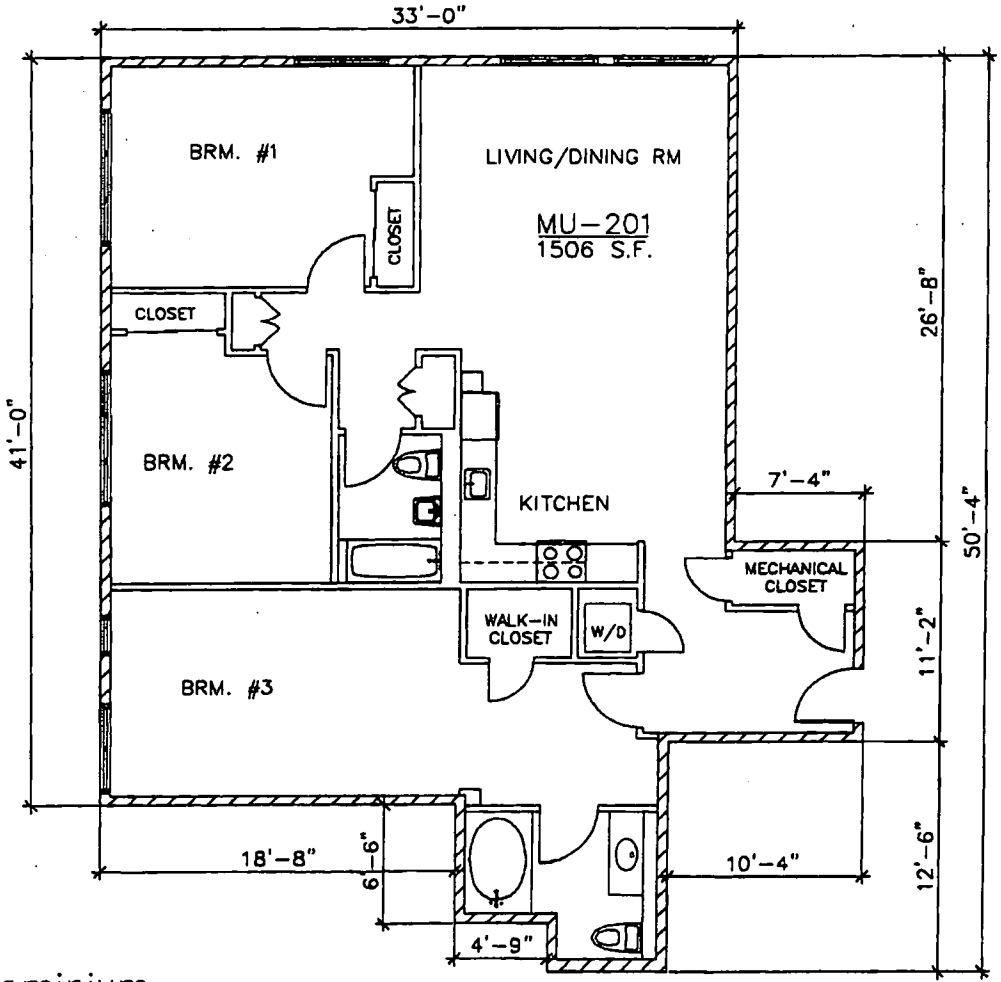
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-108 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	8 OF 39



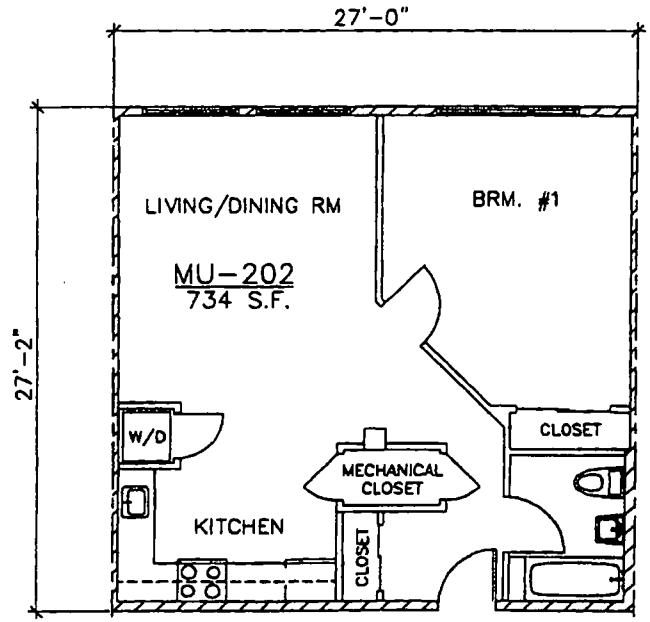
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-109 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	9 OF 39



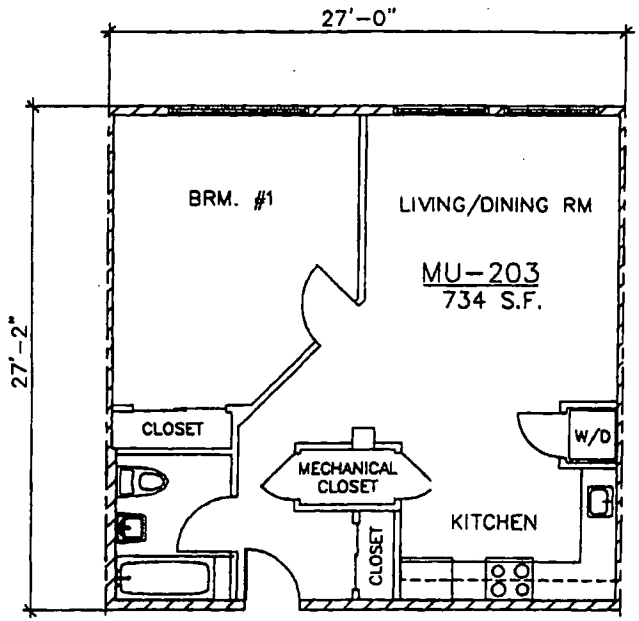
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-201 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	10 OF 39



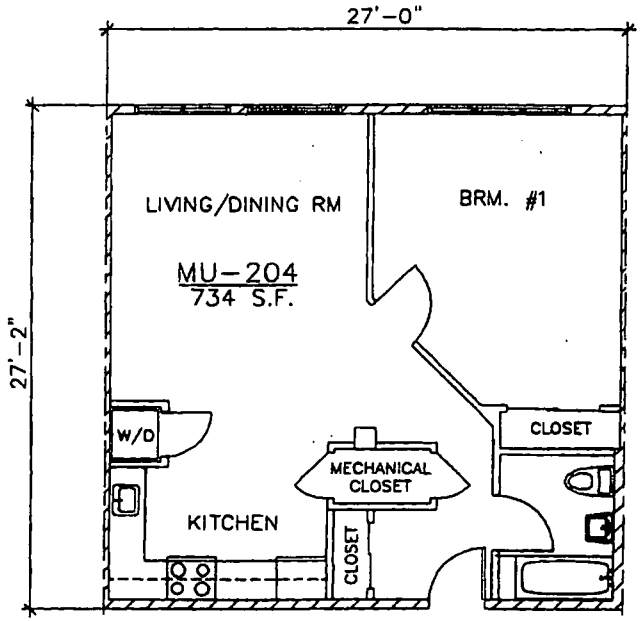
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-202 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	11 OF 39



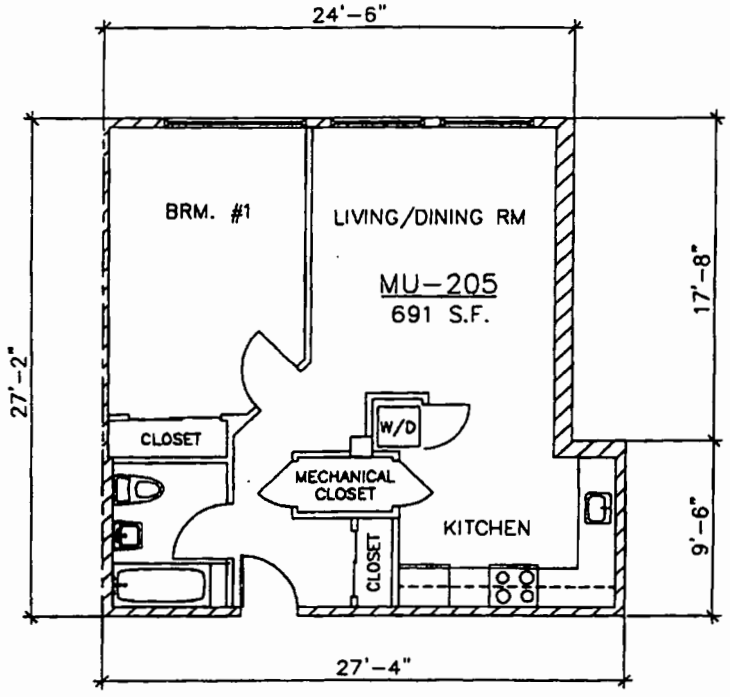
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-203 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	12 OF 39



Residential Condominium

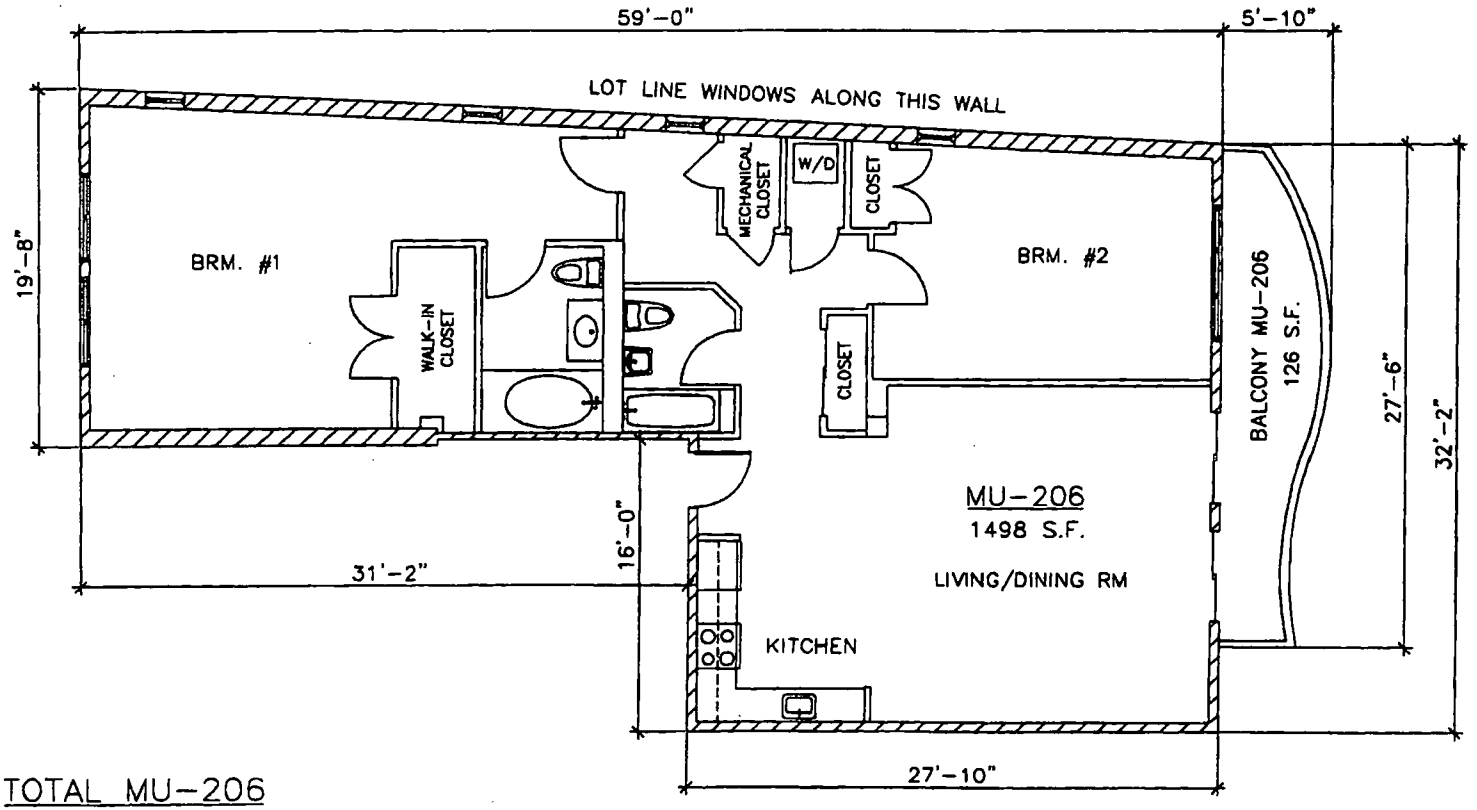
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-204 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	13 OF 39



Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-205 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	14 OF 39

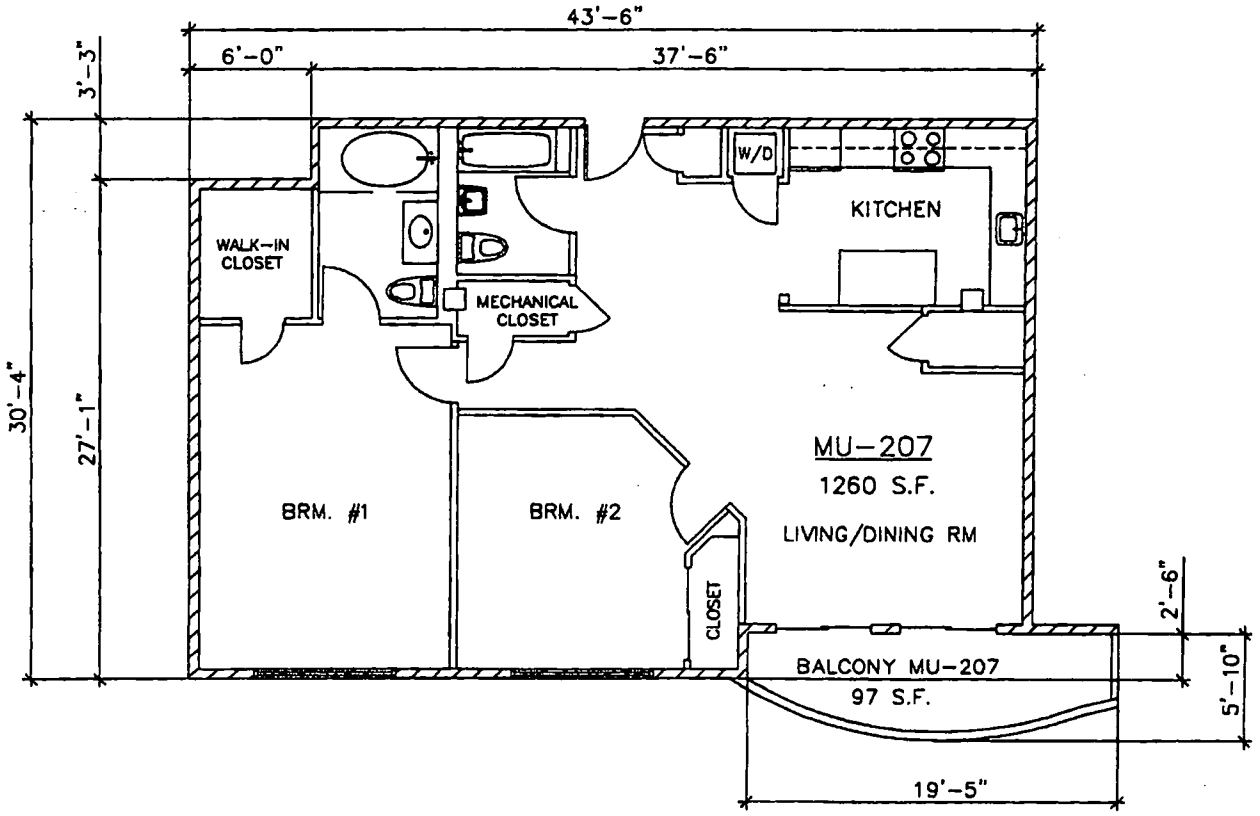
NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.



TOTAL MU-206
1624 S.F.

Residential Condominium

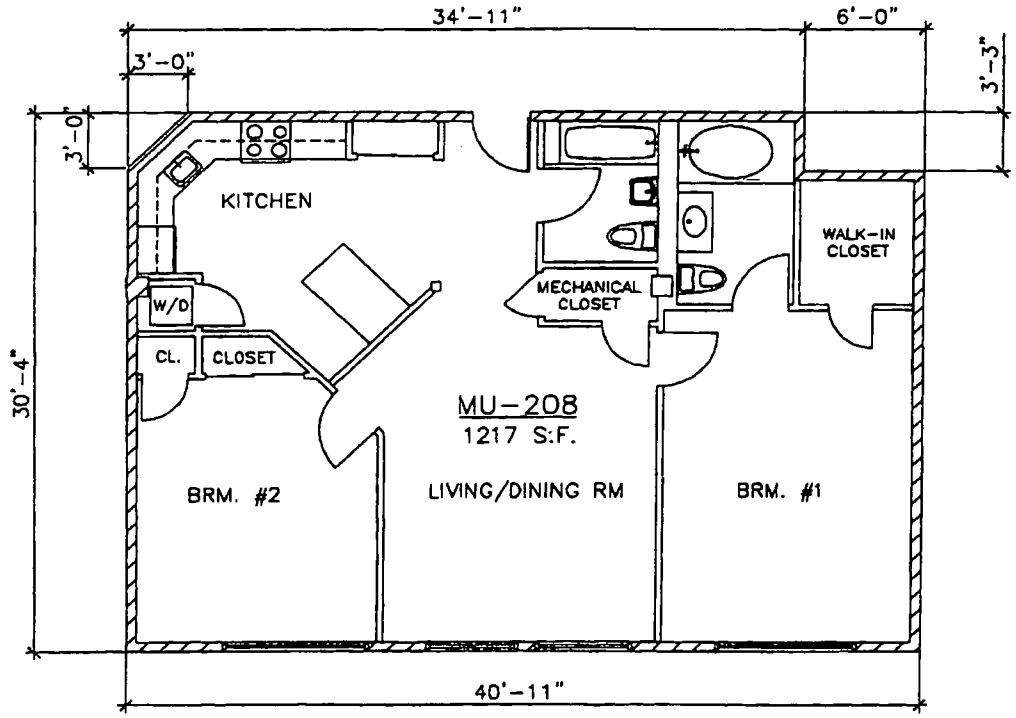
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-206 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	15 OF 39



TOTAL MU-207
1357 S.F.

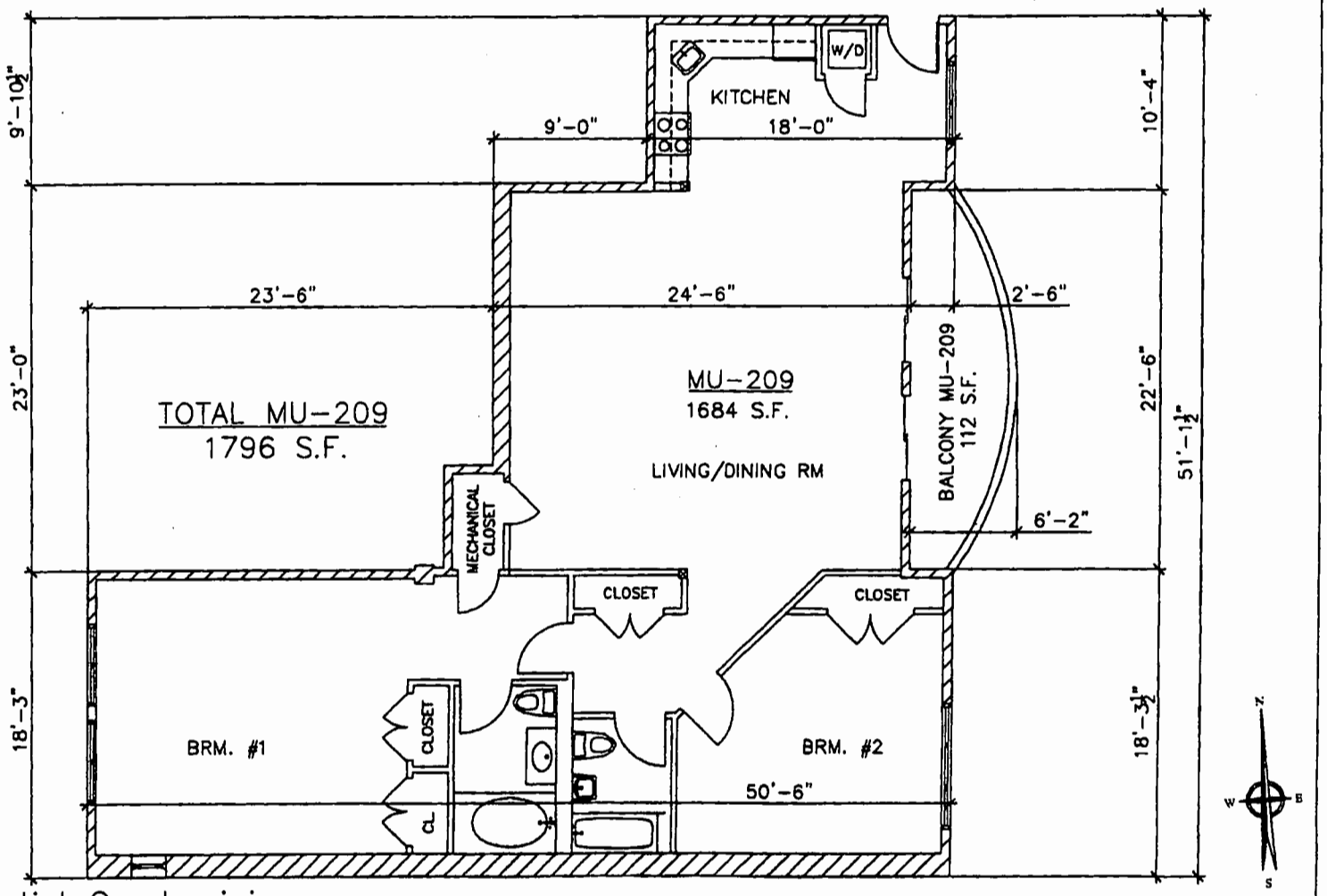
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-207 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	16 OF 39



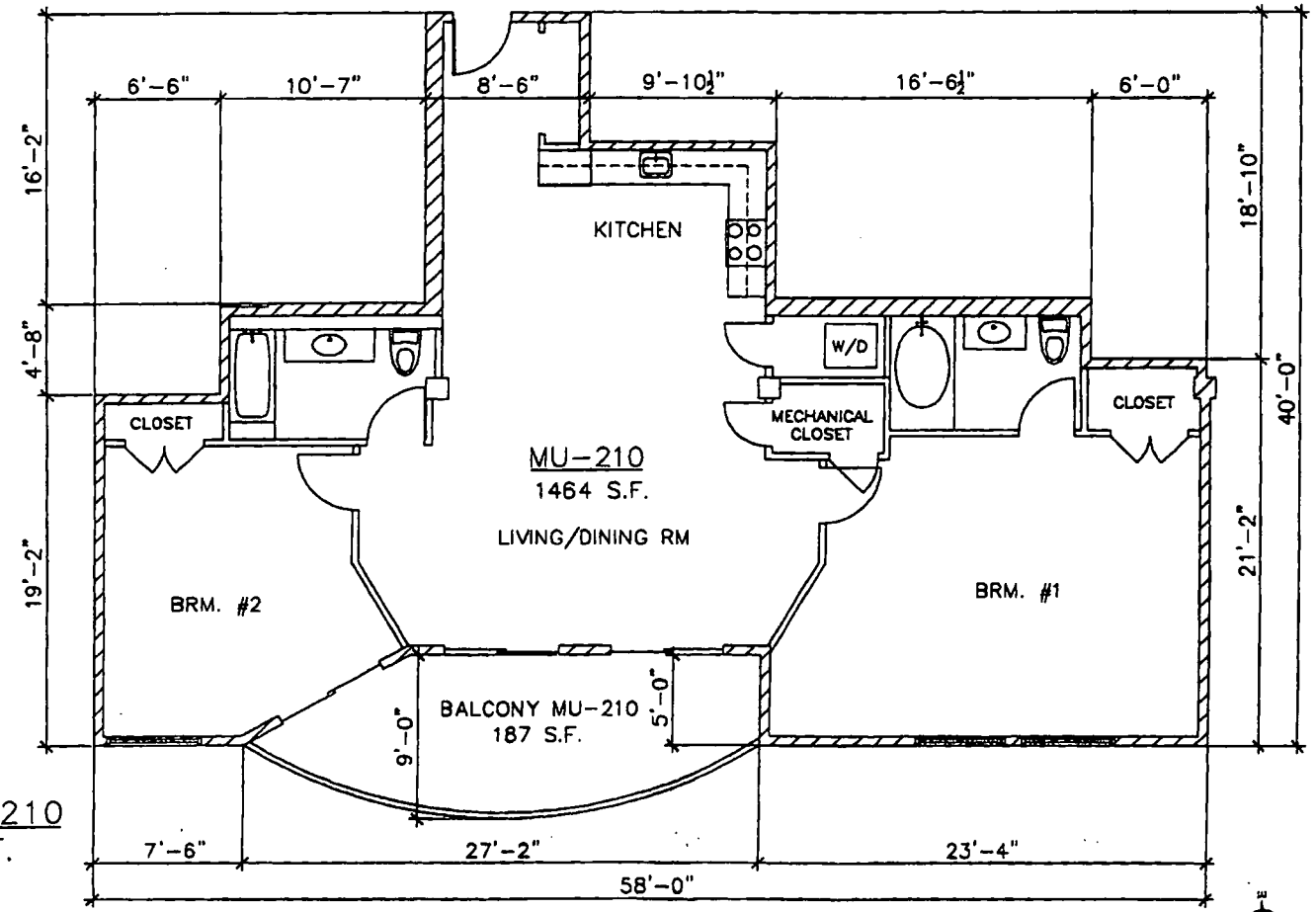
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-208 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	17 OF 39



Residential Condominium

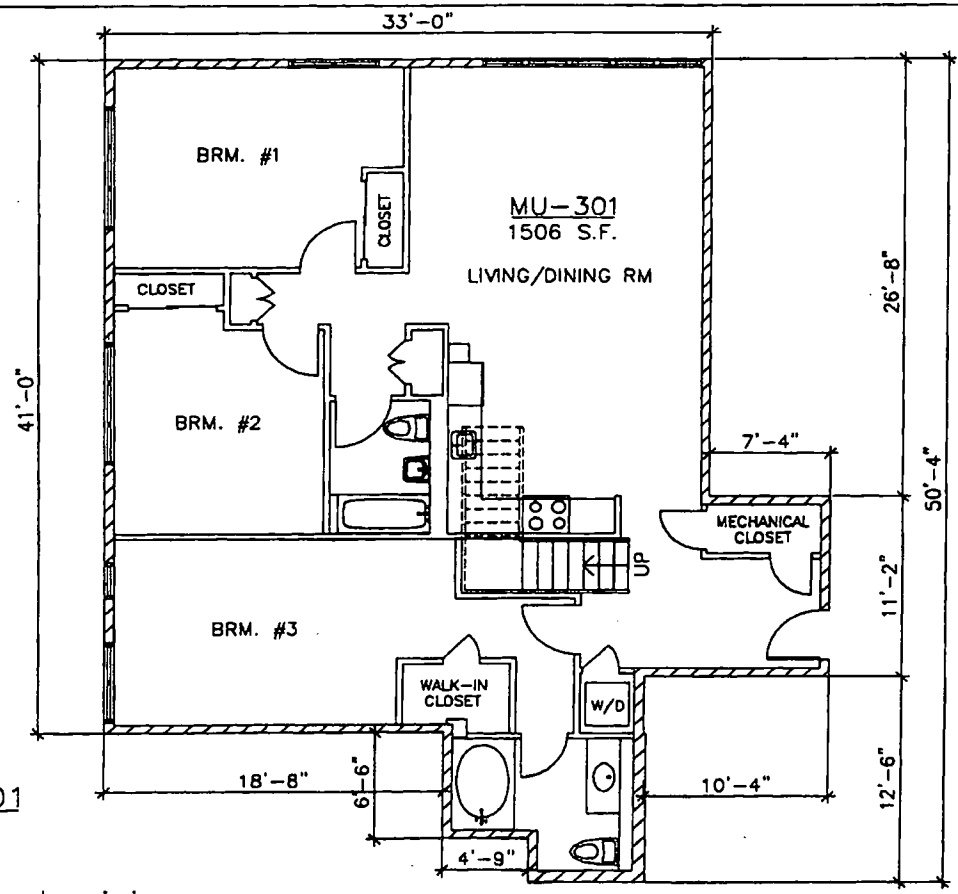
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-209 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	18 OF 39



TOTAL MU-210
1651 S.F.

Residential Condominium

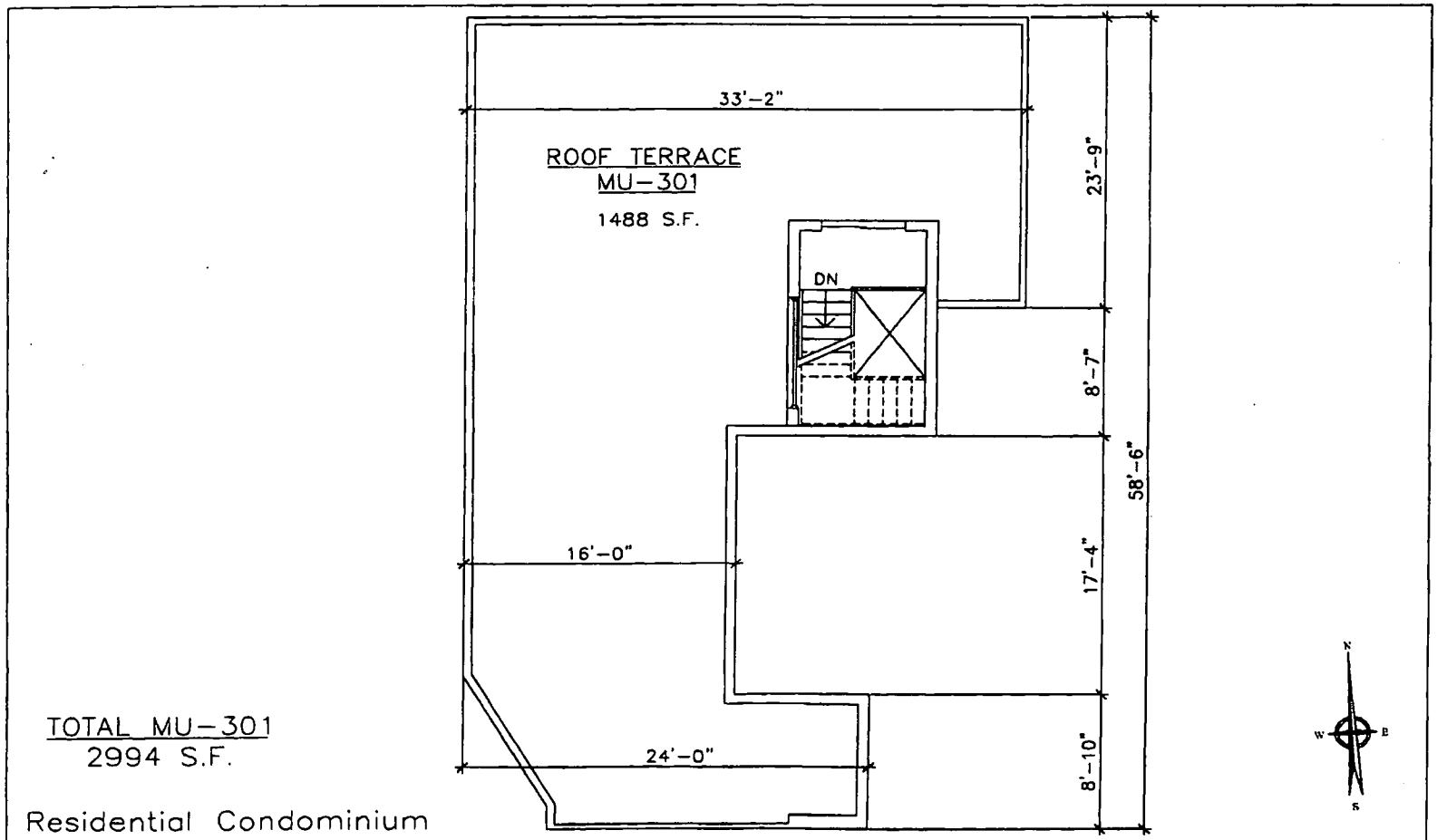
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-210 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	19 OF 39



TOTAL MU-301
2994 S.F.

Residential Condominium

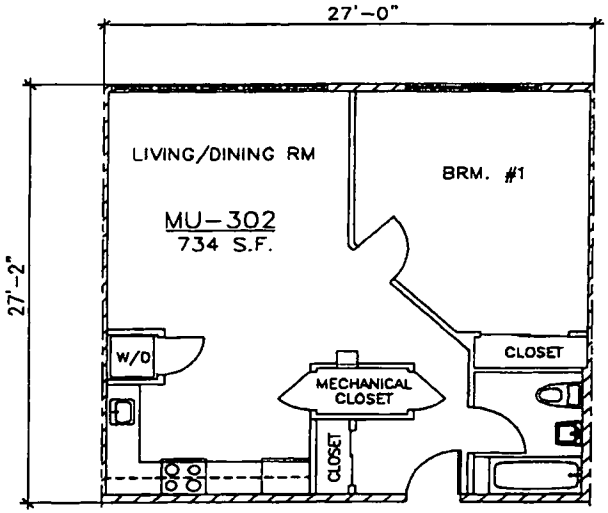
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-301 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	20 OF 39



TOTAL MU-301
2994 S.F.

Residential Condominium

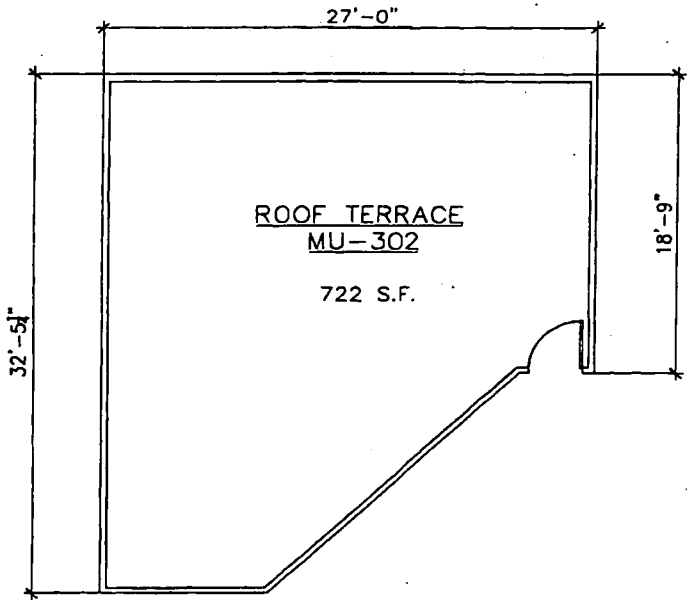
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-301 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	21 OF 39



TOTAL MU-302
1456 S.F.

Residential Condominium

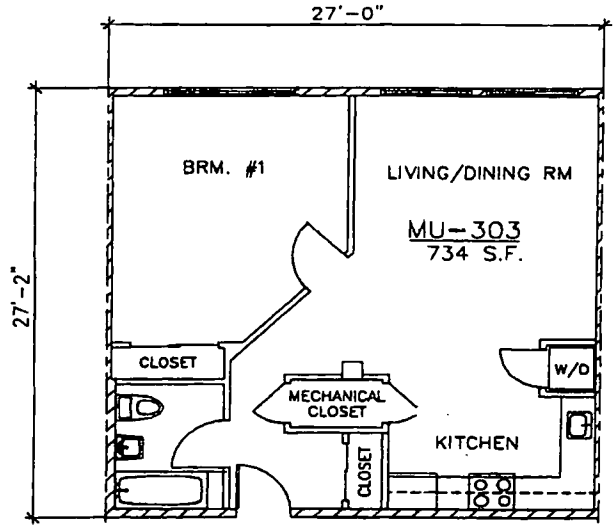
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-302 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	22 OF 39



TOTAL MU-302
1456 S.F.

Residential Condominium

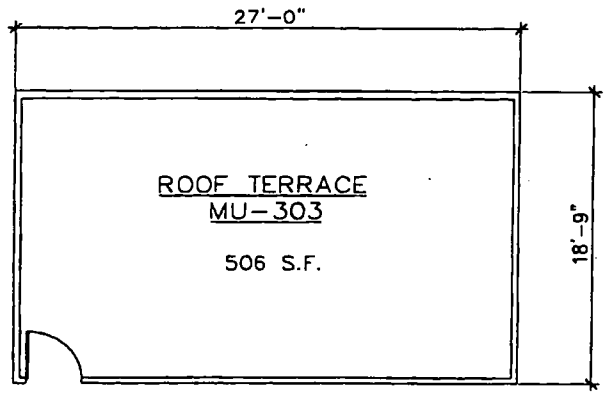
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-302 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	23 OF 39



TOTAL MU-303
1240 S.F.

Residential Condominium

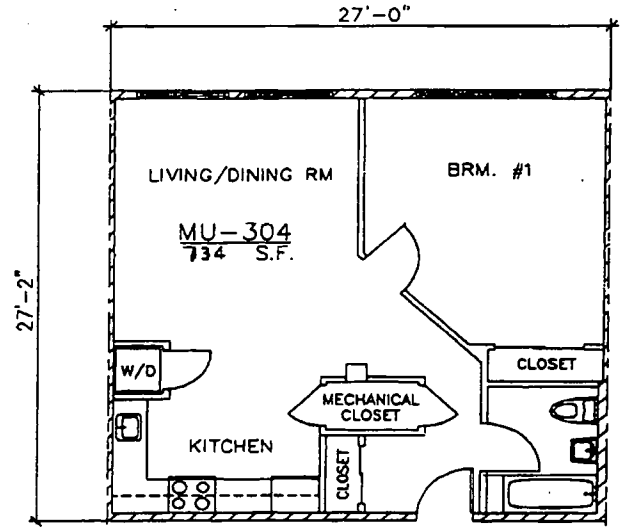
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-303 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	24 OF 39



TOTAL MU-303
1240 S.F.

Residential Condominium

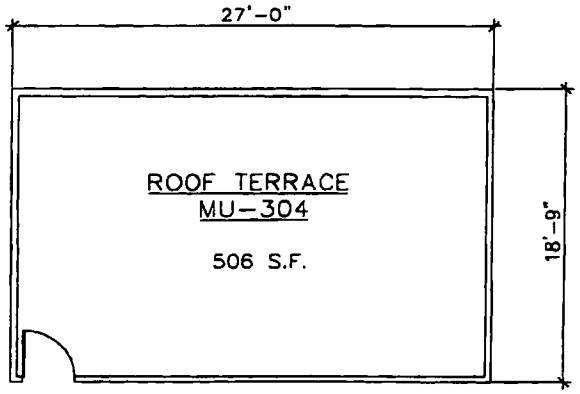
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-303 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	25 OF 39



TOTAL MU-304
1240 S.F.

Residential Condominium

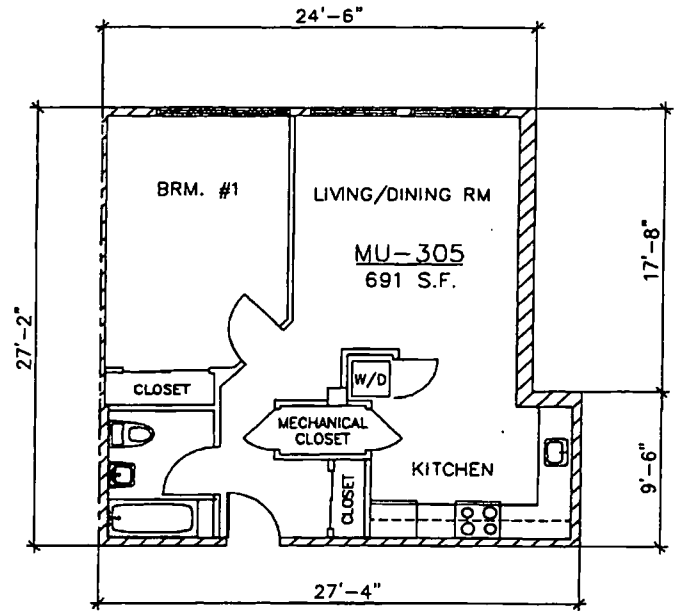
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-304 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	26 OF 39



TOTAL MU-304
1240 S.F.

Residential Condominium

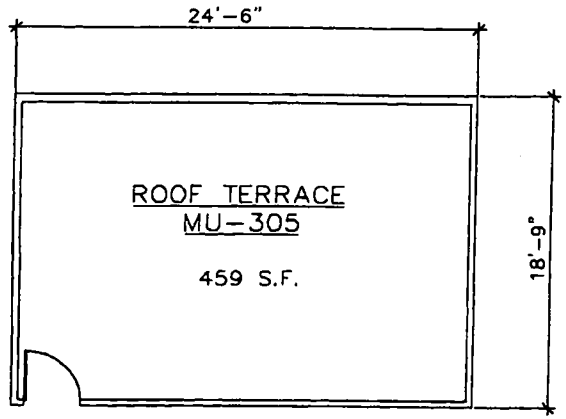
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-304 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	27 OF 39



TOTAL MU-305
1150 S.F.

Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-305 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	28 OF 39

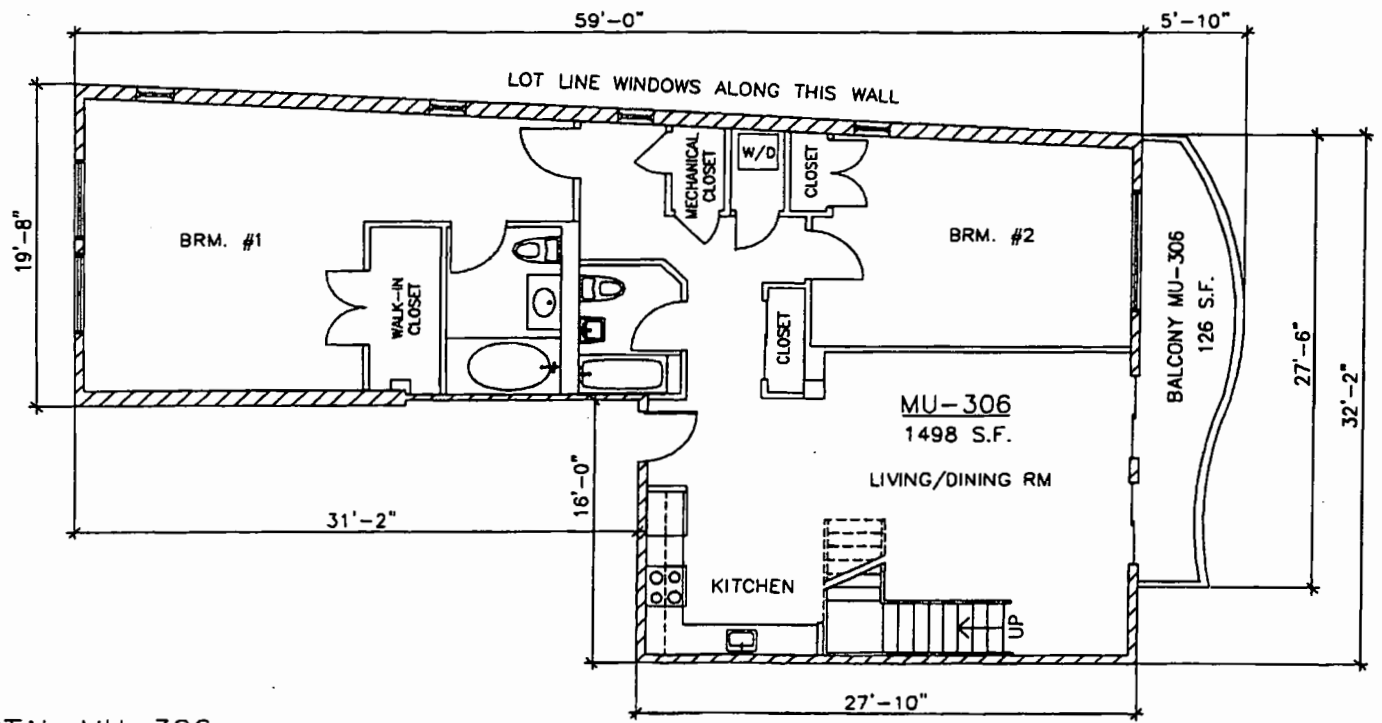


TOTAL MU-305
1150 S.F.

Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-305 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	29 OF 39

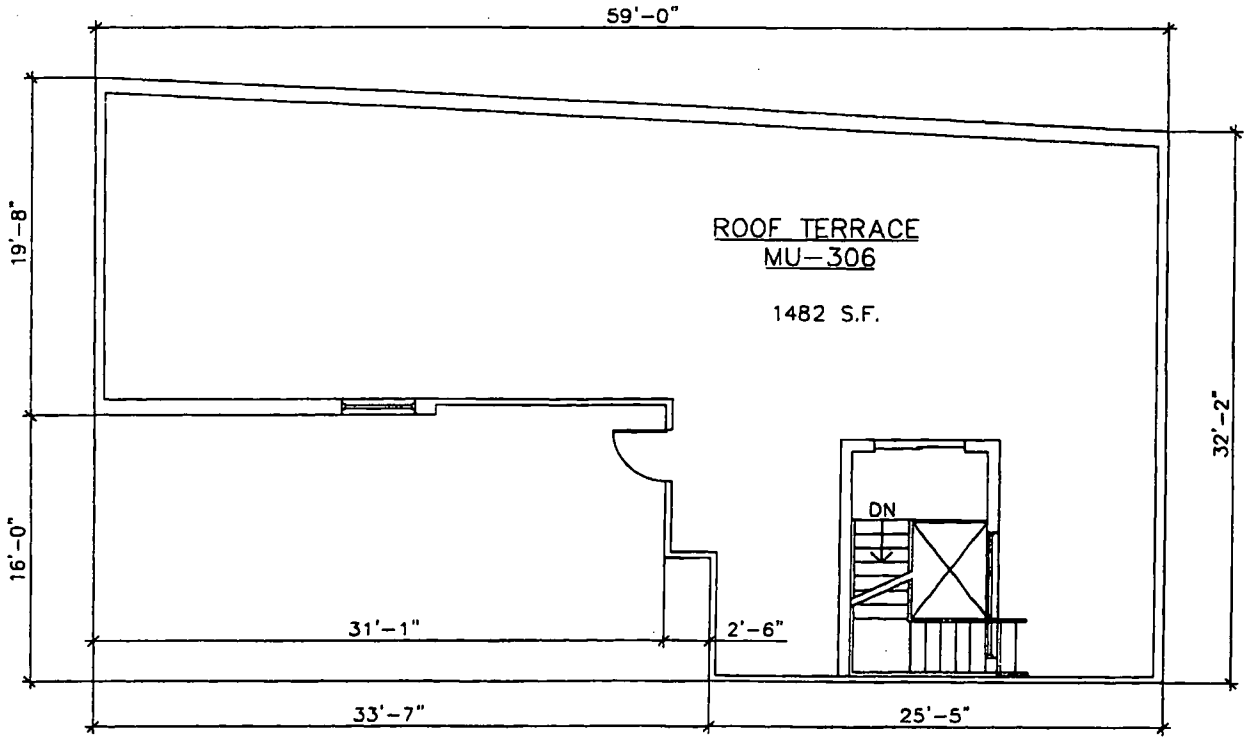
NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.



TOTAL MU-306
3106 S.F.

Residential Condominium

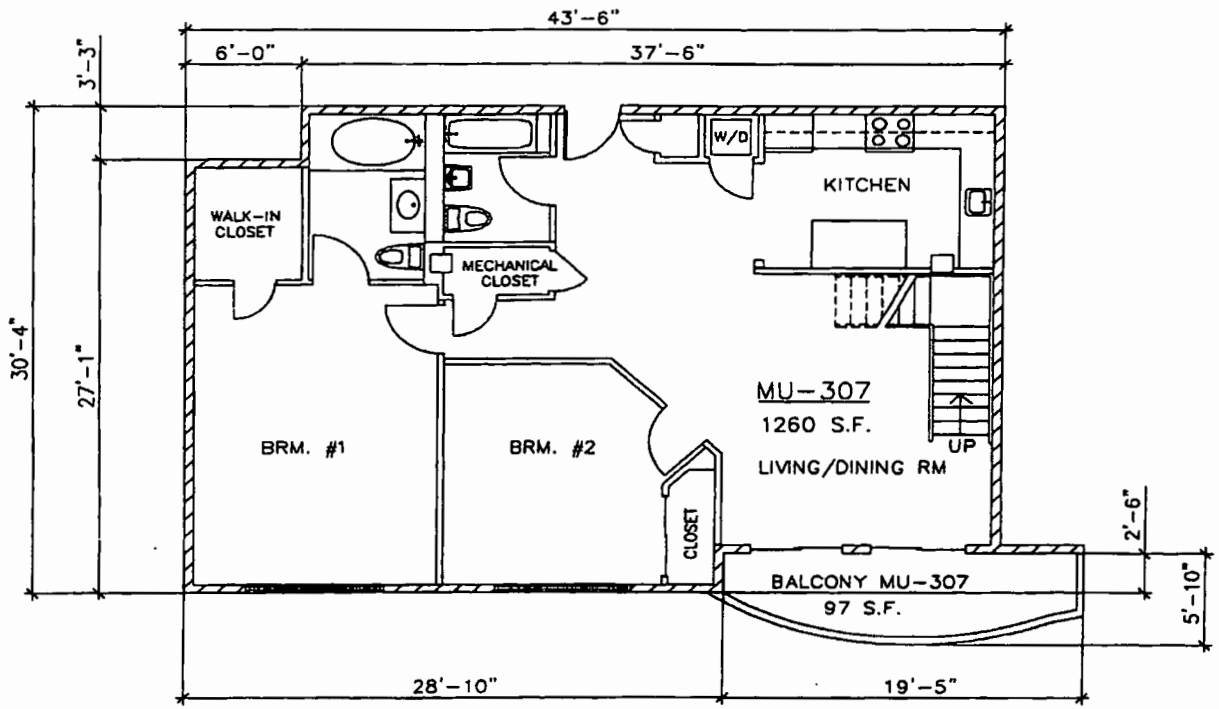
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-306 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	30 OF 39



TOTAL MU-306
3106 S.F.

Residential Condominium

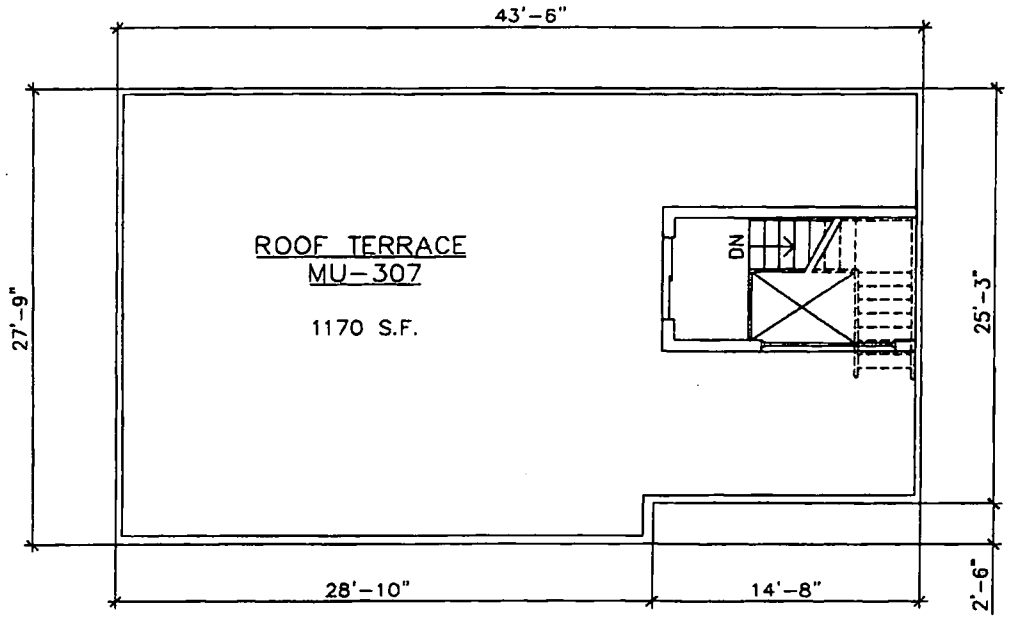
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-306 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	31 OF 39



TOTAL MU-307
2527 S.F.

Residential Condominium

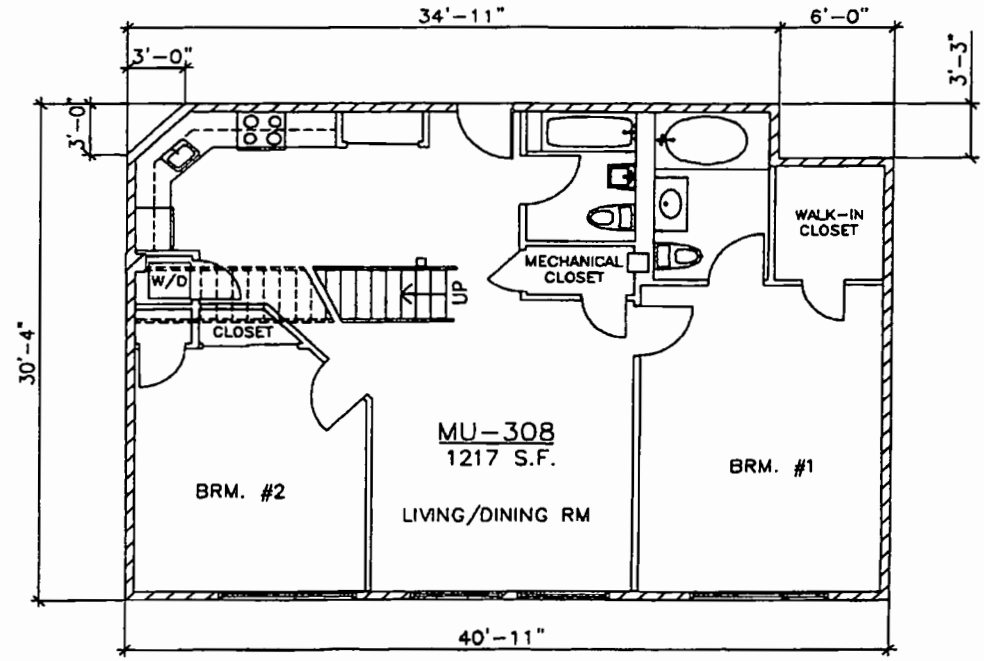
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-307 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	32 OF 39



TOTAL MU-307
2527 S.F.

Residential Condominium

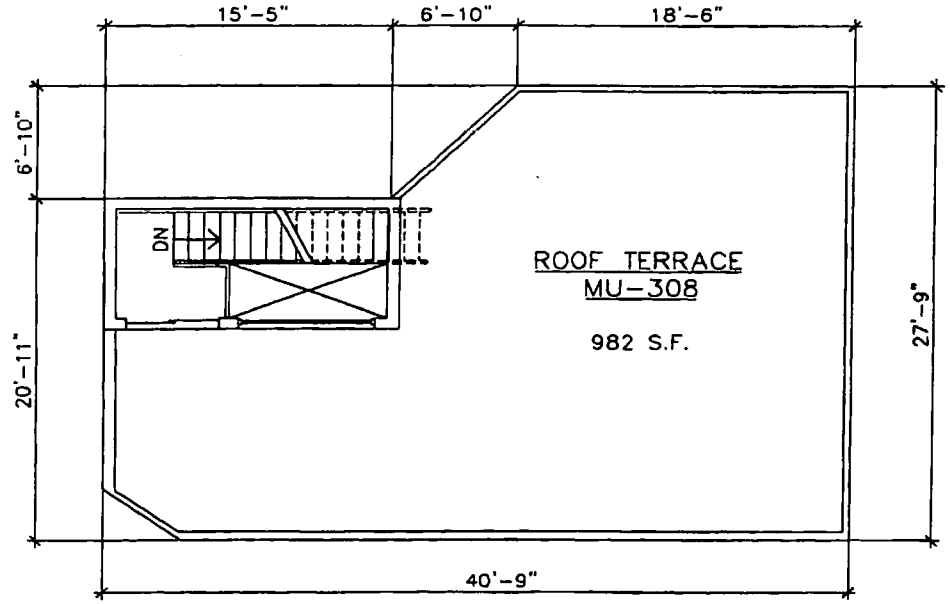
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-307 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	33 OF 39



TOTAL MU-308
2199 S.F.

Residential Condominium

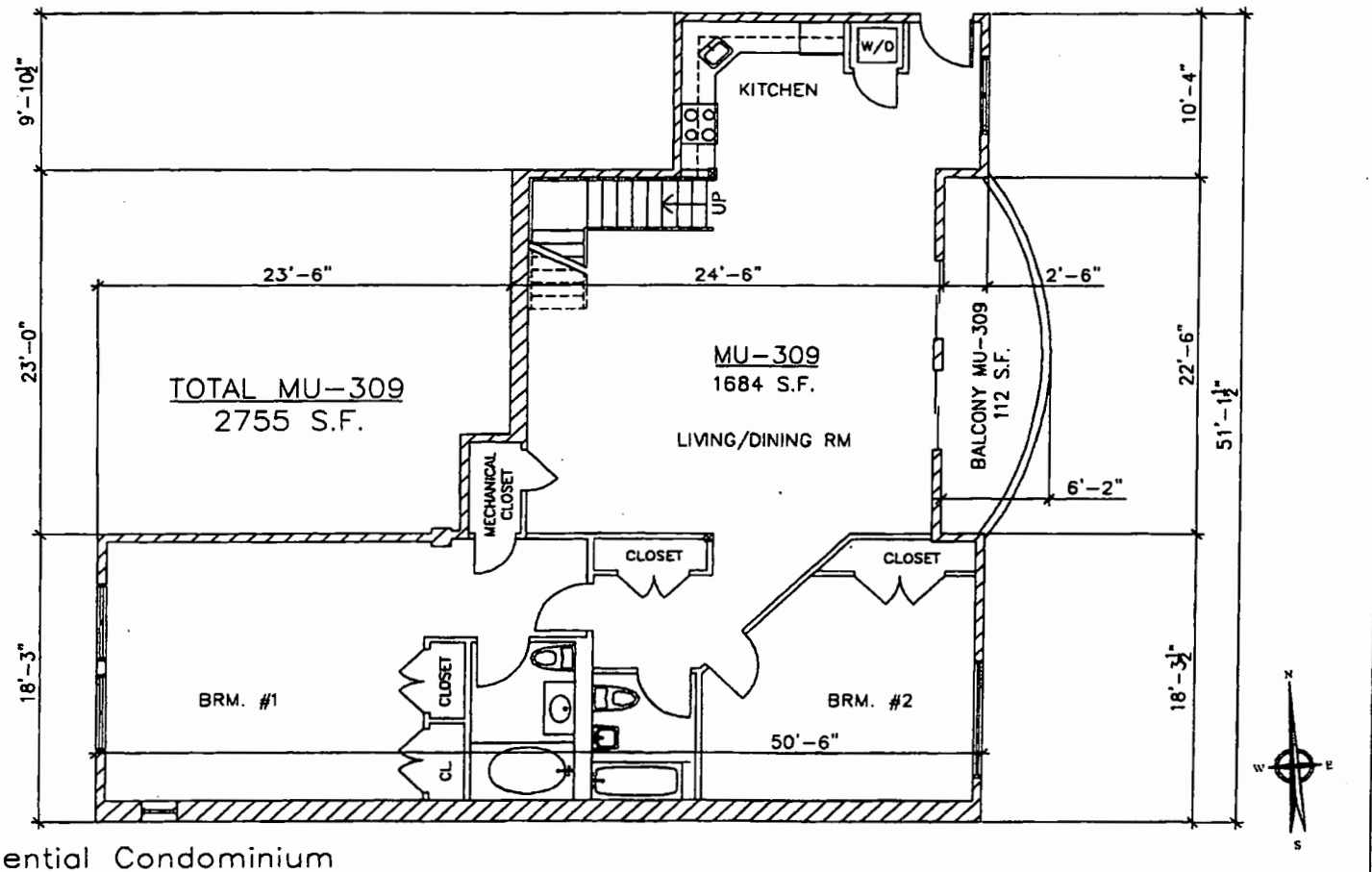
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-308 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	34 OF 39



TOTAL MU-308
2199 S.F.

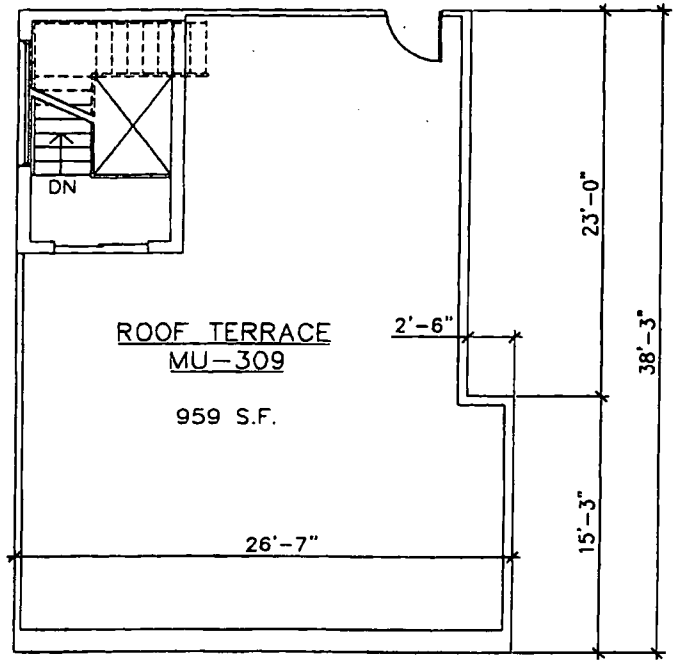
Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-308 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	35 OF 39



Residential Condominium

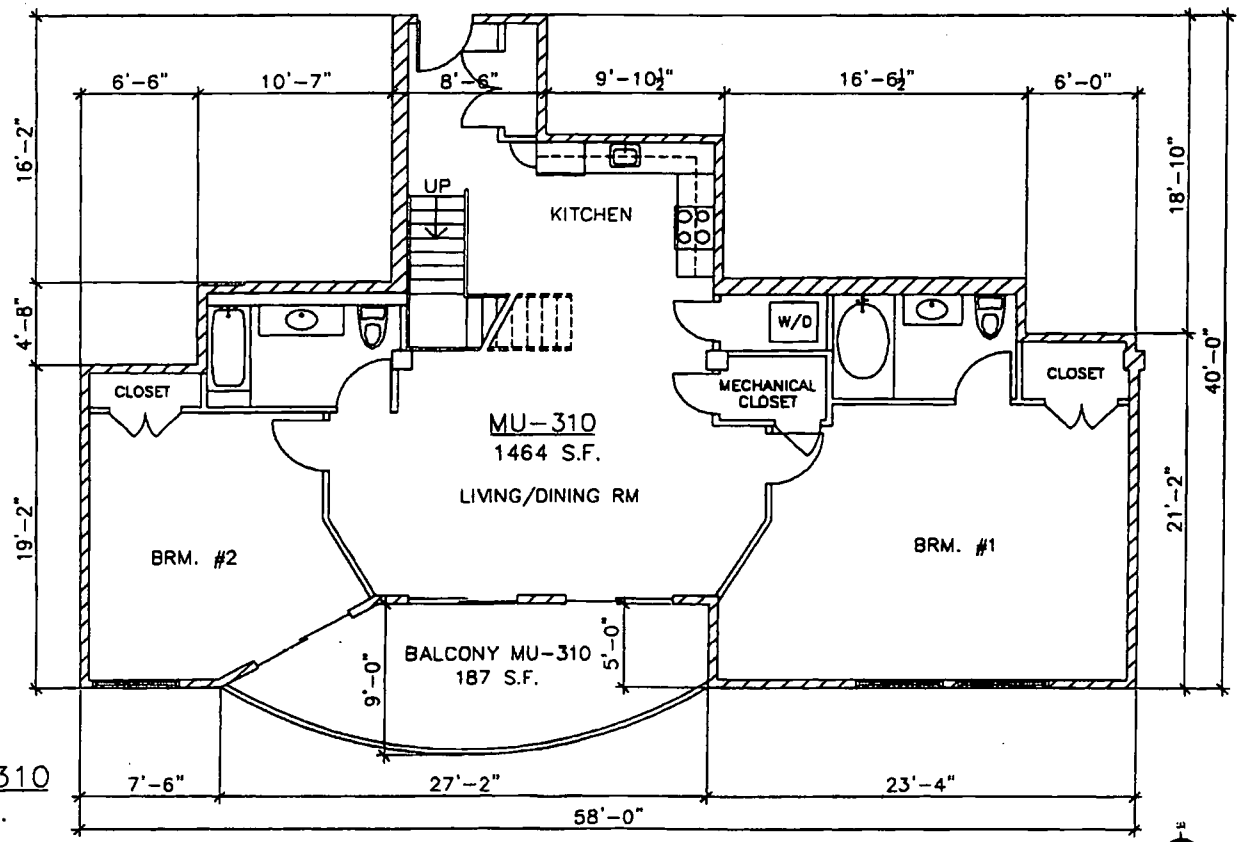
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-309 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	36 OF 39



TOTAL MU-309
2755 S.F.

Residential Condominium

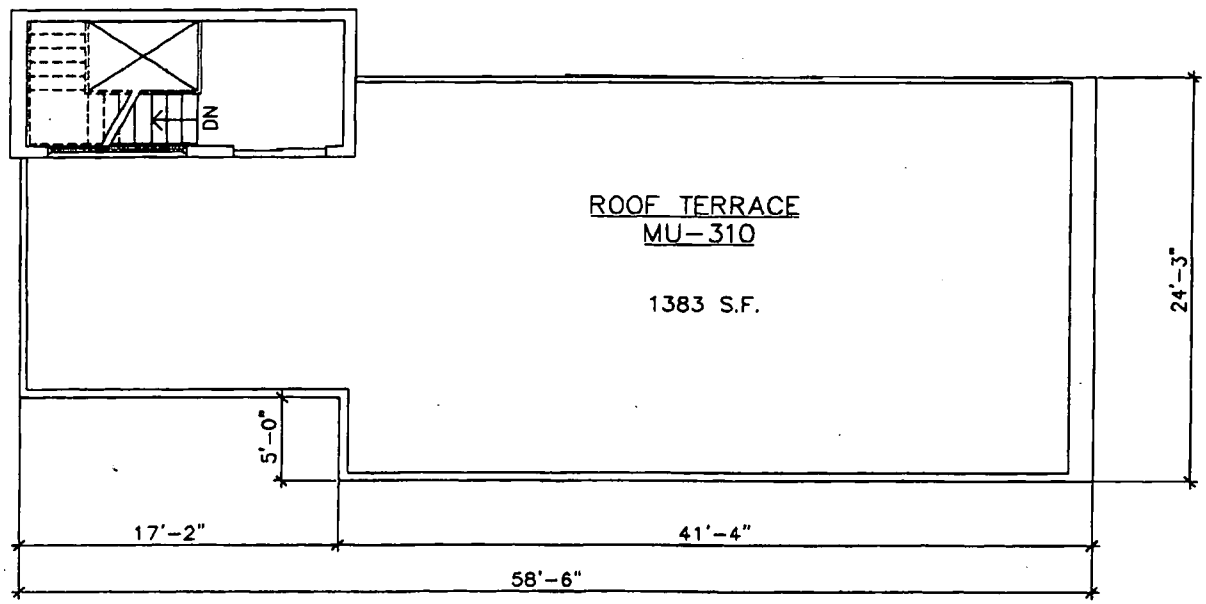
THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-309 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	37 OF 39



TOTAL MU-310
3034 S.F.

Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-310 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 08/15/05	38 OF 39

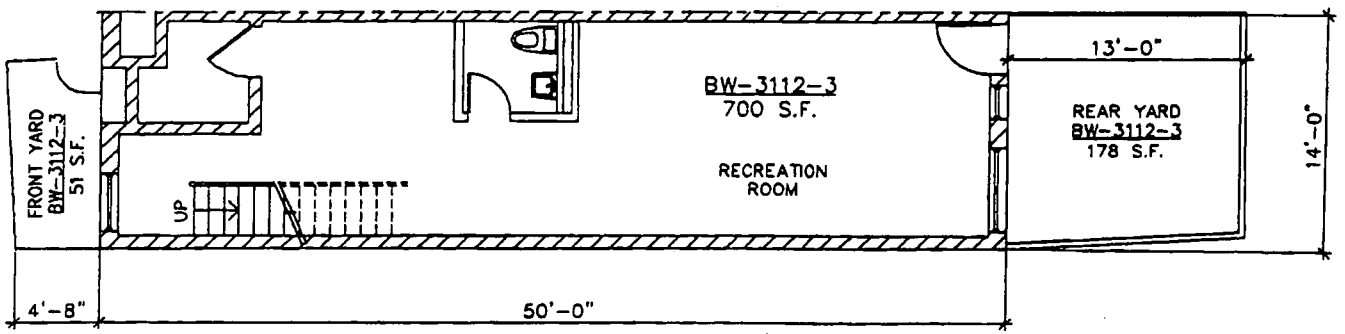


TOTAL MU-310
3034 S.F.

Residential Condominium

THE BREAKERS BUILDING "A" EMMONS AVENUE, BROOKLYN, NY	MU-310 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 08/15/05	39 OF 39

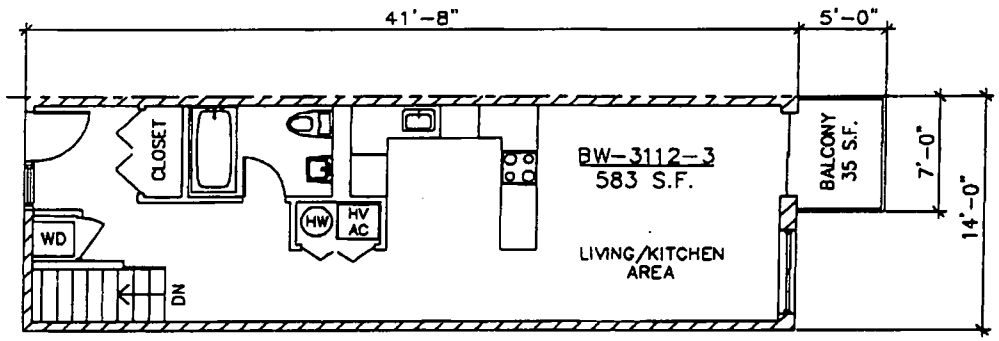
THE BREAKERS WEST
INDIVIDUAL UNIT PLANS



TOTAL
BW-3112-3
1547 S.F.

Residential Condominium

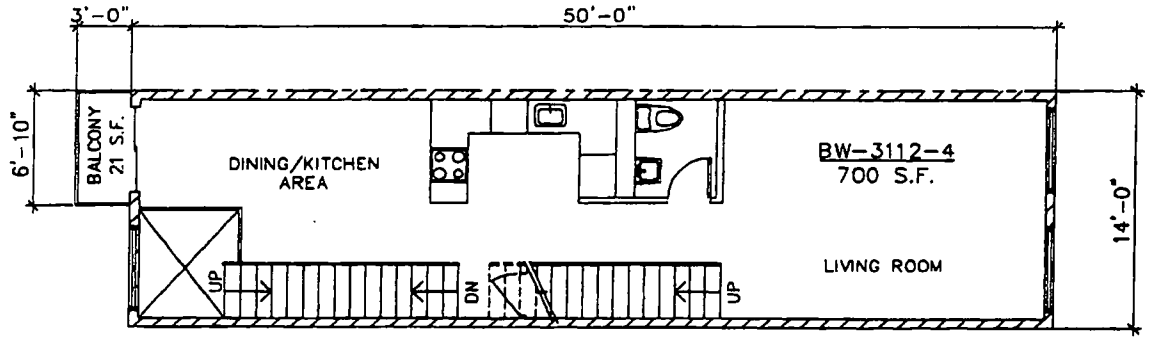
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	1 OF 65



TOTAL
BW-3112-3
1547 S.F.

Residential Condominium

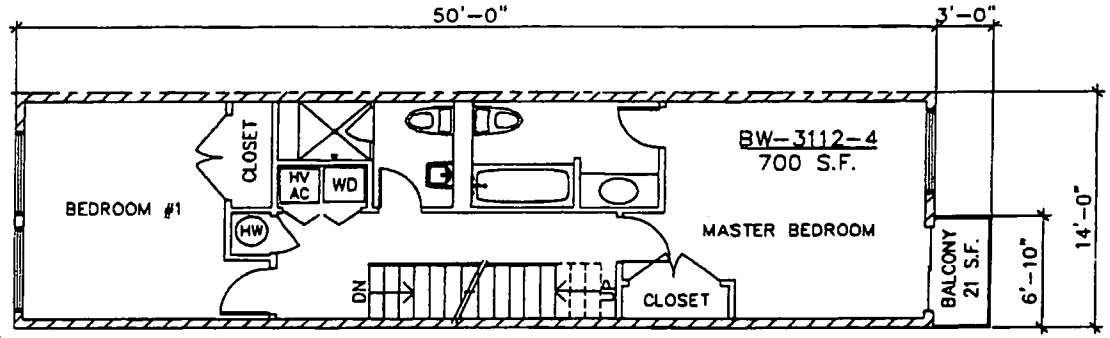
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	2 OF 65



TOTAL
BW-3112-4
2142 S.F.

Residential Condominium

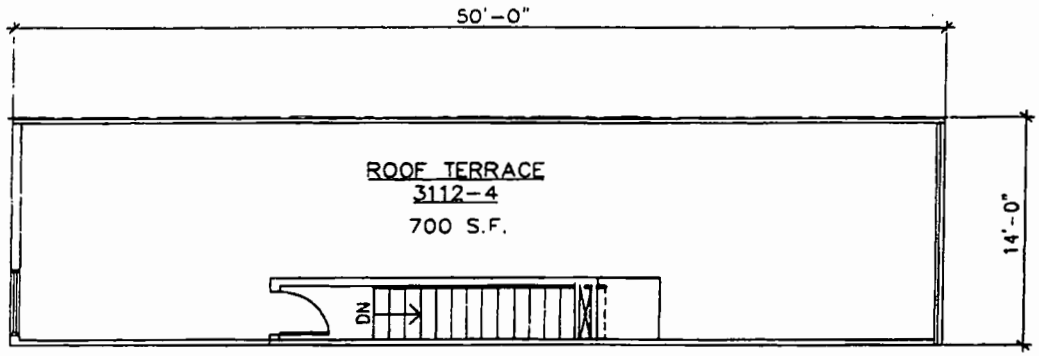
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	3 OF 65



TOTAL
BW-3112-4
2142 S.F.

Residential Condominium

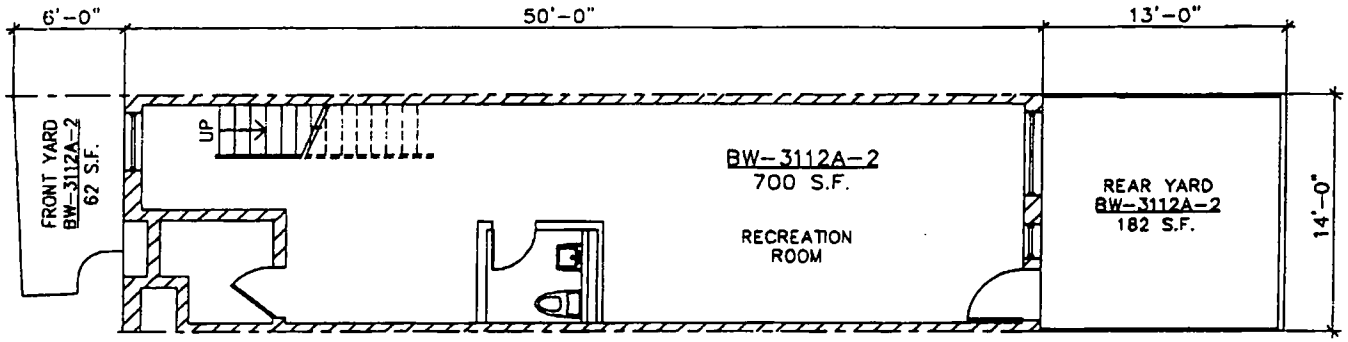
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	4 OF 65



TOTAL
BW-3112-4
2142 S.F.

Residential Condominium

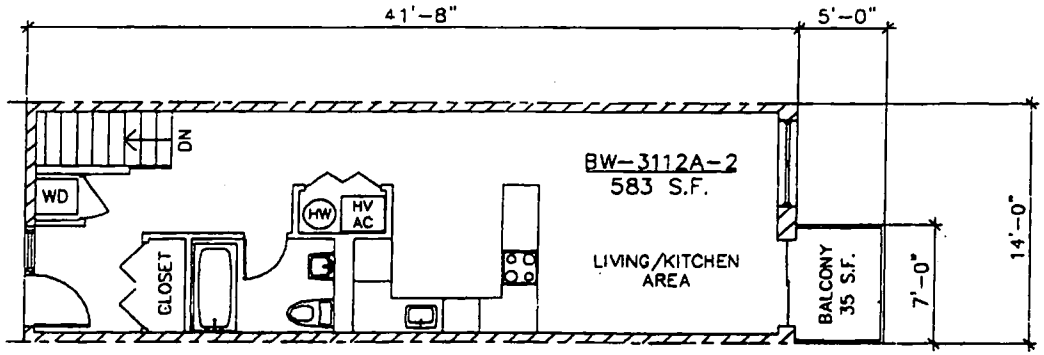
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	5 OF 65



TOTAL
BW-3112A-2
1562 S.F.

Residential Condominium

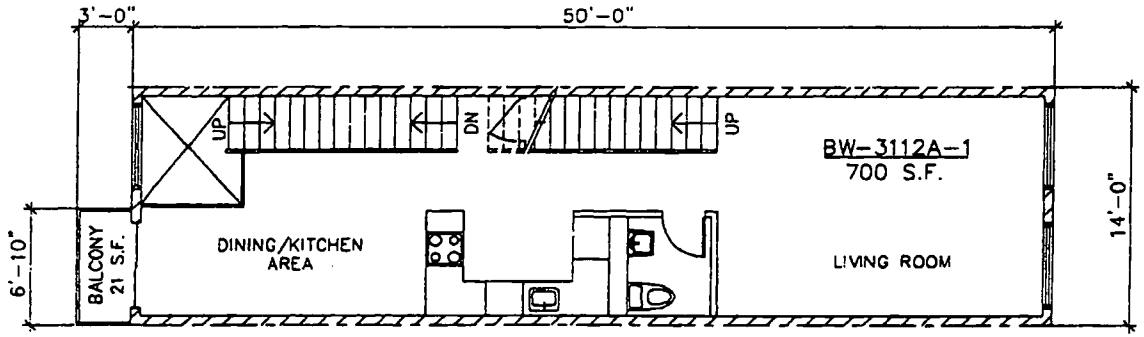
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	6 OF 65



TOTAL
BW-3112A-2
1562 S.F.

Residential Condominium

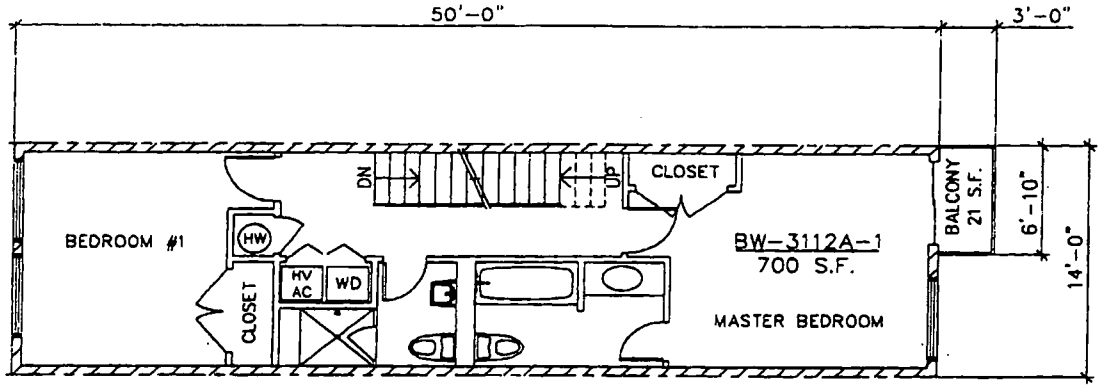
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	7 OF 65



TOTAL
BW-3112A-1
2142 S.F.

Residential Condominium

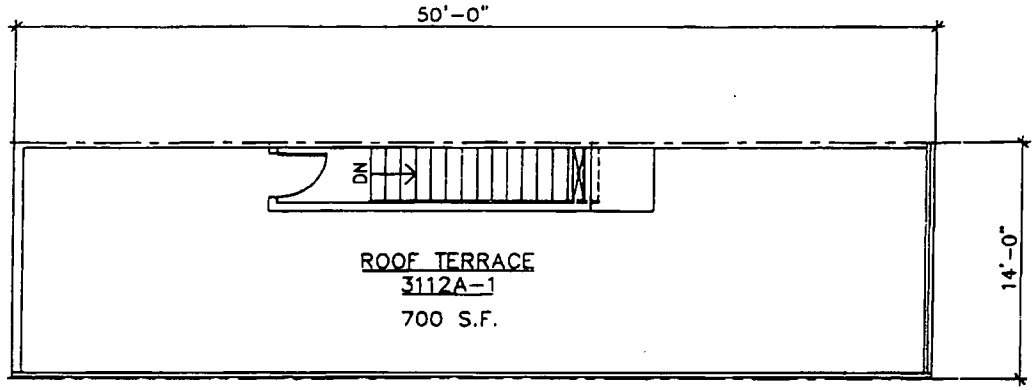
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	8 OF 65



TOTAL
BW-3112A-1
2142 S.F.

Residential Condominium

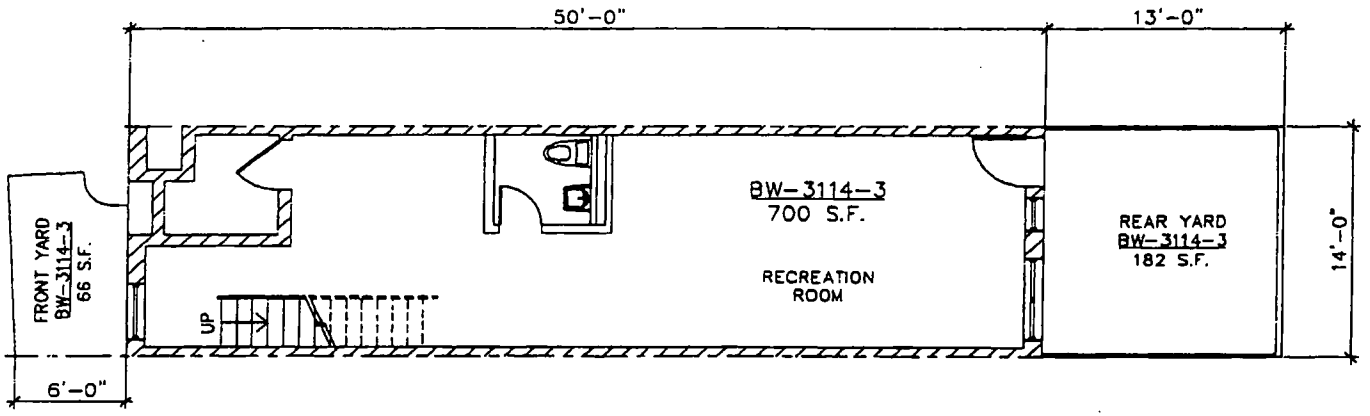
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	9 OF 65



TOTAL
BW-3112A-1
2142 S.F.

Residential Condominium

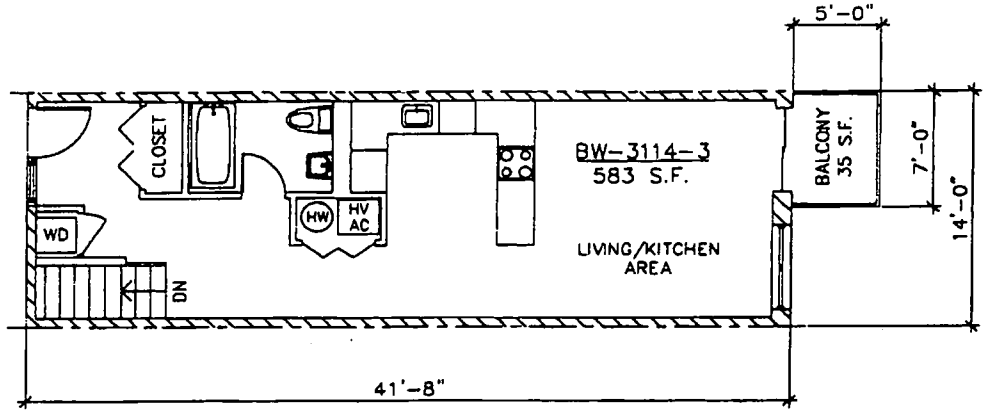
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3112A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	10 OF 65



TOTAL
BW-3114-3
1566 S.F.

Residential Condominium

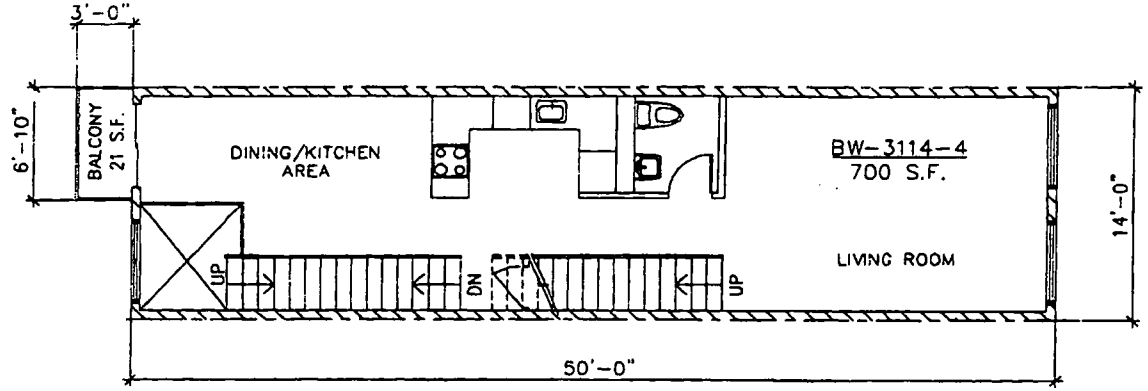
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	11 OF 65



TOTAL
BW-3114-3
1566 S.F.

Residential Condominium

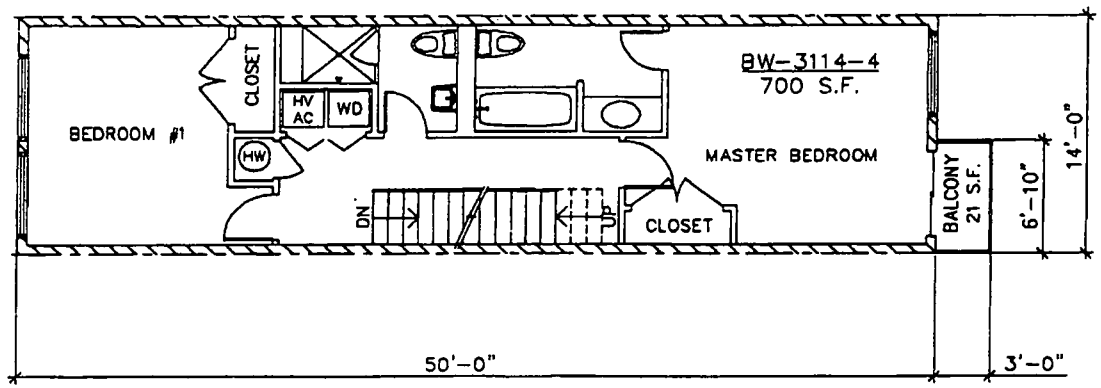
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	12 OF 65

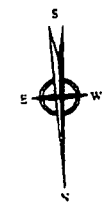


TOTAL
BW-3114-4
2142 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	13 OF 65

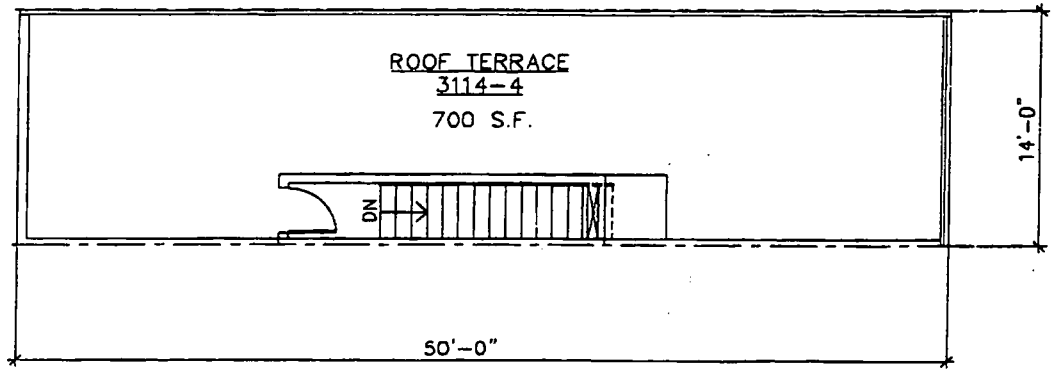




TOTAL
BW-3114-4
2142 S.F.

Residential Condominium

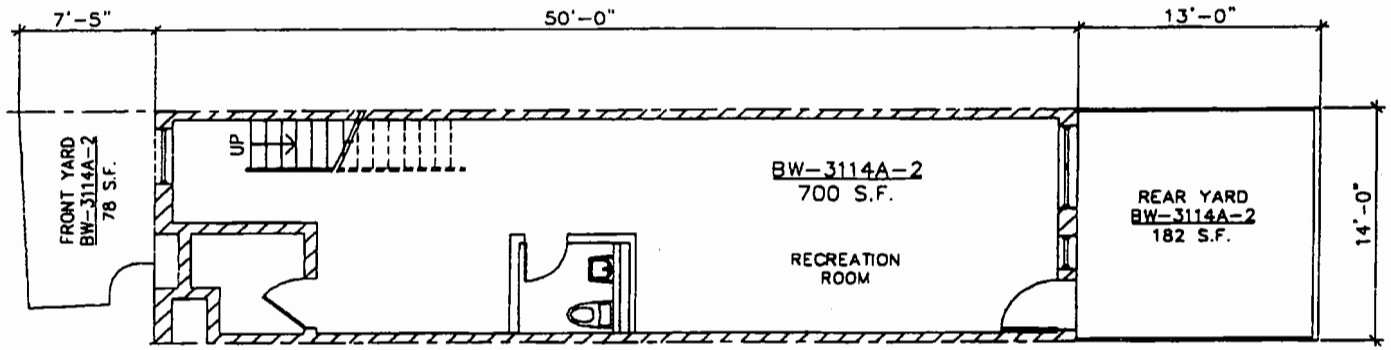
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	14 OF 65



TOTAL
BW-3114-4
2142 S.F.

Residential Condominium

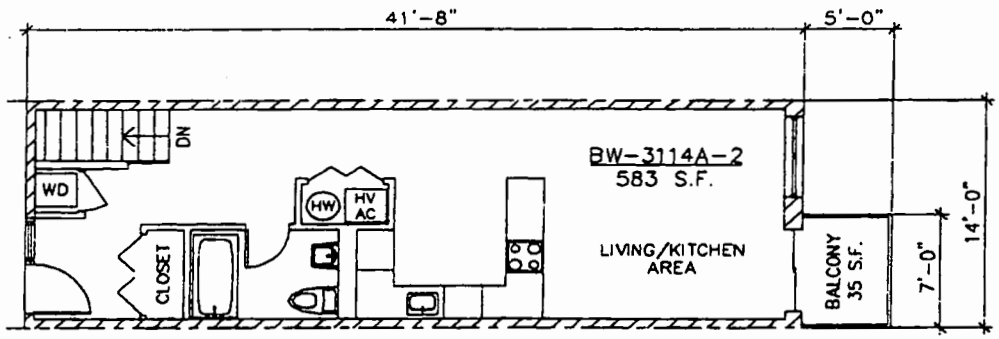
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	15 OF 65



TOTAL
BW-3114A-2
1578 S.F.

Residential Condominium

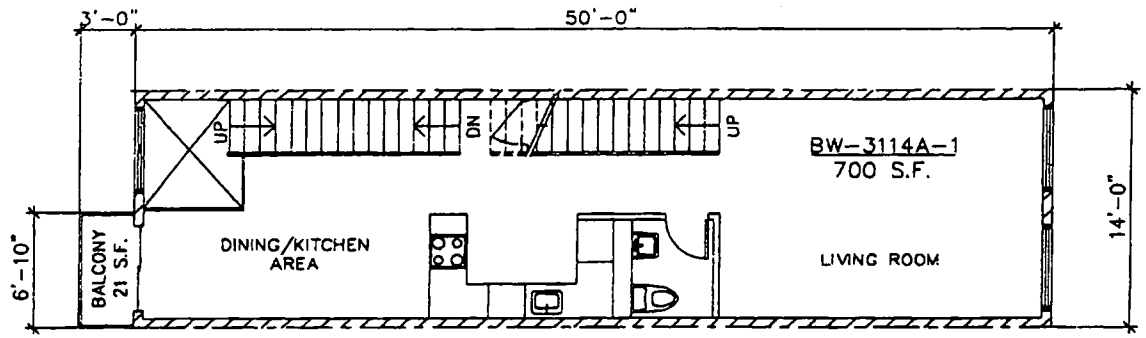
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	16 OF 65



TOTAL
BW-3114A-2
1578 S.F.

Residential Condominium

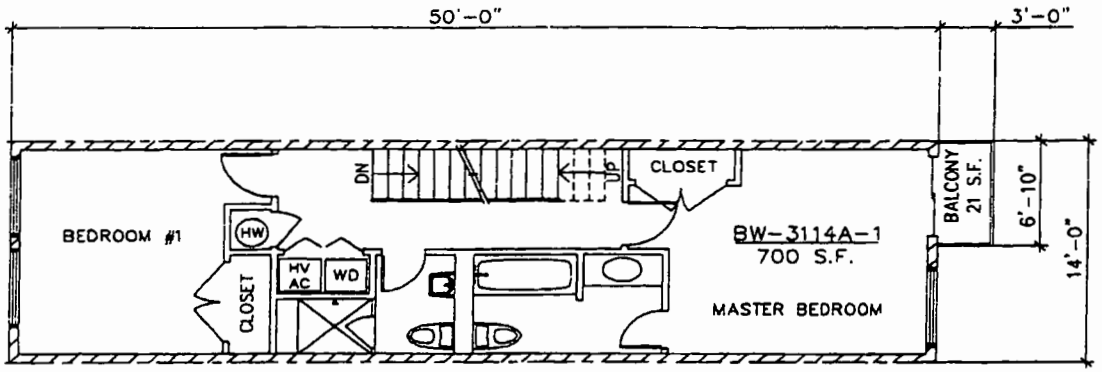
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	17 OF 65



TOTAL
BW-3114A-1
2142 S.F.

Residential Condominium

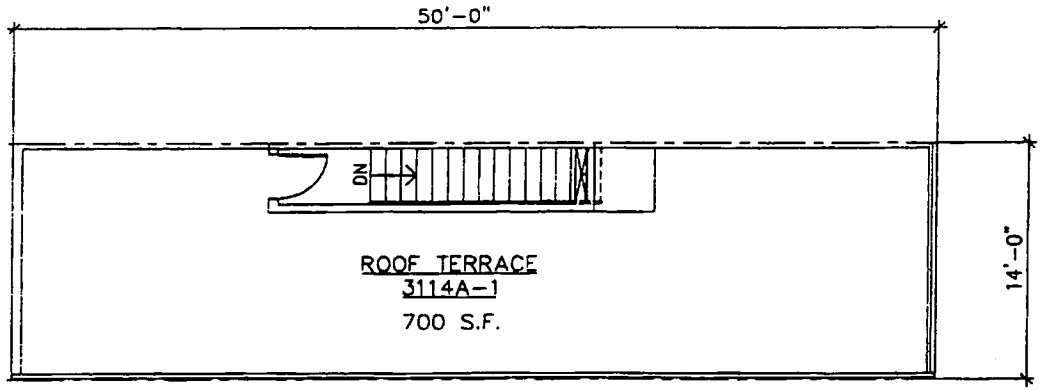
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	18 OF 65



TOTAL
BW-3114A-1
2142 S.F.

Residential Condominium

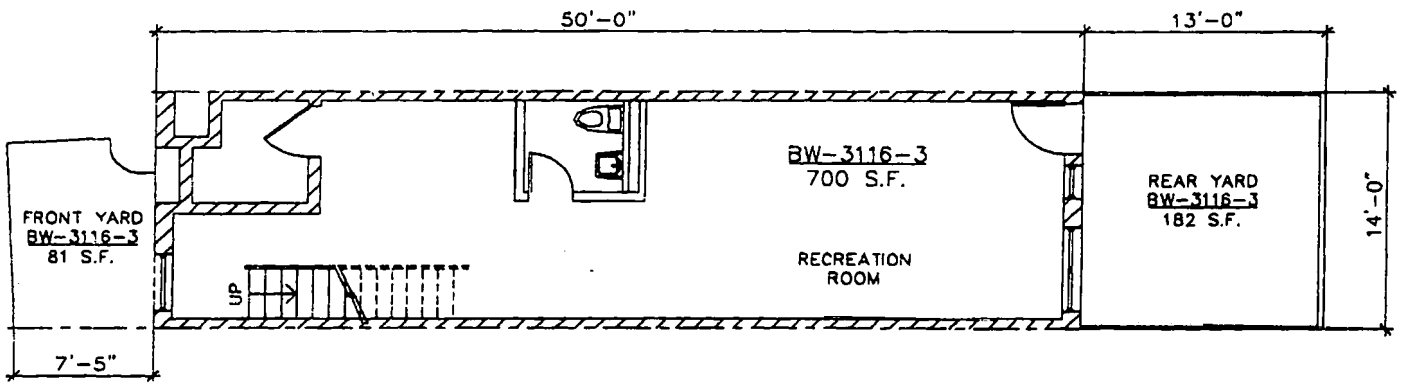
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	19 OF 65



TOTAL
BW-3114A-1
2142 S.F.

Residential Condominium

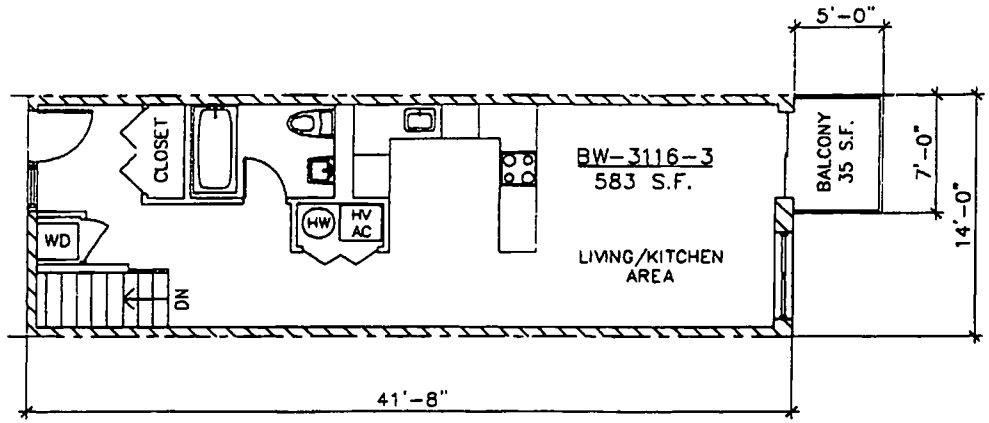
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3114A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	20 OF 65



TOTAL
BW-3116-3
1581 S.F.

Residential Condominium

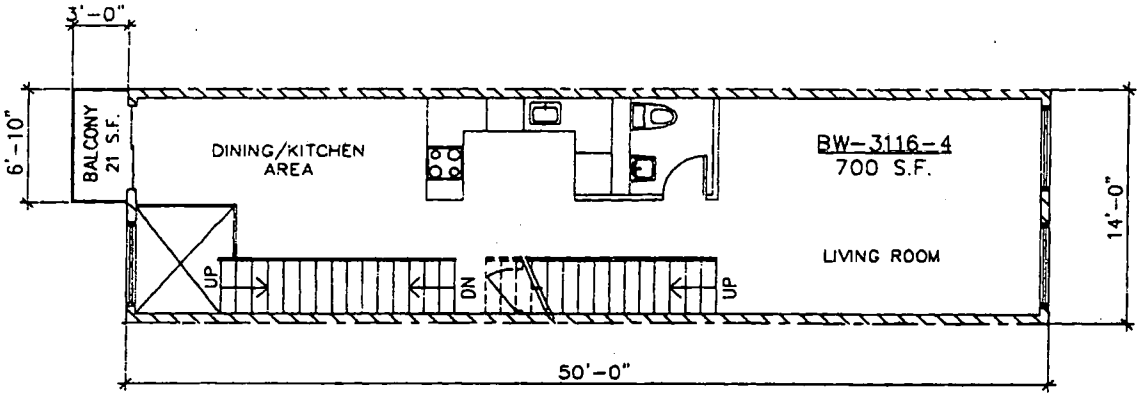
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	21 OF 65



TOTAL
BW-3116-3
1581 S.F.

Residential Condominium

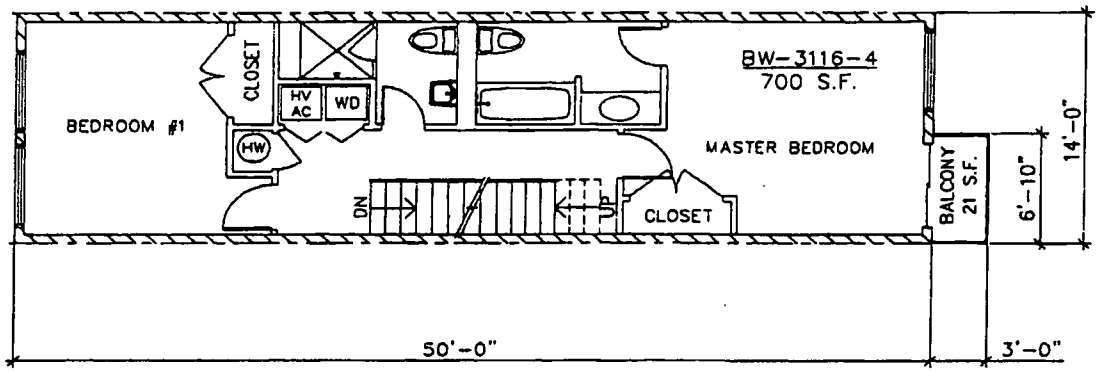
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	22 OF 65



TOTAL
BW-3116-4
2142 S.F.

Residential Condominium

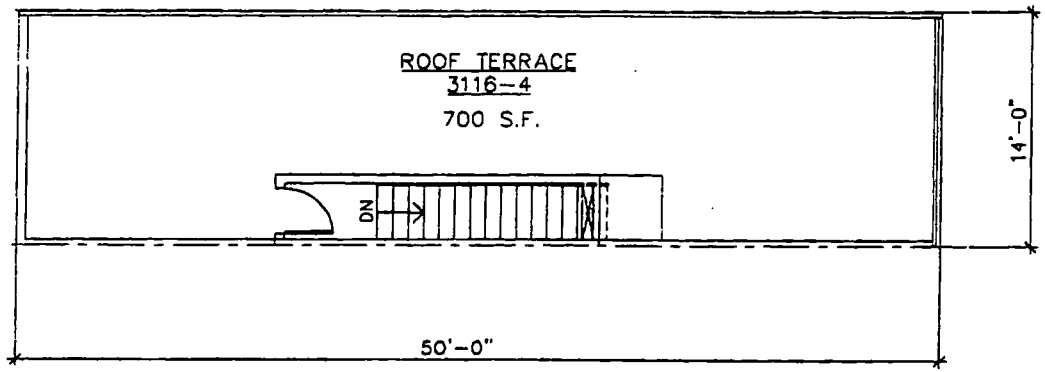
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	23 OF 65



TOTAL
BW-3116-4
2142 S.F.

Residential Condominium

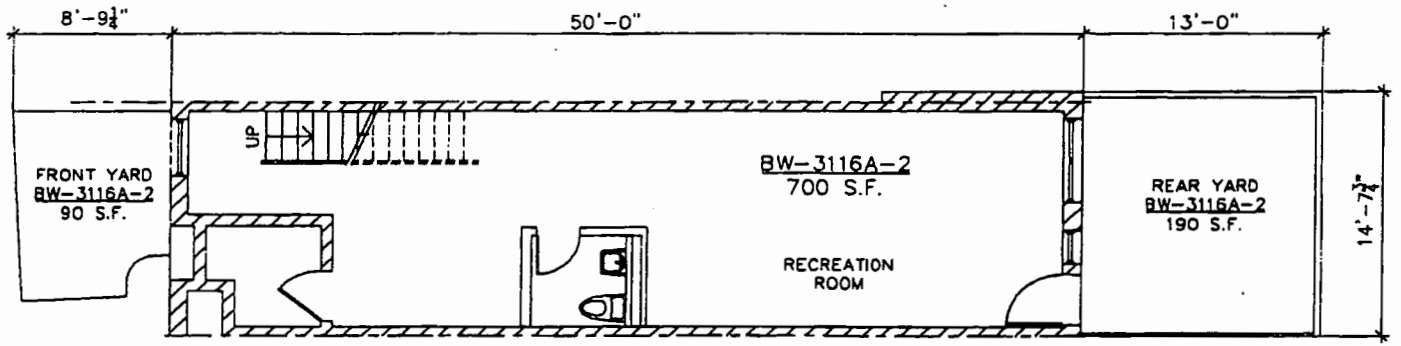
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	24 OF 65



TOTAL
BW-3116-4
2142 S.F.

Residential Condominium

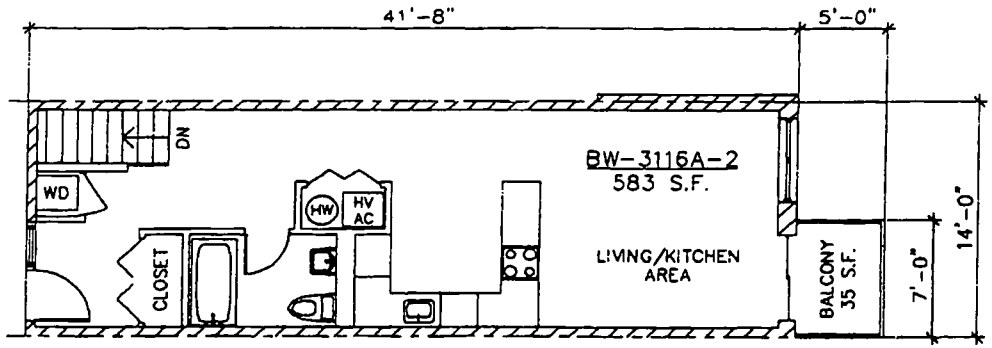
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	25 OF 65



TOTAL
BW-3116A-2
1598 S.F.

Residential Condominium

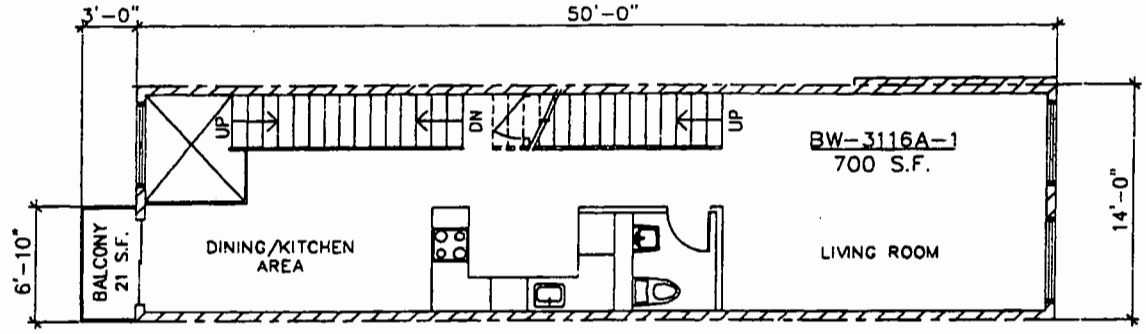
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	26 OF 65



TOTAL
BW-3116A-2
1598 S.F.

Residential Condominium

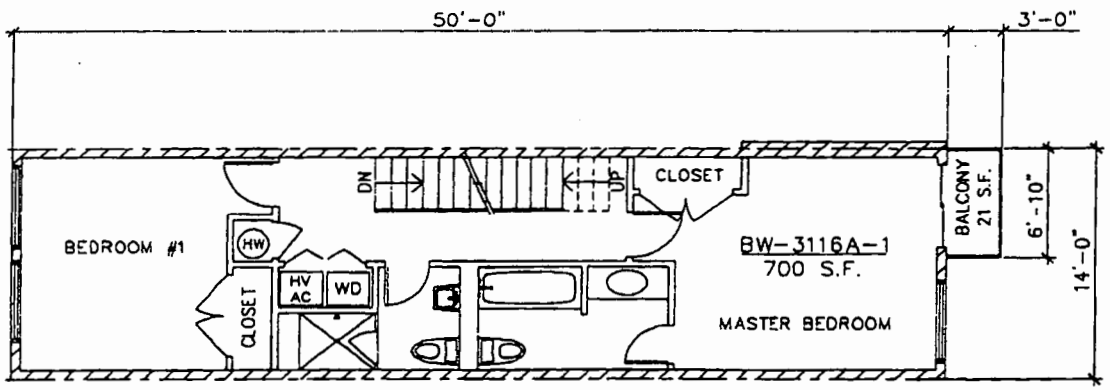
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	27 OF 65



TOTAL
BW-3116A-1
2142 S.F.

Residential Condominium

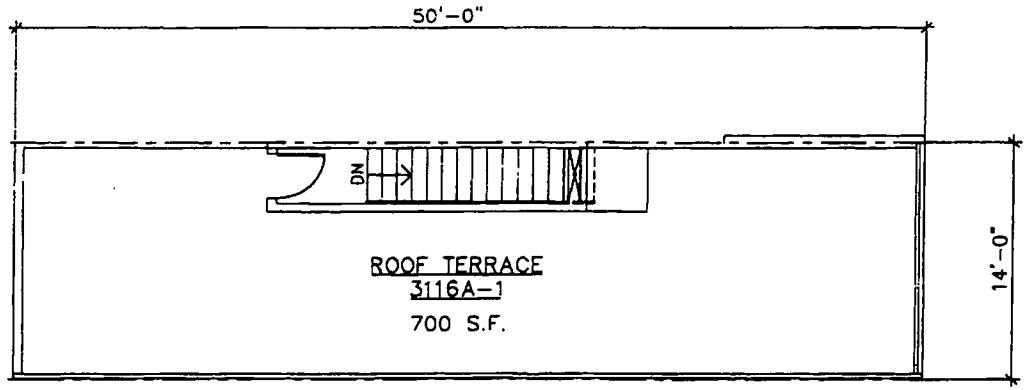
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	28 OF 65



TOTAL
BW-3116A-1
2142 S.F.

Residential Condominium

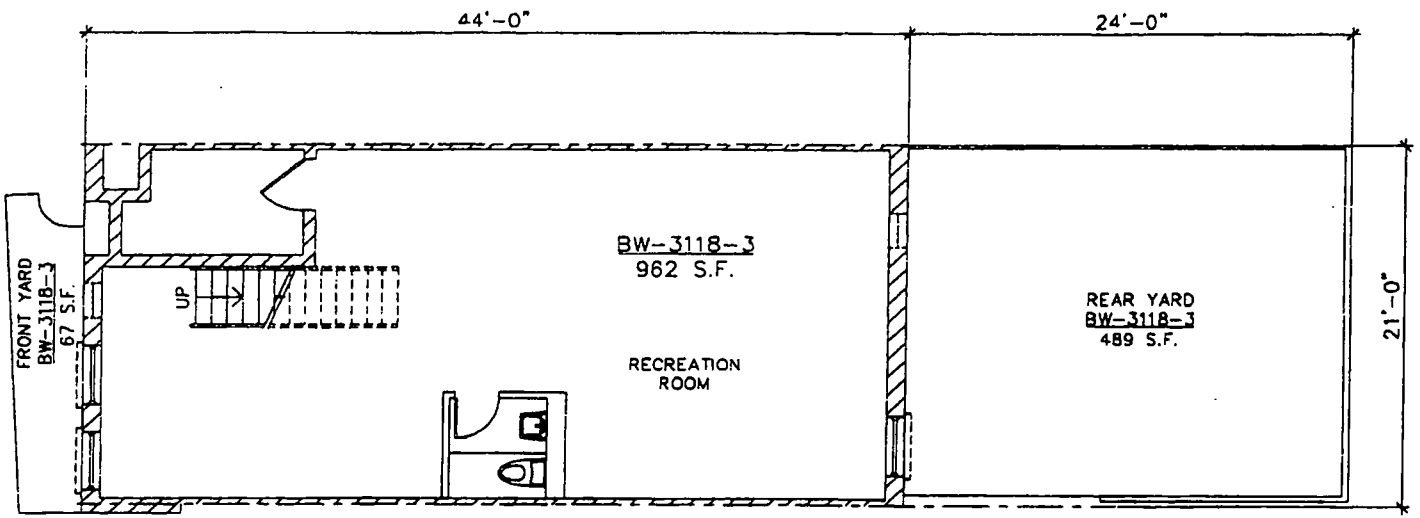
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	29 OF 65



TOTAL
BW-3116A-1
2142 S.F.

Residential Condominium

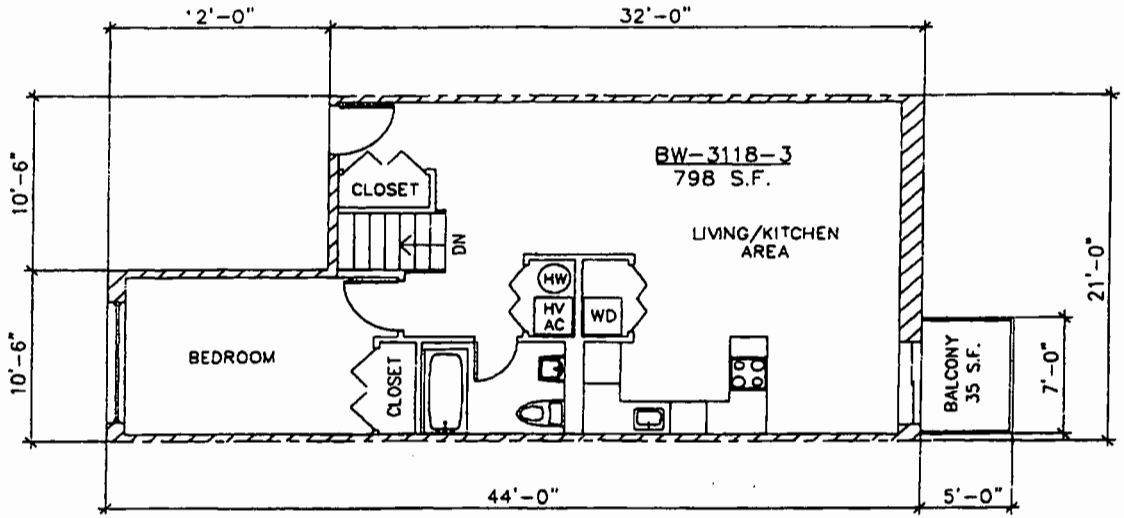
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3116A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	30 OF 65



TOTAL
BW-3118-3
2351 S.F.

Residential Condominium

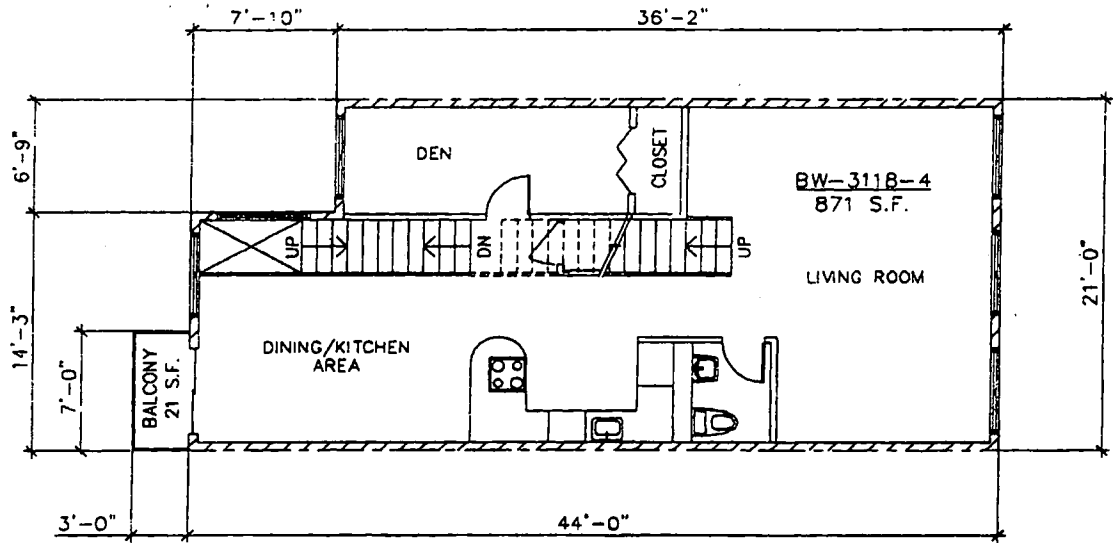
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	31 OF 65



TOTAL
BW-3118-3
2351 S.F.

Residential Condominium

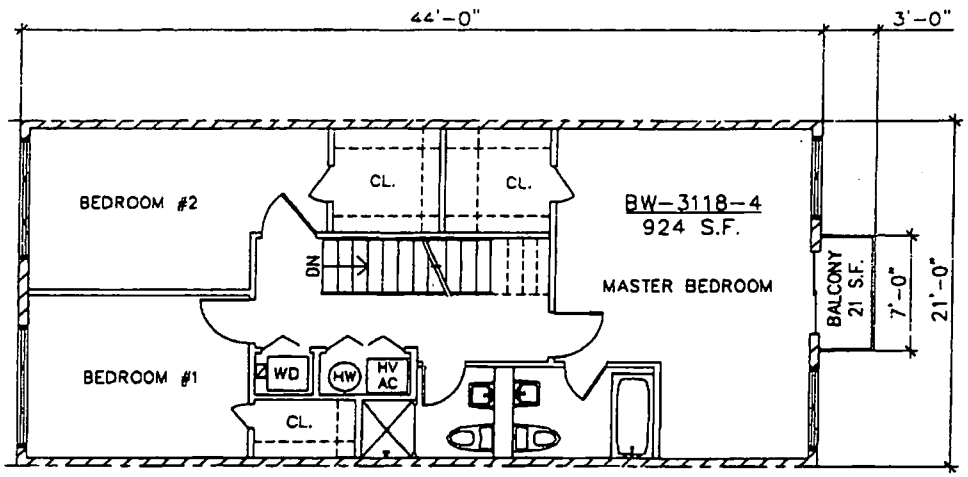
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	32 OF 65



TOTAL
BW-3118-4
2761 S.F.

Residential Condominium

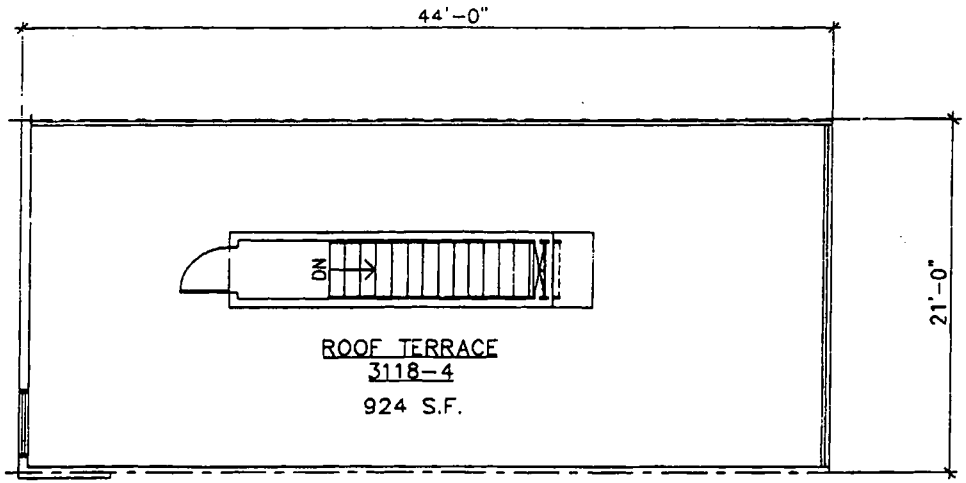
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	33 OF 65



TOTAL
BW-3118-4
2761. S.F.

Residential Condominium

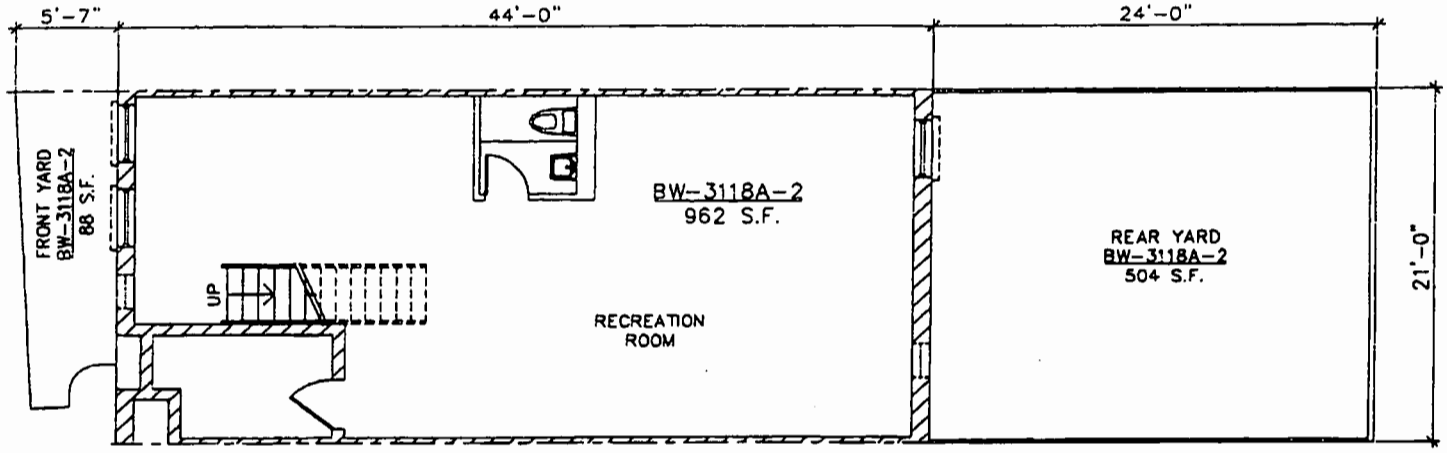
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	34 OF 65



TOTAL
BW-3118-4
2761 S.F.

Residential Condominium

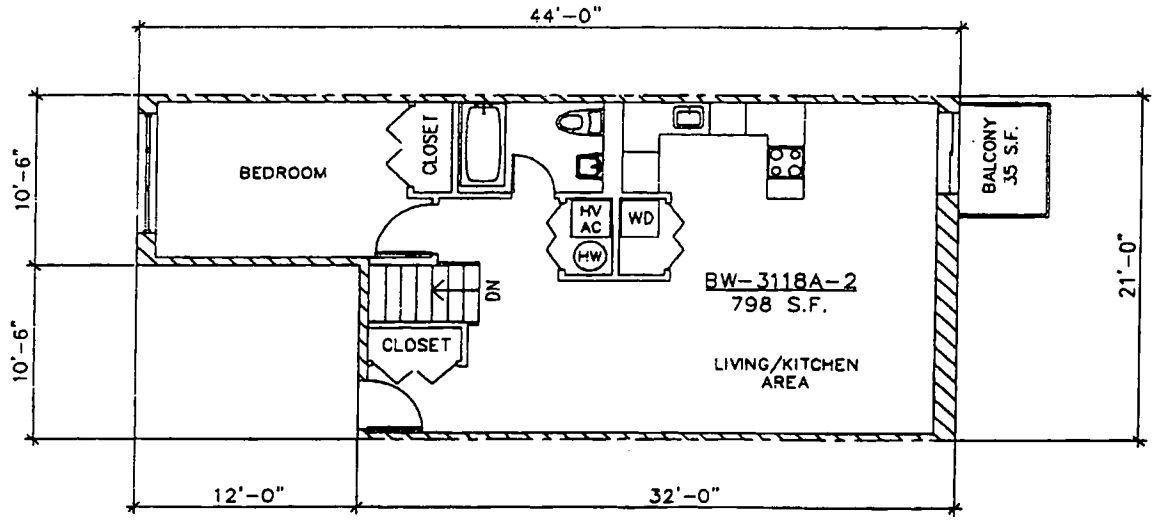
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	35 OF 65



TOTAL
BW-3118A-2
2387 S.F.

Residential Condominium

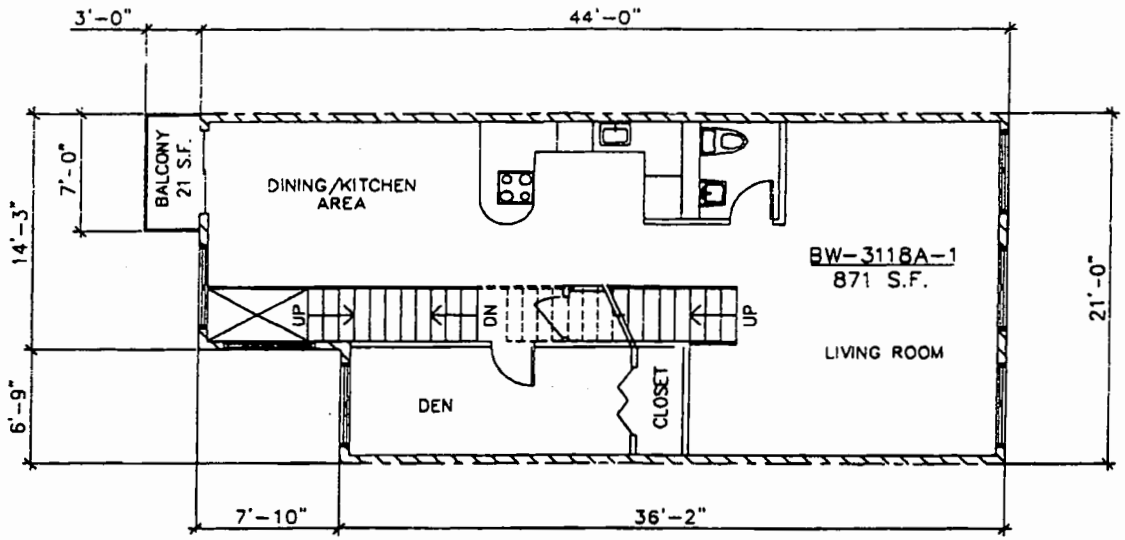
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	36 OF 65



TOTAL
BW-3118A-2
2387 S.F.

Residential Condominium

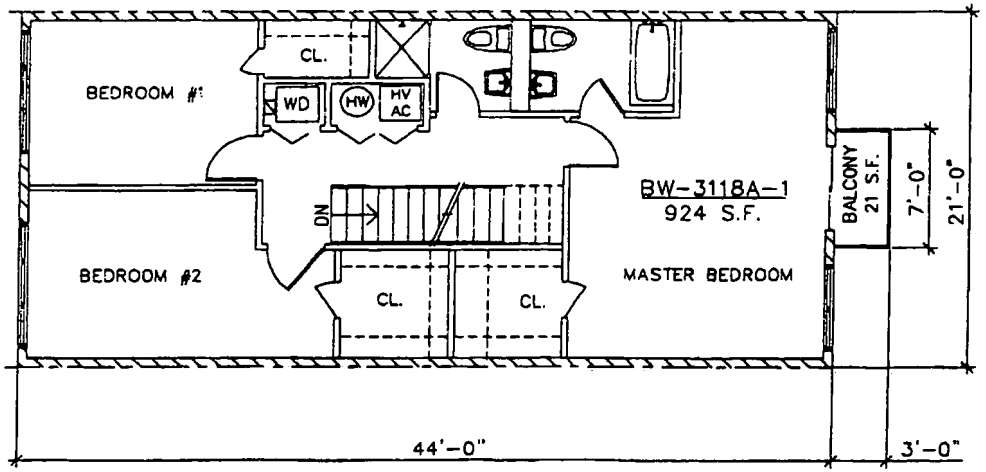
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	37 OF 65



TOTAL
BW-3118A-1
2761 S.F.

Residential Condominium

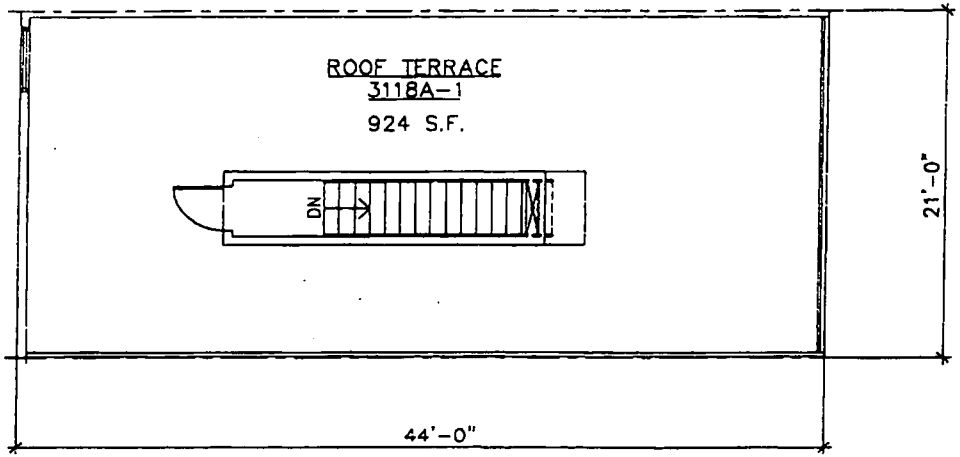
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	38 OF 65



TOTAL
BW-3118A-1
2761 S.F.

Residential Condominium

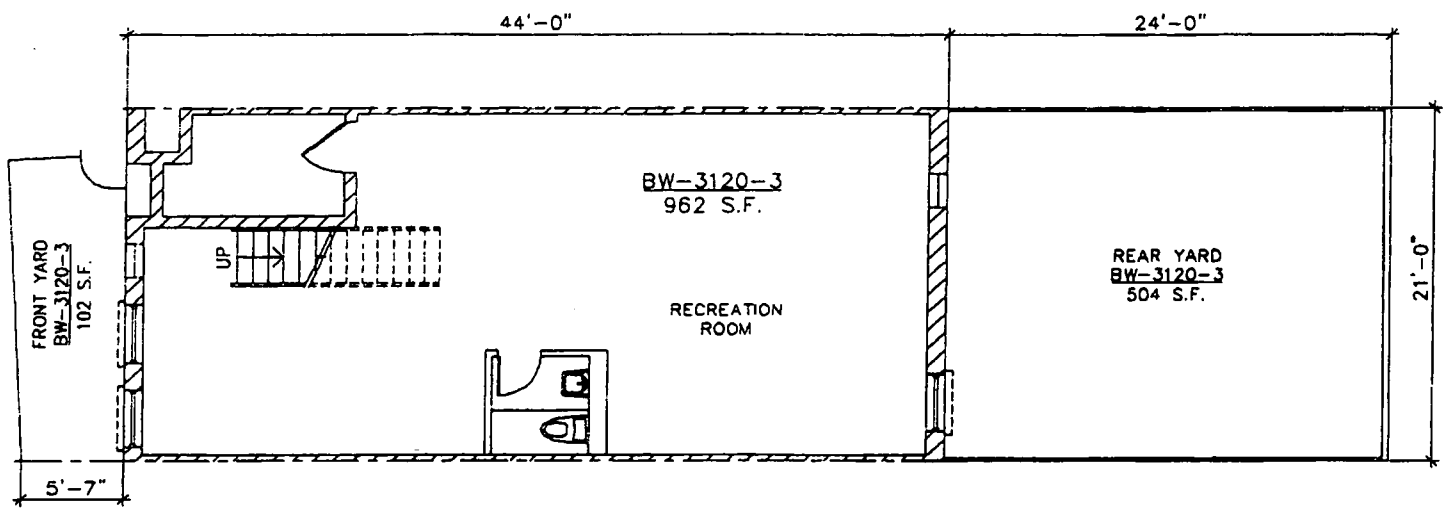
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	39 OF 65



TOTAL
BW-3118A-1
2761 S.F.

Residential Condominium

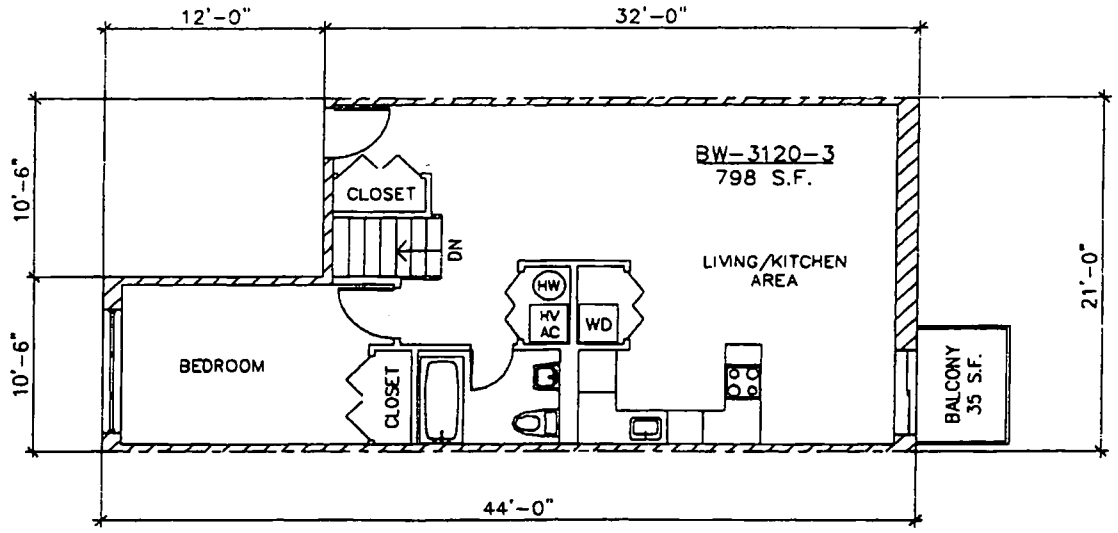
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3118A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	40 OF 65



TOTAL
BW-3120-3
2401 S.F.

Residential Condominium

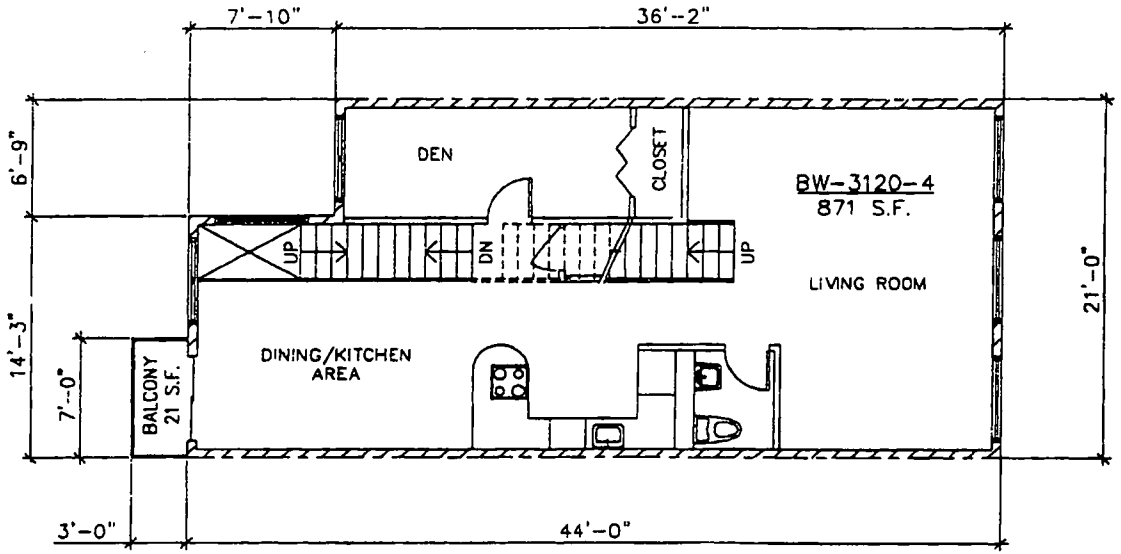
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	41 OF 65



TOTAL
BW-3120-3
2401 S.F.

Residential Condominium

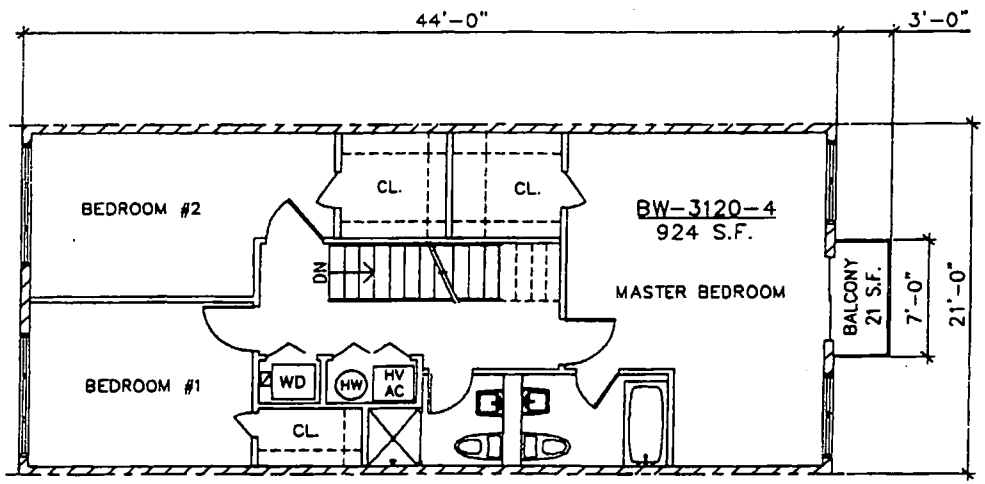
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	42 OF 65

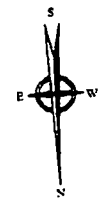


TOTAL
BW-3120-4
2761 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	43 OF 65

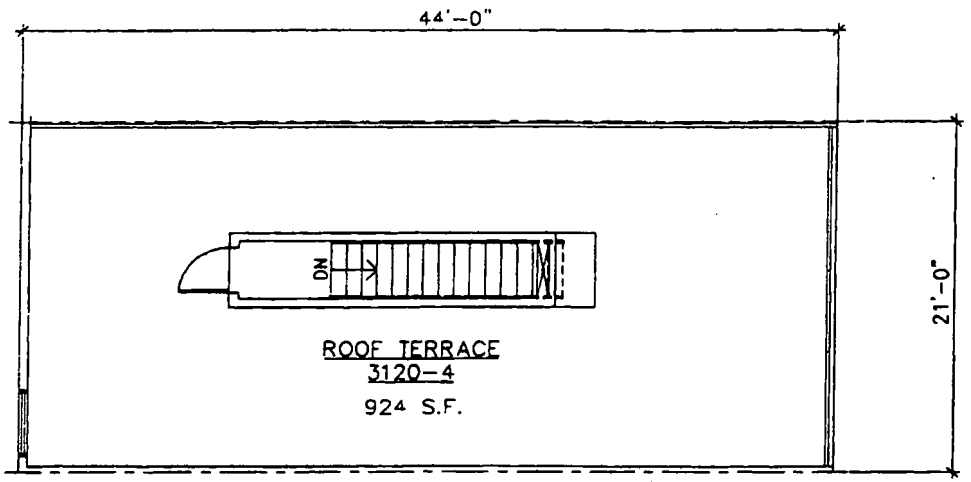




TOTAL
BW-3120-4
2761 S.F.

Residertial Condominium

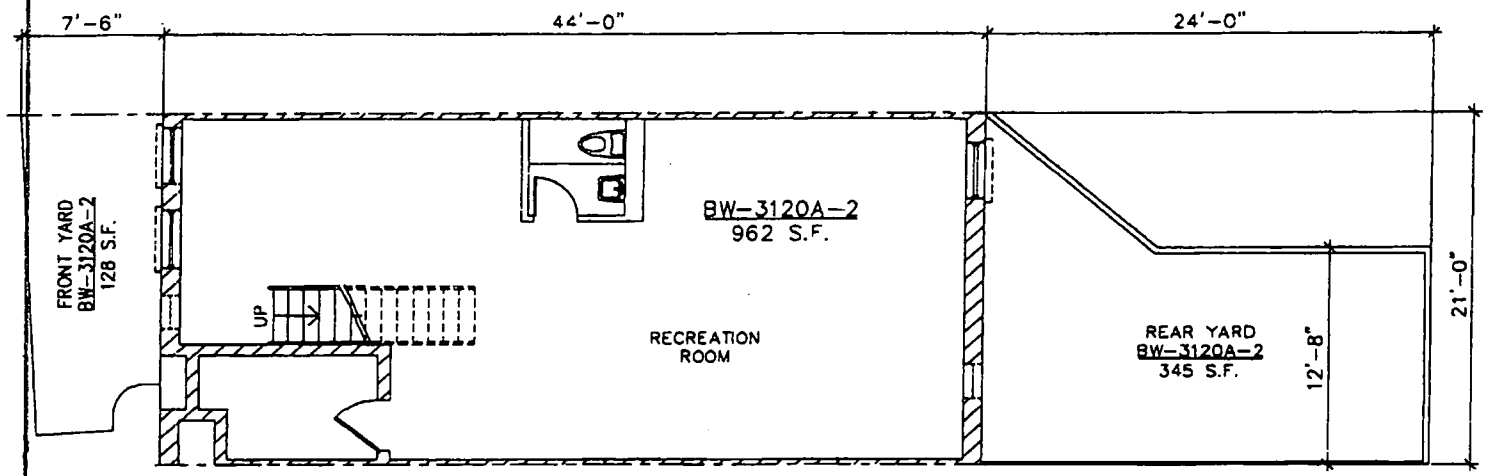
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	44 OF 65

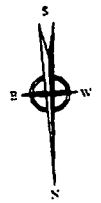


TOTAL
BW-3120-4
2761 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	45 OF 65

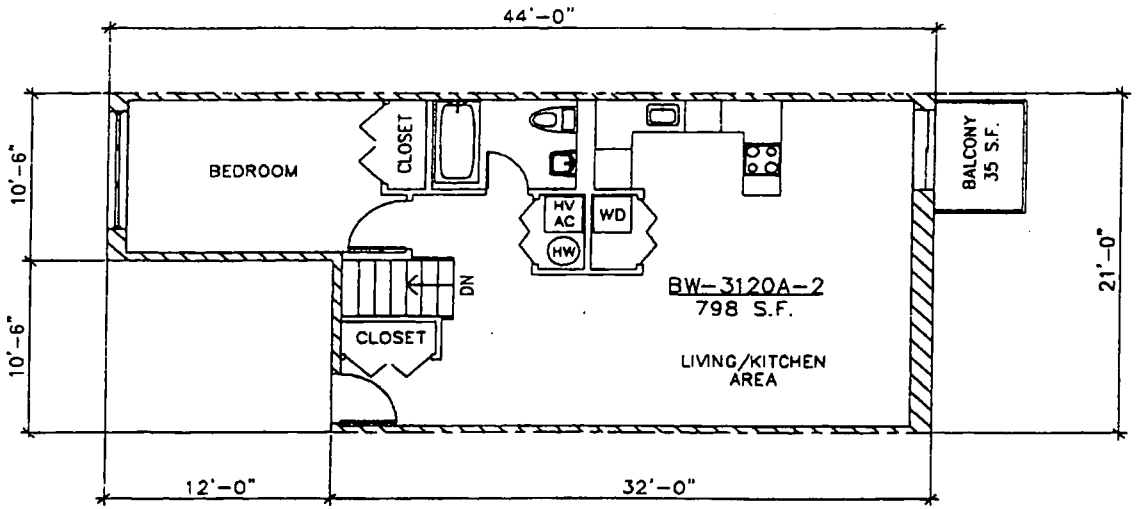




TOTAL
-3120A-2
258 S.F.

dential Condominium

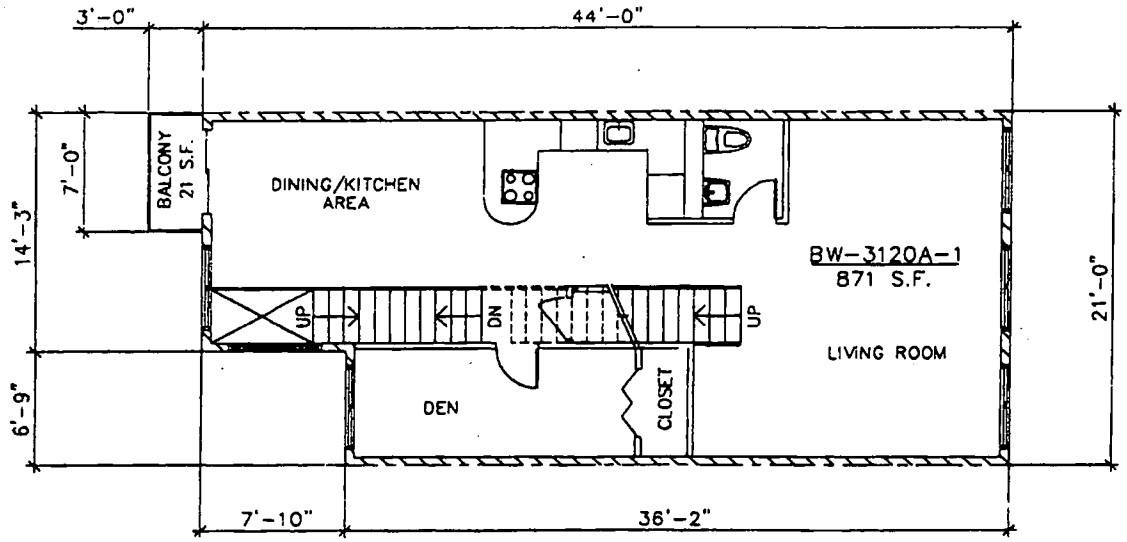
BREAKERS WEST ONS AVENUE, BROOKLYN, NY	BW-3120A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	46 OF 65



TOTAL
BW-3120A-2
2268 S.F.

Residertial Condominium

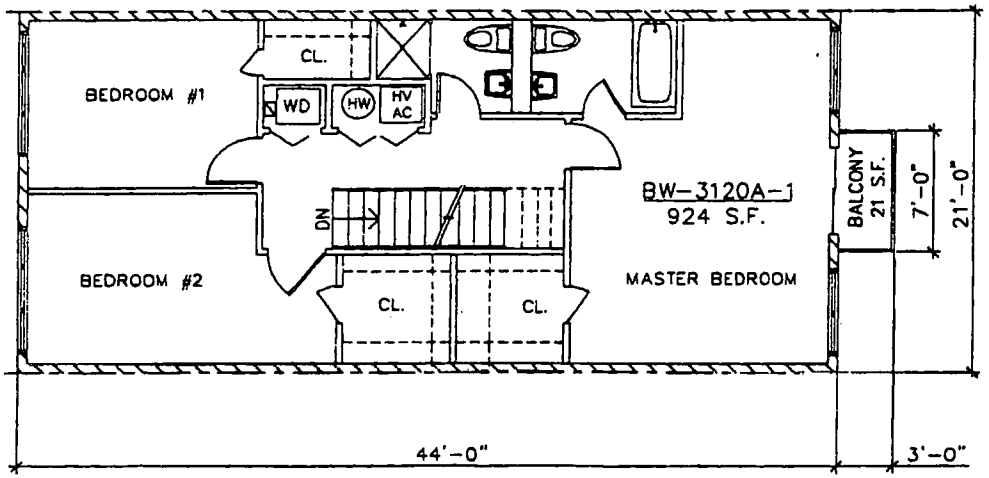
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	47 OF 65



TOTAL
BW-3120A-1
2761 S.F.

Residential Condominium

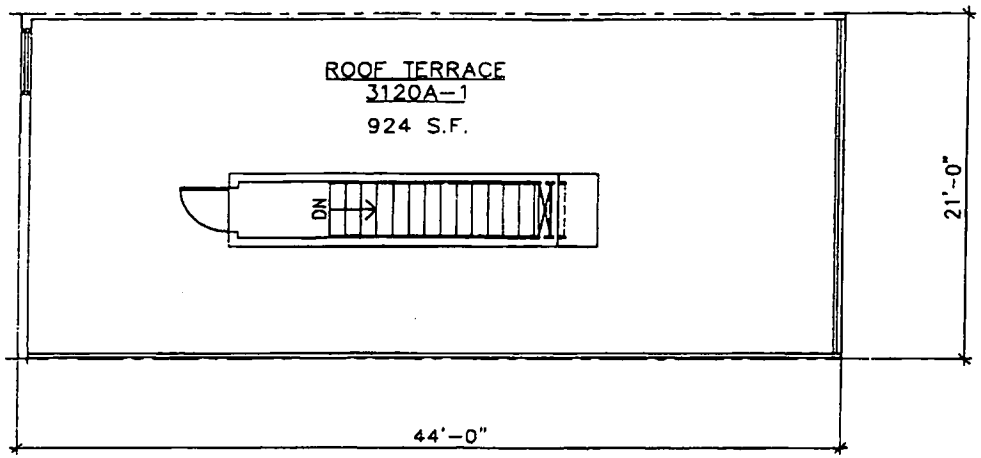
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	48 OF 65



TOTAL
BW-3120A-1
2761 S.F.

Residential Condominium

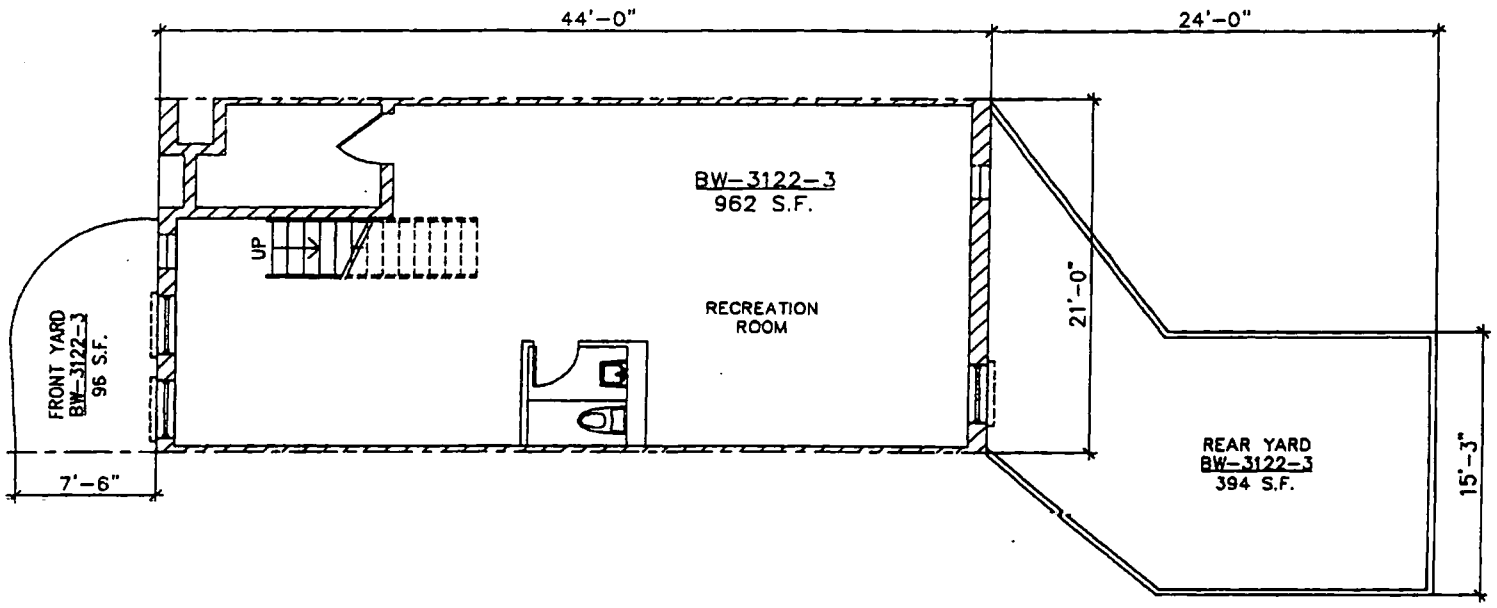
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	49 OF 65



TOTAL
BW-3120A-1
2761 S.F.

Residential Condominium

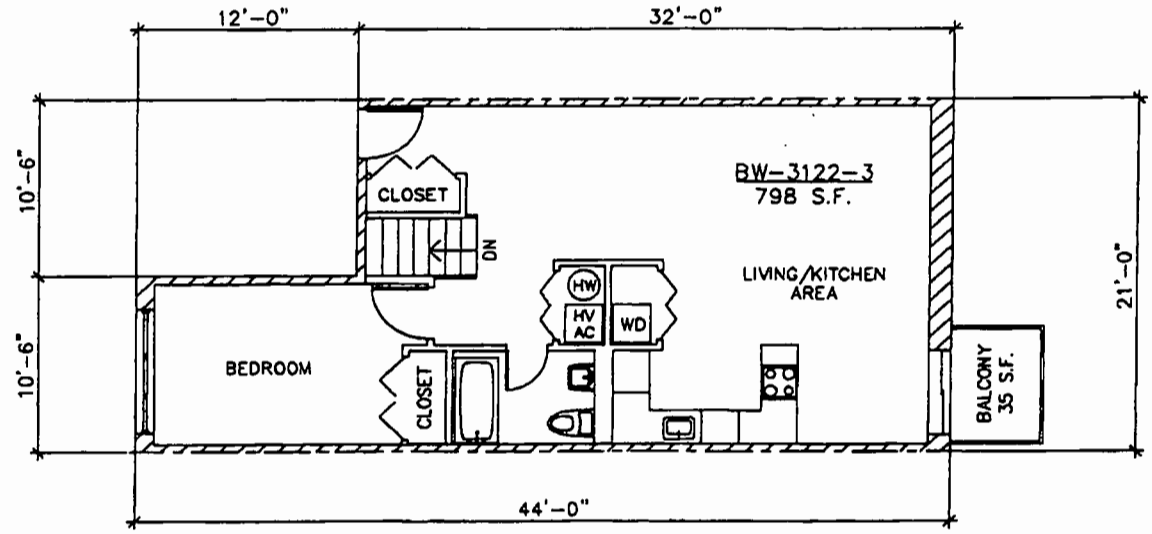
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3120A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	50 OF 65

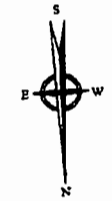


TOTAL
BW-3122-3
2285 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3122-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	51 OF 65

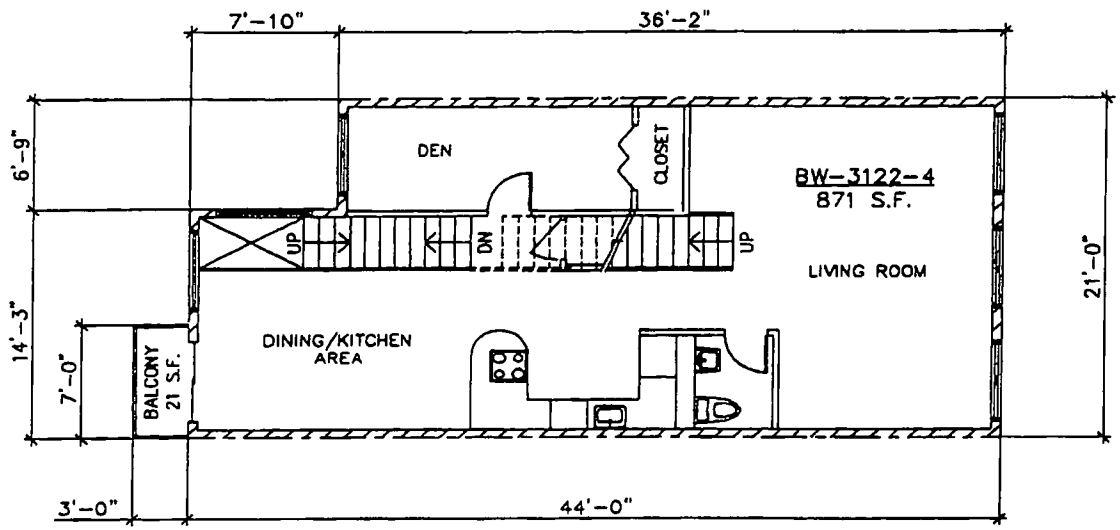




TOTAL
BW-3122-3
2285 S.F.

Residential Condominium

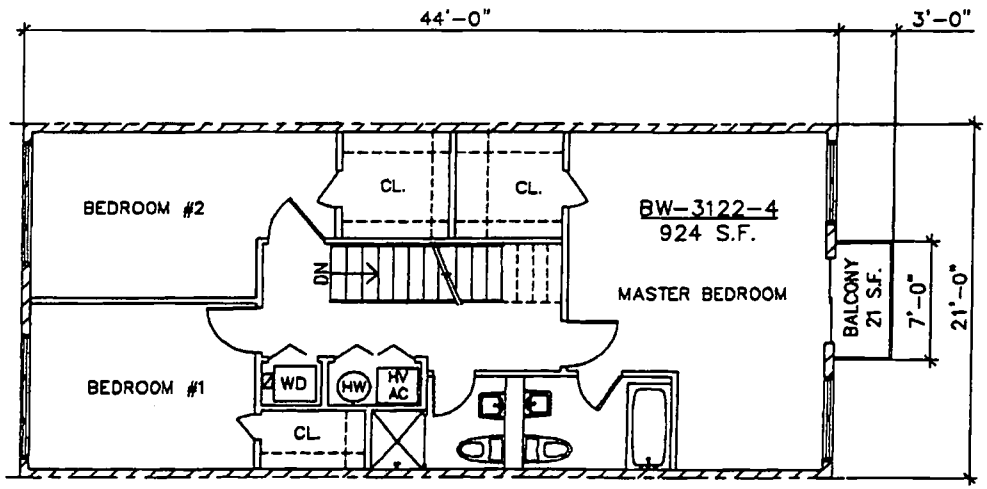
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3122-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	52 OF 65



TOTAL
BW-3122-4
2761 S.F.

Residential Condominium

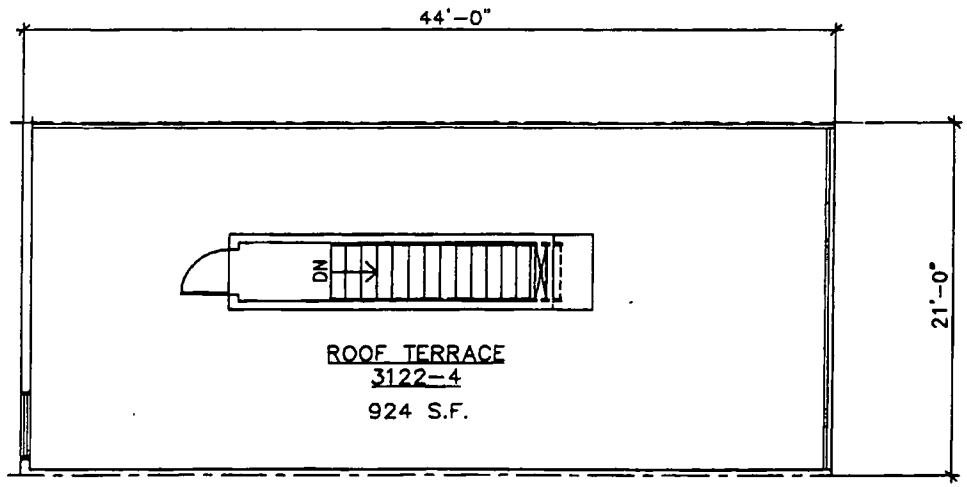
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3122-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	53 OF 65



TOTAL
BW-3122-4
2761 S.F.

Residential Condominium

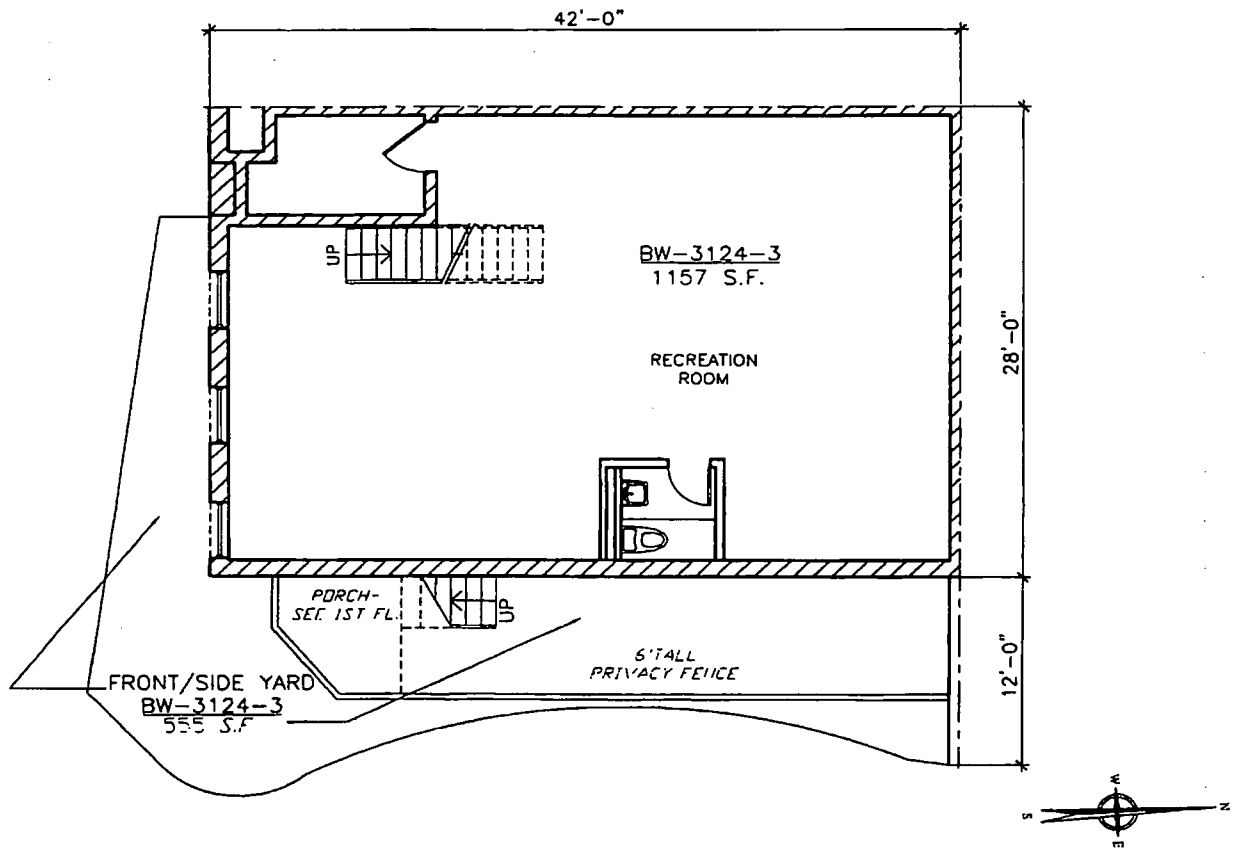
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3122-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	54 OF 65



TOTAL
BW-3122-4
2761 S.F.

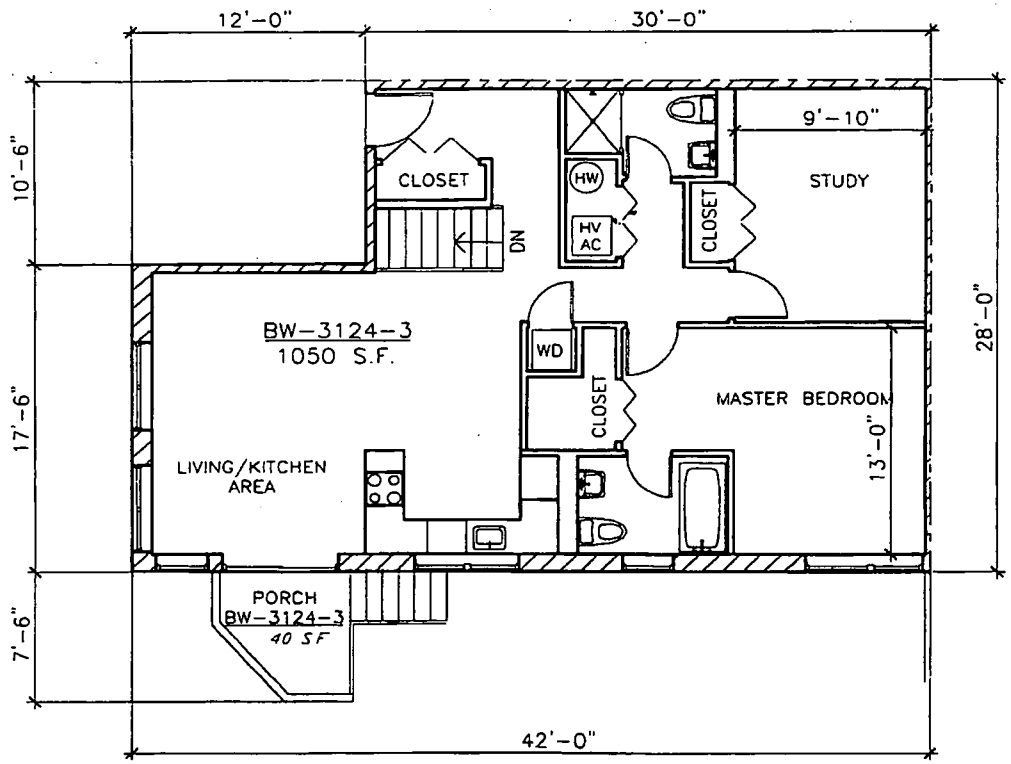
Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3122-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	55 OF 65



Residential Condominium

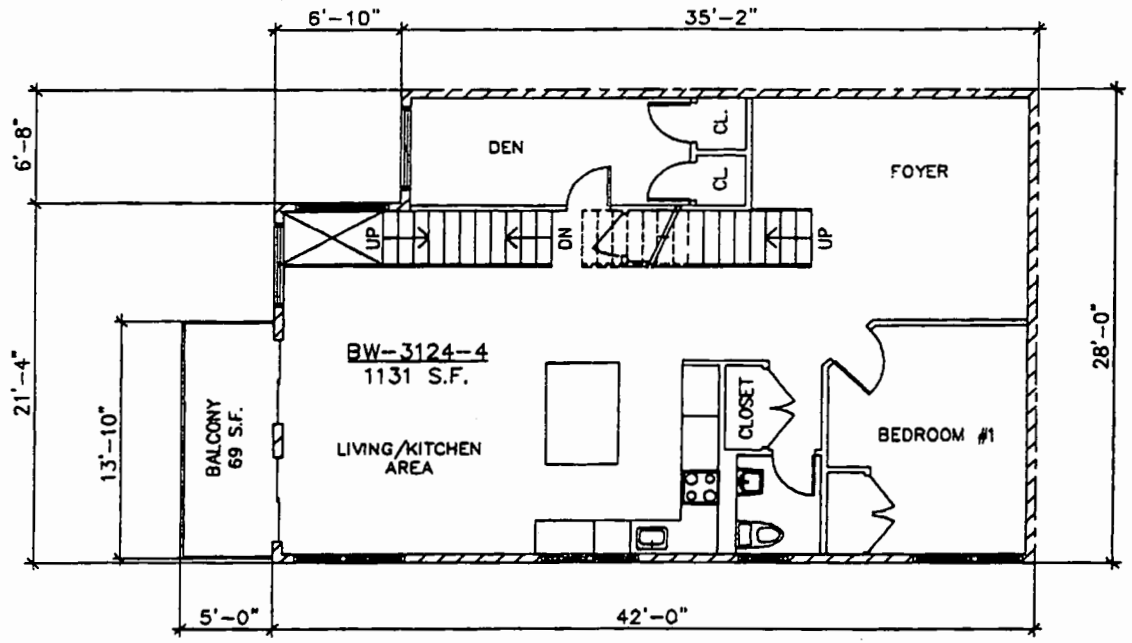
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3124-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 1/11/06	56 OF 65



TOTAL
BW-3124-3
2802 S.F.

Residential Condominium

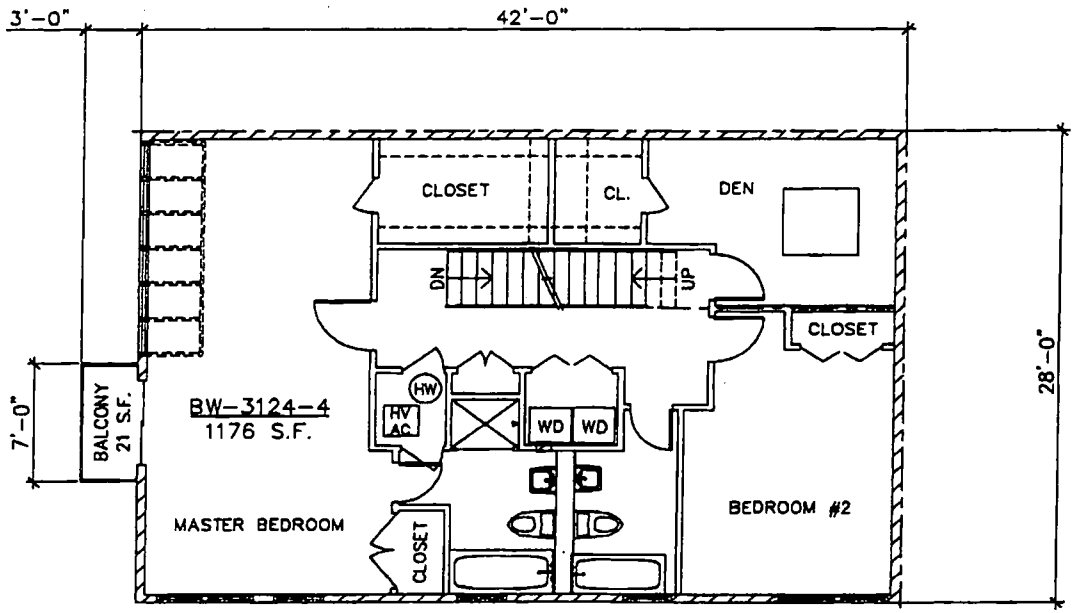
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3124-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 1/11/06	57 OF 65



TOTAL
BW-3124-4
3573 S.F.

Residential Condominium

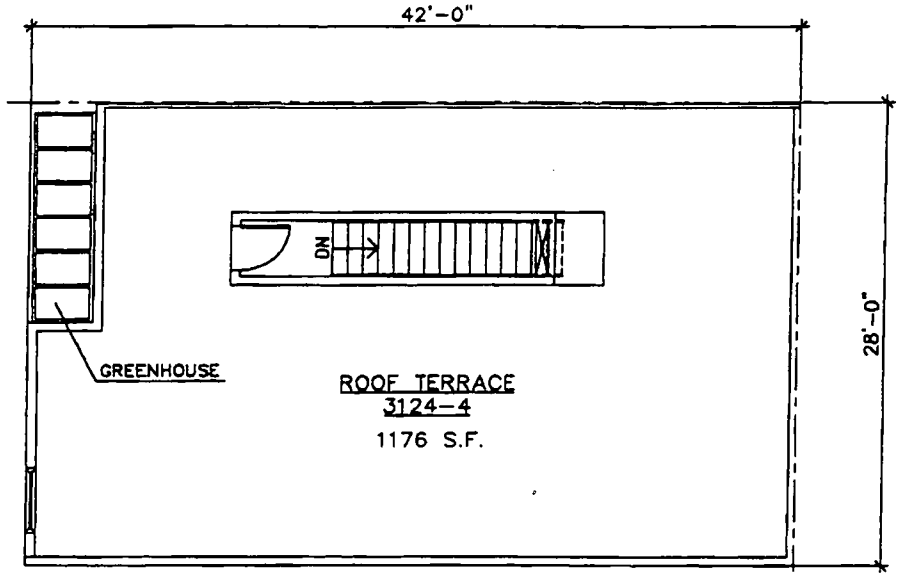
THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3124-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	58 OF 65



TOTAL
BW-3124-4
3573 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3124-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	59 OF 65

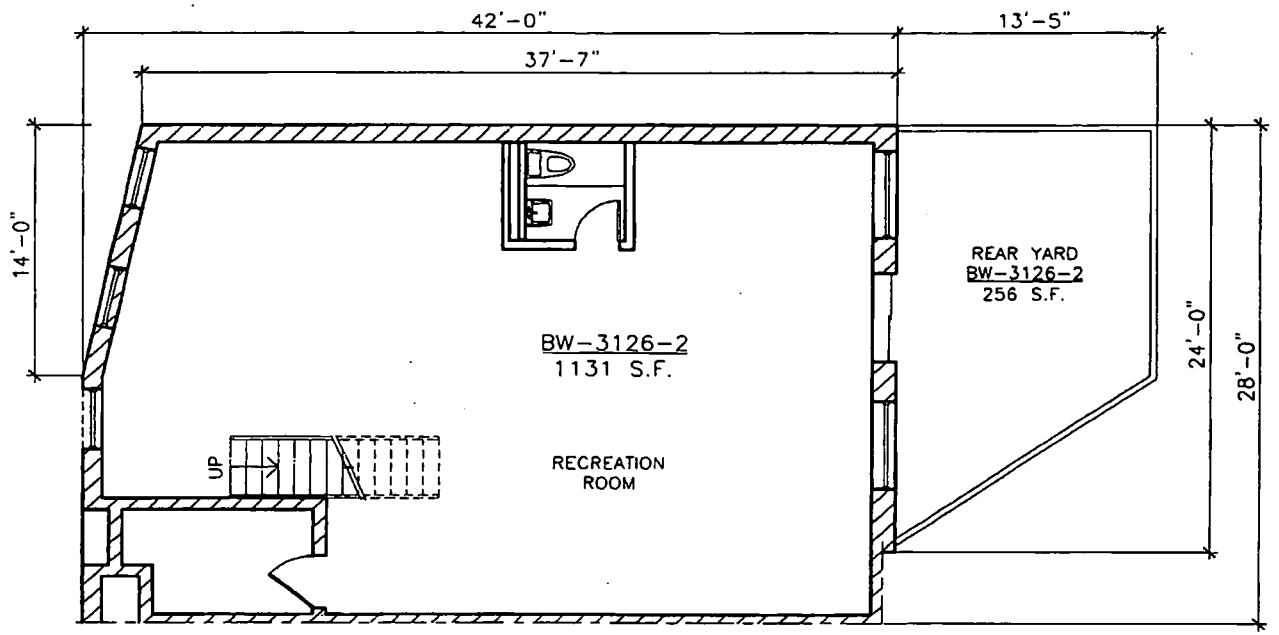


GREENHOUSE AREA IS INCLUDED IN TERRACE AREA

TOTAL
BW-3124-4
3573 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3124-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	60 OF 65

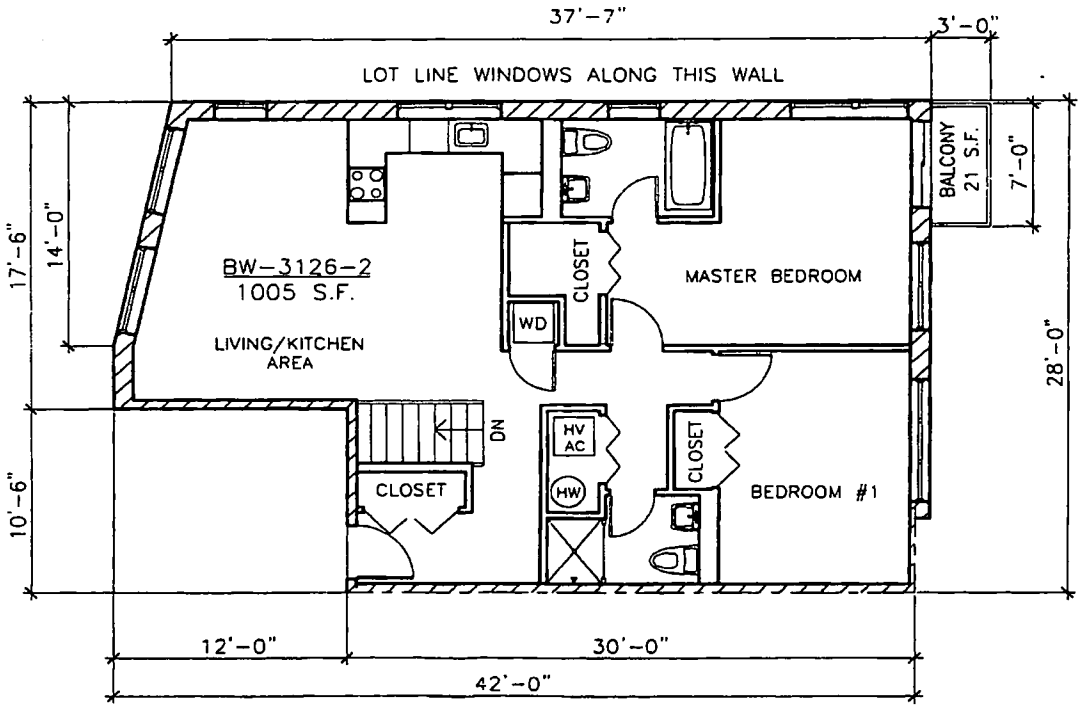


TOTAL
BW-3126-2
2413 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3126-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 1/11/06	61 OF 65

NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.

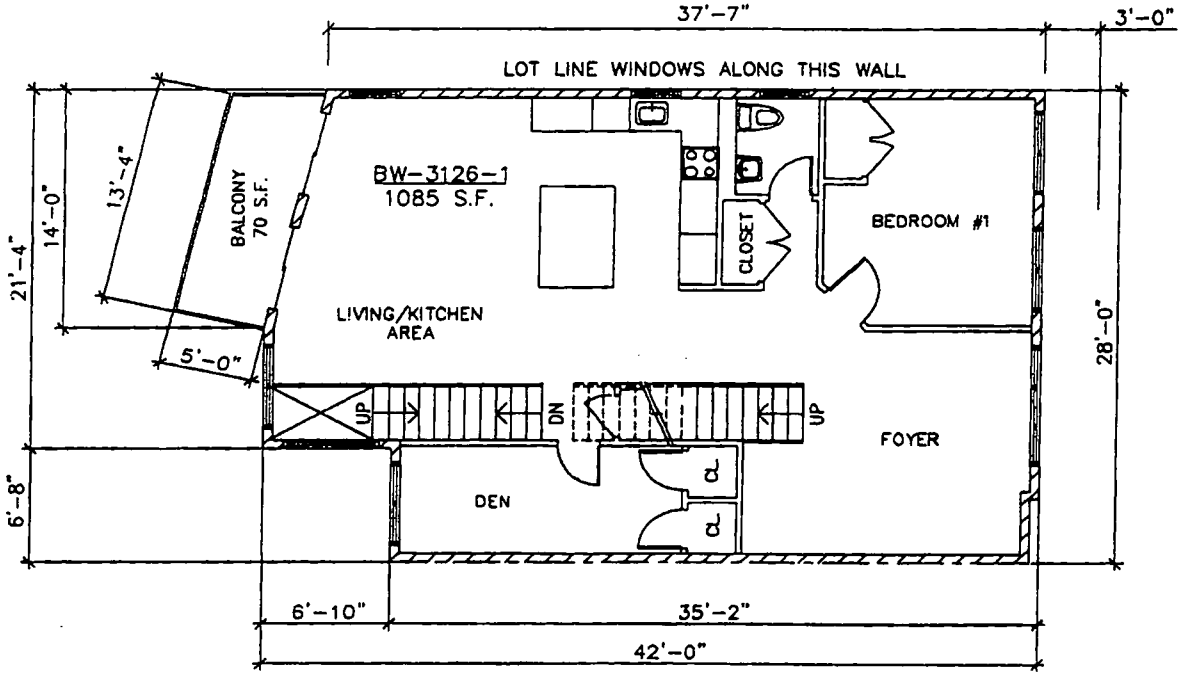


TOTAL
BW-3126-2
2413 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3126-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 1/11/06	62 OF 65

NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.

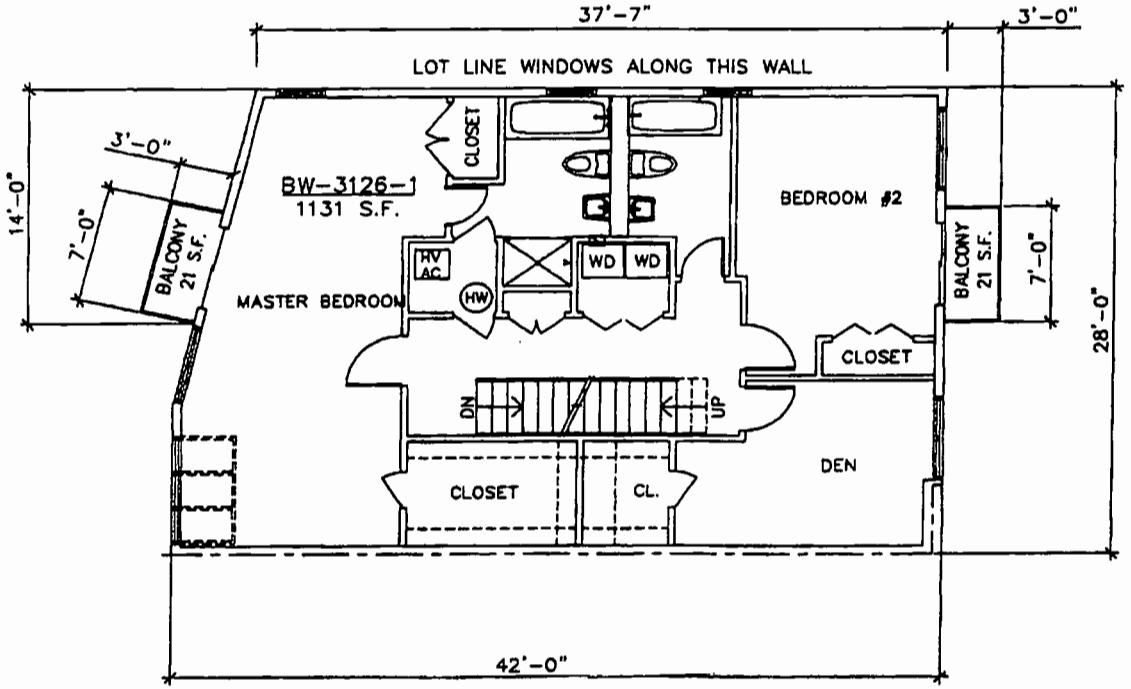


TOTAL
BW-3126-1
3459 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3126-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	63 OF 65

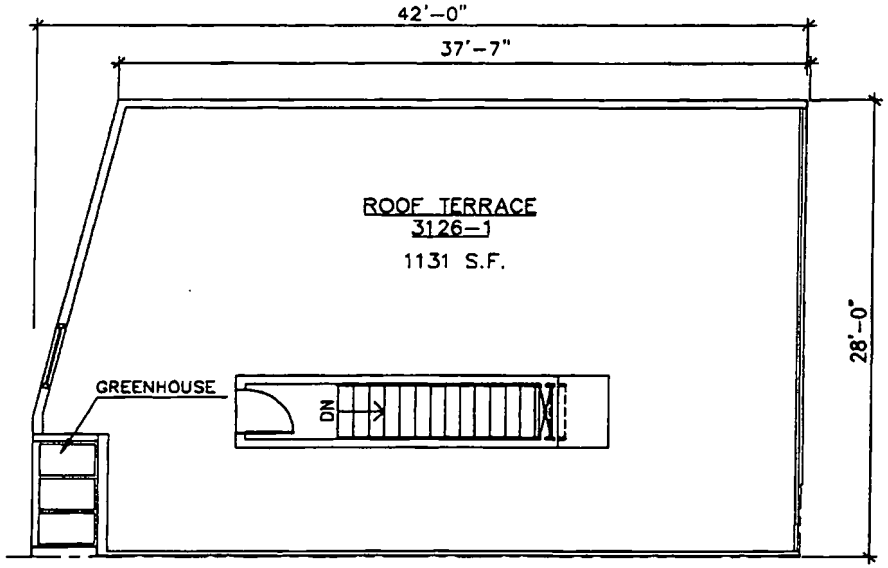
NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.



TOTAL
BW-3126-1
3459 S.F.

Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3126-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	64 OF 65



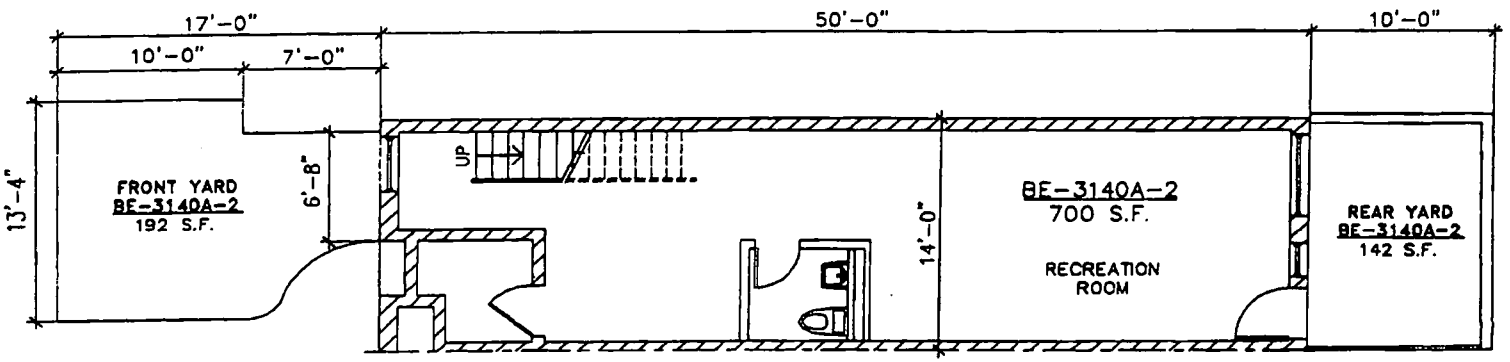
NOTE: GREENHOUSE AREA IS INCLUDED IN ROOF TERRACE AREA.

TOTAL
BW-3126-1
3459 S.F.

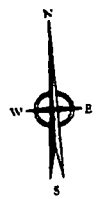
Residential Condominium

THE BREAKERS WEST EMMONS AVENUE, BROOKLYN, NY	BW-3126-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	65 OF 65

THE BREAKERS EAST
INDIVIDUAL UNIT PLANS

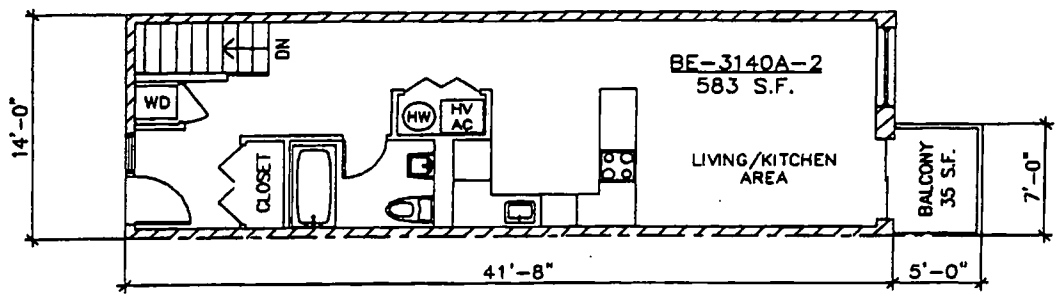


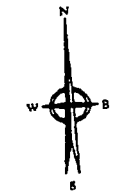
TOTAL BE-3140A-2
1652 S.F.



Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	1 OF 50

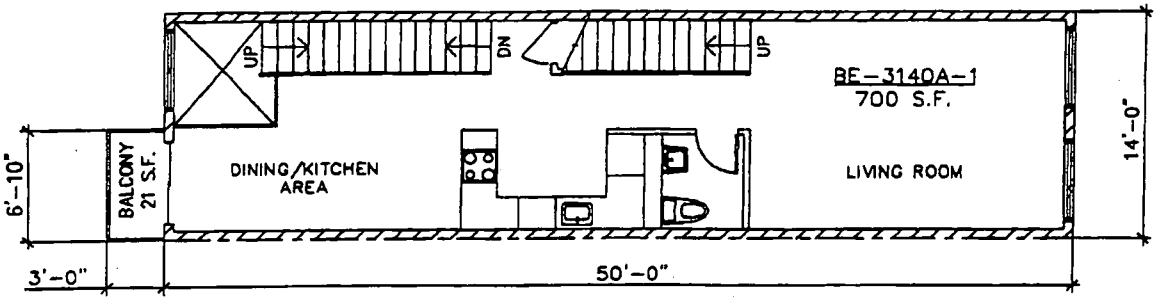




TOTAL BE-3140A-2
1652 S.F.

Residential Condominium

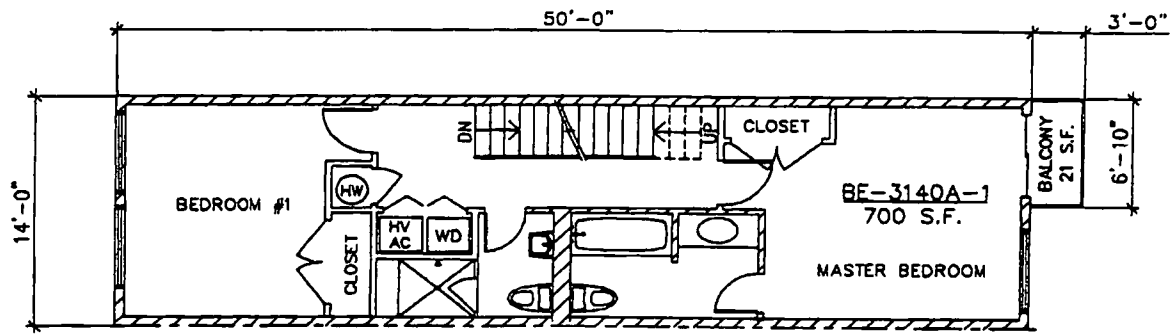
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/18/05	2 OF 50



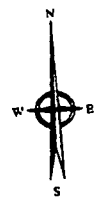
TOTAL BE-3140A-1
2142 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	3 OF 50

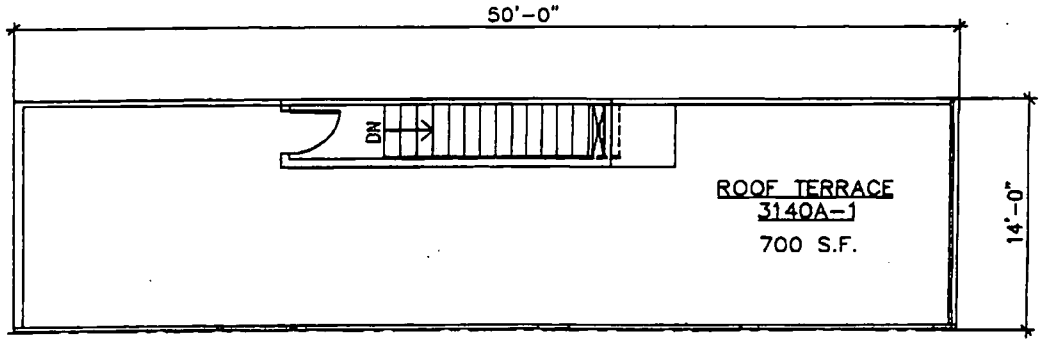


TOTAL BE-3140A-1
2142 S.F.



Residential Condominium

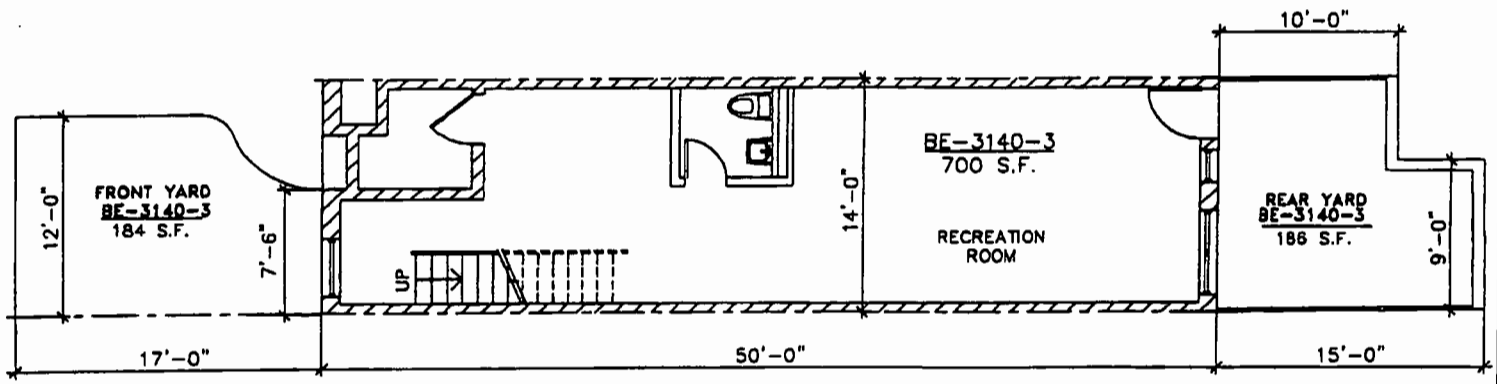
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	4 OF 50



TOTAL BE-3140A-1
214.2 S.F.

Residential Condominium

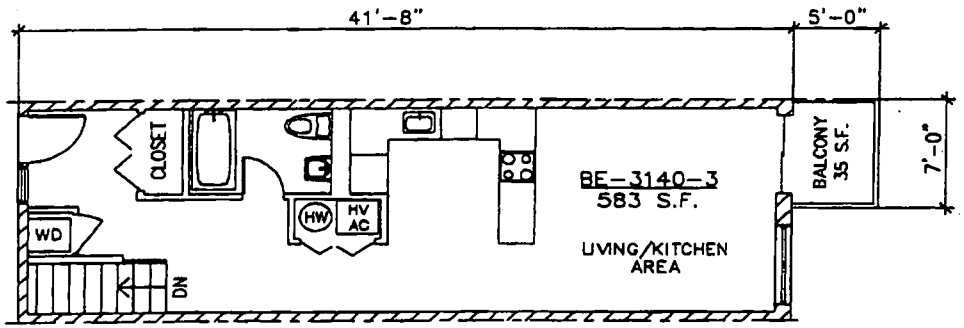
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	5 OF 50



TOTAL BE-3140-3
1888 S.F.

Residential Condominium

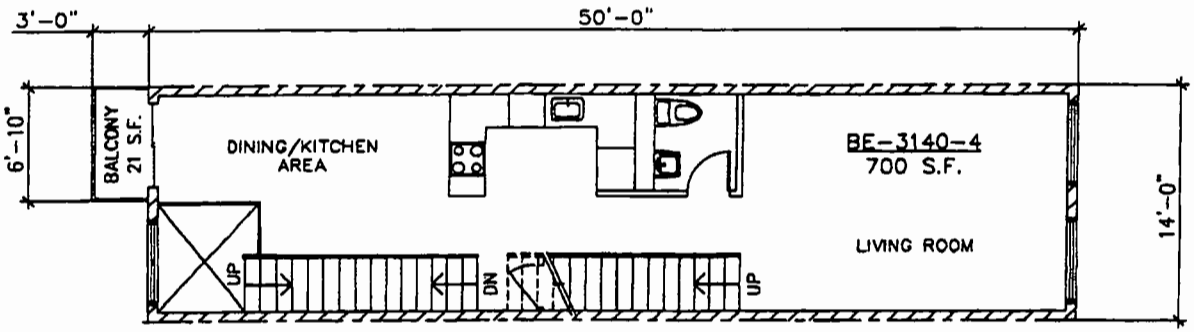
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	6 OF 50



TOTAL BE-3140-3
1688 S.F.

Residential Condominium

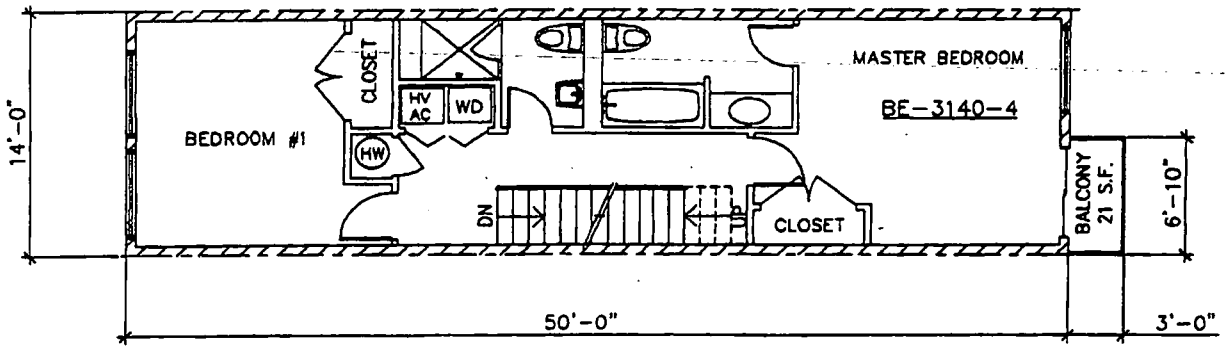
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	7 OF 50

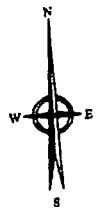


TOTAL BE-3140-4
2142 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	8 OF 50

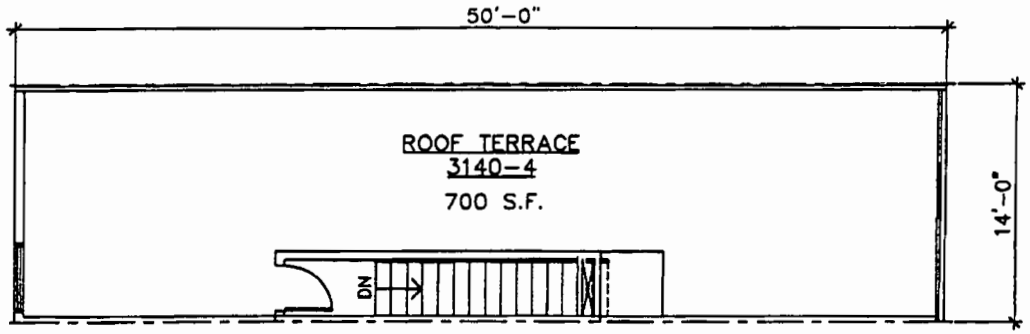




TOTAL BE-3140-4
2142 S.F.

Residential Condominium

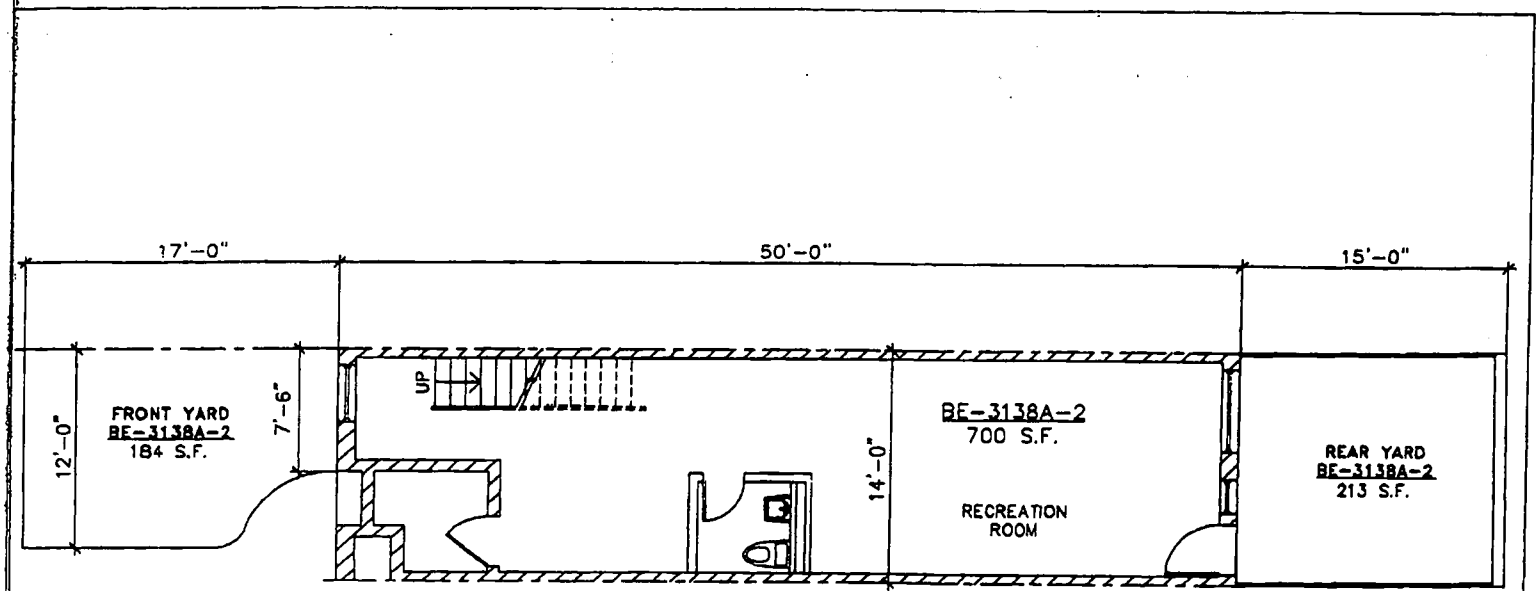
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	9 OF 50



TOTAL BE-3140-4
2142 S.F.

Residential Condominium

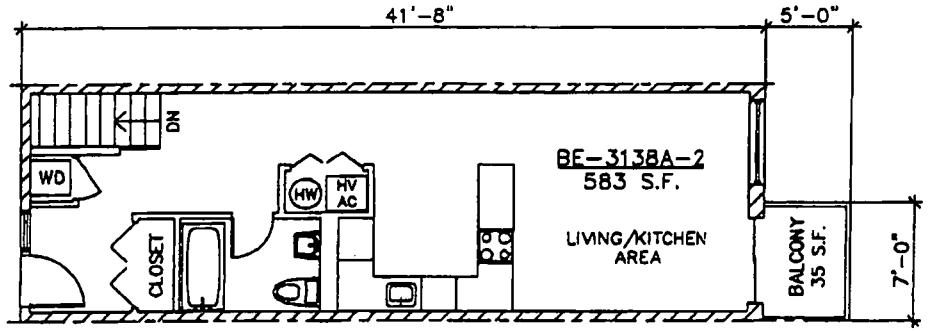
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3140-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	10 OF 50



TOTAL BE-3138A-2
1715 S.F.

Residential Condominium

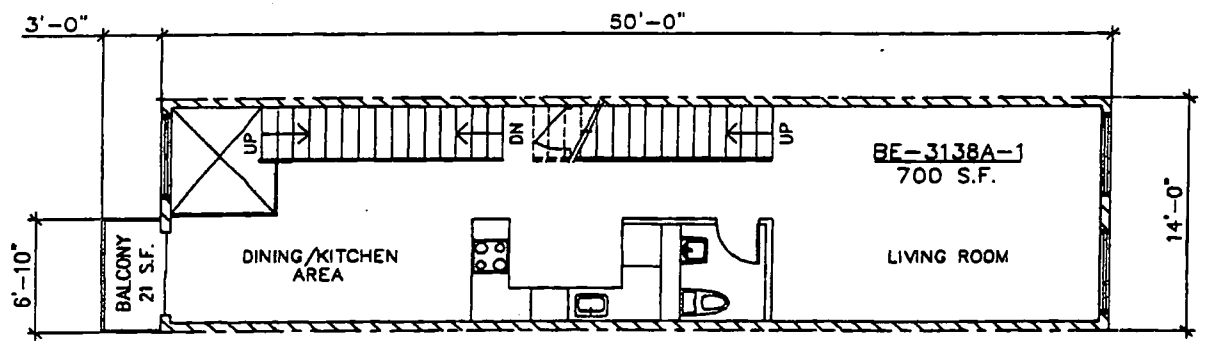
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3128A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	11 OF 50



TOTAL BE-3138A-2
1715 S.F.

Residential Condominium

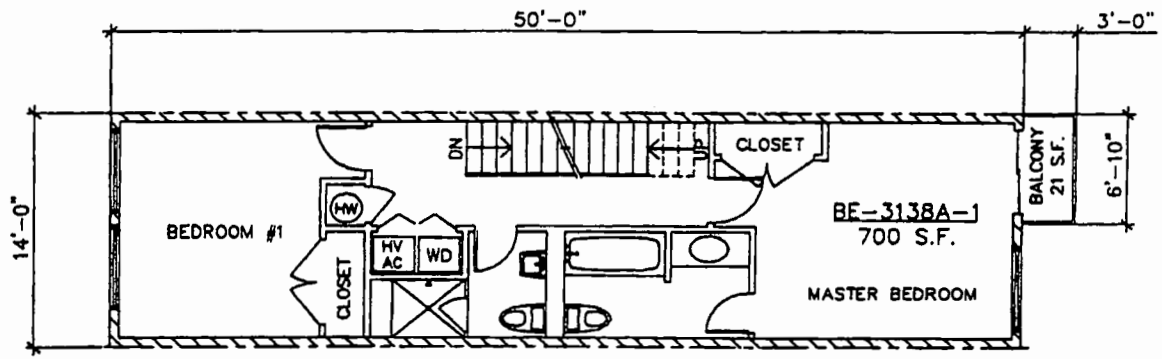
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3128A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	12 OF 50



TOTAL BE-3138A-1
2142 S.F.

Residential Condominium

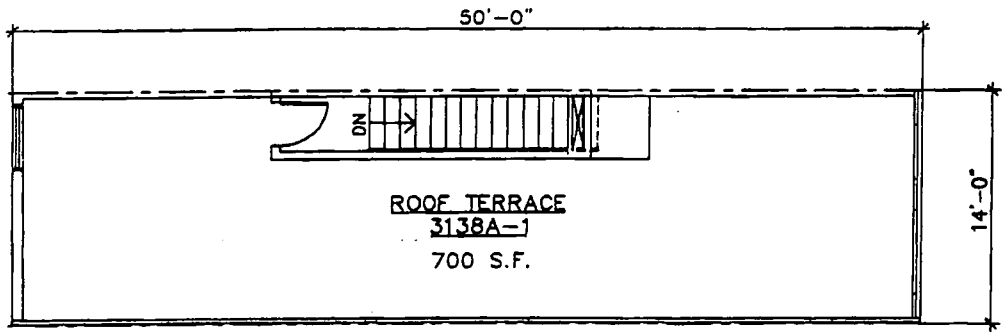
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	13 OF 50



TOTAL BE-3138A-1
2142 S.F.

Residential Condominium

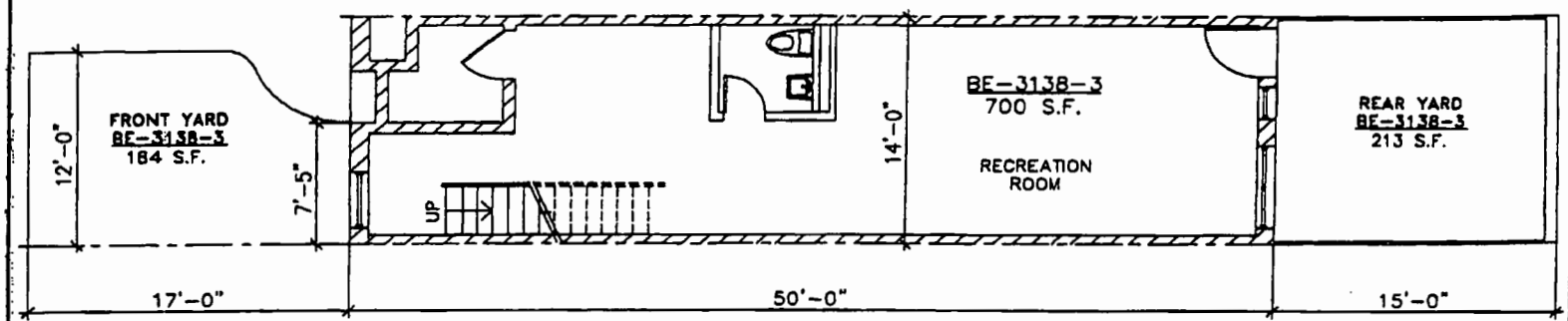
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	14 OF 50



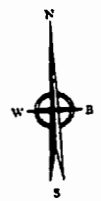
TOTAL BE-3138A-1
2142 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	15 OF 50

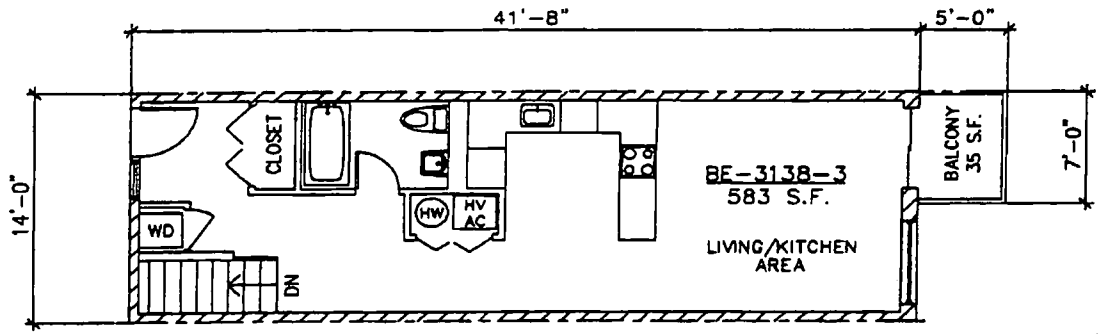


TOTAL BE-3138-3
1715 S.F.



Residential Condominium

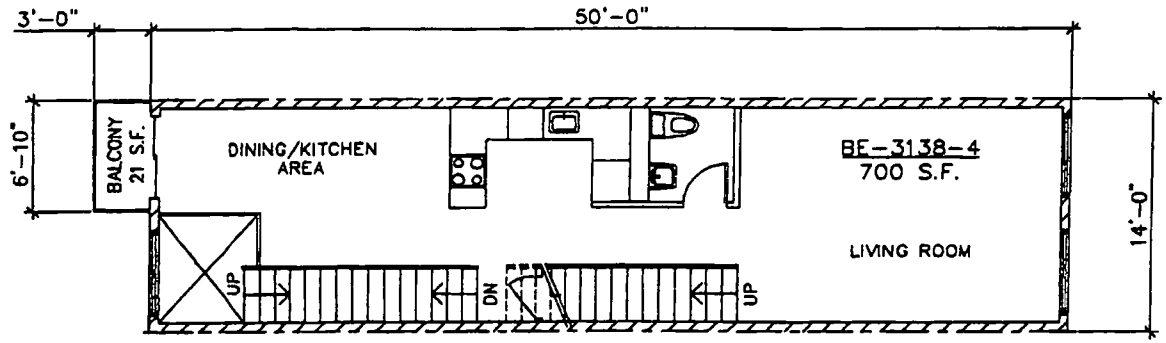
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	16 OF 50



TOTAL BE-3138-3
1715 S.F.

Residential Condominium

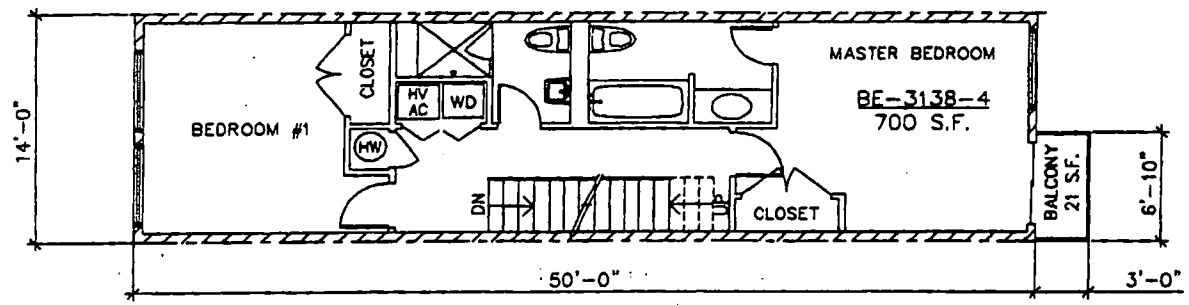
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	17 OF 50



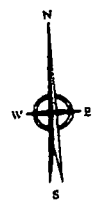
TOTAL BE-3138-4
2142 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	18 OF 50

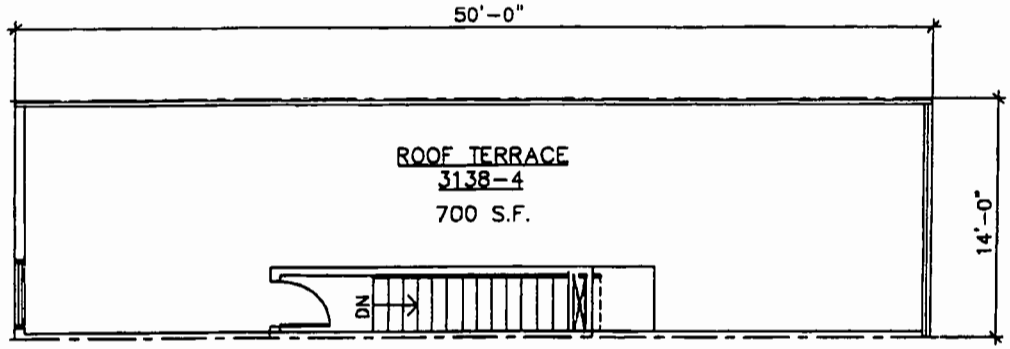


TOTAL BE-3138-4
2142 S.F.



Residential Condominium

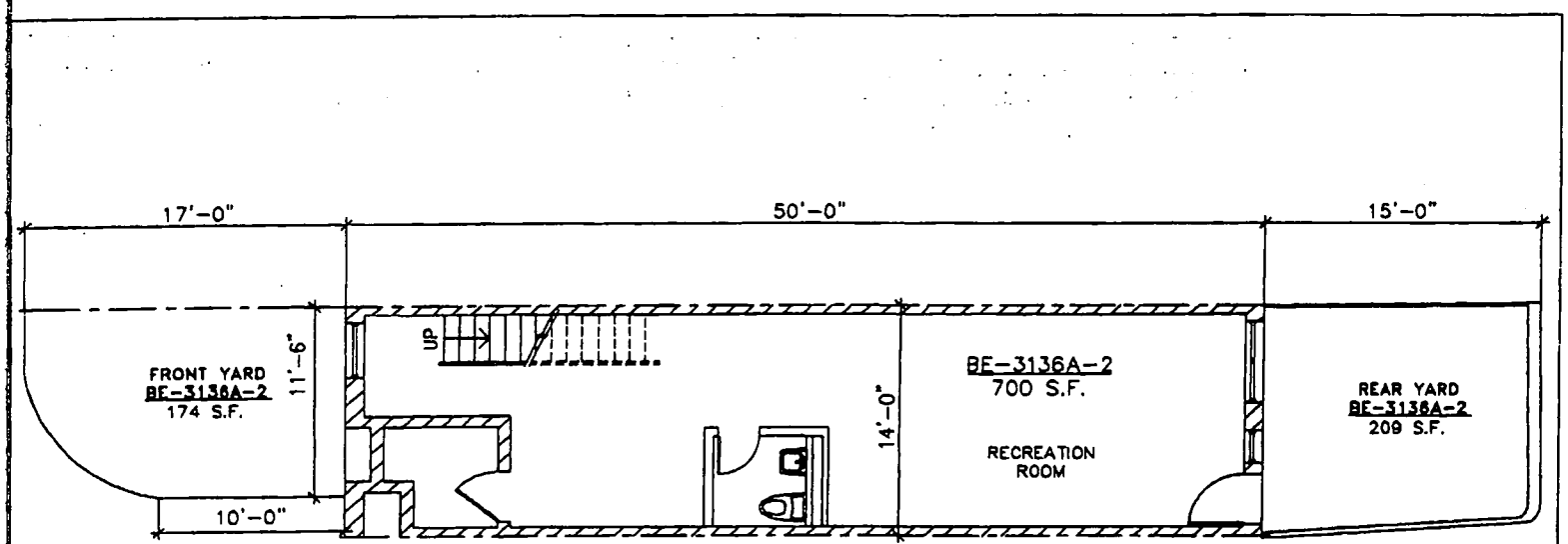
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	19 OF 50



TOTAL BE-3138-4
2142 S.F.

Residential Condominium

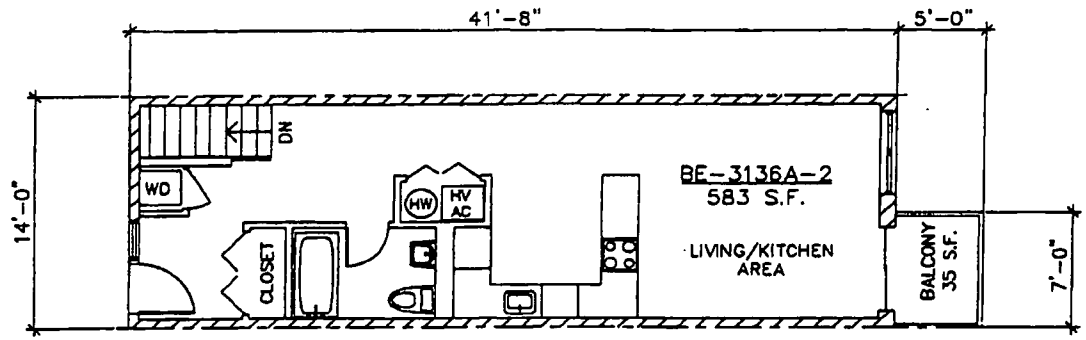
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3138-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	20 OF 50



TOTAL BE-3136A-2
1701 S.F.

Residential Condominium

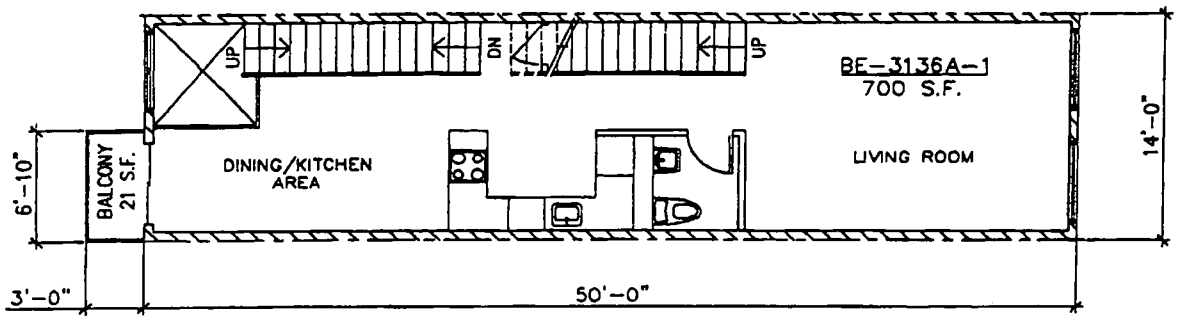
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136A-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	21 OF 50



TOTAL BE-3136A-2
1701 S.F.

Residential Condominium

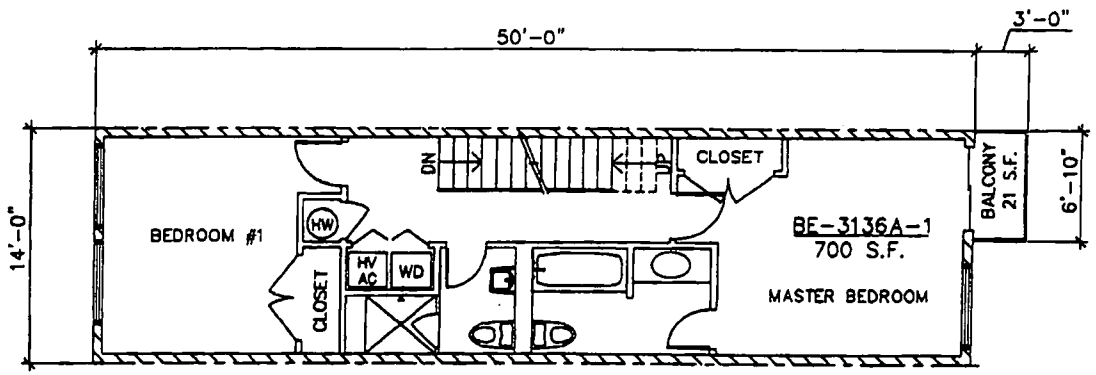
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136A-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	22 OF 50



TOTAL BE-3136A-1
2142 S.F.

Residential Condominium

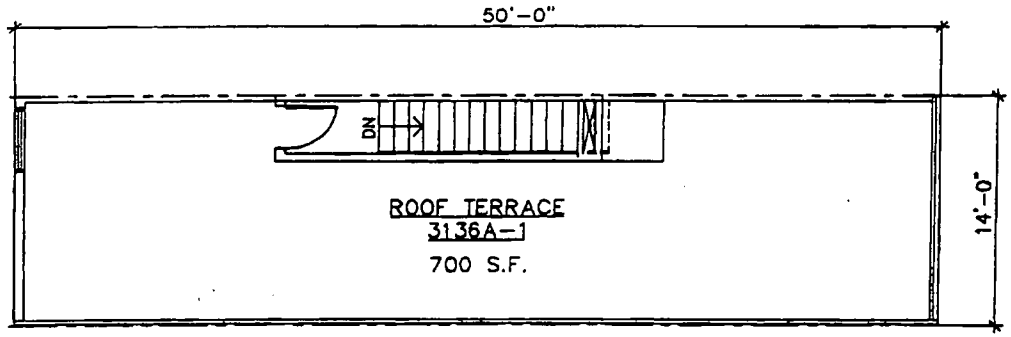
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136A-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	23 OF 50

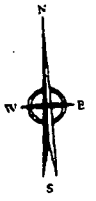


TOTAL BE-3136A-1
2142 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136A-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	24 OF 50

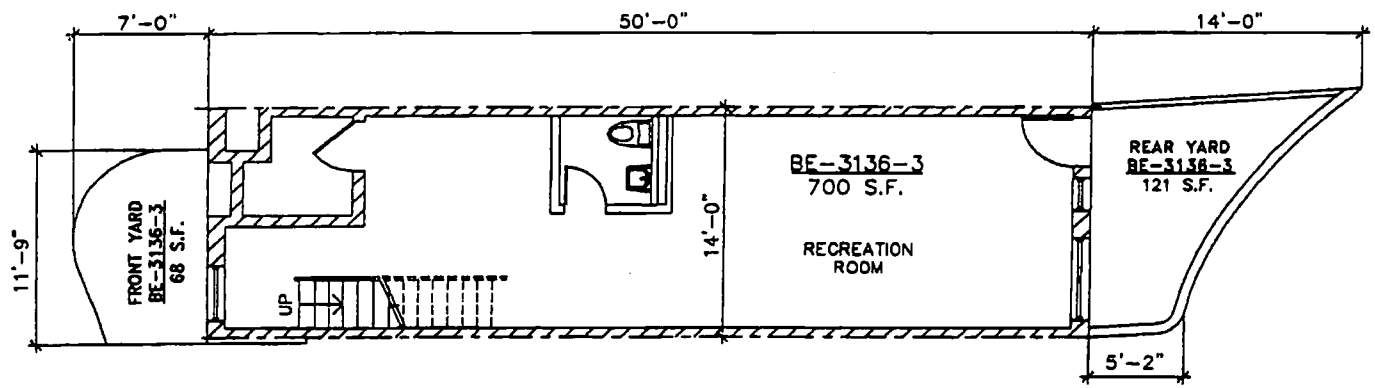




TOTAL BE-3136A-1
2142 S.F.

Residential Condominium

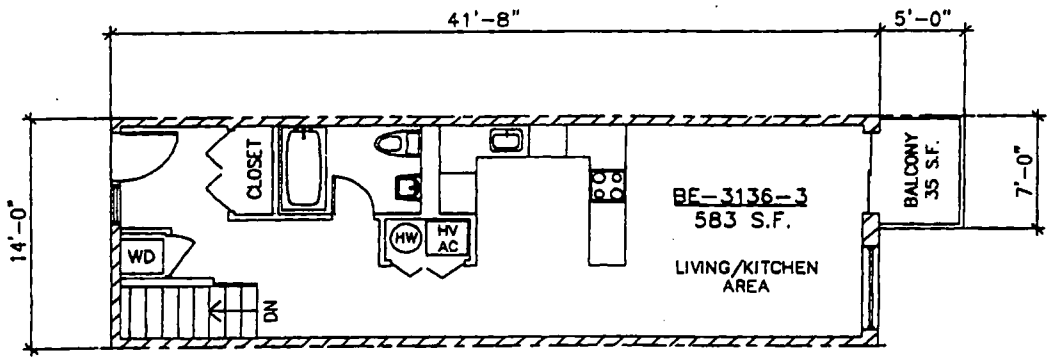
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136A-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	25 OF 50

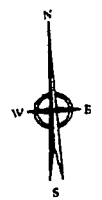


TOTAL BE-3136-3
1507 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136-3 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	26 OF 50

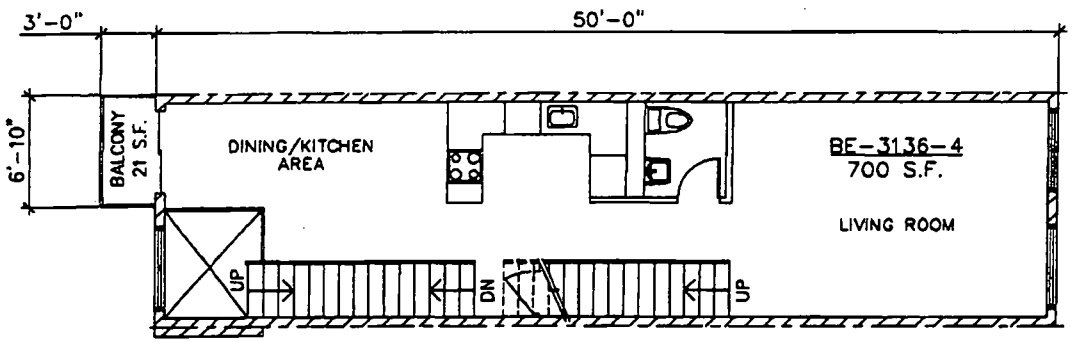


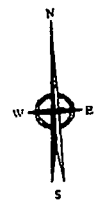


TOTAL BE-3136-3
1507 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	27 OF 50

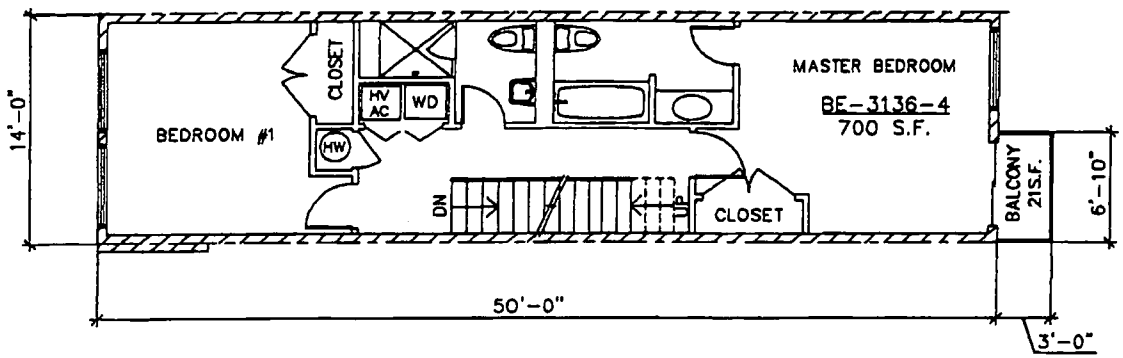




TOTAL BE-3136-4
2142 S.F.

Residential Condominium

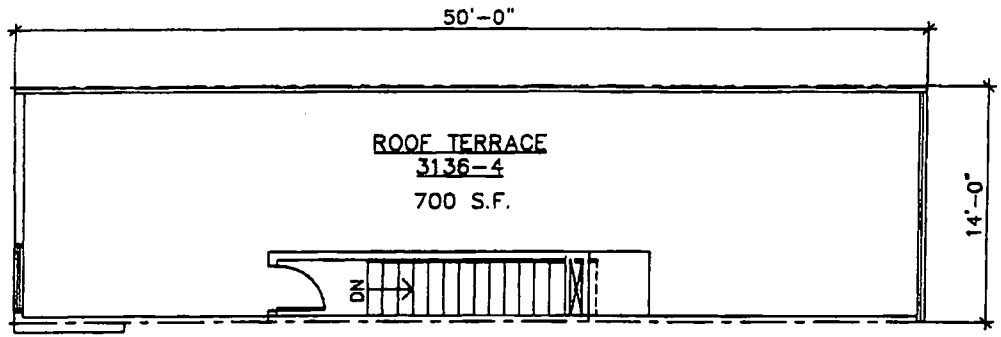
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	28 OF 50



TOTAL BE-3136-4
2142 S.F.

Residential Condominium

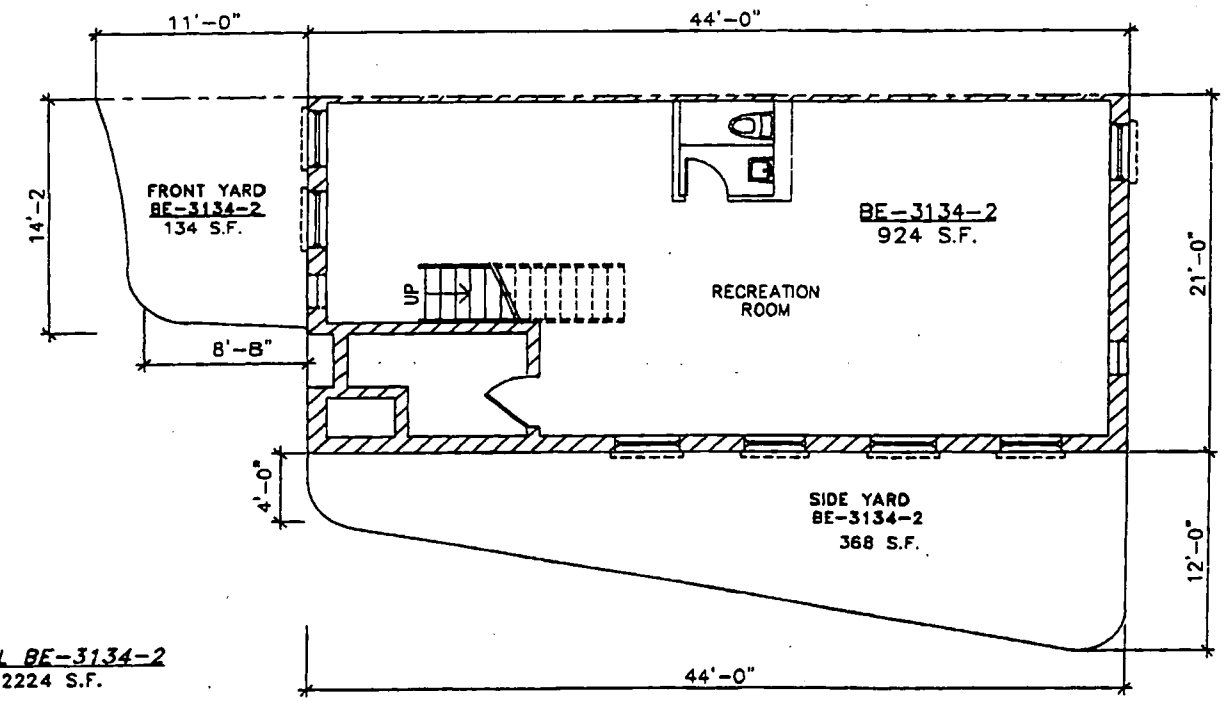
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	29 OF 50



TOTAL BE-3136-4
2142 S.F.

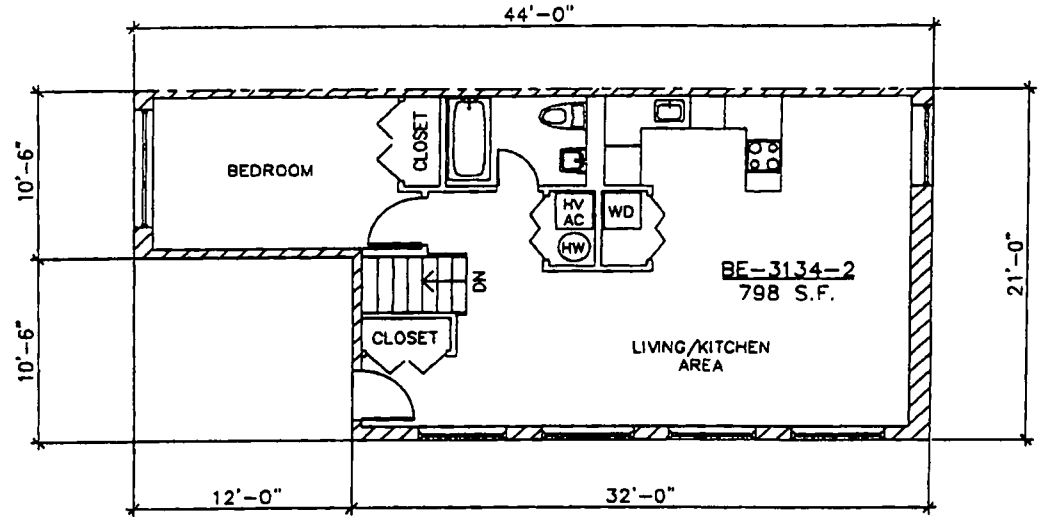
Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3136-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	30 OF 50



Residential Condominium

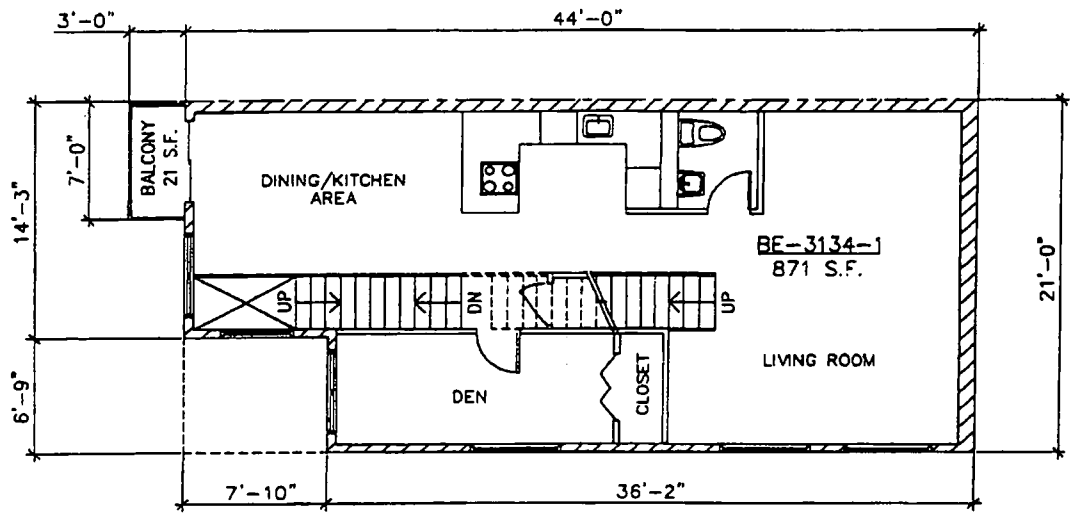
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3134-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	31 OF 50



TOTAL BE-3134-2
2224 S.F.

Residential Condominium

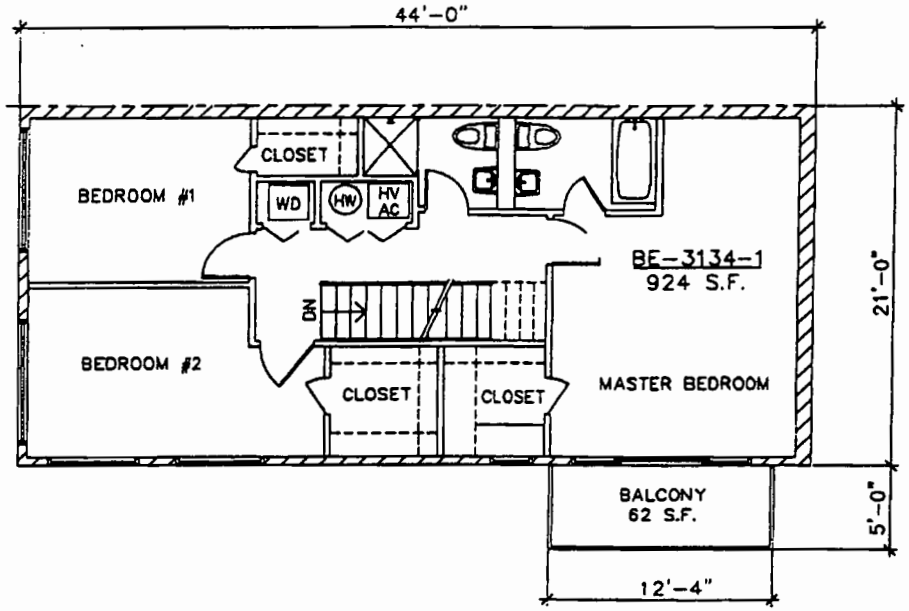
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3134-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	32 OF 50



TOTAL BE-3134-1
2802 S.F.

Residential Condominium

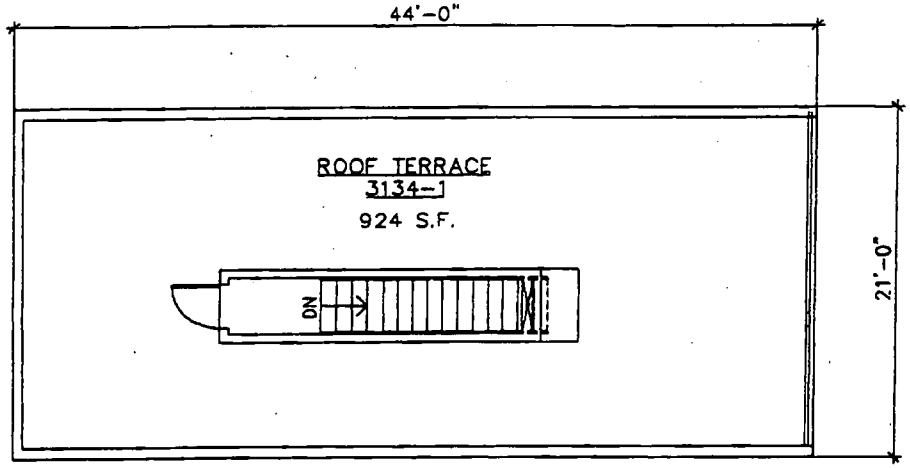
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3134-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	33 OF 50



TOTAL BE-3134-1
2802 S.F.

Residential Condominium

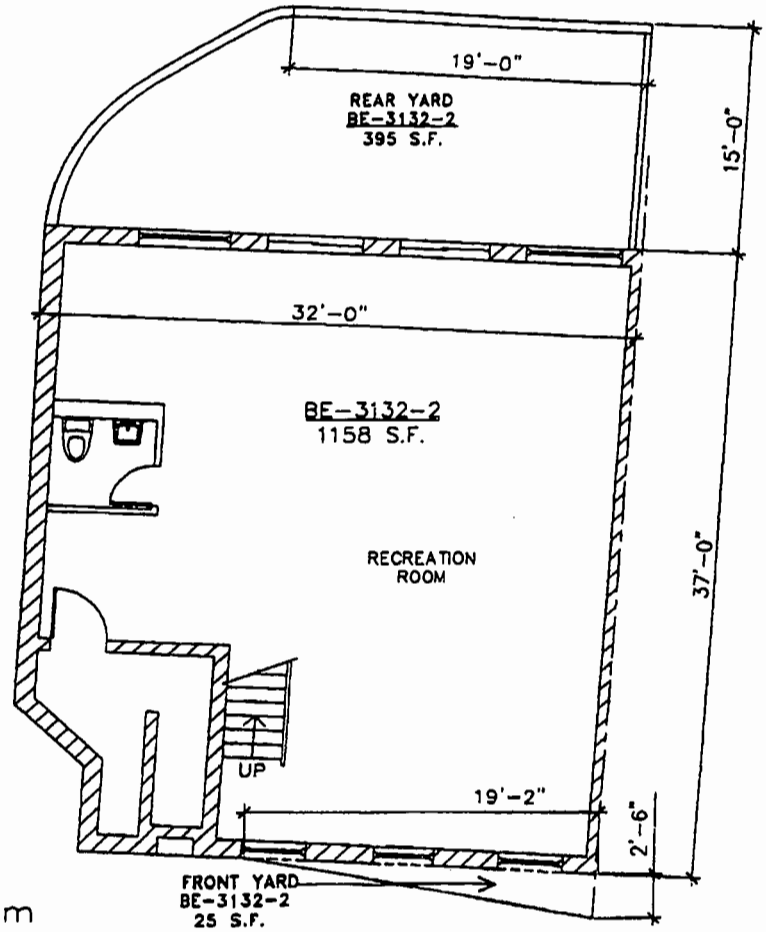
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3134-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	34 OF 50



TOTAL BE-3134-1
2802 S.F.

Residential Condominium

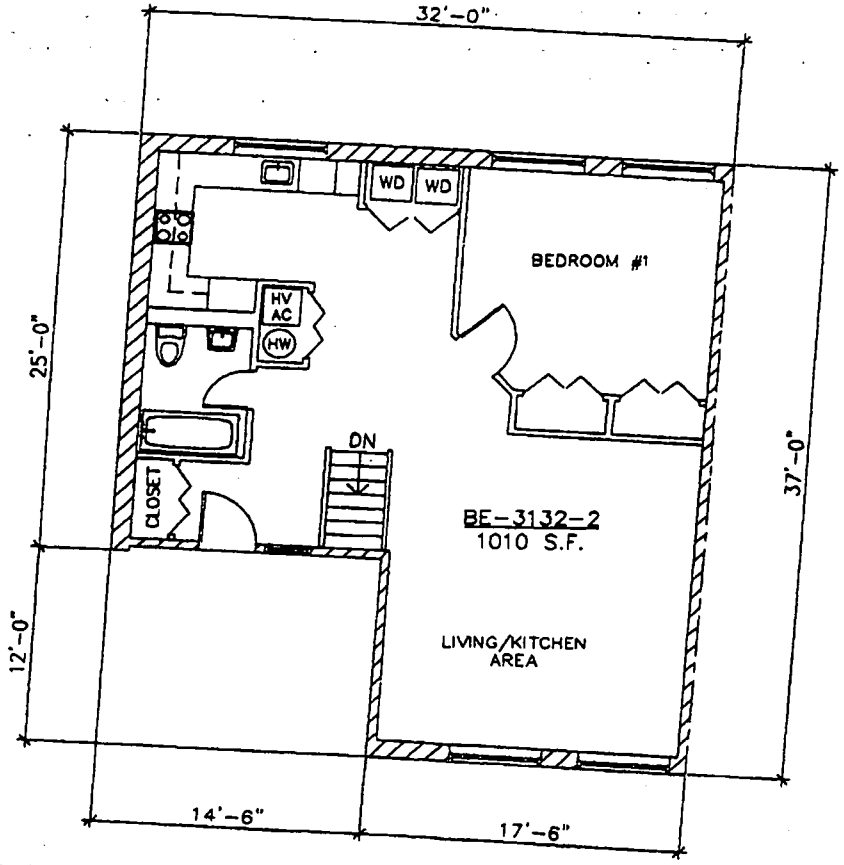
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3134-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	35 OF 50

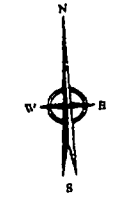


TOTAL BE-3132-2
2588 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3132-2 (CELLAR FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	36 OF 50

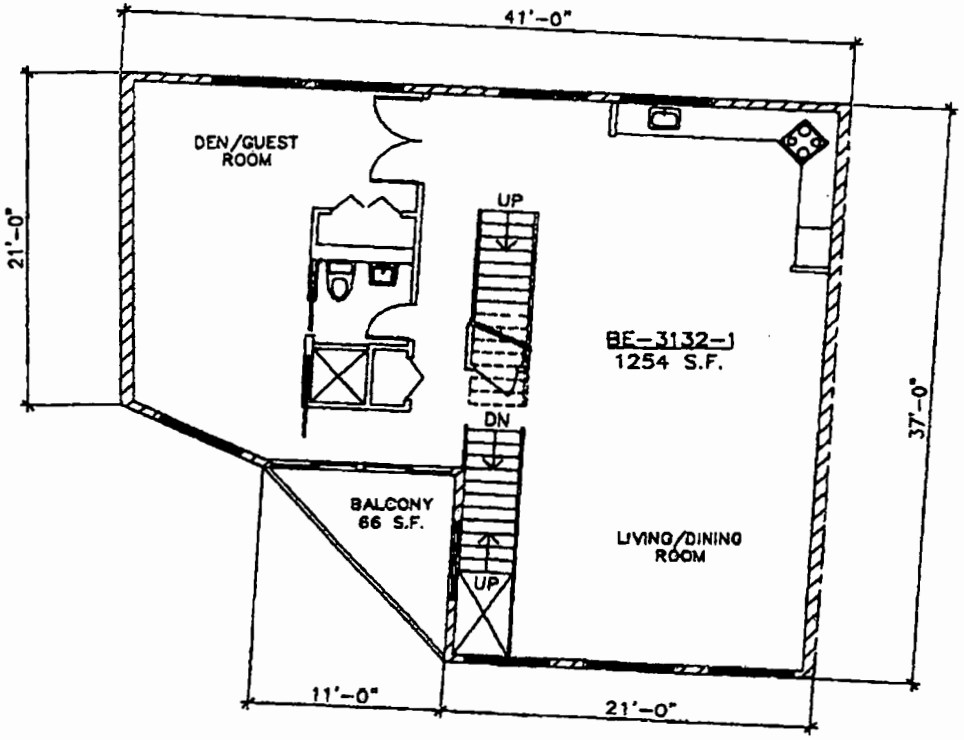




TOTAL BE-3132-2
2588 S.F.

Residential Condominium

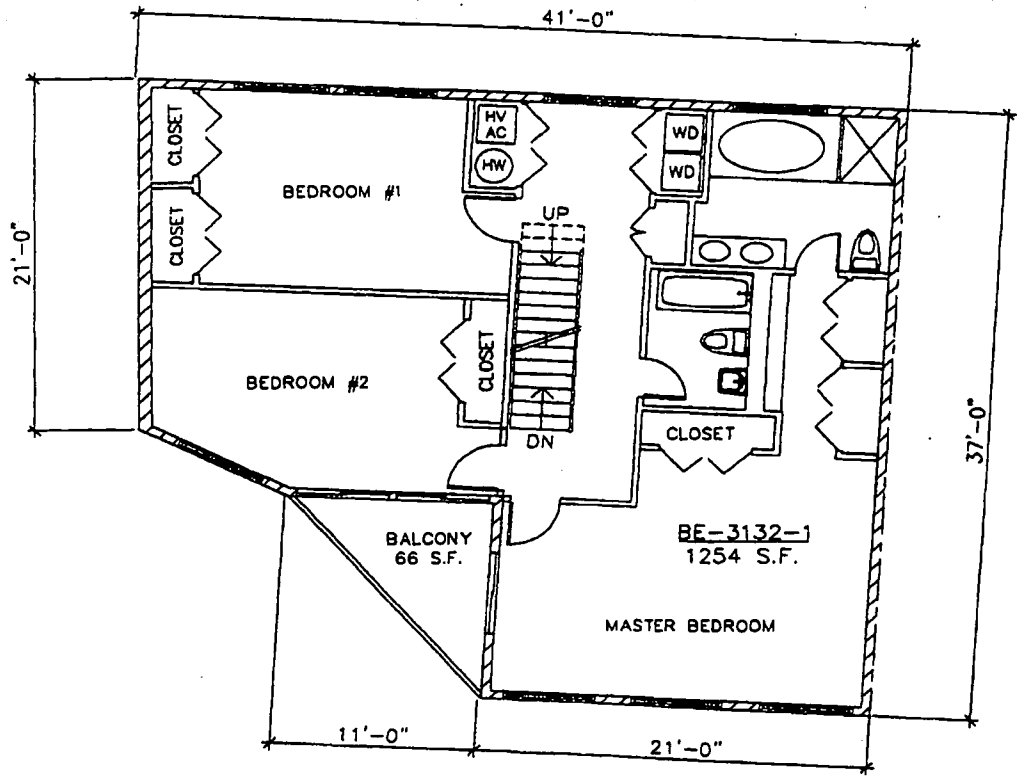
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3132-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	37 OF 50



TOTAL BE-3132-1
3894 S.F.

Residential Condominium

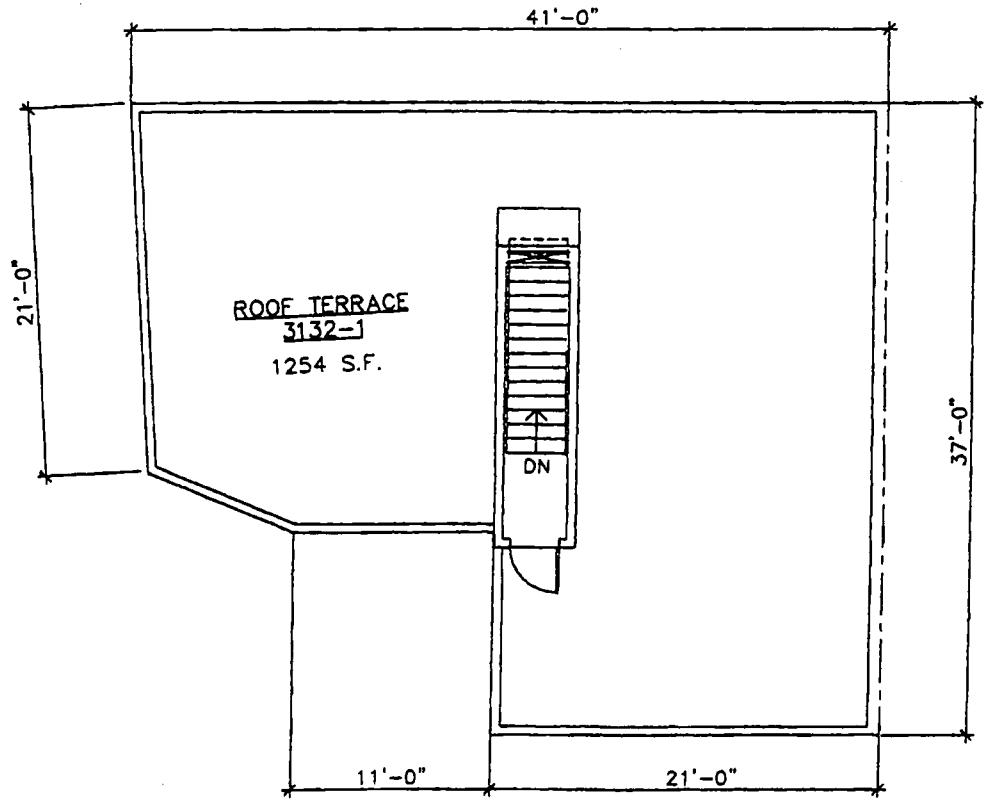
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3132-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	38 OF 50



TOTAL BE-3132-1
3894 S.F.

Residential Condominium

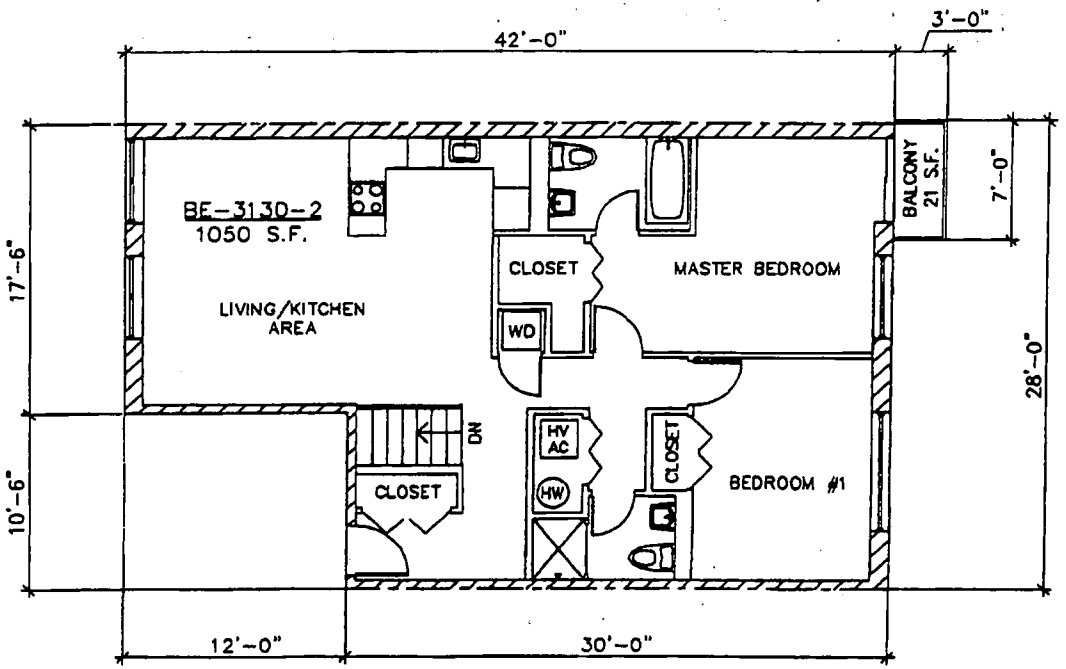
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3132-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	39 OF 50



TOTAL BE-3132-1
3894 S.F.

Residential Condominium

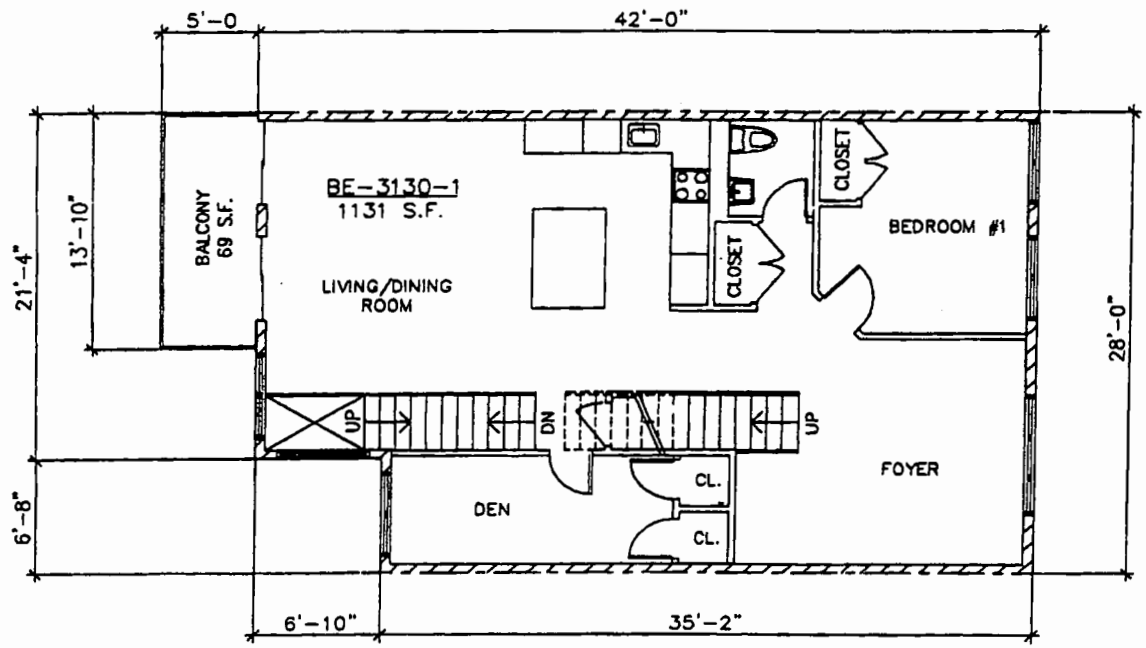
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3132-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	40 OF 50



TOTAL BE-3130-2
3208 S.F.

Residential Condominium

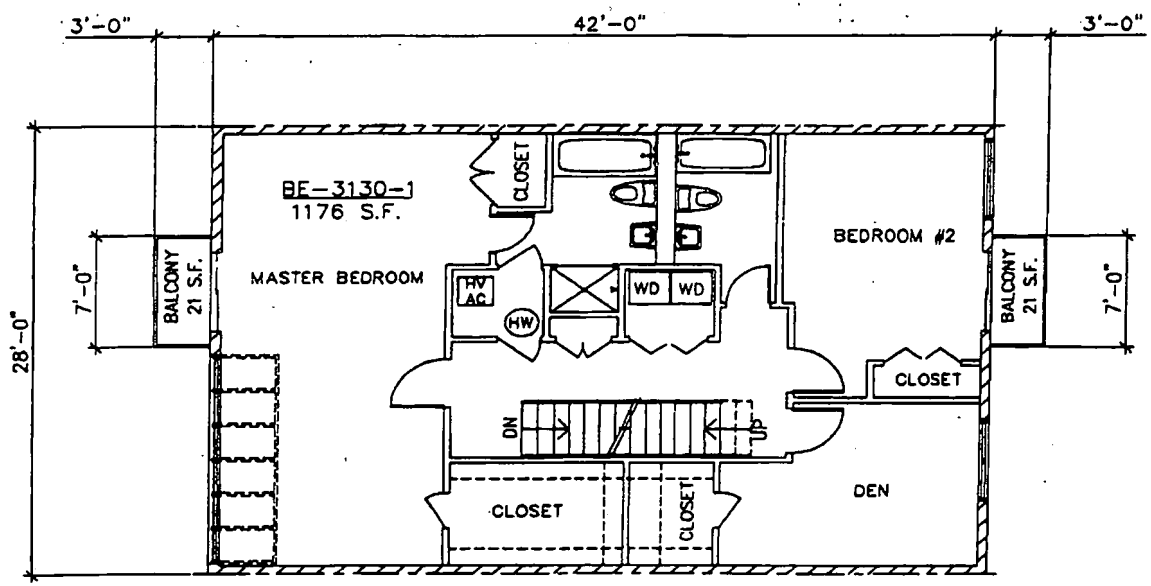
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3130-2 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	42 OF 50



TOTAL BE-3130-1
3594 S.F.

Residential Condominium

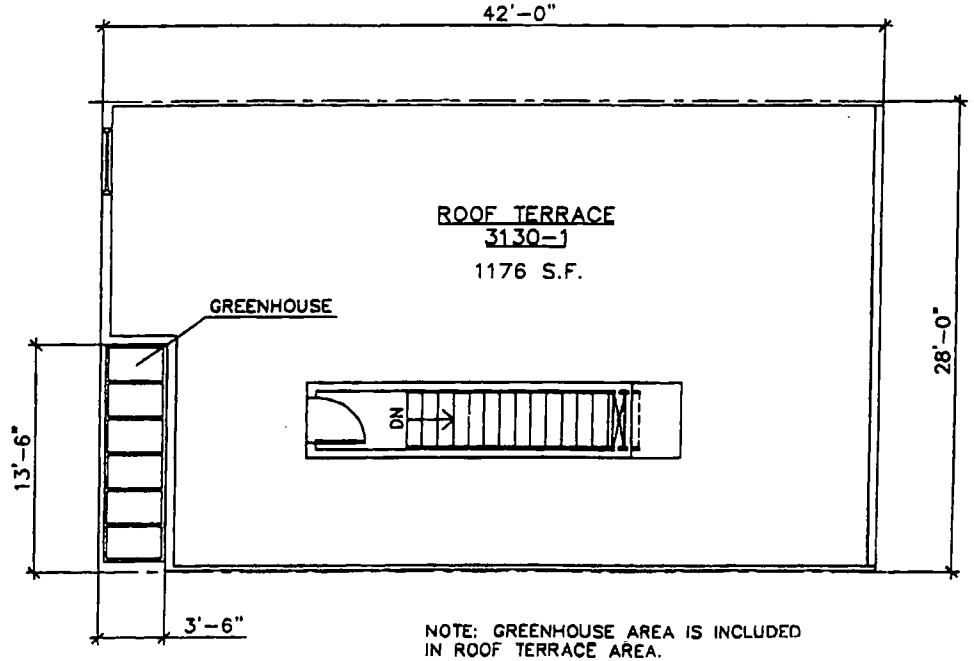
THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3130-1 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	43 OF 50



TOTAL BE-3130-1
3594 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3130-1 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	44 OF 50

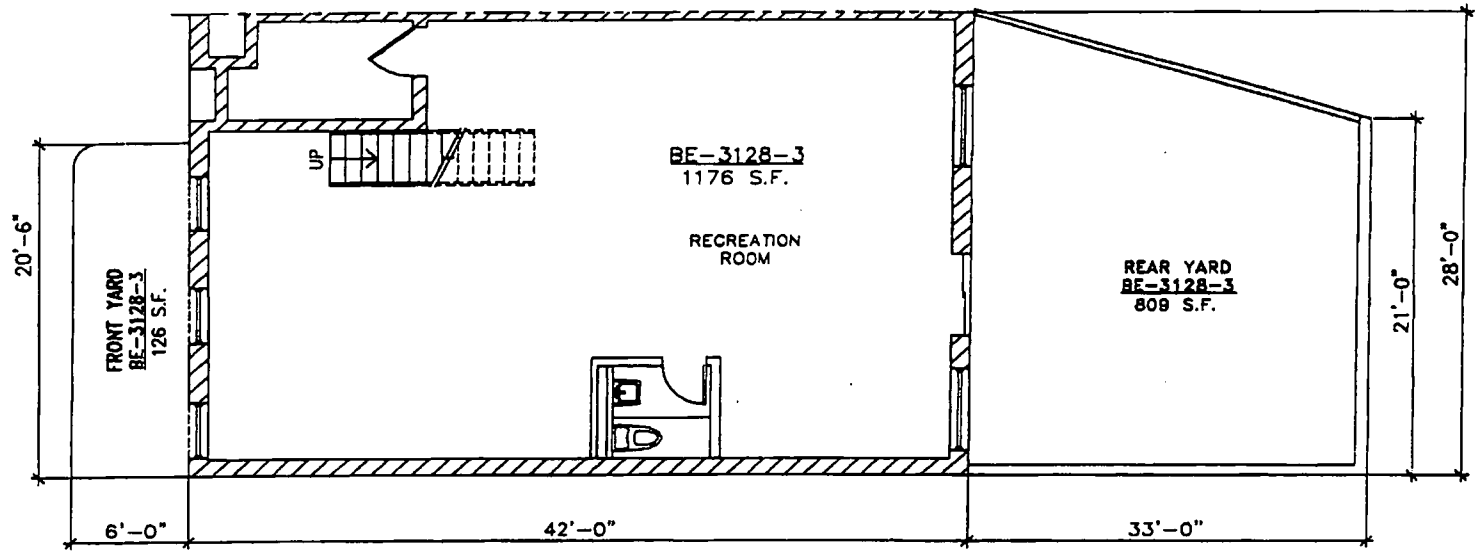


NOTE: GREENHOUSE AREA IS INCLUDED IN ROOF TERRACE AREA.

TOTAL BE-3130-1
3594 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3130-1 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	45 OF 50



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3182 S.F.

Residential Condominium

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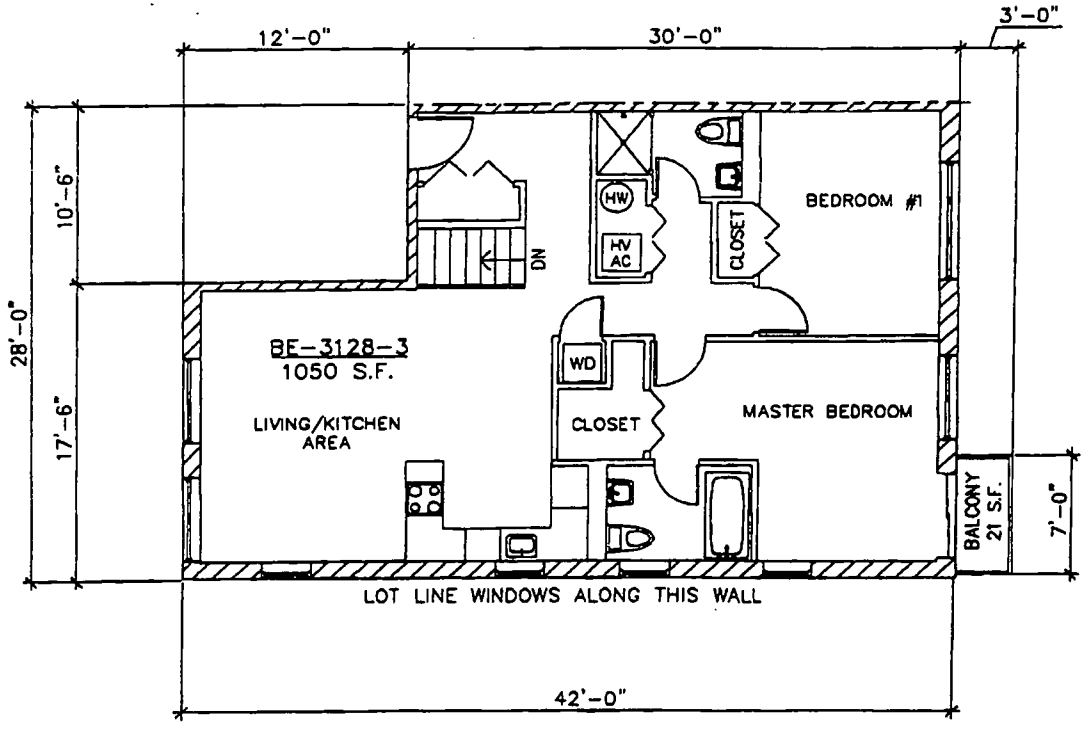
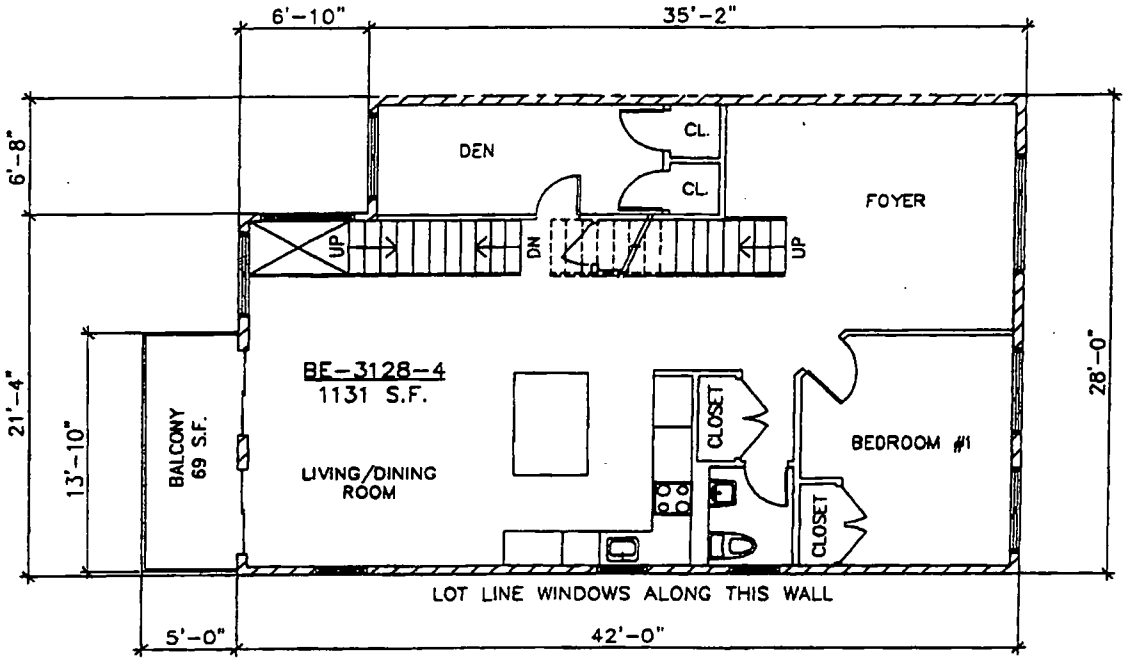


TOTAL BE-3128-3
3182 S.F.

NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3128-3 (1st FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	47 OF 50

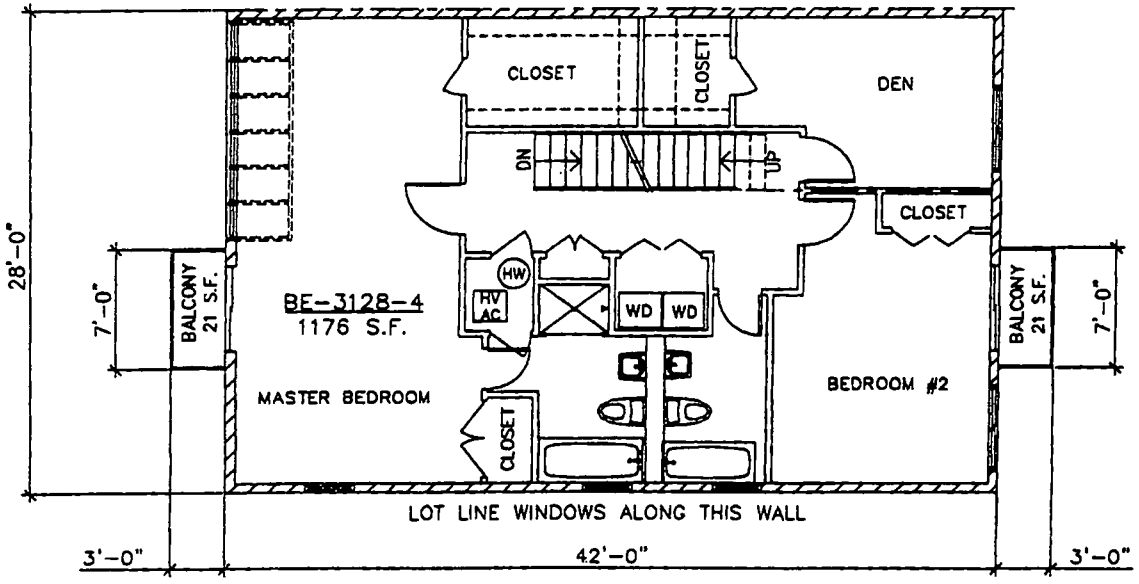


TOTAL BE-3128-4
3594 S.F.

NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3128-4 (2nd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	48 OF 50

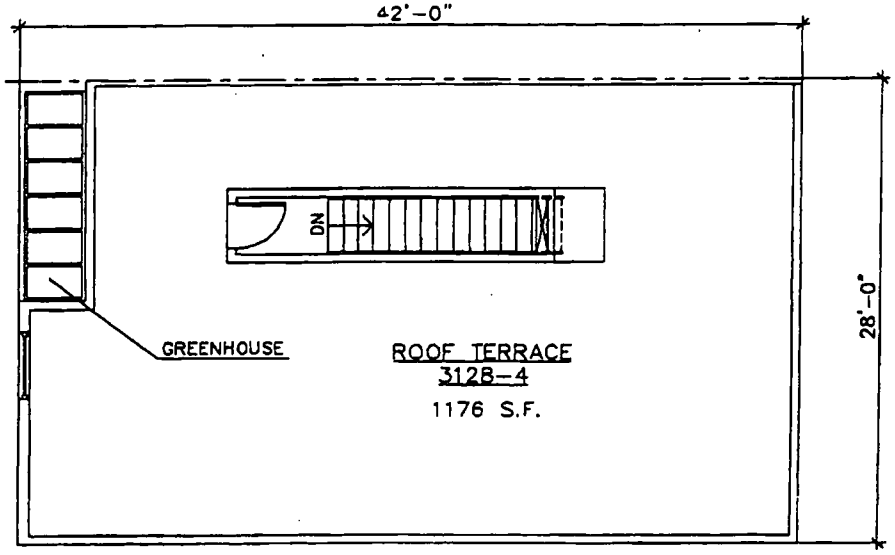


NOTE: REQUIREMENTS FOR LIGHT AND AIR IN ROOMS THAT HAVE LOT LINE WINDOWS ARE SATISFIED BY PROVISION OF OTHER WINDOWS IN SUCH ROOMS.

TOTAL BE--3128-4
3594 S.F.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3128-4 (3rd FLOOR) SCALE: 1/8"=1'-0"	DATE: 8/15/05	49 OF 50



TOTAL BE-3128-4
3594 S.F.

NOTE: GREENHOUSE AREA IS INCLUDED IN ROOF TERRACE AREA.

Residential Condominium

THE BREAKERS EAST EMMONS AVENUE, BROOKLYN, NY	BE-3128-4 (ROOF-TERRACE) SCALE: 1/8"=1'-0"	DATE: 8/15/05	50 OF 50

DECLARATION OF THE BREAKERS AT SHEEPSHEAD BAY CONDOMINIUM ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP OF THE PREMISES KNOWN AS AND BY THE STREET NUMBERS 3112-3144 EMMONS AVENUE BROOKLYN, NEW YORK

Pursuant to Article 9-B
of the Real Property Law of the State of New York

Name: **THE BREAKERS AT SHEEPSHEAD BAY CONDOMINIUM**

Declarant: EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC and EMMONS AVENUE LLC

Date of Declaration: , 2005

The land affected by the within instrument lies in Section 26, Block 8815, Lot 86 (formerly known as lots 86, 97, 98, 99, 100, 509, 510, 513, 514, 515, 516, 518, 519 and 520) on the Tax Map of the County of Kings, Borough of Brooklyn, State of New York.

TROUTMAN SANDERS LLP
Attorneys for Declarant
405 Lexington Avenue
New York, New York 10174
Attention: Daniel J. Slatz, Esq.

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DECLARATION OF THE BREAKERS AT SHEEPSHEAD BAY CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC a Delaware limited liability company having an office at 22 Seventh Avenue, Brooklyn, New York 11217 (herein referred to as the "**Sponsor**") and EMMONS AVENUE LLC, a New York limited liability company having an office at 1328 President Street, Brooklyn, New York 11213 ("**Fee Owner**" and, together with Sponsor, collectively referred to herein as the "**Declarant**") do hereby declare as follows:

1. **SUBMISSION OF THE PROPERTY**.

The Declarant hereby submits the Land (hereinafter defined) and Buildings (hereinafter defined), all other property, real, personal or mixed, intended for use in connection therewith, and all easements, rights, privileges and hereditaments appurtenant thereto, including, without limitation, all Riparian Rights (collectively the "**Property**") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "**Condominium Act**"), and pursuant thereto does hereby establish a condominium to be known as "THE BREAKERS AT SHEEPSHEAD BAY CONDOMINIUM" (sometimes herein referred to as the "**Condominium**"). This instrument is sometimes referred to herein as this "**Declaration**" or the "**Declaration**." As used herein, "**Riparian Rights**" shall mean, collectively, all littoral and riparian rights of Fee Owner as the owner of the premises described on Schedule A and any and all other rights of the Fee Owner pertaining to (i) the body of water which abuts the premises described on Schedule A, (ii) the existing concrete platform between such premises and such body of water and any land beneath such platform and any replacement thereof (the "**Platform**"), and (iii) the land, if any, between the premises described on Schedule A and such body of water.

2. **THE LAND.**

The Property consists in part of all that certain tract, plot, piece and parcel of land situate, lying and being in the City and State of New York, County of Kings more particularly described in Schedule A annexed hereto and made a part hereof, together with all easements, rights, privileges and hereditaments appurtenant thereto, including, without limitation, the Riparian Rights (collectively, the "**Land**"). The Land is owned by the Fee Owner in fee simple.

3. **THE BUILDINGS**

The Property also consists (or shall consist) in part of one multi-family building containing initially approximately 29 apartments (such building, exclusive of the Garage, the Gymnasium and the storage space located in the Garage which are each identified on the Floor Plans as a General Common Element, the "**Multi-Family Building**"), thirteen two-family or two-unit structures adjoined by demising walls (collectively, the "**Breakers West Townhouse Building**") and ten two-family or two-unit structures adjoined by demising walls (collectively, the "**Breakers East Townhouse Building**" and, collectively, with the Breakers West Townhouse Building, the "**Townhouse Buildings**"). The Multi-Family Building is (or shall be)

adjoined to the Breakers East Townhouse Building at the north part of such Townhouse Building. The Multi-Family Building is (or shall be) constructed of concrete piles and grade beams of reinforced concrete on earth for support of the steel columns and walls, with reinforced concrete foundation walls; and with exterior walls composed in part of or constituting cast stone bonded to gypsum board sheathing and/or stucco system on gypsum board sheathing exterior walls. It will be classified as steel frame type with steel columns and beams supporting concrete slab at all floors and roof. The Breakers East Townhouse Building and Breakers West Townhouse Building both are (or shall be) constructed of concrete piles and grade beams of reinforced concrete on earth for support of the bearing walls, with reinforced concrete foundation walls; and with exterior walls composed in part of or constituting cast stone bonded to gypsum board sheathing and/or stucco system on gypsum board sheathing exterior walls. Each is (or shall be) classified as a bearing wall type, with masonry bearing walls serving as demising walls, steel light gauge studs used for exterior walls and wood ceiling joists. The Multi-Family Building, Breakers East Townhouse Building and Breakers West Townhouse Building (the "**Buildings**" and, individually, a "**Building**") each have or will have the following floors, from bottom to top: Cellar and Floors 1 through 3. The cellar of the Multi-Family Building contains or shall contain a garage, which garage is designated on the Floor Plans as a General Common Element (the "**Garage**"). In addition, the Buildings each contain certain Common Elements.

4. THE UNITS

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each unit of the Condominium necessary for the proper identification thereof: unit designation, tax lot number, approximate area, Common Elements (hereinafter defined) to which the unit has immediate access and percentage interest of each unit in the Common Elements (sometimes herein referred to as the "**Common Interest**"). The location of each unit is shown on the floor plans of the Buildings certified by Elena Kalman Architect, and intended to be filed in the Kings County office of the Register of the City of New York contemporaneously with the recording of the Declaration (such floor plans as they may be amended from time to time by Declarant as permitted hereby, herein referred to as the "**Floor Plans**").

As shown on the Floor Plans, the Condominium consists in part of:

(i) forty-six (46) condominium units located in the Townhouse Buildings (hereinafter sometimes collectively referred to as "**Townhouse Units**" and individually referred to as a "**Townhouse Unit**"), such Townhouse Units comprising, in part, portions of the cellars through third floors of the Breakers East Townhouse Building and Breakers West Townhouse Building and such additional space in the Breakers East Townhouse Building and Breakers West Townhouse Building which is part thereof, respectively, as set forth below in this Section 4 or as designated as such on the Floor Plans;

(ii) (A) the area designated on the Floor Plans as the Master Multi-Family Unit, which excludes the Garage, the Gymnasium and the storage space located in the Garage (such Unit, prior to subdivision into more than one Unit, is sometimes referred to herein as the "**Master Multi-Family Unit**") or, (B) if the Multi-Family

Building shall be substantially completed as of the time that this Declaration shall be filed, the twenty-nine (29) condominium units designated on the Floor Plans as Multi-Family Units, each Multi-Family Unit comprising portions of the first through third floors of the Multi-Family Building together with, in each case, such additional space at the Property which is a part thereof as set forth below in this Section 4 or designated as such on the Floor Plans (the Master Multi-Family Unit or such 29 Multi-Family Units (including as arising from subdivision by Declarant of the Master Multi-Family Unit as permitted hereby), as the case may be, including any such additional space, collectively, the "**Multi-Family Units**" and, individually, a "**Multi-Family Unit**");

(iii) Forty-one (41) condominium units designated on the Floor Plans as Parking Space Units and located in the Garage (collectively, the "**Indoor Parking Space Units**") and twenty-five (25) condominium units designated on the Floor Plans as Parking Spaces Units and located outdoors on the Property (collectively, the "**Outdoor Parking Space Units**" and, together with the Indoor Parking Spaces Units, collectively, the "**Parking Space Units**").

(iv) the portion of the Land designated on the Floor Plans as the Marina Unit, together with any Marina (as hereinafter defined) and any and all other improvements and extensions to the Marina Unit or to any other location along the Waterfront Area and extending into the water as permitted to be made by the owner of the Marina Unit under Article 9 or 11 below or pursuant to or in accordance with any of the easements and other special rights and prerogatives granted to the owner of the Marina Unit under the provisions of Article 9 and/or 11 below or other provisions of this Declaration, together with, in each case, all supporting facilities, in each case, whether supported by piles driven into the underwater land adjoining the premises, established as floating structures or otherwise. Such Marina Unit as it may be so improved or extended as provided above, or in Articles 9 and/or 11 or as otherwise permitted in this Declaration is collectively referred herein as the "**Marina Unit**" and upon subdivision of such Unit as permitted under Article 9 hereof, shall be referred to collectively as the "**Marina Units**" and individually as a "**Marina Unit.**" Any Marina Units consisting of boat slips and/or other structures providing a protected water area for mooring or securing boats, ships or other vessels is sometimes referred to herein as "**Boat Slip Units.**" The Marina and all such improvements to the Marina Unit (including, without limitation, a Marina) as described or referred to above or as permitted by Articles 9 or 11 hereof (or as otherwise permitted in this Declaration), shall, when made, be deemed part of the Marina Unit and thereby owned by the owner of the Marina Unit, subject to the subdivision of the Marina Unit into Marina Units and the creation of Marina Limited Common Elements as hereinafter provided.

The Townhouse Units and the Multi-Family Units are sometimes collectively referred to herein as the "**Residential Units**" and, individually, as a "**Residential Unit.**" Of the sixty-six (66) Parking Space Units, eight (8) Parking Space Units, as shown on the Floor Plans, have been designated for handicapped use ("**Handicapped Parking Space Units**"). The Residential Units, the Parking Space Units and the Marina Units are sometimes referred to collectively herein as the "**Units**" and, individually, as a "**Unit.**" The owner of a Unit is sometimes referred to herein

as a "**Unit Owner.**" The owner of a Townhouse Unit is sometimes referred to herein as a "**Townhouse Unit Owner.**" The owner of a Multi-Family Unit is sometimes referred to as a "**Multi-Family Unit Owner.**" The owner of a Residential Unit is sometimes referred to herein as a "**Residential Unit Owner.**" The owner of a Parking Space Unit is sometimes referred to herein as a "**Parking Space Unit Owner.**" The owner(s) of the Marina Unit(s) are sometimes referred to as the "**Marina Unit Owners**" or, individually, as a "**Marina Unit Owner.**"

A Multi-Family Unit shall include, in addition to the apartment area designated on the Floor Plans for such Unit, (i) the balconies, if any, serving the Unit (each, a "Multi-Family Private Balcony"), (ii) any synthetic paver and/or other replacement surface material, suitable for use as a private roof terrace, from time to time located over the roof of the Garage, the Gymnasium and/or the storage space located in the Garage at the Multi-Family Building, serving certain Units on the first floor of the Multi-Family Building and identified on the Floor Plans as part of the Unit (a "Multi-Family Private Lower Terrace") and (iii) the synthetic paver and/or other replacement surface material, suitable for use as a private roof terrace, from time to time located over a portion of the roof(s) above the third floor, as applicable, serving the Unit, as identified on the Floor Plans as part of the Unit (each a "Multi-Family Private Roof Terrace" and collectively, the "Multi-Family Private Roof Terraces") and (iv) the stairway ("Multi-Family Roof Terrace Access Stairway"), if any, leading from the apartment portion of the Multi-Family Unit to a Multi-Family Private Roof Terrace that is part of the Unit.

A Townhouse Unit shall include, in addition to the apartment area designated on the Floor Plans for such Unit, (i) for upper Townhouse Units the internal stairway and vestibule area leading to the apartment portion of such Townhouse Units, (ii) the balconies, if any, serving the Unit (each, a "Townhouse Balcony"), (iii) the porch, if any, serving such Unit (each a "Townhouse Porch"), (iv) the rear yard if any, serving such Unit (lower Townhouse Units only to the extent applicable) as identified as part of such Unit on the Floor Plans (each a "Townhouse Rear Yard"), (v) the front yard or landscaped area, if any, serving such Unit (lower Townhouse Units only to the extent applicable) and identified as part of such Unit on the Floor Plans (a "Townhouse Front Yard"), (vi) the side yard if any, serving such Unit (lower Townhouse Units only to the extent applicable) as identified as part of such Unit on the Floor Plans (each a "Townhouse Side Yard"), (vii) the synthetic paver and/or other surface material, suitable for use as a private roof terrace, from time to time located over a portion of the roof(s) above the third floor, as applicable, serving the Unit, as identified on the Floor Plans as part of the Unit (each a "Townhouse Roof Terrace"), and (viii) the stairway ("Townhouse Roof Terrace Access Stairway"), if any, leading from the apartment portion of the Townhouse Unit to a Townhouse Roof Terrace that is part of the Unit. Townhouse Front Yards, Townhouse Side Yards and Townhouse Rear Yards are sometimes collectively referred to herein as "**Townhouse Yards**" and, individually as a "**Townhouse Yard.**"

The apartment portion of each Residential Unit is measured as follows: (a) horizontally from the exterior side of the façade or exterior Building walls or exterior side of doors or glass windows at the Building line and/or Property line enclosing the Residential Unit, or from the midpoint of the interior walls and partitions separating the Residential Unit from another Residential Unit, or from the exterior side (public or mechanical space side) of the interior walls separating the Residential Unit from the public corridors, public stairs, elevators, other mechanical equipment space or any other Common Elements and (b) vertically from the area

enclosed by the unexposed surface of the gypsum wallboard, plaster, concrete slab or other material forming the ceiling of the highest story level of the Unit to the upper surface of the subfloor of the lowest story level of the Residential Unit. With respect to the doors within the Residential Unit which open either onto Common Elements or the exterior of the applicable Building, the Residential Unit shall be defined by the exposed face of the Common Element side of such door. The portion of a Unit that is a Townhouse Roof Terrace or Multi-Family Private Roof Terrace (if applicable), is measured to the outside of the parapet wall and, in the case of a Multi-Family Private Roof Terrace, is measured to the outside of the parapet wall and to the mid-line of any fence, wall, partition or other demarcating structure separating one Multi-Family Private Roof Terrace from another and, in the case of any Roof Terrace (x) includes the dimensions of any Townhouse Roof Terrace Access Stairway or Multi-Family Private Roof Terrace Access Stairway, as the case may be, at the level of such Townhouse Roof Terrace or Multi-Family Private Roof Terrace, as the case may be, and (y) in the case of a Townhouse Roof Terrace, includes the lateral dimensions of any greenhouse or skylight structure protruding above the roof within the Townhouse Roof Terrace. The portion of a Unit that is a Multi-Family Private Lower Terrace is measured from the outside face of the wall on the apartment side of the Multi-Family Private Lower Terrace to the outside edge of the railing, fence, retaining wall or other boundary line of such Multi-Family Private Lower Terrace and, if such Multi-Family Private Lower Terrace borders another terrace, then to the mid-line of the fence, wall, partition or other demarcating structure separating the two terraces. The portion of a Unit that is a Townhouse Balcony or Multi-Family Private Balcony (if applicable), as the case may be, is measured from the outside face of the wall on the apartment side of the Townhouse Balcony or Multi-Family Private Balcony, as the case may be, to the outside edge of the concrete floor slab of the applicable Balcony; and, if a Townhouse Balcony or Multi-Family Private Balcony borders on any side another Unit's balcony, then to the mid-line of the fence, wall, partition or other demarcating structure separating the Townhouse Balcony or Multi-Family Private Balcony, as the case may be, from such other Unit's balcony; and, if a Townhouse Balcony or Multi-Family Private Balcony borders, on any side, a portion of the building in which it is located, then to the outside face of the wall of such building on such side. The portion of a Unit that is a Townhouse Porch (if applicable) is measured from the outside face of the wall or sliding glass door on the apartment side of the Townhouse Porch to the outside edge of the concrete floor slab of the Porch and includes the dimensions of any stairway in the Unit accessing such Townhouse Porch. Each Parking Space Unit will consist of the area measured horizontally from the mid-point of the lines designating one Parking Space Unit from another, as depicted on the Floor Plans.

Any Common Elements located within any Residential Unit shall not be considered as part of that Residential Unit.

Each Residential Unit includes, and each Residential Unit Owner will be responsible for, the doors opening from the Unit, flooring, windows, greenhouses (if any), wallcoverings, cabinets including, without limitation, kitchen and bathroom cabinetry, countertops, interior walls, partitions installed by the Unit Owner, smoke detectors, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating, ventilating and air conditioning ("**HVAC**") units and equipment, ranges and other appliances, as may be affixed, attached or appurtenant to such Residential Unit and serving such Residential Unit exclusively.

Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut off valves attached to fixtures, appliances and equipment and the fixtures, appliance and equipment to which they are attached and any special pipes or equipment which a Residential Unit Owner may install within a wall or ceiling or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, that is not installed by such Residential Unit Owner. Each Residential Unit shall also include (i) all lighting and electrical fixtures and appliances within the Unit and (ii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit.

As used in this Declaration, the word "Facility" or "Facilities" includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

Each of the Units is subject to such encroachments as are described in Section 10 of this Declaration.

5. THE COMMON ELEMENTS

(a) The common elements of the Condominium (the "**Common Elements**") consist of all parts of the Property other than the Units. The Common Elements include the General Common Elements and the Limited Common Elements (as hereinafter defined). The General Common Elements constitute all of the Common Elements other than the Limited Common Elements and include, but are not limited to, the Land and all parts of the Property, Buildings and improvements thereon for the common use of all Units and all Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The "**Limited Common Elements**" of the Condominium consist of those Common Elements that serve or benefit exclusively one or more but not all of the Units and include (a) those Common Elements that serve or benefit exclusively the Multi-Family Units as distinguished from the Townhouse Units and the Parking Space Units, including, without limitation, those areas or elements designated as Multi-Family Limited Common Elements on the Floor Plans (collectively, "**Multi-Family Limited Common Elements**"), (b) those Limited Common Elements which serve one or more but not all of the Townhouse Units including, without limitation (x) the walkway from the sidewalk and pavement, each if present, the stoop, adjoining porch area, and, if present, additional outdoor stairs leading from such porch area to an apartment on the second floor or

cellar level and adjoining landing (but in each case excluding the porch and stairs which is designated on the Condominium Floor Plans as a part of a Townhouse Unit) servicing one or two sets of vertically stacked Townhouse Units ("**Stacked Townhouse Units**"), as the case may be, (y) the fences separating Townhouse Rear Yards and (z) such other areas or elements as may be designated Townhouse Common Elements on the Floor Plans (collectively, "**Townhouse Limited Common Elements**") and (c) those Common Elements that serve or benefit exclusively one or more Marina Units including, without limitation, as created upon a subdivision of the Marina Unit ("**Marina Limited Common Elements.**"). The General Common Elements are for the common use of all Unit Owners. The Multi-Family Limited Common Elements are restricted to use by Multi-Family Unit Owners and their tenants, guests and invitees only. The Townhouse Limited Common Elements are restricted to use by the owners of the Townhouse Units served thereby and their tenants, guests and invitees only. The Marina Limited Common Elements are restricted to use by the Marina Unit Owners (and their guests and invitees).

(b) The General Common Elements include (even if within the dimensions of a Unit) the following:

(i) The Land;

(ii) Any foundations, columns, girders, beams, footings, supports, wood joists, concrete floor slabs, concrete ceilings, exterior walls and interior load-bearing walls;

(iii) All walls and partitions separating Units from the General Common Elements;

(iv) To the extent not located within or specifically made a part of a Unit or a Limited Common Element (including without limitation, a Multi-Family Limited Common Element), stairs, electric room, mechanical room, shafts, stairways, trash chutes and trash chute room, pump room if any, electric switch gear room if any, compactor and service rooms, work rooms if any, storage rooms, if any, the lobby, hallways and corridors within the General Common Elements and entrances to and exits from the General Common Elements;

(v) With the exception of the Multi-Family Limited Common Elements, the central and appurtenant installations and equipment for services such as power, light, telephone, gas, heat, hot and cold water, sewer and fire safety systems, including all pipes, ducts, wires, cables and conduits used in connection therewith and all maintenance and compactor rooms, the elevators including the elevator shafts, pits and machine rooms, meter and common equipment spaces in connection therewith (except for appliances and equipment located in and serving only a Unit which shall constitute a part of such Unit);

(vi) Maintenance and common equipment spaces and common tanks, pumps, motors, fans and controls or other such equipment;

(vii) the Garage (exclusive of the Indoor Parking Space Units, and of the elevator and elevator shaft of the Multi-Family Building, which are Multi-Family Limited Common Elements) and the gymnasium ("**Gymnasium**") located therein;

(viii) All Units which may hereafter be acquired and held by the Condominium Board of Managers on behalf of all Unit Owners, but only while so held;

(ix) To the extent not specifically made part of a Unit or a Limited Common Element by the terms of this Declaration, all other parts of the Property, including all apparatus and installations existing on the Land for common use or which are necessary or convenient to the existence, maintenance or safety of the Property; and

(x) The roofs of the Buildings (including, without limitation, on the Townhouse Buildings and the Multi-Family Building).

(xi) all other areas of the Property which are identified as General Common Elements on the Floor Plans.

(c) The Multi-Family Limited Common Elements consist of the following:

(i) each of the following which are part of the Multi-Family Building: stairs, electric room, mechanical room, shafts, stairways, trash chutes and trash chute room, pump room if any, electric switch gear room if any, compactor and service rooms, work rooms if any, storage rooms, if any, lobbies, hallways and corridors;

(ii) each of the following which are part of the Multi-Family Building: the central and appurtenant installations and equipment for services such as power, light, telephone, gas, heat, hot and cold water, sewer and fire safety systems, including all pipes, ducts, wires, cables and conduits used in connection therewith and all maintenance and compactor rooms, the elevators including the elevator shafts, pits and machine rooms, meter and common equipment spaces in connection therewith, electric meters, gas meters, electric panels, electric closets and mechanical closets, and electric and gas feeders and risers and other electric and gas facilities except, in each case, those of the foregoing serving only a particular Multi-Family Unit, including without limitation, appliances and equipment located in and serving only a particular Multi-Family Unit;

(iii) Maintenance and common equipment spaces and common tanks, pumps, motors, fans and controls or other such equipment serving the Multi-Family Building exclusively but excluding those serving only a single Multi-Family Unit;

(iv) any and all other areas of the Multi-Family Building (or the Property) which are identified as Multi-Family Limited Common Elements on the Floor Plans.

(d) The costs of repairing, maintaining, replacing, improving, or altering the Multi-Family Limited Common Elements shall be borne solely by the Multi-Family Unit Owners in accordance with their respective Percentage of Multi-Family Common Interest. "Percentage of Multi-Family Common Interest" means, as applied to each Multi-Family Unit, as the case may be, the Common Interest attributable to such Multi-Family Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Multi-Family Units.

(e) The costs of repairing, maintaining, improving, replacing or altering particular Townhouse Limited Common Elements shall be borne solely by the owners of those Townhouse

Units which are served by such Townhouse Limited Common Elements in proportion to the respective Common Interests of their Townhouse Units.

(f) Notwithstanding anything to the contrary contained herein or any contrary denotation on the Floor Plans, Common Elements referred to herein as General Common Elements but which are contained within, located under or constituting part of a Townhouse Building or the Multi-Family Building, including, without limitation, the roofs of the Buildings, the external walls and foundations thereof and the Garage and the Gymnasium located therein (but excluding any gas, water or other pipes, conduits, wiring or ductwork serving the Marina Unit(s)) shall, as between the Marina Unit Owner(s) and other Unit Owners only, for allocation of costs only, be deemed to be Limited Common Elements benefiting and serving all Unit Owners other than the Marina Unit Owner(s). Accordingly, the Marina Unit Owner(s) shall not bear any of the costs of repairing, maintaining, improving, replacing or altering such Common Elements and such costs shall be borne by the Unit Owners other than the Marina Unit Owners, to be allocated among them in proportion to the respective Common Interests of their respective Units.

6. DETERMINATION OF COMMON INTEREST IN THE COMMON ELEMENTS.

The Common Interest of each Unit in the Common Elements is set forth in Schedule B and has been determined by the Declarant in accordance with Real Property Law Section 339-i, subdivision 1., subparagraph (iv), based upon floor space, subject to the location of such space and additional factors of relative value of such space 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 Unit. The aggregate Common Interests of all Units totals 100%.

7. USE OF BUILDINGS AND UNITS.

The Multi-Family Building will be used as a Class A multiple dwelling. The Townhouse Buildings will be used as attached two-family buildings.

The Residential Units may be used solely for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law.

No Unit may be used or maintained in a manner that violates the "visual corridor" restrictions required by Section 62-42 of Article VI of the Zoning Resolution ("Visual Corridor Restrictions"). Without limiting the forgoing, no Residential Unit Owner shall plant or maintain plants or trees on any yard included as part of his Unit in locations prohibited by or inconsistent with the Visual Corridor Restriction or in excess of any applicable height restrictions which are part of the Visual Corridor Restrictions.

Each Parking Space Unit may be used solely for parking one passenger motor vehicle. Parking Space Units may only be sold to Unit Owners and may only be used by Unit Owners and their guests and invitees. The foregoing provision shall be inapplicable to Parking Space Units owned by Declarant, Sponsor or any Unsold Parking Space Unit Owner (as defined in the By-

laws). Handicapped Parking Space Units may only be used in accordance with applicable law governing the use of parking spaces by handicapped persons. Handicapped persons who reside in the Condominium shall have preference over handicapped persons who reside elsewhere for use of Handicapped Parking Space Units.

The Marina Units may be used as a Marina, for such other purposes as are set forth in Article 9 and for any other use permitted by the Zoning Resolution of the City of New York or other applicable law from time to time.

The Declarant, Sponsor, Unsold Unit Owners and the Marina Unit Owner shall have the right to maintain a general office or sales office in any Unit(s) owned by any of them or any affiliate or designee of any of them and to use any Unit(s) owned by any of them (or any affiliate or designee of them) as model(s) and for other promotional purposes in connection with the sale or lease of Units in the Condominium.

8. PERSON TO RECEIVE SERVICE.

The Secretary of State of the State of New York is designated as agent of the Condominium Board of Managers of the Condominium (the "**Condominium Board,**" "**Board of Managers**" or the "**Board**") upon whom process against it may be served at the Office of the New York State Department of State in the manner provided by applicable law. The Condominium Board of Managers shall file with the Secretary of State the name and post office address of the Condominium for purposes of receiving copies of any process served against the Condominium Board.

9. RIGHT TO ALTER, COMBINE, SUBDIVIDE OR REALIGN UNITS.

Notwithstanding any other provision of the Declaration or Condominium By-Laws (hereinafter defined) to the contrary, Declarant, its designees, Unsold Unit Owners and the Marina Unit Owners (to the extent that the Marina Board or Marina Majority in Interest shall not have the right hereunder to prohibit same as pertaining to Marina Units only) shall have the right, without the consent of any of the other Unit Owners, the Condominium Board or the mortgagee of any Unit, from time to time, to (a) decorate or make alterations (including demolition), replacements, additions or improvements whether structural or nonstructural, interior or exterior, ordinary or extraordinary, to or upon its Units, the Limited Common Elements serving such Units or any part thereof and the utilities servicing its Units or such Limited Common Elements whether located in any Unit or the Common Elements; (b) change its Units or any part thereof by changing the layout, number of rooms, or size or number of such Units, (c) subdivide one or more of its Units into any desired number of condominium units and create and designate Limited Common Elements for the exclusive use of the newly created condominium units, including, without limitation, subdivide the Master Multi-Family Unit into the various Multi-Family Units as contemplated above or in the Plan and/or subdivide the Marina Unit into one or more Marina Units, including without limitation, into Boat Slip Units; (d) convert space or constituents of its Units into a newly designated Limited Common Element and/or convert and designate a Limited Common Element serving one or more of its Units as a part of the newly created Units (including, without limitation, Multi-Family Limited Common Elements and

Marina Limited Common Elements); (e) combine Units with the consent only of the owners of such Units to be combined; (f) reapportion among any newly created condominium unit resulting from any subdivision (or combination) as provided above the Common Interest appurtenant to the Units; (g) dedicate any or all utility, sewer, and drainage easements in any portion of the Property to any governmental body, public benefit corporation or utility company if Declarant, Sponsor or any designee of Declarant or of Sponsor, shall deem it necessary or desirable for the proper operation and maintenance of its Units and (h) amend the certificate(s) of occupancy of a Building or obtain a new certificate of occupancy therefor in connection with the exercise of any of its rights under this Section 9, including, without limitation, to reflect the combining or subdividing of Units.

In addition, the Marina Unit Owner(s) shall have the exclusive right and an easement, but without any obligation to exercise such right or easement, to construct and develop a Marina (as hereinafter defined) in compliance with law at some or all of the Marina Unit and/or anywhere along the waterfront at the Property, including the Platform or adjoining the Property (the entire waterfront, including the Platform, collectively, the "**Waterfront Area**") and to maintain, operate, lease, sell, repair, replace, improve and alter the Marina Unit(s) and the Marina (hereinafter defined), from time to time, without any requirement to obtain any consent by the Condominium Board or any Unit Owner. The marina shall include the original Marina Unit and any marina built in accordance with the right of Marina Unit Owner(s) as provided in this Declaration and may include, in the complete discretion of Marina Unit Owner(s), (i) one or more docks, piers and/or wharfs built out from any portion of the Waterfront Area (including, without limitation, the Marina Unit), in each case, whether supported by piles or constituting a floating structure, (ii) boat slips and other structures providing a protected water area for mooring or securing boats, ships or other vessels, (iii) boat launching facilities, (iv) a gasoline dock, (v) repair dock and (vi) supporting facilities for the foregoing, including, without limitation, facilities for the provision of utilities, rest rooms and a breakwater or similar protective structure (the Marina Units and all of the foregoing, referred to in clause "(i)", "(ii)," "(iii)," "(iv)," "(v)" and "(vi) above, as same may be modified, altered or replaced from time to time, the "**Marina**"). Marina Unit Owners shall have the right and an easement to connect to water, sewer, gas and electricity lines and conduits and other Facilities at the Property and to draw water, gas and/or electricity therefrom, in each case, for the development, construction, maintenance and operation of the Marina. Marina Unit Owners may, at their option, arrange for direct metering or submetering of utilities consumed by the Marina (in which case Marina Unit Owners shall pay the cost of such utilities consumed directly to the applicable utility or provider or to the Condominium, as the case may be) and/or make provision that such utilities be measured by one or more meters which also measure utilities consumed by other portions of the Property ("**Common Meters**"), in which case, Marina Unit Owners shall reimburse the Condominium the reasonable allocable cost of any utilities so consumed by the Marina and covered by Common Meters. In addition, Marina Unit Owners shall have the right, without the necessity of obtaining the consent of the Board of Managers and/or other Unit Owners to establish, grant and create easements for any additional electric, transformer, amplifier, gas, telephone, water, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, the Units, and to relocate any existing utility, sewer and drainage easements in any portion of the Property, including, without limitation, the Units, provided that such additional utilities or the relocation of the existing utilities will not prevent or unreasonably interfere with the use of a Unit after construction thereof.

In connection with development, construction, alteration, improvement and operation of the Marina, Marina Unit Owner(s) may apply for and obtain from time to time, at their expense, in the name of Marina Unit Owner(s) or the name of the Condominium Board or otherwise (i) one or more zoning variances, zoning reconsiderations, and re-zonings to permit use and occupancy of a Marina at the Property, (ii) one or more building permits and such other consents, authorizations and permits from the Department of Buildings and other government agencies and departments (whether federal, state or local, in each case) having jurisdiction over the Waterfront Area and development thereof, in each case, as may be required for the construction, development, alteration, improvement and operation of a Marina at the Property and (iii) one or more certificates of occupancy (or amendments to the certificate(s) of occupancy of Buildings at the Property) as may be required to permit the construction, development, alteration and improvement and operation of a Marina at the Property. Notwithstanding the foregoing, the Condominium Board shall at the request of Marina Unit Owner(s) execute and deliver such applications and filings with governmental authorities as Marina Unit Owner(s) may request as referred to above. In addition, the Marina Unit Owner(s) are hereby appointed by the Unit Owners and the Condominium Board from time to time as their attorneys-in-fact, coupled with an interest and granted for a valuable consideration, with full power of substitution, for the purpose of approving and executing any such applications and filings as Marina Unit Owner(s) may request to be signed by such Unit Owners and Condominium Board. The foregoing power of attorney, being coupled with an interest and granted for a valuable consideration, is irrevocable.

If the owner of the Marina Unit shall determine at any time not to proceed with the development of a Marina at the Property, such owner (or successors) shall have the right to convey to the Condominium Board, by quitclaim deed, the Marina Unit, subject to whatever mortgages, liens, and encumbrances thereon and such other title exceptions as may then exist or apply, and, upon the tendering of such deed by such owner, such owner shall have no further liability or obligation to the Condominium for any Common Charges or any assessments or other charges pertaining to the Marina Unit or the Marina accruing from and after such conveyance. The Condominium Board shall execute such transfer tax returns and closing documents as such owner may reasonably request to effectuate the recording of the deed and the conveyance of the Marina Unit.

Wherever in this Declaration or the By-laws, the Marina Unit Owners are stated to have certain rights and prerogatives or it is stated that the consent of the Condominium Board or other party is not required for the taking of some action by the Marina Unit Owners, such rights, prerogatives and right to take action without such consent are, in each case, subject to any requirements to obtain the approval thereof by the Marina Board or a Marina Majority in Interest, as the case may be, as may be provided in this Declaration, the By-laws or a Marina Affairs Amendment. Wherever in this Declaration or the By-laws reference shall be made to "the Marina Board,", "the Marina Board or Marina Majority in Interest, as the case may be," or words of like meaning, such reference shall be deemed to mean the Marina Board unless no Marina Board shall have been established and be in existence, in which case, the reference shall mean a Marina Majority In Interest. Wherever in this Declaration or the By-laws reference shall be made to "the Marina Board or a Marina Amendment Majority, as the case may be," or words

of like meaning, such reference shall be deemed to mean the Marina Board unless no Marina Board shall have been established and be in existence, in which case, the reference shall mean a Marina Amendment Majority.

The Common Interest of the other Units shall not be affected by reason of any subdivision of a Unit by Declarant, its designees or the Marina Unit Owner or the construction or development of a Marina at the Property by Marina Unit Owner, unless the affected Unit Owner consents thereto, except that Limited Common Elements may be created for the exclusive use of any or all of the subdivided Units as provided above, in which case the Common Expenses exclusively attributable to such Limited Common Elements shall be borne by the owners of such subdivided Units in accordance with the By-Laws.

Declarant, its designees, the Unsold Unit Owners and the Marina Unit Owners, as the case may be, may reflect any of the matters described above in a duly recorded amendment to the Declaration, the Condominium By-Laws and/or the Floor Plans, and may further amend the Declaration and Condominium By-Laws and Floor Plans to provide for the conduct of the affairs of a Unit as subdivided in any manner which does not increase the obligations or decrease the rights of any of the other Unit Owners under the Declaration or the Condominium By-Laws, which amendment and the recording thereof shall not require the consent of the Condominium Board of Managers and/or other Unit Owners. In making any additions, alterations, or improvements pursuant to this Section 9, Declarant, its designees and Marina Unit Owners, as the case may be, shall (i) make all reasonable efforts to minimize any interference with the other Unit Owners' use and enjoyment and business conducted in their Units for permitted purposes; (ii) comply with all laws, ordinances and governmental authorities having jurisdiction and (iii) hold the Condominium Board of Managers and the other Unit Owners harmless from any liability arising therefrom.

Upon completion of the Marina, the owner of the Marina Unit may subdivide the Marina Unit into Boat Slip Units and/or other condominium units as it may determine. If there shall exist at any time more than one Marina Unit by reason of the subdivision thereof into more than one Unit, the owner(s) of the Marina Unit(s) having an aggregate Common Interest of 66-⅔% or more of the aggregate of the Common Interests appurtenant to all of the Marina Units (a "**Marina Amendment Majority**") shall have the right, without the consent of the Condominium Board any other Unit Owner or the holder(s) of any mortgage on a Unit, to cause this Declaration, the By-Laws, the Rules and Regulations and the Floor Plans to be amended, modified, added to or deleted from in such manner as they may determine in their sole discretion shall be necessary, appropriate or desirable in connection with the operation of the Marina or the subdivision of any Marina Unit into separate Marina Units, the combining of Marina Units and/or the offering for sale or lease of all or any portion of the Marina Units, including, without limitation, an amendment providing for the governance of the affairs of the Marina and the Marina Unit Owners and the relationship thereof and the sharing of costs pertaining to the Marina. Any such amendment, modification, addition or deletion (each, a "**Marina Affairs Amendment**") may include, without limitation, provision for the creation of a separate board (which may consist of those members of the Condominium Board designated by the Marina Unit Owners in accordance with the By-laws) elected or designated by the Marina Unit Owner(s) in such plurality and/or Common Interest percentage as may be prescribed by a Marina Amendment Majority (a "**Marina Board**"), which board may have jurisdiction over the Marina

Units and the Marina Limited Common Elements and to provide for the granting to such Marina Board of such powers pertaining to the Marina Unit Owners, the Marina Units, the Marina Limited Common Elements and related matters, as may be determined by Marina Amendment Majority, including, without limitation (i) the power to set, collect and enforce the obligation to pay charges to fund the cash requirements of the Marina Board with respect to the Marina ("**Marina Common Charges**"), (ii) powers over and with respect to the Marina Limited Common Elements, including, without limitation, powers comparable to the powers of the Condominium Board over the General Common Elements and (iii) all of the powers of a Marina Majority in Interest acting in concert, under the Declaration, the By-laws and the Rules and Regulations, prior to the adoption of such amendment. The establishment of a Marina Board shall not affect the right of the Marina Unit Owners to designate members of the Condominium Board as provided in the By-laws. The Declarant is hereby appointed by the Unit Owners and the Board of Managers from time to time as their attorneys-in-fact, coupled with an interest and granted for a valuable consideration, with full power of substitution, for the purpose of approving and executing any instrument effecting or facilitating a Marina Affairs Amendment and the recording and filing thereof. The foregoing power of attorney, being coupled with an interest and granted for a valuable consideration, is irrevocable. As used herein, the term "**Marina Majority In Interest**" shall mean the owners of Marina Units having an aggregate Common Interest of more than 50.0% of the aggregate of the Common Interests with respect to all of the Marina Units.

No consent of the Condominium Board, any other Unit Owner or the holder of any mortgage on a Unit, shall be required for the exercise by the Marina Unit Owner(s), Declarant, its designees or Unsold Unit Owners, as the case may be, of the rights and powers set forth in this Section 9 or in Section 11 below. Neither the provisions of this Section 9 (or of Section 11 below) nor any of the other rights and powers of the Marina Unit Owner(s), Declarant, its designees or Unsold Unit Owners, as the case may be, under this Declaration or the By-Laws, including without limitation, the authority of the Marina Unit Owner(s), Declarant, its designees or Unsold Unit Owners, as the case may be, to record an amendment of the Declaration or By-Laws or the Floor Plans pursuant to this Section 9, may be modified or deleted by amendment of the Declaration or By-Laws or otherwise. The signatures of any of the other Unit Owners or Condominium Board shall not be required in connection with any amendment to the Declaration or By-Laws or Floor Plans permitted above or to any application or other document necessary or convenient to the exercise by the Marina Unit Owner(s), the Declarant, its designees or Unsold Unit Owners, as the case may be, of any of their rights or powers under this Section 9 or under Section 11 below, including but not limited to any application or document required by the Department of Buildings, the Real Property Assessment Bureau of the City of New York or any other governmental agency in connection with an amendment to the certificate of occupancy of any Building or the establishment of separate tax lots for any newly created condominium units and reapportionment of assessed valuation by reason thereof. Nevertheless, the Unit Owners and the Condominium Board shall, upon request, execute any such amendments, applications or other documents referred to or described above and they hereby grant to each Marina Unit Owner, each designee of Declarant and each Unsold Unit Owner, an irrevocable power of attorney coupled with an interest and granted for a valuable consideration, and with full power of substitution, to execute, deliver and/or record any and all such amendments, applications or other documents on behalf of the Condominium Board and the Unit Owners, and any such

execution, delivery and/or recording shall not require the consent of the Condominium Board or the Unit Owners.

10. ENCROACHMENTS.

If any portion of the Common Elements presently encroaches upon any Unit or if any Unit presently encroaches upon any other Unit or upon any portion of the Common Elements or if as a result of the manner in which a Building is constructed or as a result of settling or shifting of or as a result of the repair, restoration, and/or alteration of a Building, the Common Elements, or a Unit owned by Declarant or its designees, such encroachment shall occur, then a valid easement for the encroachment and for the maintenance of the same, so long as the Building stands, shall exist. If a Building or any Unit therein or any Common Element shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, then in such event, encroachments of parts of the Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements due to such rebuilding shall be permitted and valid easements for such encroachments and the maintenance thereof shall exist so long as such Building shall stand.

11. CERTAIN EASEMENTS AND RIGHTS OF WAY

Each Unit Owner shall have an easement in common with the other Unit Owners for the use, maintenance, repair and replacement of all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units or elsewhere in the Property and serving his Unit. Each Unit shall be subject to an easement in favor of the other Unit Owners for the use, maintenance, repair and replacement of all pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit.

The Condominium Board shall have a right and easement of access to each Residential Unit to inspect the same, to prevent damage thereto, to remove violations therefrom and to maintain, repair or replace the Common Elements (other than Marina Limited Common Elements) contained therein or elsewhere in the Property subject to any restrictions on such right as may from time to time be provided in the Condominium By-Laws. Without limiting the foregoing, the Condominium Board shall have a right and easement of access to Townhouse Yards for purposes of performing its duties to maintain the Common Elements, including, without limitation, to clear any clogged drains therein.

Each Unit and the Common Elements shall have an easement of support, subjacency and necessity, and the same shall be subject to such easements in favor of all other Units and the Common Elements.

Each owner of an Indoor Parking Space Unit together with their guests and invitees shall have a non-exclusive easement to obtain access to such Indoor Parking Space Unit, including, without limitation, the right to access such Indoor Parking Space Unit through the lobby of the Multi-Family Building and the elevator(s) thereof.

Each Unit Owner shall have a non-exclusive easement to obtain access to the Gymnasium, including, without limitation, the right to access the Gymnasium through the lobby of the Multi-Family Building and the elevator(s) thereof.

The Declarant, each Unsold Unit and each Marina Unit Owner and their respective affiliates, designees, successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement of ingress and egress on, over and across all areas of the Property (including, without limitation, each Unit and the Common Elements), for (i) the construction of the Buildings, the Marina or any part thereof, (ii) the use of, obtaining access to and the inspection, maintenance and performance of alterations, replacements, and repairs of, to, in or about Units owned by such Declarant, Unsold Unit Owner or Marina Unit Owner (and, in the case of a Marina Unit, the Marina Limited Common Elements as well), as the case may be, together with all personal property, equipment and Facilities located therein, (ii) fulfilling the obligations of the Sponsor under the condominium offering plan promulgated by Sponsor for the Property (the "**Plan**") and (iii) any other lawful purpose; provided (x) Declarant, such Unsold Unit Owner and such Marina Unit Owner or their respective designees, as the case may be, repairs any resulting damage to the Unit or Common Elements, as the case may be, and restores the damaged portion to substantially the condition it was in prior to such entry and (y) Declarant, such Unsold Unit Owner, such Marina Unit Owner or their respective designees, as the case may be, provides reasonable prior notice to the Owner of the Unit to which access is required.

Marina Unit Owners and their guests and invitees shall have an easement (i) of ingress, egress and access through any of the Common Elements, including, without limitation, by foot, bicycle and/or by motor vehicles, to and from the Marina and the Marina Units, (ii) for the existence, use, maintenance, operation, repair and replacement of any pipes, ducts, conduits or other Facilities involved in the provision of utilities and serving the Marina or the Marina Units, provided, however, that to the extent that any such utility Facility serves the Marina or Marina Units, the Marina Unit Owners shall bear the reasonable allocable cost of any utility provided through such Facility and the reasonable allocable cost of maintenance, operation, repair or replacement of such Facility.

Declarant, its designees, each Unsold Unit Owner and Marina Unit Owner shall have an easement (without the necessity of obtaining the consent of the Condominium Board of Managers, any Unit Owners or any holder of a mortgage encumbering any Unit) over any part of the Property, including each Unit and the Common Elements, in order to inspect, maintain, repair, replace or alter its Unit or the Common Elements as provided in this Declaration and the Condominium By-Laws, and in the Plan.

The Declarant, its designees and the Marina Unit Owner, as the case may be (without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering any Unit) and the Condominium Board (without the necessity of obtaining the consent of any Unit Owner other than Declarant, its designees and the Marina Unit Owners), shall each have the right to establish, grant and create easements for any additional electric, transformer, amplifier, gas, cable television, telephone, water, sewer or other utility lines, flues, ducts and appurtenances (including such equipment rooms as may be required in connection with any of the foregoing) in, under and through the Property including, without limitation, within the Common Elements and any of the Units, and to relocate any existing

utility, sewer and drainage easements in any portion of the Property including, without limitation, within any of the Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of a Unit or any Limited Common Elements appurtenant thereto, unless the owner of such Unit consents thereto.

Declarant and its designees shall have an easement, without the necessity of obtaining the consent of the Condominium Board of Managers or the Unit Owners over the Property and the Common Elements to (i) install, erect, construct, operate, use, maintain, repair and replace antennas and other telecommunications equipment on the roof of the Multi-Family Building within any Mechanical Equipment Area or areas on such roof which is a Multi-Family Limited Common Element and which is shown on the Floor Plans as a "Telecommunication Easement Area," (ii) to run wiring, cables and equipment through any vertical chases (including, without limitation, elevator shafts) or horizontal chases in any Building for purposes of connection to such antennae and telecommunication equipment and (iii) to collect any and all income derived from the such antennas and telecommunications equipment (such easement and all appurtenant rights as described above, collectively, the "Roof Rights"). Declarant shall have the right to grant to any party (whether or not a Unit Owner) the Roof Rights, whether on an exclusive or non-exclusive basis, as Declarant may elect and such grantee(s) (and their successors and assigns) may, in turn, assign their Roof Rights on an exclusive or non-exclusive basis, as they may determine. Subject to Declarant's rights to complete the Buildings and otherwise comply with its obligations under the Condominium Offering Plan for the Property and Declarant's rights to install, erect, construct, operate, repair, maintain and replace antennas and other telecommunications equipment on the roof, following the closing of title to the first Unit under the Plan, no Unit Owner shall erect any enclosure on any roof or terrace of the Building.

The Marina Unit Owner(s) shall have an easement for the benefit of Marina Unit Owner(s) and their guests and invitees to:

(i) construct, maintain, alter, replace, and repair elements of the Marina and its supporting structures on and attachment to the Common Elements and appurtenances thereto (including, without limitation, the Waterfront Area and the Platform) and to anchor, fasten and affix the Marina and its various components to the Land and such Common Elements and appurtenances, Waterfront Area and Platform;

(ii) construct, maintain, alter, replace and repair on such Common Elements and appurtenances, stairs, ramps, gates, fencing and other improvements designed to permit access to the Marina by Marina Unit Owners and their guests and invitees and to prevent access thereto by those not authorized by the Marina Unit Owners for such access; and

(iii) sink piles into the ocean off of the Property for purposes of supporting the Marina or elements thereof;

(iv) to construct the Marina in the Waterfront Area and to build out the Marina from the Waterfront Area and to alter, improve, repair, replace and maintain the Marina (which Marina shall be deemed part of the Marina Unit); and

(v) to use the Common Elements, including, without limitation, in the vicinity of the Waterfront Area and Platform, as a construction staging area for purposes of construction of the Marina and for maintenance, alteration, replacement and repair of the Marina from time to time; and

(vi) over all areas of the Property as reasonably required for purposes of transporting to and from the Waterfront Area, construction materials, construction equipment, and construction vehicles as needed for the construction, repair, alteration, replacement and operation of the Marina; and

(vii) of ingress and egress to transport boats and other vessels over the Property to the Marina Unit(s), the Marina and any launching area thereat;

(viii) to erect an entrance to the Property or the Common Elements from any parcel of land owned by any Marina Unit Owners or their designee(s) or Declarant or its designee;

(xi) in connection with the use and operation of the Marina, to park vehicles anywhere within the Common Elements as may be permitted by law for such purpose and within any area that may leased or acquired by the Condominium for purposes of providing additional parking for the Property.

Declarant, and each Marina Unit Owner (to the extent applicable to the Marina Unit(s)) and their respective designees shall each have an easement, without the necessity of obtaining the consent of the Condominium Board, any Unit Owner or any holder of a mortgage encumbering a Unit, (1) over the Property, including each Unit and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, exterior facade, lobby or any other public portion of the Property or on the exterior portion of any Marina Unit) for the purposes of advertising the sale of Units, the leasing and/or sale of the Marina Units or of space in any of the Units and/or advertising any of the services, products, merchandise, wares and/or facilities of the Marina, a Marina Unit or a Marina Unit Owner or of any tenant occupying all or any portion of a Marina Unit or the Marina and (2) of ingress and egress over the Property, including each Unit and the Common Elements in connection with the sales and/or leasing of Units. As used in this Section 11 and elsewhere in this Declaration "Signs" means any sign, advertisement, notice or other lettering.

The owner of Townhouse Unit 3124-3 shall have an easement for the exclusive use of the exclusive use area (the "**Exclusive Use Area**") located in front of such Unit and depicted as such on the Floor Plans. The Owner of Townhouse Unit 3126-2 shall have an easement for the exclusive use of the Exclusive Use Area located in front of such Unit and depicted as such on the Floor Plans. The owners of Townhouse Units 3124-3, 3124-4, 3126-1 and 3126-2 ("**Platform Adjacent Units**") shall (together with their guests and invitees) have an exclusive easement over a center Exclusive Use Area (depicted as such on the Floor Plans) consisting of a walkway in front of the steps for such Platform Adjacent Units and over such portion of the Platform as is

required for ingress and egress to their respective Units. Such Unit Owners shall not be entitled to alter or erect any structures on the Platform. Except for such portions of the Platform as are denominated herein as Exclusive Use Areas, the Platform shall be treated as though it were a part of the General Common Elements. The easements set forth in this paragraph shall be subject to an easement in favor of the Condominium Board for the maintenance and repair of the Platform including the Exclusive Use Areas. The Condominium Board shall maintain and repair the Platform including the Exclusive Use Areas, as though the Platform were a General Common Element, in such manner as it shall reasonably determine, subject to the requirements of local, state and federal government agencies pertaining to Sheepshead Bay and the Platform.

12. POWER OF ATTORNEY TO CONDOMINIUM BOARD OF MANAGERS AND TO DECLARANT.

Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board of Managers an irrevocable power of attorney coupled with an interest and granted for a valuable consideration to (a) acquire title to or an interest in any Unit which a Unit Owner decides to surrender, sell or lease, in the name of the Condominium Board of Managers or its designees, corporate or otherwise, on behalf of all Unit Owners, (b) convey, sell, lease, mortgage, or otherwise deal with (but not to cast the votes appurtenant to) any Units acquired by the Condominium Board, (c) execute, acknowledge and deliver (i) any application, declaration or other document which the Condominium Board a Unit Owner deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any Governmental Authority (including without limitation, the New York City Department of Buildings, the City Planning Commission and Board of Standards and Appeals), applicable to the maintenance, demolition, construction, alteration, repair, improvement or restoration of the Property or combination of Units or subdivision of a Unit permitted hereunder or (ii) any application, consent, covenant, restriction, easement, declaration, or other document affecting the Condominium or the Property (including, without limitation, the Common Elements) as may be required or permitted under this Declaration. In addition, each Unit Owner shall grant to Declarant and each of its designees an irrevocable power of attorney coupled with an interest and granted for valuable consideration, with full power of substitution, acting severally, to execute, acknowledge and deliver any application, declaration document or other instrument affecting the Condominium that Declarant deems necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other Governmental Authority applicable to the construction, maintenance, demolition, alteration, restoration, or repair of the Property or any part thereof. Furthermore, each Unit Owner shall grant to Declarant, each of Declarant's designees, each Unsold Unit Owner and each Marina Unit Owner, as the case may be, an irrevocable power of attorney coupled with an interest and granted for valuable consideration, with full power of substitution, acting severally, to execute such documents and to do such things as may be provided for in their favor, respectively, under any provision of this Declaration or the By-laws. As used herein, the term "**Governmental Authority**" shall mean any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

13. ACQUISITION OF UNITS BY CONDOMINIUM BOARD OF MANAGERS.

In the event that a Unit Owner shall surrender his Unit together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units acquired by the Condominium Board of Managers or its designees on behalf of the other Unit Owners or the proceeds of the sale or lease thereof if any, and (iii) the interest of such Unit Owner in any other asset of the Condominium (hereinafter collectively referred to as the "Appurtenant Interest") pursuant to the provisions of the Real Property Law of the State of New York, or in the event the Condominium Board of Managers shall purchase a Unit together with its Appurtenant Interest pursuant to Article VI of the Condominium By-Laws or otherwise, or in the event that the Condominium Board of Managers shall acquire, at a foreclosure or other sale, a Unit together with its Appurtenant Interest, then and in such event, title to any such Unit together with the Appurtenant Interest shall be held by the Condominium Board of Managers or its designees, corporate or otherwise, on behalf of all Unit Owners in proportion to their respective Common Interests.

14. CONDOMINIUM BY-LAWS AND PERSONS SUBJECT TO DECLARATION AND CONDOMINIUM BY-LAWS.

Attached to this Declaration and made a part hereof are the Condominium By-Laws of the Condominium which set forth detailed provisions governing the Condominium. The Condominium By-Laws (including the Rules and Regulations thereunder) as they may be amended from time to time are referred to in this Declaration as "Condominium By-Laws" or the "By-laws." All capitalized terms in this Declaration which are not defined herein shall have the meanings given to those terms in the Condominium By-Laws.

All present and future Unit Owners, tenants, visitors and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and the Condominium By-Laws, as the same may be amended from time to time. Acceptance of a deed or other conveyance or the entering into of a lease or other occupancy of any Unit shall constitute an agreement that the provisions of this Declaration and Condominium By-Laws, as the same may be amended from time to time, are accepted and ratified by such Unit Owner or such other party having an interest in the Unit or by such tenant or other occupant. All of the provisions of this Declaration and Condominium By-Laws shall be deemed and taken to be covenants running with the land and shall bind any persons having at any time any interest or estate in any Unit as though such provisions were recited and stipulated at length in each and every deed, conveyance, lease or occupancy thereof. However, the provisions of this Declaration and the Condominium By-Laws, as the same may be amended from time to time, are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public.

15. COVENANT OF FURTHER ASSURANCES.

Any party which is subject to the terms of the Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board of Managers, or otherwise, shall execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this

Declaration or the Condominium By-Laws or of any transaction contemplated by this Declaration or the Condominium By-Laws or to confirm or perfect any right to be created or transferred pursuant to this Declaration or the Condominium By-Laws or pursuant to any such transaction.

If any Unit Owner or any other party which is subject to the terms of this Declaration fails or refuses within ten (10) days after request therefor to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or other party is required to execute, acknowledge and deliver or to take pursuant to this Declaration or the Condominium By-Laws, then the Condominium Board of Managers is hereby authorized as attorney- in-fact for such Unit Owner and other party, coupled with an interest and granted for a valuable consideration, to execute, acknowledge and deliver such instrument and to take such action, in the name of such Unit Owner or other party.

If any Unit Owner, the Condominium Board of Managers or any other party which is subject to the terms of this Declaration fails or refuses within ten (10) days after request therefore to execute, acknowledge or deliver any instrument or to take any action which such Unit Owner, the Condominium Board of Managers, or other party is required to execute, acknowledge and deliver or to take pursuant to this Declaration or By-Laws at the request of the Declarant, any of its designees, any Unsold Unit Owner or any Marina Unit Owner, as the case may be, then the each of Declarant, such designee, such Unsold Unit Owner or such Marina Unit Owner, as the case may be shall be deemed to be hereby authorized, nominated, constituted and appointed as the attorney-in-fact of such Unit Owner, the Condominium Board of Managers, or such other party, as the case may be, in each case, coupled with an interest and granted for a valuable consideration, to execute, acknowledge and deliver such instrument and to take such action in the name of such Unit Owners, the Condominium Board of Managers and/or other party, at the case may be.

16. **AMENDMENT OF DECLARATION**.

Except as otherwise provided in the By-Laws or this Declaration with respect to the rights of a Marina Unit Owner, Declarant (or its designees) or Unsold Unit Owner, as the case may be (including without limitation, their rights, under certain circumstances, to amend this Declaration and the By-laws without the consent of the Condominium Board or the Unit Owners), this Declaration may be amended by vote of not less than seventy-five (75.0%) 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, provided, however (i) any such amendment shall not be effective against a holder of a mortgage of record affecting a Unit if Mortgage Representatives (as defined in the By-Laws) shall have been designated in accordance with the By-laws (and the Condominium shall have received written notice of such designation as provided therein) and, if so designated, a majority of such Mortgage Representatives shall not consent thereto in writing, which consent shall not be unreasonably withheld or delayed; (ii) if the Declarant, a Majority in Common Interest of Unsold Unit Owners (as defined in the By-laws annexed hereto) and a Marina Majority in Interest (as defined in the By-laws) shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendment shall not reduce, impair or restrict the rights of any Unsold Unit

Owner, the Sponsor, or any Marina Unit Owner or increase the obligations of any Unsold Unit Owner, the Sponsor or any Marina Unit Owner; and (iii) an amendment to this Declaration or the By-laws which constitutes a Marina Affairs Amendment may be adopted solely by the written consent or approval of a Marina Amendment Majority, without any requirement of obtaining the consent of any Unit Owner, the Condominium Board or any holder of a mortgage encumbering a Unit. Any such amendment shall be executed by the Condominium Board as attorneys-in-fact for the Unit Owners, coupled with an interest and granted for a valuable consideration, and the Condominium Board is hereby authorized by the Unit Owners so as to act as their attorney-in-fact; provided that nothing contained herein is intended to limit the rights of the Sponsor, Unsold Unit Owners or the Marina Unit Owners, as the case may be, as provided in this Declaration or the By-laws, to execute certain amendments to the Declaration and the By-laws without the execution thereof by the Condominium Board. Notwithstanding anything to the contrary contained herein, no provision of this Declaration relating to the use of the Units or appurtenant Common Interests may be amended without the consent of every Unit Owner affected by such amendment except as expressly provided in Section 9 or Section 11 of this Declaration. The provisions of this Article 16 shall not be amended without the unanimous consent of all Unit Owners.

Each amendment to this Declaration or the By-Laws must be signed and acknowledged in accordance with the legal requirements for recording a Unit Deed, and shall not be effective, binding or enforceable until recorded in the New York City Register's Office for Kings County. In addition, a copy of this Declaration and the By-Laws and any amendments thereto shall be filed with the New York State Department of State.

The provisions of this Section 16 and Section 9 of this Declaration may not be amended without the unanimous consent of all the Unit Owners. The terms "amend," "amended" or "amendment" as used in this Declaration shall also be deemed to mean deleting a provision of this Declaration or adopting a new provision.

17. TERMINATION OF CONDOMINIUM.

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the Condominium By-Laws or (b) such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least **85%** in Common Interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent of the mortgagees of the Units, if any. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to any action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his share of such net proceeds, all liens on his Unit, in the order of priority of such liens.

18. **INVALIDITY**.

The invalidity of any provisions of this Declaration or any portion thereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and in such event all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

19. **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.

20. **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 or the intent of any provision hereof.

21. **CERTAIN REFERENCES.**

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.

The terms "herein," "hereof" or "hereunder," or similar terms used in this Declaration, refer to this entire Declaration and are not to the particular provision in which the terms are used unless the context otherwise requires.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed as of this _____ day of _____, 200__.

EMMONS AVENUE LLC

By:_____
Name:
Title:

EMMONS SHEEPSHEAD BAY
DEVELOPMENT LLC

By:_____
Name:
Title:

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

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

_____
Notary Public

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

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

_____
Notary Public

SCHEDULE A
Description of Land

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Emmons Avenue distant 316.14 feet westerly from the corner formed by the intersection of the southerly side of Emmons Avenue with the westerly side of Bragg Street;

RUNNING THENCE westerly along with southerly side of Emmons Avenue 296.24 feet;

THENCE southerly on a line forming an interior angle of 92 degrees 52 minutes with the southerly side of Emmons Avenue 233.60 feet to The United States Bulkhead line approved by The Secretary of War on 8/31/15;

THENCE southeasterly along the United States Bulkhead line approved by The Secretary of War on 8/31/15 and on a line forming an interior angle of 97 degrees 53 minutes 21 seconds with the last mentioned course 298.71 feet;

THENCE northerly on a line forming an interior angle of 82 degrees 06 minutes 39 seconds with The United States Bulkhead line approved by The Secretary of War on 8/31/15 117.46 feet to a point;

THENCE westerly at right angles to the last mentioned course 49.50 feet;

THENCE northerly at right angles to the last mentioned course 44.00 feet;

THENCE easterly at right angles to the last mentioned course 49.25 feet to a point; and

THENCE northerly at right angles to the last mentioned course 127.95 feet to the southerly side of Emmons Avenue, the point or place of BEGINNING.

For conveyancing only, if intended to be conveyed:

TOGETHER with all the right, title and interest of the party of the first part of, in and to the land lying in the street in front of and adjoining said premises.

SCHEDULE B

Unit designation	Tax lot number	(1) Sq. footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is part of the Unit	(2) Sq. footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is part of the Unit	(3) Sq. footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit	(4) Sq. footage of Multi-Family Private Lower Terrace which is part of the Unit	Apartment Sq. footage (Unit square footage exclusive of columns (1), (2), (3) and (4))	Total size of Unit in square feet	Common Interest	Portion of the Common Elements to which each Unit has immediate access
Residential Units:									

Unit designation	Tax lot number	(1) Sq. footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is part of the Unit	(2) Sq. footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is part of the Unit	(3) Sq. footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit	(4) Sq. footage of Multi-Family Private Lower Terrace which is part of the Unit	Apartment Sq. footage (Unit square footage exclusive of columns (1), (2), (3) and (4))	Total size of Unit in square feet	Common Interest	Portion of the Common Elements to which each Unit has immediate access
Parking Space Units:									

Unit designation	Tax lot number	(1) Sq. footage of Townhouse Balcony (TB) or Multi-Family Private Balcony (MFPB) which is part of the Unit	(2) Sq. footage of Townhouse Rear Yard (RY), Townhouse Front Yard (FY), Townhouse Side Yard (SY) and/or Townhouse Porch (P) which is part of the Unit	(3) Sq. footage of Townhouse Roof Terrace (TRT) or Multi-Family Private Roof Terrace (MFPRT) which is Part of the Unit	(4) Sq. footage of Multi-Family Private Lower Terrace which is part of the Unit	Apartment Sq. footage (Unit square footage exclusive of columns (1), (2), (3) and (4))	Total size of Unit in square feet	Common Interest	Portion of the Common Elements to which each Unit has immediate access
Marina Unit:									
TOTALS	N/A							100%	N/A

BY-LAWS
OF
THE BREAKERS AT SHEEPSHEAD BAY CONDOMINIUM

Article I.

General

Section 1. **Purpose and Definition of Terms.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of THE BREAKERS AT SHEEPSHEAD BAY CONDOMINIUM, as well as certain obligations of the Unit Owners therein. All terms used in these By-Laws which are capitalized and are not defined herein shall have the same definition as in the Declaration of which these By-Laws are a part (such Declaration as amended from time to time being herein referred to as the "Declaration").

Section 2. **Applicability of By-Laws.** The provisions of these By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 3. **Application.** All present and future Unit Owners, mortgagees, lessees and occupants of Units and their employees or guests, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws and the Declaration.

The acceptance of a deed or conveyance of, or the succeeding to title to, or the entering into of a lease or the act of occupancy of a Unit shall automatically and without the requirement of executing any other instrument to such effect constitute a binding agreement that these By-Laws 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. **Principal Office.** The principal office of the Condominium and of the Condominium Board (as hereinafter defined) shall be located at 3112-3144 Emmons Avenue, Brooklyn, New York or at such other place within the Borough of Brooklyn reasonably convenient thereto, as may be designated from time to time by the Condominium Board.

Article II

Condominium Board

Section 1. **Number and Term of Office.** As more particularly set forth in these By-Laws and the Declaration, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board" or "Board of Managers"). From and after the first meeting of the Unit Owners following the First Unit Closing (as defined below), the Condominium Board shall be composed of seven (7) members. Until such first meeting of the Unit Owners, the members of the Condominium Board shall consist of three (3) persons appointed by the Sponsor (as defined below) of the Plan (as defined below). Each member of the Condominium Board shall serve for a term of one (1) year or until his or her respective successors shall have been duly appointed or elected, except as provided in Section 1 of Article

III. Each member may be re-elected any number of times. The number of members of the Condominium Board may not be increased without the consent of a Marina Majority in Interest and, so long as there remains at least one Unsold Unit, a Majority in Common Interest of Unsold Unit Owners (including Sponsor).

Section 2. Powers and Duties. The Condominium Board shall have the powers and duties necessary for or incidental to administration of the affairs of the Condominium, as agent for the Unit Owners, and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Condominium Board by the Unit Owners. Such powers and duties of the Condominium Board shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep, maintenance, repair, improvement and alteration of the Common Elements (other than any Marina Limited Common Elements, which shall be the prerogative and responsibility of the Marina Unit Owner to maintain, repair, improve and alter without any requirement of obtaining the consent of the Condominium Board), as the Condominium Board shall deem necessary or proper, including, without limitation, the purchasing and leasing of supplies, equipment and materials and the employment, compensation and dismissal of personnel. The Condominium Board shall have a right of access to each Unit, the Common Elements and any Limited Common Elements (other than any Marina Limited Common Elements) to inspect same, to prevent damage thereto, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property subject to any restrictions on such rights as may from time to time be provided in the Condominium By-Laws..

(b) Determination of the General Common Charges and Multi-Family Limited Common Charges (as hereinafter defined).

(c) Collection of the General Common Charges and Multi-Family Limited Common Charges from the Unit Owners and Multi-Family Unit Owners, respectively.

(d) Collection of the costs of repairing, maintaining, improving, or altering particular Townhouse Limited Common Elements from the applicable Townhouse Unit Owners owning the Units served thereby in proportion to the respective Common Interests of such Townhouse Units.

(e) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements (other than the Marina Limited Common Elements), which shall be determined by the Condominium Board, in its sole discretion.

(f) Adoption of an amendment and additions to the Rules and Regulations subject to the limitations hereinafter set forth in these By-Laws.

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

(h) Accepting the conveyance of Units surrendered by Unit Owners to the Condominium Board, or purchasing Units at a foreclosure sale pursuant to Section 7 of Article V, in the name of the Condominium Board, or its designee, corporate or otherwise, on behalf of the Unit Owners.

(i) Selling, leasing, mortgaging, or otherwise dealing with Units acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, but not casting the votes appurtenant to such Units.

(j) Purchasing from Sponsor, Unit MU-105 to serve as a residence for a superintendent, janitor or other employee of the Condominium ("Superintendent's Unit") and purchasing from Sponsor, Handicapped Parking Space Units.

(k) Organizing corporations to act as designees of the Condominium Board in acquiring title to Units on behalf of the Unit Owners, but not casting the votes appurtenant to such Units.

(l) Obtaining insurance for the Property, including the Units, pursuant to the provisions of Article V, Section 2 hereof, and adjusting and settling any insurance claims thereunder (including executing and delivering releases in connection therewith).

(m) Making of repairs, restorations, additions and improvements to or alterations of the Common Elements or any part thereof, damaged or destroyed by fire or other casualty, or necessitated as a result of condemnation or eminent domain proceedings.

(n) Enforcing obligations of Unit Owners, including, without limitation, levying reasonable fines against Unit Owners for violation of the Rules and Regulations.

(o) Granting of licenses with respect to the Common Elements (other than the Marina Limited Common Elements, if any).

(p) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, maintenance and alteration of, or the making of repairs, replacements, restorations or additions to, the Common Elements, provided that (i) the consent of eighty percent (80.0%) in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $100,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (ii) except as may be expressly permitted in Section 339-jj of the Real Property Law, no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interest in the Common Elements without the consent of the owner of such Unit and (iii) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (n) is not repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion thereof as his or her Common Interest bears to the Common Interests of all the Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or shall have the right

to file against such Unit Owner's Unit. Notwithstanding anything to the contrary contained herein, if the purpose of the borrowing primarily benefits only the Residential Units and/or Parking Space Units, the Marina Unit Owners shall have no obligation to contribute to repayment of such borrowing or to payment of interest or other sums due thereon.

(q) Executing, acknowledging and delivering of any declaration or other instrument affecting the Property (i) which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any governmental authorities (including without limitation the New York City Department of Buildings, City Planning Commission, and Board of Standards and Appeals) applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property, permitted hereunder or under the Declaration or (ii) upon request of a Unit Owner.

(r) Preparing, executing and recording on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest (i) amendments of the Declaration and/or these By-Laws, whenever requested by a Marina Unit Owner, the Sponsor, its designees, or any Unsold Unit Owner (as defined in the By-laws), as provided in the Declaration or these By-Laws, or (ii) a restatement of the Declaration and/or By-Laws whenever in the judgment of the Condominium Board it is advisable to consolidate and restate all amendments theretofore made to the Declaration and/or By-Laws.

(s) Granting utilities or other easements as may, from time to time, be required for the benefit of the Condominium and Unit Owners and controlling power shut-offs and other interruptions of the normal functioning of the Condominium, to facilitate repairs to and renovations of particular Units and/or of the Common Elements. In making determinations in this area, the Condominium Board will make all reasonable efforts to disrupt the business operations of the Marina Unit Owners and other Unit Owners as little as possible under the circumstances then prevailing.

(t) Investing any excess funds in savings accounts, treasury bills, certificates of deposit or other such money market instruments and funds which invest in any such instruments.

(u) Acting as an agent of each Unit Owner, who notifies the Condominium Board in the manner and within the time period prescribed by the Condominium Board that they want the Condominium Board to act as their agent, to complain or apply to the local and county real estate tax assessment agency or board of review by filing a single complaint on behalf of each such Unit Owner pursuant to the applicable sections of the Real Property Tax Law. The Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and assess as a Common Charge against all such Unit Owners a pro rata share of expenses, disbursements, and legal fees paid or incurred in connection with any such complaint or application.

Section 3. **Managing Agent and Manager.** The Condominium Board may employ for the Condominium a managing agent and/or a manager, at a compensation to be determined by the Condominium Board in its discretion, to perform such duties and services as the Condominium Board shall authorize, including but not limited to the duties listed in subdivisions (a), (c), (d), (e), (l), (m) of Section 2 of this Article II. However, in no event may the Condominium Board delegate to the manager or managing agent, the powers set forth in subdivisions (b), (f), (g), (h), (i), (j), (k), (n), (o), (p), (q), (r) and (s) of Section 2 of this Article II. The Condominium Board may retain such attorneys, accountants and other professionals as it deems advisable in exercising any of the powers enumerated in Section 2 of this Article II.

Section 4. **Removal.** Any member of the Condominium Board may be removed with or without cause by a Majority in Common Interest of Unit Owners (inclusive of the Unit Owners who elected or designated such member), except that if such member was elected by or is a designee of (x) the Marina Unit Owner(s) or (y) Sponsor, its designees or the Unsold Unit Owner(s), as the case may be, such member may not be removed other than for cause except by the written consent of such (1) Marina Unit Owners (acting by a Marina Majority In Interest, if more than one Marina Unit Owner) and (2) Sponsor, its designees and the Unsold Unit Owner(s) (acting by a Majority in Common Interest of Sponsor, its designees and the Unsold Unit Owners), as the case may be. Any member of the Condominium Board whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting of the Unit Owners at which the removal of the Condominium Board member is to be voted on.

Section 5. **Vacancies.** Vacancies in the Condominium Board caused by any reason other than as provided in Sections 1 or 8 of Article III, (i) in the case of a member of the Condominium Board elected or designated by Unsold Unit Owner(s), shall be filled by the written consent of the a Majority in Common Interest of Unsold Unit Owners, (ii) in the case of a member of the Condominium Board elected or designated by the Marina Unit Owners, shall be filled by the written consent of the Marina Majority In Interest, and (iii) in the case of any other members of the Condominium Board, shall be filled by vote of a majority of the remaining members of the Condominium Board at a special meeting of the Condominium Board held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Condominium Board, until a successor shall be designated or elected at or in connection with the next annual meeting of the Unit Owners or at a special meeting held for that purpose.

Section 6. **First Meeting of Condominium Board.** The first meeting of the Condominium Board shall be held immediately following the first meeting of the Unit Owners and no notice shall be necessary to the newly elected members of the Condominium Board legally to constitute such meeting, provided that a majority of the members of the Condominium Board shall be present at such first meeting.

Section 7. **Regular Meetings.** Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Condominium Board but at least four (4) such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings of the Condominium Board

shall be given to each member of the Condominium Board by personal delivery, mail or telegram at least five (5) business days prior to the day named for such meeting.

Section 8. **Special Meetings.** Special meetings of the Condominium Board may be called by the President by giving five (5) business days' prior notice to each member of the Condominium Board by personal delivery, mail, facsimile, overnight courier service or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Condominium Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least one (1) member of the Condominium Board.

Section 9. **Waiver of Notice.** Any member of the Condominium Board may at any time waive notice of any meeting of the Condominium Board in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Condominium Board at any meeting of the Condominium Board shall constitute a waiver of notice by him of the time and place thereof. If all members of the Condominium Board are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. **Quorum of Condominium Board.** At all meetings of the Condominium Board a majority of the members thereof shall constitute a quorum for the transaction of business.

Section 11. **Decision of the Condominium Board.** The votes of a majority of the members of the Condominium Board present at the meeting at which a quorum is present shall constitute the decision of the Condominium Board. Any one or more members of the Condominium Board or any committee thereof may participate in a meeting of the Condominium Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Condominium Board are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting. Any action required or permitted to be taken by the Condominium Board or any committee thereof, as the case may be, may be taken without a meeting if all members of the Condominium Board or the committee, as the case may be, 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 Condominium Board or the committee, as the case may be.

Section 12. **Adjournment of Meeting.** If at any meeting of the Condominium Board, the members present shall be less than a quorum, a majority of those present may adjourn the meeting from time to time. At the next meeting at which a quorum is present following such adjourned meeting, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. **Fidelity Bonds.** The Condominium Board may obtain fidelity bonds concerning any or all officers and employees of the Condominium and its managing agent, if

any, handling or responsible for funds, and the premium on such bonds shall constitute a General Common Expense (as hereinafter defined).

Section 14. **Compensation.** No member of the Condominium Board shall receive any compensation from the Condominium for acting as such member.

Section 15. **Liability of Condominium Board and Officers.** No member of the Condominium Board or any officer of the Condominium shall have any personal liability with respect to (1) any contract, act or omission of the Condominium Board (except with respect to the Unit Owners as provided below) or any managing agent, manager, or officer in connection with the affairs or operations of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth, or (2) any mistake of judgment, negligence or otherwise except with respect to the Unit Owners for such member's own individual willful misconduct or bad faith. Every contract made by the Condominium Board or by any managing agent, manager or officer thereof shall state that it is made by such Condominium Board, managing agent, manager, or officer as agent for all Unit Owners, that such members of the Condominium Board or managing agent, manager or officer shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also provide that the liability of any Unit Owner with respect to any contract with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and, unless expressly stated to the contrary in any such contract (as determined by the Condominium Board in its sole and absolute discretion), shall be limited to such Unit Owner's interest in his or her Unit so that such Unit Owner shall have no personal liability for such contract. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract may also provide that it covers the assets, if any, of the Condominium on whose behalf the contract is made. The Unit Owners, including those who are members of the Condominium Board, to the extent provided below, shall indemnify and hold harmless each of the members of the Condominium Board and the officers of the Condominium against all claims, liabilities, costs and expenses (including, without limitation, liability for reasonable attorneys' fees and any contractual liability to others arising out of contracts made by the Condominium Board or officers on behalf of the Condominium) arising out or relating to the performance of his or her duties as a member of the Condominium Board or officer except for those arising out of such member's or officers' bad faith or willful misconduct. Each Unit Owner's liability to indemnify a member of the Condominium Board or officer, as provided above, shall be limited to an amount which is in the same proportion to the total liability of such members or officers to be indemnified by all the Unit Owners hereunder as each such Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners. It is intended that the members of the Condominium Board and officers shall have no personal liability with respect to any contract made by them on behalf of the Condominium except as Unit Owners. It is understood that the Condominium Board, which may consist of principals and/or of employees of the Sponsor, may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, officer or Sponsor or any of their affiliates, without incurring any liability for self-dealing, provided that any compensation paid to Sponsor or its affiliates is either (i) disclosed in the Condominium Offering Plan with respect to the Property filed with the New York State

Department of Law (the "Plan") by EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC ("Sponsor") or (ii) is commercially reasonable.

Section 16. Executive Committee. The Condominium Board may, by resolution duly adopted, appoint an executive committee to consist of one or more members of the Condominium Board with at least one of the members of such executive committee being the member of the Condominium Board designated by the Marina Unit Owner(s) and with the Unsold Unit Owners (including Sponsor) having the right to designate a number of members of the executive committee which represents as a percentage of the total number of executive committee members the same percentage of members of the Condominium Board that they shall have the right to designate from time to time. Such executive committee shall have and may exercise all the powers of the Condominium Board in the management of the business affairs of the Condominium during the intervals between the meetings of the Condominium Board insofar as may be permitted by law.

Article III

Unit Owners

Section 1. Annual Meetings. Within ninety (90) days after the date the Sponsor conveys title to the first Residential Unit pursuant to the Plan, the first meeting of Unit Owners shall be held, subject to one or more reasonable extensions of such period as Sponsor may determine. At such meeting the incumbent Condominium Board shall resign and a new Condominium Board shall be elected by the Unit Owners as provided in the By-Laws. Thereafter, annual meetings shall be held on the second (2nd) Tuesday of November of each succeeding year unless such day shall be a holiday in which event the meeting shall be held on the next succeeding business day. At such meetings the Unit Owners shall elect members of the Condominium Board to fill vacancies or to succeed retiring members of the Condominium Board as provided in Article II of these By-Laws and shall also transact such other business of the Condominium as may properly come before the meeting.

Section 2. Place of Meeting. 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 Condominium Board.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary by not less than twenty five (25%) percent in Common Interest of all the Unit Owners. 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. If the President fails so to call such special meeting, then any Unit Owner may so call such meeting by complying with the notice requirements of Section 4 hereof (except that such notice need not be given by the Secretary).

Section 4. Notice of Meeting. It shall be the duty of the Secretary to give a notice to each Unit Owner of record of each annual or special meeting stating the purpose thereof and the

time and place where it is to be held, which notice shall be given (by personal delivery or mailing in the manner hereinafter set forth) not later than five (5) business days prior to the date fixed for the meeting. Such notice shall be personally delivered or mailed to the Unit Owner at the address of such Unit Owner at the Property or such other address as such Unit Owner shall have designated by notice in writing delivered to the Secretary at least ten (10) days prior to the giving of such notice of meeting by the Secretary. The giving of a notice in the manner provided in these By-Laws shall be considered notice properly served.

Section 5. **Quorum of Unit Owners.** The presence in person or by proxy of Unit Owners owning in the aggregate more than thirty-three percent (33.0%) of the Common Interests of all Unit Owners (as modified by the provisions of Section 11 of this Article III) shall constitute a quorum at all meetings of the Unit Owners.

Section 6. **Adjournment of Meetings.** If any meetings of Unit Owners cannot be held because a quorum is not present, a Majority in Common Interest of Unit Owners present either in person or by proxy may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

Section 7. **Order of Business.** The order of business at all annual meetings of the Unit Owners shall be as follows:

(a) Roll call.

(b) Proof of notice of meeting.

(c) Reading of minutes of preceding meeting.

(d) Reports of officers.

(e) Report of Condominium Board.

(f) Report of committees.

(g) Report of Managing Agent.

(h) Election of inspectors of election.

(i) Election of members of the Condominium Board.

(j) Unfinished business.

(k) New business.

The order of business of all special meetings of the Unit Owners shall conform to the foregoing to the extent practicable.

Section 8. Voting.

(a) The Unit Owner of each Unit or a person designated by such Unit Owner to act as proxy on his or her behalf and who need not be a Unit 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 to the Secretary and shall be revocable at any time by written notice to the Secretary by the Unit Owner so designating. Subject to the provisions of paragraphs "(d)" and "(e)" below, each Unit Owner shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each one-hundredth of one percent (.01%) of the Common Interest applicable to the Unit of such Unit Owner. A fiduciary shall cast the votes appurtenant to any Unit owned in a fiduciary capacity. Notwithstanding the foregoing, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien (and pay all expenses incurred by the Condominium Board, its committees, the Managing Agent or any agent of the foregoing in connection with the matter resulting in perfection of the lien, including without limitation attorneys' fees and expenses) has not been paid at the time of such meeting. The Common Interests appurtenant to any such Unit shall be excluded when computing the aggregate Common Interest of all Unit Owners for voting purposes.

(b) When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state, among other things, the name of the Unit Owner voting and the Common Interest appurtenant to his or her Unit and in addition the name of the proxy if such ballot is cast by a proxy.

(c) A Unit Owner shall be entitled to cast as many votes as shall equal the number of votes appurtenant to his or her Unit for each Member of the Condominium Board to be elected; however no Unit Owner may cumulate his or her votes.

(d) Subject to the terms of this subparagraph (d) and subparagraph (e) below, all elections of members of the Condominium Board shall be determined by a plurality vote, and shall be balloted all at the same time. The Marina Unit Owners shall, at all times, have the right, as a group, to designate one (1) member of the Condominium Board to represent them on the Condominium Board ("Marina Member"). The balance of the members of the Condominium Board (the "Residential Members") shall be elected by the Residential Unit Owners and the Parking Space Unit Owners. In the case where there shall be more than one Marina Unit Owner, the Marina Member shall be designated by a Marina Majority in Interest. The number of members of the Condominium Board may not be increased without the consent of a Marina Majority in Interest and, so long as there remains at least one Unsold Unit, all Unsold Unit Owners (including Sponsor). All Residential Members who are not designated or elected by Unsold Unit Owners (including Sponsor) shall be required to own a Residential Unit for so long as they are Residential Members.

(e) During the Initial Control Period (as hereinafter defined), the Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate four (4) Residential

Members of the Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the provisions of this Section 8 above) of the Residential Unit Owners and Parking Space Unit Owners (including Sponsor and other Unsold Unit Owners) from among a slate of candidates nominated by one or more Residential Unit Owners or Parking Space Unit Owners, in each case, not related to or affiliated with Sponsor or other Unsold Unit Owners (each a "Non-Sponsor Owner"). There shall be no restriction on the right of Sponsor and other Unsold Unit Owners to vote for candidates to become Residential Members of the Board who are nominated by Non-Sponsor Owners. After the Initial Control Period, the Unsold Unit Owners (including Sponsor), as a group, shall have the right to designate the following number of members of the Condominium Board: (a) two (2) Residential Members of the Condominium Board for so long as the Common Interests attributable to the Unsold Units equals, in the aggregate, more than ten (10%) percent of the Common Interests of all Residential Units and Parking Space Units combined and (b) one (1) Residential Member of the Condominium Board, for so long as there is at least one (1) Unsold Unit. Accordingly, after the Initial Control Period, Unsold Unit Owners (including Sponsor) shall have the right, as a group, to designate not more than two (2) Residential Members of the Condominium Board who, in the sole discretion of the Unsold Unit Owners (including Sponsor) may (but need not be) related to or affiliated with Sponsor or other Unsold Unit Owners, and the balance of the Residential Members shall be selected by the plurality vote (in accordance with the provisions of this Section 8 above) of the Residential Unit Owners and Parking Space Unit Owners (including Sponsor and other Unsold Unit Owners) from among a slate of candidates nominated by one or more Non-Sponsor Owners.

After the expiration of the Initial Control Period, so many of those Residential Members who are related to or affiliated with Sponsor or other Unsold Unit Owners as shall exceed the following applicable number shall resign from the Condominium Board: (x) two (2), so long as the Common Interests attributable to the Unsold Units equals more than ten (10.0%) percent of the Common Interests of all Residential Units and Parking Space Units, (y) one (1), so long as the Common Interests attributable to any Unsold Units equals ten (10.0%) percent or less of the Common Interests of all Residential Units and Parking Space Units, but there is not less than one (1) Unsold Unit and (z) zero, once the number of Unsold Units falls below one (1) unit.

In the case where there shall be more than one Unsold Unit Owner, the allocation among the Unsold Unit Owners (including Sponsor) of the right of the Unsold Unit Owners, as a group, to designate Residential Members of the Condominium Board, as provided above ("Unsold Unit Owner Designated Members"), will be determined by a Majority in Common Interest of Unsold Unit Owners.

(f) As long as Unsold Unit Owners (including Sponsor) continue to own at least twenty-five percent (25%) of the Residential Units during the five (5) years following the

First Unit Closing, the Condominium Board will not be permitted, without the prior written consent of a Majority in Common Interest of Unsold Unit Owners to:

(1) make any addition, alteration or improvement to the Common Elements or to any Unit, unless required by Applicable Law;

(2) assess any Common Charges or special assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency or surplus fund in excess of the lesser of (i) five percent (5%) in the aggregate of the estimated General Common Expenses and Multi-Family Limited Common Expenses for any one (1) fiscal year of operation or (ii) the maximum assessment permitted under Applicable Law;

(3) increase the number or change the type of employees from that described in the First Year Budget;

(4) enter into any service or maintenance contracts for work not covered in the First Year Budget;

(5) borrow money on behalf of the Condominium; or

(6) exercise a right of first refusal to lease or purchase a Unit.

Notwithstanding the foregoing, the Unsold Unit Owners (including Sponsor) may not may exercise a veto over expenditures which: (i) conform to the First Year Budget and are for the period covered by the First Year Budget; or (ii) are required to comply with Applicable Law, including expenditures required to cure any notices of violations; or (iii) are necessary to remedy any work order by an insurer which is the responsibility of the Condominium Board to remedy.

(g) As used in these By-laws, the following terms shall have the respective meanings given to them below:

(1) "Applicable Law" means all applicable laws, statutes, treaties, rules, codes, ordinances, regulations of any Governmental Authority and, to the extent the Property, any Unit, any Unit Owner, Sponsor and/or the Condominium Board, as the case may be, is bound thereby or subject thereto, any judgments, decrees, injunctions, writs, orders, notices of violation or like action of any Governmental Authority, court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction.

(3) "First Unit Closing" shall mean the time at which title to a Unit is conveyed to a Purchaser pursuant to the terms of the Plan.

(4) "First Year Budget" means the projection of receipts and expenses of the Property for the first 12 months following the projected date of the First Unit Closing

contained in the Section of the Plan entitled "Schedule B: Projected Budget for First Year of Condominium Operation."

(5) "Initial Control Period" shall mean the period commencing on the date of the First Unit Closing and ending on the earlier of: (i) the date by which there shall have occurred the closing of title of Residential Units and Parking Space Units purchased by Purchasers for Occupancy (hereinafter defined) having, in the aggregate, more than fifty percent (50%) of the aggregate of the Common Interests pertaining to all Residential Units and Parking Space Units or (ii) the second (2nd) anniversary of the First Unit Closing.

(6) "Governmental Authority" means any federal, state, county, municipal, foreign, international, regional or other governmental authority, agency, board, body, instrumentality or court having jurisdiction.

(7) "Majority in Common Interest of Unsold Unit Owners" shall mean those Unsold Unit Owners whose Unsold Units have, in the aggregate, more than 50% of the aggregate of the Common Interests allocated to all Unsold Units, from time to time.

(8) "Marina Majority In Interest" shall mean the owners of Marina Units having an aggregate Common Interest of more than 50.0% of the aggregate of the Common Interests with respect to all of the Marina Units.

(9) "Person" means any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, limited liability company, organization, government or any department or agency thereof, or any other entity.

(10) "Purchaser" shall mean a Person or Persons buying a Unit under the Plan, whether for personal occupancy or use of the Purchaser or a family member of Purchaser or for rental or other investment purposes.

(11) "Purchaser for Occupancy" shall mean a bona fide purchaser of a Residential Unit for residential occupancy on or after the Closing Date under the Plan or for occupancy by a person related by blood or marriage to such Purchaser.

(10) "Unsold Residential Unit" means any Residential Unit until such Unit has been purchased by a Purchaser for Occupancy on or after the Closing Date under the Plan or until the owner of such Unit or a person related by blood or marriage to such owner becomes the residential occupant of such Unit after the Closing Date under the Plan, whichever is sooner. A Residential Unit that is conveyed to Sponsor by a Purchaser who has elected to rescind his or her purchase of the Unit and receive a refund of the purchase price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Residential Unit.

(13) "Unsold Parking Space Unit" means a Parking Space Unit until purchased by a Purchaser for Occupancy of a Residential Unit. Further, a Parking space Unit that is

conveyed to Sponsor by a Purchaser who has elected to rescind his or her purchase of the Unit and receive a refund of the purchase price paid for the Unit as provided in the Plan shall thereupon once again become an Unsold Parking Space Unit.

(14) "Unsold Unit" shall mean each Unsold Residential Unit and Unsold Parking Space Unit.

(15) "Unsold Residential Unit Owner" means the owner of an Unsold Residential Unit.

(16) "Unsold Parking Space Unit Owner" means the owner of an Unsold Parking Space Unit.

(17) "Unsold Unit Owner" means the owner of an Unsold Unit.

Section 9. Decisions of Unit Owners. The vote of a Majority in Common Interest of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except as otherwise provided in the Declaration or these By-Laws.

Section 10. Majority in Common Interest of Unit Owners. As used in these By-Laws the term "Majority in Common Interest of Unit Owners" shall mean those Unit Owners having more than fifty (50%) percent of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of Unit Owners determined in accordance with the provisions of Sections 8 and 11 of this Article III.

Section 11. Exclusion from Computation of Common Interests. For purposes of Section 5, 8, 9 and 10 of this Article III, the Common Interest of a Unit owned by the Condominium Board or its designee and the votes appurtenant thereto shall be excluded from any computation of the Common Interests of all Unit Owners, Unit Owners present at a meeting, or the total authorized votes of all Unit Owners.

Section 12. Contractual Liability of Unit Owners. It is intended and every contract made or executed by or on behalf of the Condominium Board of Managers, by any committee thereof, by any officer of the Condominium, or by the Managing Agent of the Condominium shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board of Managers and the officers of the Condominium pursuant to the terms of Section 15 of Article II hereof) that the liability of any Unit Owner with respect to any contract, act or admission with respect to the Condominium shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Applicable Law. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges.

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 Condominium Board. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officer as in its judgment may be necessary. Any single person may hold any combination of offices except that the office of President and Vice President shall be held by different persons.

Section 2. **Election of Officers.** The officers of the Condominium shall be elected annually by the Condominium Board at its annual meetings except upon removal as provided below.

Section 3. **Removal of Officers.** Upon the affirmative vote of a majority of the members of the Condominium Board, an officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Condominium Board, or at any special meeting of the Condominium Board 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 the Condominium Board. He shall have all of the general powers and duties which are incident to the office of President, including but not limited to the power to appoint committees from amongst the Unit Owners from time to time as he may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Condominium. The President shall be a member of the Condominium Board.

Section 5. **Vice President.** The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Condominium Board shall appoint some other member of the Condominium Board to act in place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Condominium Board or by the President.

Section 6. **Secretary.** The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board; he shall have charge of such books and papers as the Condominium Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary.

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 Condominium Board, or the managing agent, in such depositories as may from

time to time be designated by the Condominium Board, and he shall, in general, perform all the duties incident to the office of Treasurer.

Section 8. **Agreements, Contracts, Deeds, Checks, etc.** All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer of the Condominium or by such other person or persons as may be designated from time to time by the Condominium Board.

Section 9. **Compensation of Officers.** No officer shall receive any compensation from the Condominium for acting as an officer of the Condominium.

Article V

Operation of the Property

Section 1. **Determination of Common Expenses and Fixing of Common Charges.**

(a) Except as otherwise provided in this Article V or elsewhere in these By-laws, all costs and expenses attributable to the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the General Common Elements, including, without limiting, accounting, legal, architectural, engineering or other professional or services fees, and any and all other expenses identified in these By-laws or the Declaration as a General Common Expense (collectively, "General Common Expenses") shall be determined by the Condominium Board as set forth below, and shall be borne by all Unit Owners in accordance with the respective Common Interests of their respective Units. General Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. The Condominium Board shall from time to time and at least annually prepare a budget to meet General Common Expenses and shall allocate and assess to all Unit Owners, pro rata in accordance with their respective Common Interests (except as may otherwise be provided in the Declaration or these By-Laws) charges ("General Common Charges") to meet General Common Expenses. A Unit Owner shall be obligated to pay the General Common Charges assessed by the Condominium Board against such Unit Owner at such time or times as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, the General Common Charges assessed by the Condominium Board to meet General Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year. From time to time the Condominium Board may increase or decrease the amount of General Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of General Common Expenses for such fiscal year or any portion thereof. In addition to the foregoing duty to determine the amount of and assess General Common Charges, the Condominium Board of Managers shall have the right, to levy Special Assessments to meet the General Common Expenses. All Special Assessments to meet General Common Expenses shall be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or in installments, as the Condominium Board determines; provided, however, that the Condominium Board shall give each Unit Owner not

less than fifteen (15) days' written notice prior to the date upon which such Special Assessment, or the first installation thereof, is due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board of Managers shall have all rights and remedies for the collection of Special Assessments for General Common Expenses as are provided herein for the collection of General Common Charges.

As set forth in the Declaration, notwithstanding anything to the contrary contained herein or any contrary denotation on the Floor Plans, Common Elements referred to in the Declaration as General Common Elements but which are contained within, located under or constituting part of a Townhouse Building or the Multi-Family Building, including, without limitation, the roofs of the Buildings, the external walls and foundations thereof and the Garage and the Gymnasium located therein (but excluding any gas, water or other pipes, conduits, wiring or ductwork serving the Marina Unit(s)) shall, as between the Marina Unit Owner(s) and other Unit Owners only, be deemed to be Limited Common Elements benefiting and serving all Unit Owners other than the Marina Unit Owner(s). Accordingly, the Marina Unit Owner(s) shall not bear any of the costs of repairing, maintaining, operating, improving, replacing or altering such Common Elements and such costs shall be borne by the Unit Owners other than the Marina Unit Owners, to be allocated among them in proportion to the respective Common Interests of their respective Units.

(b) Except as otherwise provided in this Article V or elsewhere in these By-laws, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Multi-Family Limited Common Elements (the "Multi-Family Limited Common Expenses") shall be determined by the Condominium Board and shall be borne solely by the Multi-Family Unit Owners in accordance with the respective Percentages of Multi-Family Common Interest of their respective Multi-Family Units. Multi-Family Limited Common Expenses shall include, without limitation, (i) the cost of staff necessary for the operation, repair and maintenance of the Multi-Family Limited Common Elements, which shall be deemed to be 60% ("Multi-Family Labor Expense Percentage") of the total cost of employees (including salary and benefits and any uniforms and telecommunications equipment and usage fees borne by the Board for such employees) of the Condominium Board (or employees of the managing agent on behalf of the Condominium Board) for purposes of operation, repair and maintenance of the Common Elements (other than any Marina Limited Common Elements) as a whole, and the balance of the total cost of staff for operating, repair and maintenance of the Common Elements, that is, 40% of such total cost ("General Common Labor Expense Percentage") shall be deemed to be the share of the total cost of staff for operating, repair and maintenance of the General Common Elements, the cost of which shall be a General Common Expense, and (ii) such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Multi-Family Limited Common Elements. Notwithstanding anything to the contrary above, all costs associated with the Superintendent's Unit (exclusive of charges for telecommunications equipment or usage) which are borne by the Condominium Board, including, without limitation, real estate taxes, Common Charges on the Unit, debt service on the purchase money loan by Sponsor or other lender financing the acquisition of the Superintendent's Unit by the Condominium and repairs to the Unit shall be a General Common Expense. The Condominium Board shall from time to time and at least annually prepare a budget to meet Multi-Family Limited Common Expenses and shall allocate and assess to the

Multi-Family Unit Owners, in accordance with the respective Percentages of Multi-Family Common Interest of their respective Multi-Family Units (except as may otherwise be provided in the Declaration or these By-Laws) charges ("Multi-Family Limited Common Charges"), to meet Multi-Family Limited Common Expenses. Such budgets shall include such amounts for reserves as the Condominium Board deems appropriate. A Multi-Family Unit Owner shall be obligated to pay the Multi-Family Limited Common Charges assessed by the Condominium Board against such Unit Owner at such time or times as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, the Multi-Family Limited Common Charges assessed by the Condominium Board to meet Multi-Family Limited Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year. From time to time the Condominium Board may increase or decrease the amount of Multi-Family Limited Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Multi-Family Limited Common Expenses for such fiscal year or any portion thereof. As used in these By-Laws, "Percentage of Multi-Family Common Interest" means, as applied to each Multi-Family Unit, as the case may be, the Common Interest attributable to such Multi-Family Unit, as the case may be, divided by the aggregate of the Common Interests attributable to all Multi-Family Units. In addition to the foregoing duty to determine the amount of and assess Multi-Family Limited Common Charges, the Condominium Board of Managers shall have the right, to levy Special Assessments to meet the Multi-Family Limited Common Expenses. All Special Assessments levied to meet Multi-Family Limited Common Expenses shall be levied against all Multi-Family Unit Owners in accordance with the respective Percentages of Multi-Family Common Interest of their respective Multi-Family Units (except as may otherwise be provided in the Declaration or these By-Laws) and may be payable either in one lump sum or in installments, as the Condominium Board determines; provided, however, that the Condominium Board shall give each Multi-Family Unit Owner not less than fifteen (15) days' written notice prior to the date upon which such Special Assessment, or the first installation thereof, is due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board of Managers shall have all rights and remedies for the collection of Special Assessments for Multi-Family Limited Common Expenses as are provided herein for the collection of Multi-Family Limited Common Charges.

(c) Notwithstanding the foregoing, any and all costs and expenses paid or incurred by the Condominium in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, any Townhouse Limited Common Elements shall allocated and assessed as a Common Expense (collectively, "Townhouse Limited Common Expense") solely to the Townhouse Unit Owner or Townhouse Unit Owners owning the Units, if any, to which such Townhouse Limited Common Element exclusively services or benefits (individually, a "Benefited Townhouse Unit" and, collectively, "Benefited Townhouse Units") and, if there is more than one Benefited Unit, such costs and expenses shall be allocated and assessed to the owners of such Benefited Townhouse Units pro rata based upon the ratio that the Common Interests allocated to their respective Benefited Townhouse Units bears to the total Common Interests allocated to all such Benefited Units. Any and all charges billed or assessed by the Condominium Board to particular Townhouse Unit Owners from time to time to pay such costs and expenses are sometimes referred to herein as "Townhouse Limited Common Charges."

(d) Except as may otherwise be provided in this Article V and elsewhere in these By-laws, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, any Marina Limited Common Elements ("Marina Limited Common Expenses") shall be determined by (1) the Marina Unit Owner, if there shall be only one Marina Unit or (2) if there shall be more than one Marina Unit, then by the Marina Board, if one shall then exist, or, if no Marina Board shall then exist, by a Marina Majority in Interest. The Marina Limited Common Expenses shall be borne solely by the Marina Unit Owners in accordance with the respective Percentage of Marina Common Interest of their respective Marina Units. Marina Limited Common Expenses shall also include such amounts as the Marina Board or a Marina Majority in Interest, as the case may be, may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Marina Limited Common Elements. Marina Limited Common Expenses shall also include all such other items, if any, provided for in the Declaration or these By-Laws to be Marina Limited Common Expenses. The Marina Board or Marina Majority in Interest, as the case may be, shall from time to time and at least annually prepare a budget to meet Marina Limited Common Expenses and shall allocate and assess to the Marina Unit Owners, in accordance with the respective Percentages of Marina Common Interest of their respective Marina Units, charges ("Marina Common Charges") to meet Marina Limited Common Expenses. Such budgets shall include such amounts for reserves as the Marina Board or Marina Majority in Interest, as the case may be, deems appropriate. A Marina Unit Owner shall be obligated to pay the Marina Common Charges assessed by the Marina Board or Marina Majority in Interest, as the case may be, against such Unit Owner at such time or times as the Marina Board or Marina Majority in Interest, as the case may be, shall determine. From time to time the Marina Board or Marina Majority in Interest, as the case may be, may increase or decrease the amount of Marina Common Charges payable for a fiscal year or any portion thereof to meet a revised estimate or determination of Marina Limited Common Expenses for such fiscal year or any portion thereof. As used in these By-laws, the term "Percentage of Marina Common Interest" means, as applied to each Marina Unit, the Common Interest attributable to such Marina Unit divided by the aggregate of the Common Interests attributable to all Marina Units. In addition to the foregoing duty to determine the amount of and assess Marina Common Charges, the Marina Board, when and if established, shall have the right, to levy Special Assessments to meet the Marina Limited Common Expenses. All Special Assessments to meet Marina Limited Common Expenses shall be levied against all Marina Unit Owners in proportion to the respective Common Interests of their respective Marina Units (except as may otherwise be provided in the Declaration or these By-Laws) and may be payable either in one lump sum or in installments, as the Marina Board determines; provided, however, that the Marina Board shall give each Marina Unit Owner not less than fifteen (15) days' written notice prior to the date upon which such Special Assessment, or the first installation thereof, is due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Marina Board and the Condominium Board of Managers shall have all rights and remedies for the collection of Special Assessments for Marina Limited Common Expenses as are provided herein for the collection of Marina Common Charges. The Marina Board may authorize, direct and empower the Condominium Board to collect Marina Common Charges and Special Assessments for Marina Limited Common Expenses and to enforce and foreclose the Condominium Board's lien and/or the Marina Board's lien against the applicable Marina Unit and take related enforcement action, and the Marina Board shall reimburse the Condominium Board for reasonable out of

pocket costs incurred by the Condominium Board in connection therewith. The Condominium Board shall follow the directions and instructions of the Marina Board in all respects in connection with the foregoing, including collection of Marina Common Charges and Special Assessments as well as enforcement action with respect thereto.

(e) While the Marina Unit is undeveloped, the Common Charges payable by the Marina Unit to the Condominium Board shall be limited to its share of the General Common Expenses based upon the common interest of the Marina Unit. However, from and after the commencement of the operation of a Marina by the Marina Unit Owner(s), the Condominium Board (acting by a majority vote of the members thereof who were not designated by a Marina Unit Owner or an affiliate of such an owner) may require that the Common Charges payable by the Marina Unit Owner(s) to the Condominium Board be increased to a level such that the Marina Unit Owner(s) shall at all times be paying the share of the following General Common Expenses of the Condominium which is fairly attributable to the Marina Unit(s): insurance, labor, legal and audit services and maintenance and repair of the roadway and sidewalks that are General Common Elements. As a condition to the obligation of the Marina Unit(s) to pay increased Common Charges on account of the foregoing, the Condominium Board shall be required to provide from time to time, upon the request of the Marina Unit Owner(s) or the Marina Board, documentation reasonably supporting the increase in Common Charges which the Condominium Board wishes to impose on the Marina Unit(s). Any dispute between the Condominium Board and the Marina Unit Owner(s) pertaining to the amount of Common Charges that shall be payable to the Condominium Board from time to time shall be resolved by arbitration in accordance with Article XII of the By-Laws. Notwithstanding the provisions of this paragraph, in no event shall the Marina Unit Owners(s) be responsible for paying, nor shall its fairly attributable share take into account, any expenses of the Condominium that are Multi-Family Limited Common Expenses or Townhouse Limited Common Expenses. Similarly, and as noted above, the Marina Limited Common Expenses shall be borne solely by the Marina Unit Owners.

(f) As used herein, the term "Common Expenses" refers to, collectively, the General Common Expenses, the Multi-Family Limited Common Expenses and, if applicable, Marina Limited Common Expenses. As used in these By-laws, the term "Common Charges" refers to (i) any charge assessed by the Board of Managers against any Unit Owner in accordance with the Declaration and these By-laws, including, without limitation, General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges and (iii) any charge assessed by any Marina Board against any Marina Unit Owner in accordance with the Declaration and these By-laws, including, without limitation, the Marina Common Charges.

Section 2. **Insurance.** The Condominium Board shall be required to obtain and maintain, to the extent obtainable at reasonable rates, and to the extent determined by the Condominium Board to be appropriate, the insurance set forth below, and the premiums for such insurance shall be a General Common Expense except as otherwise may be provided in the Rules and Regulations and except that the premiums for worker's compensation and disability insurance for employees of the Condominium Board shall be a Multi-Family Limited Common Expense: (1) fire insurance with all risks extended coverage, vandalism and malicious mischief endorsements, insuring the Buildings, all Units, the Marina, the Marina Units and improvements to the Marina Units (excluding machinery, appliances, fixtures, furniture, furnishings or other

personal property within a Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to at least 80% of the full replacement value of the Buildings (inclusive of the Marina and Marina Unit(s) but exclusive, in the case of the Buildings, of foundations and footings), without deduction for depreciation, and each of such policies of insurance shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee hereinafter set forth; (2) worker's compensation insurance and New York State disability benefits insurance (if applicable); (3) comprehensive general liability coverage; (4) water damage insurance to the extent if any determined by the Condominium Board; (5) fidelity bond for managing agent to the extent if any determined by the Condominium Board; (6) errors and omissions insurance for members of the Condominium Board and officers to the extent if any determined by the Condominium Board; (7) such other insurance as the Condominium Board may determine and (8) at the request of the Marina Board, such other insurance and in such policy limits as may be customarily maintained by owners of Marinas. To the extent not specified above, all such insurance shall be in such amount as the Condominium Board shall from time to time determine to be reasonable. All of such policies shall provide that adjustment of loss shall be made by the Condominium Board and all policies of physical damage insurance shall provide that the proceeds thereof, if $250,000.00 or less, shall be paid to the Condominium Board, and if in excess of $250,000.00 shall be paid to the Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense of the Condominium.

All policies of physical damage insurance shall contain, if obtainable at reasonable rates, waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured or of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the 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. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Condominium Board shall obtain an appraisal from a casualty insurance company or otherwise of the full replacement value of the Buildings and the Marina and improvements to the Marina Units (exclusive of foundations and footings), without deduction for depreciation, for the purpose of determining the amount of casualty insurance to be obtained pursuant to this Section.

Each Unit Owner may carry supplemental or additional insurance for his or her 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 Condominium Board shall not be affected or diminished by reason of any such supplemental or additional insurance.

The liability insurance coverage required to be obtained by the Condominium Board as set forth above shall cover, to the extent possible, liability claims arising out of the Property

(including, without limitation, the Marina and the Marina Units) in such limits as the Condominium Board may from time to time determine, covering each member of the Condominium Board and the Marina Board, if any, the officers of the Condominium Board and of the Marina Board (if any), the managing agent, if any, and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Condominium Board shall review such limits at least once each year.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines from time to time.

Section 3. **Repair or Reconstruction After Fire or Other Casualty.** In the event of damage to or destruction of a Building or the Marina as a result of fire or other casualty (unless 75% or more of each of the Buildings and to the Marina is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not, within sixty (60) days from the date of such damage or destruction, duly resolve to proceed with repair or restoration), the Condominium Board shall arrange for the prompt repair and restoration of the Building or the Marina, as the case may be, including the Units but excluding any machinery, appliances, furniture, furnishings (including wall, ceiling and floor decorations and coverings), fixtures or equipment in the Units, and the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the proceeds of the applicable insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a General Common Expense. In the event the insurance proceeds exceed the cost of repair or restoration, such excess shall be divided by the Condominium Board or the Insurance Trustee, as the case may be, among the Unit Owners in accordance with the respective Common Interests of their respective Units after first paying to the Permitted Mortgagees of a Unit and any other holders of liens against the Unit (including the Condominium Board) out of the share of the Owner of such Unit, the amount of any unpaid liens on his or her Unit, in the order of their priority.

If 75% or more of each of the Buildings and the Marina (if any shall have been built) is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not within sixty (60) days from the date of such damage or destruction, duly 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, shall be divided by the Condominium Board or the Insurance Trustee, as the case may be, among all of the Unit Owners in accordance with the respective Common Interests of their respective Units, after first paying to the Permitted Mortgagees of a Unit and any other holders of liens against the Unit (including the Condominium Board) out of the share of the owner of such Unit, the amount of any unpaid liens on his or her Unit, in the order of priority of such liens.

If the damage resulting from a casualty (i) renders one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroys the means of access to one or more Units, the installments of Common Charges otherwise payable by the Unit Owner of any Unit so affected thereby shall proportionately abate until such Unit is rendered usable for such purposes and/or until the means of access thereto is restored, as the case may be.

Notwithstanding the foregoing, however, if such casualty is caused by the act, the omission to act, or the negligence of the Unit Owner of a Unit so affected thereby, by a family member of such Unit Owner or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

Section 4. **Payment of Common Charges**. A Unit Owner shall be obligated to pay the Common Charges assessed by the Board of Managers or Marina Board, as the case may be, against such Unit Owner at such time or times as the Board of Managers or Marina Board, as the case may be, shall determine. Unless otherwise determined by the Board of Managers, the Common Charges assessed by the Board of Managers to meet Common Expenses for a fiscal year of the Condominium shall be due and payable in equal monthly installments in advance on the first day of each month during such fiscal year. A Marina Unit Owner shall be obligated to pay the Marina Common Charges assessed by the Marina Board or Marina Majority in Interest, as the case may be, against such Unit Owner at such time or times as the Marina Board or Marina Majority in Interest, as the case may be, shall determine.

Section 5. **Collection of Common Charges.** The Condominium Board shall assess General Common Charges against the Unit Owners from time to time, but at least monthly, and in an amount sufficient to cover its cash requirements for General Common Expenses for such period as it shall determine, but not less than the ensuing month, and shall take prompt action to collect any General Common Charges due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. The Condominium Board shall assess Multi-Family Limited Common Charges against the Multi-Family Unit Owners from time to time, but at least monthly, and in an amount sufficient to cover its cash requirements for Multi-Family Limited Common Expenses for such period as it shall determine, but not less than the ensuing month, and shall take prompt action to collect any Multi-Family Limited Common Charges due from any Multi-Family Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. The Condominium Board shall take prompt action to collect any Townhouse Limited Common Charges billed or assessed by the Board of Managers against particular Townhouse Unit Owners for the costs of repairing, maintaining, improving, or altering particular Townhouse Limited Common Elements serving their Townhouse Units. At the request of the Marina Board, the Condominium Board shall take prompt action to collect Marina Common Charges assessed by the Marina Board (if any).

Section 6. **Default in Payment of Common Charges.** If any Unit Owner fails to make payment of any General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Elements Charges, Marina Common Charges or Special Assessments, as the case may be, within fifteen (15) days after its due date (although nothing herein shall be deemed to extend the period within which such General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, Marina Common Charges or Special Assessments, as the case may be, are to be paid), such Unit Owner shall be obligated to pay to the Condominium Board (in the case of General Common Charges or Multi-Family Limited Common Charges) and to the Marina Board or Marina Majority in Interest, as the case may be (in the case of Marina Common Charges) (a) a late charge at the rate of $.02 per dollar per month or any part thereof for all such overdue General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, Marina Common

Charges or Special Assessments, as the case may be, from the due date of such General Common Charges, Residential Common Charge, Townhouse Limited Common Charges, Marina Common Charges or Special Assessments, as the case may be, until paid, and (b) all costs and expenses, including, without limitation, reasonable attorneys' fees paid or incurred by the Condominium Board or Marina Board (or Marina Majority in Interest), as the case may be and/or another Unit Owner (or Marina Unit Owner, in the case of Marina Common Charges), in any proceeding brought to collect such unpaid General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, Marina Common Charges or Special Assessments, as the case may be, in an action to foreclose the lien on such Unit arising from said unpaid General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, Marina Common Charges or Special Assessments, as the case may be, as provided in Section 339-z of the Condominium Act, in the manner provided in Section 339-aa thereof, or in any other manner permitted by law. All such late charges and costs and expenses shall be added to, and shall constitute, General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, Marina Common Charges or Special Assessments, as the case may be, payable by such Unit Owner. In addition, the Condominium Board or Marina Board, as the case may be, shall have the right to levy against Unit Owners such just and appropriate fines as it deems advisable for noncompliance with any of the provisions of the Declaration, these By-Laws or the Rules and Regulations. All such fines shall be added to and shall constitute General Common Charges or Marina Common Charges, as the case may be, payable by such Unit Owner.

Section 7. **Foreclosure of Liens for Unpaid Common Charges.** In any action by the Condominium Board to foreclose a lien on a Unit for unpaid General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges, or Special Assessments, as the case may be, or by the Marina Board (or Marina Majority in Interest, as the case may be), to foreclose a lien on a Marina Unit for unpaid Marina Common Charges (or Special Assessments to pay Marina Common Charges), the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. A suit to recover a money judgment for unpaid General Common Charges, Multi-Family Limited Common Charges, Townhouse Limited Common Charges or Special Assessments, as the case may be, in the case of a suit by the Condominium Board, or a suit to recover a money judgment for unpaid Marina Common Charges (or Special Assessments), in the case of a suit by the Marina Board (or Marina Majority in Interest, as the case may be), or by the Condominium Board, on behalf of the Marina Board (or Marina Majority in Interest, as the case may be), shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficiency. The Marina Board and the Condominium Board shall each have a lien on each Marina Unit for unpaid Marina Common Charges and Special Assessments (to pay Marina Common Charges), which lien shall be subordinate to all sums unpaid on a first mortgage of record, liens for taxes on such Unit and such other sums as is provided in Section 339-z of the Condominium Act. The Marina Board or the Marina Majority in Interest, as the case may be, shall have, on account of the failure of a Marina Unit Owner to timely pay Marina

Common Charges or Special Assessments (to pay Marina Limited Common Expenses), all of the rights and remedies against a defaulting Marina Unit Owner as the Condominium Board has herein or under the Condominium Act (including, without limitation under Section 339-z and 339-aa thereof) or other applicable law against a Unit Owner on account of such Unit Owner's failure to pay General Common Charges, including, without limitation, the right to foreclose the lien of the Marina Board (or of the Condominium Board) for unpaid Marina Common Charges and Special Assessment (to pay Marina Limited Common Expenses). At its sole option and election, the Marina Board or Marina Majority in Interest, as the case may be, may at any time and from time to time, request (which request may be revoked at any time) that the Condominium Board act as its agent to collect Marina Common Charges and Special Assessments (to pay Marina Limited Common Expenses), to enforce the lien of the Condominium Board or of the Marina Board for Marina Common Charges and Special Assessments (to pay Marina Limited Common Expenses) and otherwise to enforce the remedies of the Marina Board (or the Marina Majority in Interest, as the case may be) against a defaulting Marina Unit Owner, in which event, the Condominium Board shall have the power (and shall be obligated to exercise such power at the direction of the Marina Board or Marina Majority in Interest, as the case may be, until such time as such power may be revoked in the discretion of the Marina Board or Marina Majority in Interest, as the case may be) to exercise on behalf of the Marina Board or Marina Majority in Interest, as the case may be (but at no cost or expense to the Marina Unit Owners or to the Marina Board except for reasonable out of pocket expenses) all of the rights and remedies of the Marina Board or Marina Majority in Interest, as the case may be, against a defaulting Marina Unit Owner by reason of its failure to timely pay Marina Common Charges or Special Assessments (to pay Marina Common Charges), including, without limitation, the power to foreclose the lien for unpaid Marina Common Charges and such Special Assessments.

Wherever in the Declaration or these By-laws reference shall be made to "the Marina Board", "the Marina Board or Marina Majority in Interest, as the case may be," or words of like meaning, such reference shall be deemed to mean the Marina Board unless no Marina Board shall have been established and be in existence, in which case, the reference shall mean a Marina Majority In Interest. Wherever in the Declaration or these By-laws reference shall be made to "the Marina Board, "the Marina Board or a Marina Amendment Majority, as the case may be," or words of like meaning, such reference shall be deemed to mean the Marina Board unless no Marina Board shall have been established and be in existence, in which case, the reference shall mean a Marina Amendment Majority.

No Unit Owner shall be liable for the payment of any part of the Common Charges against his or her Unit accruing subsequent to a sale or other conveyance by him of such Unit, together with its Appurtenant Interest, provided that no violation of any provision of the Declaration or these By-Laws then exists with respect to such Unit. Any Unit Owner may, by conveying his or her Unit and its Appurtenant Interest to the Condominium Board, or its designee, corporate or otherwise, exempt himself from the liability for Common Charges accruing after such conveyance, subject to the terms and conditions of these By-Laws, provided that at the time of such conveyance (a) such Unit is free and clear of liens and encumbrances other than a Permitted Mortgage and the statutory lien for Common Charges and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with

respect to such Unit. A Purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except as hereinafter provided. A purchaser of a Unit at a foreclosure sale pursuant to a Permitted Mortgage which is a first lien against such Unit shall not be liable, and such Unit shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. In addition, a Unit conveyed by deed in lieu of foreclosure to a Permitted Mortgagee holding a Permitted Mortgage which is a first lien against the Unit, or its nominee shall not be subject to a lien, for the payment of Common Charges, accrued and unpaid against such Unit prior to such acquisition of such Unit. However, the owner of such Unit prior to the foreclosure sale (or deed in lieu of foreclosure, as the case may be) shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

Section 8. **Statement of Common Charges.** The Condominium Board 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. **Maintenance and Repairs.**

(a) Subject to the provisions of Section 12 of this Article V and except as set forth below, each Residential Unit Owner shall maintain his or her Unit in good working order and condition, ordinary wear and tear excepted. Subject to the restrictions on extraordinary or structural repairs, alterations and improvements with respect to certain elements and the requirement under certain circumstances to obtain Condominium Board approval set forth herein, all maintenance, repairs and replacements in or to any Residential Unit (other than maintenance of, repairs to and replacements of any Common Elements contained in the Unit), any installations to the exterior of the Building made by or serving exclusively any Residential Unit (including, without limitation, any skylight, greenhouse, Multi-Family Roof Terrace Access Stairway, Townhouse Roof Terrace Access Stairway or Roof Terrace), and any electrical, plumbing, heating and air conditioning fixtures in the Residential Unit or serving the Residential Unit exclusively (other than those constituting Common Elements), whether structural or nonstructural, ordinary or extraordinary (including, without limitation, painting and decoration of the Unit), shall be performed by the owner of such Residential Unit, at such Unit Owner's sole cost and expense. All repairs and replacements shall be of a quality or class at least equal to the original work or construction. Each Residential Unit Owner shall give the Condominium Board prompt notice of any defect in the plumbing, heating and electrical systems in his Unit after actual notice thereof by such Unit Owner. Each Residential Unit Owner shall perform such construction, alterations or improvements to his Residential Unit and the Common Elements as from time to time shall be necessary to render its occupancy of such Unit lawful. Each owner of a Residential Unit which includes a Townhouse Balcony, Multi-Family Private Balcony, Townhouse Porch, Multi-Family Private Roof Terrace, Townhouse Roof Terrace, Townhouse Roof Terrace Access Stairway or Multi-Family Roof Terrace Access Stairway or a Townhouse Yard, as the case may be, shall keep each of the foregoing as applicable to such Unit Owner's Unit, as the case may be, free of debris (and will be responsible to keep any drains thereon free of

debris and unclogged) and, in the case of a Roof Terrace, use it in a reasonably prudent manner so as to avoid damage thereto or to the underlying roof or other Common Elements as applicable.

Notwithstanding the foregoing, all extraordinary or structural maintenance, repairs and replacements in and to any Townhouse Balcony, Multi-Family Private Balcony or Townhouse Porch, which is part of a Unit shall be made by the Condominium Board and the cost thereof shall be a Common Expense; provided that the expenses of any and all repairs and replacements to any of the foregoing arising by reason of excessive, abusive or unreasonable use thereof, by reason of any use thereof not for its intended purpose or by reason of any violation of the Declaration or these By-Laws or the Rules and Regulations of the Condominium, shall be borne by the Unit Owner whose Unit includes such element and such cost and expense shall be paid as a Common Charge within ten days after demand by the Condominium Board. No repairs, replacements, alterations or improvements may be made by a Unit Owner to a Roof Terrace (including, without limitation, replacement of the surface material and the installation of any equipment, amenity or fixture that might result in perforation or penetration of the underlying roof), Townhouse Balcony, Multi-Family Unit Balcony, Townhouse Porch, skylight or greenhouse without the prior written consent of the Condominium Board, which consent may be withheld in the Board's sole discretion. In addition, at the sole option and election of the Condominium Board, the Condominium Board rather than the Unit Owner shall make all repairs, replacements, improvements and alterations (whether ordinary or extraordinary, structural or non-structural) to any Roof Terrace, skylight, greenhouse, Multi-Family Roof Terrace Access Stairway or Townhouse Roof Terrace Access Stairway, including, without limitation, those that could cause or increase the likelihood of water leaks from the roof, skylight, greenhouse or stairway, as the case be, shall be performed by the Condominium Board and the cost thereof charged as a Common Charge to the Unit Owner whose Unit includes such Roof Terrace, skylight, greenhouse or stairway. In addition, a Residential Unit Owner whose Unit includes a Townhouse Roof Terrace or a Multi-Family Private Roof Terrace (each a "Roof Terrace") shall pay to the Condominium Board as a Common Charge within ten days after demand, the cost of all repairs, alterations, replacements and improvements made by the Condominium Board to such Roof Terrace and the underlying roof (including, without limitation, to deal with water leaks) which arises by reason of excessive, abusive or unreasonable use thereof, by reason of any use thereof not for its intended purpose, by reason of any violation of the Declaration, these By-Laws or the Rules and Regulations of the Condominium, or by reason of the installation of any equipment, amenity or fixture thereon (or on the roof) made by such Unit Owner including, without limitation, resulting in perforation or penetration of the underlying roof (each of which shall require the prior written consent of the Condominium Board). If, however, the Condominium Board shall replace the entire roof of the Townhouse Building or Multi-Family Building, as the case may be, on which the Roof Terrace is located due to a general problem with the roof as a whole or for another reason unrelated to a particular Roof Terrace, the cost thereof will be borne by the Unit Owners as a General Common Expense.

(b) Without limiting the rights of the Unsold Unit Owner(s) to improve, maintain, repair and alter the Unsold Units and the rights of the Marina Unit Owner(s) to improve,

maintain, repair, replace and alter the Marina Unit and the Marina Limited Common Elements and their other rights as set forth in the Declaration and these By-laws and subject to the provisions of subsection 1(a) of this Article V, all maintenance of, replacement of and repairs to the exterior walls of the Buildings and the General Common Elements shall be performed by the Condominium Board and charged as a General Common Expense, as provided in these By-laws. All maintenance of, replacement of and repairs to the Multi-Family Limited Common Elements shall be performed by the Condominium Board and charged as a Multi-Family Limited Common Expense, as provided in these By-laws. In making repairs or replacements, the Condominium Board or its designee shall make all reasonable efforts (i) to minimize any interference with the Unit Owners' use and enjoyment of and business conducted in their Units and (ii) to conceal in the walls, floors or ceilings, or if not feasible, box in without materially reducing usable areas of the affected Unit or its ceiling height, any pipes or conduits installed by the Condominium Board.

(c) The Marina Unit Owners shall have the right to develop and improve the Marina Units as provided in the Declaration. All maintenance of, alteration of, replacement of and improvement of the Marina Limited Common Elements shall be performed by the Marina Unit Owners (or the Marina Board if one shall then exist) and charged as a Marina Common Expense as provided in these By-Laws.

(d) If any maintenance of, replacement of or repairs to the Property or any part thereof (including, without limitation those necessitated as a result of leaks in any skylight or greenhouse or any defective condition thereof) are necessitated by the negligence of (i) any Unit Owner, his or her tenants or visitors or occupants of the Unit, then the entire cost thereof shall be borne by such Unit Owner and shall be assessed by the Condominium Board against such Unit Owner as a Common Charge or (ii) the Condominium Board, then the entire cost thereof shall be a General Common Expense.

Section 10. **Performance of Unit Owners' Obligations and Injunctive Relief.** If any Unit Owner defaults in any of his or her obligations under the Declaration, these By-Laws or the Rules and Regulations other than the obligation to pay Common Charges, then in such event the Condominium Board may send to such Unit Owner a notice specifying the default. Without limiting the right of the Condominium Board to act without notice in the case of an emergency, if within thirty (30) days after the service of such notice upon the Unit Owner, such Unit Owner fails to cure such default or, in the case of a default not reasonably susceptible to cure within such period, fails to commence to cure such default within such thirty (30) day period and thereafter prosecute such cure to completion with due diligence, then the Condominium Board or its designee may enter the Unit and cure such default and the Condominium Board shall be entitled to seek injunctive relief against such defaulting Unit Owner. All sums expended and all costs and expenses incurred in connection with the curing of such default together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by law) shall be added to and shall constitute a Common Charge against such Unit Owner.

Section 11. **Additions, Alterations or Improvements by the Condominium Board.** Except as otherwise provided in the Declaration or these By-Laws, (i) all alterations, additions, improvements or repairs in or to any General Common Elements shall be made by the

Condominium Board and the costs and expenses thereof shall be charged to all Units Owners as a General Common Expense, (ii) all alterations, additions, improvements or repairs in or to the Marina Limited Common Elements shall be made by the Marina Board and the costs and expenses thereof shall be charged to all Marina Unit Owners in accordance with the respective Percentages of Marina Common Interest of their respective Marina Units and (iii) all alterations, additions, improvements or repairs in or to the Multi-Family Limited Common Elements shall be made by the Condominium Board and the costs and expenses thereof shall be charged to all Multi-Family Unit Owners as a Multi-Family Limited Common Expense, that is, in accordance with the respective Percentages of Multi-Family Common Interest of their respective Residential Units and, (iv) all alterations, additions, improvements or repairs in or to the Townhouse Limited Common Elements shall be made by the Condominium Board and the costs and expenses thereof shall be allocated and assessed to the owners of the applicable Benefited Townhouse Units pro rata based upon the ratio that the Common Interests allocated to their respective Benefited Townhouse Units bears to the total Common Interests allocated to all such Benefited Units. Whenever in the judgment of the Condominium Board, the General Common Elements shall require additions, alterations or improvements costing in excess of $250,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Units and a majority of the Mortgage Representatives (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof); provided that no such approval shall be required for (1) facade repair and/or alteration work in the interests of safety (as determined by the Condominium Board) or in compliance with Local Law 11 of 1998 (or any successor or replacement law or statute), (2) roof replacements or (3) any addition, alteration or improvement paid for by Sponsor. Any additions, alterations or improvements to the General Common Elements costing in the aggregate $250,000.00 or less in any fiscal year may be made by the Condominium Board without the approval of the Unit Owners provided same are reasonably necessary to the operations of the Property as a first class building and to the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the General Common Elements shall, except as otherwise provided in the Declaration and these By-Laws, including without limitation the Rules and Regulations thereunder, constitute part of the General Common Expenses. Whenever in the judgment of the Condominium Board, the Multi-Family Limited Common Elements shall require additions, alterations or improvements costing in excess of $250,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless such addition, alteration or improvement is paid for by Sponsor or first approved by Multi-Family Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Multi-Family Units and a majority of the Mortgage Representatives with respect to the Multi-Family Units (provided that Mortgage Representatives shall have been designated in accordance with these By-Laws and the Condominium shall have received prior written notice thereof). Any additions, alterations or improvements to the Multi-Family Limited Common Elements costing in the aggregate $250,000.00 or less in any fiscal year may be made by the Condominium Board without the approval of the Multi-Family Unit Owners provided same are reasonably necessary to the operations of the Multi-Family Limited Common Elements as part of a first class building and to the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the Multi-Family Limited Common Elements shall,

except as otherwise provided in the Declaration and these By-Laws, including without limitation the Rules and Regulations thereunder, constitute part of the Multi-Family Limited Common Expenses. Whenever in the judgment of the Marina Board or Marina Majority in Interest, as the case may be, the Marina Limited Common Elements shall require additions, alterations or improvements costing in excess of $150,000.00 in the aggregate in any fiscal year, then such additions, alterations or improvements shall not be made unless first approved by Marina Unit Owners owning Units having an aggregate Common Interest of in excess of 66-2/3 percent of the Common Interests of all the Marina Units with respect to the Marina Units. Any additions, alterations or improvements to the Marina Limited Common Elements costing in the aggregate $150,000.00 or less in any fiscal year may be made by the Marina Board or Marina Majority in Interest, as the case may be, without the approval of the Marina Unit Owners provided same are reasonably necessary to the operations of the Marina Limited Common Elements as part of a first class Marina and to the uses to which it is then subject. The cost and expense of any addition, alteration or improvement to the Marina Limited Common Elements shall, except as otherwise provided in the Declaration and these By-Laws, including without limitation, the Rules and Regulations thereunder, constitute part of the Marina Limited Common Expenses. In making any of the foregoing described additions, alterations and improvements, the Condominium Board or Marina Board (or Marina Majority in Interest), as the case may be, shall make all reasonable efforts (i) to minimize any interference with the Unit Owners' use and enjoyment of and any business conducted in their Units and (ii) to conceal in the walls, floors or ceilings or if not feasible, box in without materially reducing usable areas of the affected Unit or its ceiling height, any pipes or conduits installed by the Condominium Board or Marina Board (or Marina Majority in Interest), as the case may be.

Section 12. **Additions, Alterations or Improvements by Unit Owners.** Except as permitted in the Declaration:

(a) No Residential Unit Owner (other than Sponsor, any Unsold Unit Owner or any of their respective designees) shall make any structural addition, alteration or improvement in or to his or her Residential Unit (other than painting and decorating of a non-structural nature) or any non-structural addition, alteration or improvement affecting a Common Element (collectively, "Work"), without the prior written consent thereto of Sponsor (for so long as Sponsor (or its designee) owns any Unsold Units) and the Condominium Board. In no event shall any such Work be permitted if such addition, alteration or improvement shall, in the opinion of Sponsor delay, prevent, adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or permanent certificate of occupancy for other Units or the Building in which the Unit is located and in no event shall such addition, alteration or improvement be performed in violation of the certificate(s) of occupancy for the Building in which the Unit is located or otherwise in violation of law. In order to coordinate the performance of Work and to maintain the integrity of the Building, the Building Systems, the Facilities and the Common Elements the following procedures will govern Work to be performed by Residential Unit Owners: Provided Sponsor grants such approval, the Condominium Board will not unreasonably withhold its approval provided the procedure set forth below has been complied with. Further, provided the plans and specifications submitted by the Unit Owner have been reviewed by Sponsor's construction professionals, the Condominium Board will not require the Residential Unit Owner

to submit the plans and specifications to the Condominium Board's construction professionals for review. Such approval may be conditioned, in the discretion of Sponsor and the Condominium Board, upon the Unit Owner's compliance with the following:

(i) The Residential Unit Owner shall submit to Sponsor (for so long as Sponsor owns any Unsold Units) or to the Condominium Board (after Sponsor ceases to own any Unsold Units) proposed plans and specifications (the "Proposed Plans") for the Work that the Residential Unit Owner wishes to perform. Such Proposed Plans must be prepared by an architect or engineer licensed to practice in the State of New York engaged by the Unit Owner (the "Unit Owner's Architect") at the Unit Owner's sole cost and expense.

(ii) The Unit Owner shall submit an estimate prepared by a contractor licensed to do business in the City of New York of the cost of the Work together with evidence of the Unit Owner's financial ability complete the Work. Any contractor engaged by a Unit Owner to perform work must be compatible and engage laborers who are compatible with any labor engaged by Sponsor and/or the Condominium Board in or about the Property.

(iii) Simultaneously with the submission of the Proposed Plans, the Unit Owner shall submit to Sponsor or to the Condominium Board (whichever is applicable) for transmission to the architect or engineer reviewing same, his check, to the order of such licensed architect or engineer as Sponsor or the Condominium Board (as the case may be) has engaged (the "Building's Architect") to review the Proposed Plans, in payment of the fee of the Building's Architect in connection with the review of the Proposed Plans.

(iv) The Unit Owner shall, promptly, and in no event later than 45 days from the date that the Unit Owner is notified of any changes that may be required in his Preliminary Plans, at his sole cost and expense, cause such Unit Owner's Architect to make all changes that may be required by Sponsor, the Condominium Board and the Building's Architect. The Unit Owner shall promptly pay such additional fee(s) as may be incurred in connection with the review by the Building's Architect of any such changes.

(v) In this regard, each Unit Owner acknowledges that Sponsor, the Condominium Board and the Building's Architect may each deny or condition their approval of or require the Unit Owner to make changes in and to the Unit Owner's plans and specifications for a broad range of reasons, including, without limitation, compliance with applicable law, concerns regarding the impact of the Work on the capacity of Building Systems and Facilities, concerns about the impact and/or potential encroachment of the Work (both during construction and as ultimately completed) on other Unit Owners, other Units, the Common Elements, and/or the Marina Unit(s) or Marina, the impact of the Work on Sponsor's ability to market Unsold Units, the need or desirability of coordination of the Work proposed by the Unit Owner with Work to be performed by other Unit Owners and potential costs, if any (such as increased utility or insurance costs) resulting from the Work.

(vi) The Unit Owner shall execute an agreement in form and content reasonably satisfactory to Sponsor and the Condominium Board, incorporating the provisions of this section and any other conditions as may be imposed by either of them in connection with the Work.

(vii) The Unit Owner shall submit the revised Proposed Plans to the Sponsor, the Condominium Board and the Building's Architect for approval and shall comply with any further comments regarding the Proposed Plans within fifteen (15) days.

(viii) The Unit Owner shall obtain all applicable governmental approvals and permits at his sole cost and expense and provide a copy thereof to Sponsor and the Condominium Board within three (3) business days following receipt, but in all events prior to the commencement of the Work.

(ix) The Unit Owner shall, at his sole cost and expense, prior to the commencement of the Work obtain and provide evidence of such insurance coverage, including coverage for the types of risks and at such minimum policy limits as may be required by Sponsor and the Condominium Board in connection with the Work. The insurance policies obtained by the Unit Owner must name Sponsor and the Condominium Board as additional insured parties, must provide that they may not be canceled without thirty (30) days' prior written notice to Sponsor and the Condominium Board and must be maintained in effect until the Work is complete and all governmental "sign-offs" and approvals have been obtained. Sponsor and the Condominium Board reserve the right to require the Unit Owner's contractor (the "Contractor") to maintain in effect during the course of the Work such types and amounts of insurance coverage as they may reasonably determine.

(x) The Unit Owner shall only engage the services of a contractor(s) and professionals who are duly licensed to perform the services for which they have been engaged. The Unit Owner shall submit to the Managing Agent of the Condominium the name of the contractor(s) and professionals together with evidence that such contractor(s) and professionals satisfy the requirements of this section.

(xi) The Unit Owner shall, within thirty (30) days of receipt of approval commence the Work and proceed with all due diligence to complete same.

(xii) The Unit Owner shall notify Sponsor and the Condominium Board immediately in the event any hazardous situation or emergency situation arises during the performance of the Work and shall immediately take all steps as may be appropriate to correct such hazardous situation.

(xiii) Sponsor, the Condominium Board and the Managing Agent and any professionals engaged by any of them shall have the right to inspect the Unit and the Work from time to time, without notice to the Unit Owner. However, no such inspection shall be deemed to be either (I) a waiver of compliance or (ii) a determination as to compliance or conformance of such Work with applicable laws.

(xiv) In the event that any hazardous situation or emergency situation, Sponsor, the Condominium Board and the Managing Agent may each, without notice to the Unit Owner, take all steps as may necessary, appropriate or desirable to cure, correct or alleviate such hazardous condition or emergency situation. The cost of any such cure, correction or alleviation shall be borne by the Unit Owner, paid by the Unit Owner within ten (10) days of being billed and, if billed by the Condominium Board, shall constitute a lien on his Unit (with the same force and effect as a Common Charge lien) until paid.

(xv) If the Unit Owner fails to pursue the Work to completion with due diligence, Sponsor, the Condominium Board and the Managing Agent shall each have the right (but not the obligation) to complete the Work in accordance with the Unit Owner's Plans, at the expense of the Unit Owner. The cost of such completion shall be borne by the Unit Owner and shall be paid by the Unit Owner within ten (10) days of being billed, and, if billed by the Condominium Board, shall constitute a lien on the Unit (similar to the lien of Common Charges) until paid.

(xvi) The Unit Owner shall, within thirty (30) days of the imposition thereof, cause all mechanics liens and other liens to be bonded or discharged.

(xvii) The Unit Owner shall deliver a set of "as-built" plans to the Condominium Board at the Unit Owner's expense.

(xviii) Promptly, but in no event later than thirty (30) days following the completion of the Work, the Unit Owner shall obtain and provide to the Condominium Board all governmental "sign-offs" and documents evidencing the completion of the Work in accordance with all Applicable Law.

(xix) Sponsor, the Condominium Board and the Managing Agent each reserve all rights at law and in equity (including the right to injunctive relief) to enforce the provisions of this section and any agreement made by any of them with a Unit Owner in connection with Work to be performed by such Unit Owner.

(xx) Residential Unit Owners are advised that for so long as Sponsor owns at least one Unsold Unit, Sponsor reserves the right to require the Residential Unit Owner to utilize a contractor and other professionals approved by Sponsor in connection with the performance of the Work.

(xxi) The Condominium Board shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within thirty (30) days after such request which shall be deemed to have been made following the submission of the items required in paragraphs (i), (ii), and (iii) above, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration or improvement. Any application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit permitted

hereunder shall be executed by the Condominium Board, without, however, incurring any liability on the part of the Condominium Board 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.

(xxii) If the Condominium Board shall execute 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 permitted hereunder, the Condominium Board, shall not, by virtue of such execution, incur any liability on the part of the Condominium Board of Managers 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.

(b) Subject to the provisions of subparagraph (d) below, no Residential Unit Owner (other than Sponsor, any Unsold Unit Owner or any of their designees) shall, without obtaining the prior written consent of the Condominium Board construct any additions to the exterior of his or her Unit (including the exterior walls of the Building encompassing the Unit), make structural changes to any of the Common Elements, or excavate or otherwise alter Common Elements, whether such Common Elements be located in, under or adjacent to the Building.

(c) Notwithstanding anything to the contrary contained in these By-laws, each of the Marina Unit Owners, shall have the right, without the consent of the Condominium Board or any Unit Owner (but if there shall then be more than one Marina Unit in the Building, the consent of the Marina Board (or a Marina Majority in Interest, as the case may be shall be required), to make repairs (extraordinary or ordinary), alterations, additions and improvements whether structural or non-structural, interior or exterior, ordinary or extraordinary, in and to or upon its Marina Unit and the Marina Limited Common Elements.

(d) Notwithstanding anything to the contrary contained in these By-laws, Sponsor, Unsold Unit Owners and their respective designees shall have the right, without the consent of the Condominium Board or any Unit Owner to make alterations, additions and improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in and to or upon Unsold Units.

(e) If, as a result of a Unit Owner making alterations, additions and improvements to such Unit Owner's Unit, Common Elements that the Condominium Board is responsible to maintain shall be damaged, such Unit Owner shall be obligated to repair such damage as soon as reasonably practicable following demand by the Condominium Board, failing which the Condominium Board may repair same and charge such Unit Owner for expenses incurred therefor as a Common Charge. Any dispute concerning the obligation of a Unit Owner to repair such damage or its liability to the Condominium Board for expenses incurred therefor shall be resolved by a court of competent jurisdiction.

(f) Nothing contained in this Section 12 is intended to limit the rights of the Marina Unit Owners or Sponsor, or its designees under Section 9 or 11 of the Declaration.

Section 13. **Right of Access.** A Unit Owner shall give access to his or her Unit to the Condominium Board, the manager and/or the managing agent and/or any other person(s) authorized by the Condominium Board, the manager or the managing agent, for the purpose of (i) making inspections or for the purpose of correcting any condition originating in his or her Unit and threatening another Unit or a Common Element, (ii) performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his or her Unit or elsewhere on the Property, (iii) correcting any condition which violates the provisions of any mortgage covering another Unit, (iv) removing violations of governmental laws or regulations against any part of the Property, (v) making any inspections, performing installations, alterations or repairs to any Limited Common Element and to any part of the Unit for which the Board has any obligation to make or prerogative to make any repairs, and (vi) curing any defaults under the Declaration and the By-Laws, provided that in each case, except as provided below, the requests for entry are made at least one (1) day in advance. Such right of access shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business in or use of the Unit. In the case of an emergency, such right of access shall be immediate, without advance notice and may occur whether the Unit Owner is present at the time or not. The foregoing shall not be deemed as prohibiting a Unit Owner from having a representative present when such access is given to the Condominium Board.

Section 14. **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Units and the Common Elements (such rules and regulations as amended from time to time are sometimes herein referred to as the "Rules and Regulations"). Except as may be provided in the Declaration, the Condominium Board (acting by a majority vote of its members) may from time to time amend such Rules and Regulations in such manner as shall be reasonably necessary for the proper operation of the Building, except that (i) a Majority in Common Interest of Unit Owners may overrule the Condominium Board with respect to any such amendment and (ii) no amendment may be made which may have an adverse affect on the Marina Unit Owners, Sponsor, any Unsold Unit Owner or their designees, or the Units owned by any of them, unless approved in writing by such Marina Unit Owners, the Sponsor, such Unsold Unit Owner or its designees, as the case may be. Copies of such Rules and Regulations as amended shall be furnished by the Condominium Board to each Unit Owner not less than thirty (30) days prior to the effective date thereof. The terms "amend," "amended" or "amendment," as used in this Section, shall also mean deleting or adopting a rule or regulation.

The Condominium Board shall have the right to require each Parking Space Unit Owner to provide, within five (5) days following written request, a registration for any vehicle parked in such Parking Space Unit Owner's Parking Space Unit and such other evidence as the Condominium Board may require, evidencing such Parking Space Unit Owner's compliance with Section 7 of the Condominium Declaration and, upon such Parking Space Unit Owner's failure to provide such evidence, the Condominium Board shall be entitled to exercise those rights and remedies as are set forth in Section 10 of Article V of the Condominium By-Laws.

The foregoing provision shall be inapplicable to Parking Space Units owned by Declarant, Sponsor or owners of Unsold Parking Space Units.

Section 15. Real Estate Taxes. Except as provided below, until the Units are separately assessed for real estate tax purposes, the Condominium Board as agent of the Unit Owners shall promptly pay all real estate taxes levied with respect to the Property as a Common Expense, to be borne solely by Units for which a temporary certificate of occupancy shall have been obtained as of prior to commencement of the respective tax period (half year or quarterly period, as the case may be) (collectively, "Completed Units") for which real estate taxes are being paid by the Condominium Board, and the Common Charges collected from owners of Completed Units to meet this Common Expense shall be earmarked for this purpose. The fact that an owner of a Completed Unit may have established escrow deposit(s) with such Unit Owner's mortgage lender for the payment of real estate taxes by such mortgage lender with respect to such Completed Unit, shall not release such Unit Owner from such Unit Owner's responsibility to timely pay (or cause its mortgage lender to pay), by such date as may be determined by the Condominium Board, such Completed Unit's pro rata portion (based upon the ratio of such Completed Unit's Common Interest to the aggregate of the Common Interests of all Completed Units) of such portion of the Common Charges assessed for the purpose of payment of real estate taxes. If, prior to the separate assessment of the Units for real estate tax purposes, the Condominium Board shall fail to timely pay all or any portion of the real estate taxes levied with respect to the Property, Sponsor and each Unsold Unit Owner shall have the right (but not the obligation) to pay such taxes not timely paid and the Condominium Board shall reimburse Sponsor or other Unsold Unit Owner, as the case may be, upon demand, for the amount of such taxes so paid, plus interest thereon until paid in full, at a rate of interest equal to prime rate as announced from time to time by Citibank, N.A. After the Units are separately assessed for real estate tax purposes, the Board as agent of the Unit Owners shall promptly assess any Unit Owners who have underpaid real estate taxes with respect to their Completed Units (to the Board) based upon the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s) and shall likewise reimburse any Unit Owners who have overpaid real estate taxes with respect to their Completed Units (to the Board) based upon the initial assessed valuation of such Units (or portion thereof after giving effect to any applicable Real Property Tax Law Section 421-a or Section 421-b tax exemptions or other applicable real estate tax exemptions) and the applicable tax rate(s).

Section 16. Utilities.

(a) Electricity. Electricity for each of the Residential Units shall be supplied by the public utility company serving the area directly to each Residential Unit through a separate meter and the owner of such Residential Unit shall be required to pay the bills for electricity consumed or used in or for his Residential Unit. With the exception of the Parking Space Units, in the event that one such meter measures the consumption of electricity in more than one Unit, then all such Units shall pay their pro rata share, as reasonably determined by the Board of Managers, of the consumption of electricity measured by such meter. The cost of electricity consumed by or for Multi-Family Limited Common Elements or their operation shall be a Multi-Family Limited Common

Expense. The cost of electricity consumed in, of or for the General Common Elements, including but not limited to for lighting, venting and heating of the Garage and Gymnasium and lighting of the roadway, shall be a General Common Expense. Electricity consumed for the lighting of Outdoor Parking Space Units shall be measured on the meter measuring electrical consumption by or for General Common Elements and the cost thereof shall be deemed a General Common Expense. The allocation of the cost of electricity consumed by the Marina Units as a whole shall be as determined by the Marina Board or Marina Majority in Interest, as the case may be. The Marina Board or Marina Majority in Interest, as the case may be, shall have the authority to install separate electric meters within the Marina Section or in the General Common Elements, which separately measure consumption of the respective Marina Units and the costs of the installation of such meters shall be a Marina Common Expense. Electricity consumed by Marina Limited Common Elements shall be a Marina Common Expense. Except as provided in Section 9 or 11 of the Declaration, a Unit Owner shall not exceed the capacity of existing feeders, risers or wiring installations and shall not use any electrical equipment which in the reasonable opinion of the Board of Managers will overload such feeders, risers and installations.

(b) Gas. Gas consumed for Multi-Family Limited Common Elements shall be a Multi-Family Limited Common Expense. Each Residential Unit Owner shall pay directly to the applicable gas utility or supplier the cost of gas (and delivery thereof) consumed to provide heat and hot water, and gas for cooking purposes, in and for such Unit Owner's Unit. In the event that one meter measures the consumption of gas in more than one Unit, then all such Units shall pay their pro rata share, as reasonably determined by the Board of Managers, of the consumption of gas measured by such meter. In addition, at such time as there shall be more than one Marina Unit, the cost of gas, if any, consumed to provide heat and hot water for the Marina Unit(s) and the Marina Limited Common Elements (collectively, the "Marina Section") shall be borne by the Marina Unit Owners as a Marina Limited Common Expense.

(c) Water Charges and Sewer Rents. All costs and expenses for water consumption at the Multi-Family Building and all sewer rents and sewer charges with respect to the Multi-Family Building shall be a Multi-Family Limited Common Expense. In addition, with the exception of costs in connection with the watering of grass which is a General Common Element and related sewer charges and sewer rents, all costs and expenses for water consumption with respect to or at the General Common Elements and all sewer rents and sewer charges with respect to or at the General Common Elements, including but not limited to, in each case, at or by the half-bathroom in the Gymnasium and for the cleaning of the Indoor Parking Spaces and the Outdoor Parking Space Units, Gymnasium, shall be measured on the meter measuring consumption in or for the Multi-Family Building and shall be a Multi-Family Limited Common Expense. Water consumed by the respective Townhouse Units shall be and shall remain separately metered and/or sub-metered and each Townhouse Unit Owner shall pay for the cost of water consumed in or for his Townhouse Unit together with the related sewer rents and sewer charges. Each Townhouse Unit Owner will be billed by the Condominium Board for such water and sewer charges and, as directed by the Condominium Board from time

to time, either pay the NYC Water Board (or successor utility provider) directly therefor or reimburse the Condominium Board for the Condominium Board's payment thereof within ten days after billed and such charges as billed shall be Common Charges payable by the respective Townhouse Unit Owners. Water consumed in or for (i) the Townhouse Limited Common Elements, including, but not limited to, the walkway from the sidewalk and pavement (each if present), the stoop and adjoining porch area, and (if present) additional outdoor stairs leading from such porch area to an apartment on the second floor or cellar level and adjoining landing (but in each case excluding the porch and stairs which is or are part of any Townhouse Unit) servicing Stacked Townhouse Units, as the case may be, and (ii) grass or plants located on a General Common Element, shall be measured on the respective meters or sub-meters measuring water consumption in Townhouse Units located on the cellar and first floors and, the cost of such water consumption, together with the related sewer rents and sewer charges, shall be deemed as an expense of, and be payable solely by, the owners of such Townhouse Units located on the cellar and first floors, on whose meters or sub-meters such consumption shall be measured, respectively.

(d) Vault Charges. Any an all license fees and any and all periodic taxes and charges for vaults or other protrusions beyond the Buildings' line assessed against the Property shall be fairly and equitably apportioned by the Board of Managers between or among the Units having the right to use such vault or other protruding space.

(e) Interruptions in Utilities. The Condominium Board shall have the right to interrupt all utilities for the purposes of dealing with accidents, strikes and repairs, alterations, improvements and the like. The Condominium Board shall have no liability to any Unit Owner for any such interruption. However, the Condominium Board shall make all reasonable efforts to minimize such interference.

Article VI

Selling, Leasing and Mortgaging of Units

Section 1. Notice to Condominium Board. A Unit Owner who mortgages his or her Unit shall notify the Condominium Board of the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Subject to the priority of the lien of a Permitted Mortgage which is a first lien against a Unit with respect to all unpaid sums due under such Permitted Mortgage and such other rights, if any, as may appertain to a holder of a first priority Permitted Mortgage under Sections 339-z of the Real Property Law of the State of New York, the rights of any mortgagee of a Unit shall be subordinate to the terms and provisions of the Declaration, By-Laws and Rules and Regulations, including, without limitation, the provisions of Section 9 of the Declaration, and any such mortgage that fails to provide for such subordination shall nonetheless be deemed to provide for such subordination. Although no further instrument shall be required to effectuate such subordination, each mortgagee of a Unit, by accepting such mortgage, agrees to execute and deliver any instruments and documents requested to be executed and delivered by the Condominium Board in connection with the confirmation of such subordination, and, in the

event such mortgagee fails to execute and deliver any such instruments or documents, its acceptance of such mortgage shall be deemed to constitute its appointment of the Condominium Board as its true and lawful attorney-in-fact in its name, place and stead to execute and deliver any such instruments and documents, such power being coupled with an interest. A Unit Owner who satisfies a mortgage covering his or her Unit shall also notify the Condominium Board thereof and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Condominium Board shall maintain the information received pursuant to this Section 1 in a book entitled "Mortgages of Units."

Section 2. **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by the mortgagee of a Unit, the Condominium Board shall promptly report to such mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws, which default may to the Condominium Board's knowledge then exist. The Condominium Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to each holder of a mortgage covering such Unit whose name and address shall have theretofore been furnished to the Condominium Board.

Section 3. **Performance by Mortgagees.** The Condominium Board shall accept payment of any sum or performance of any obligation by any mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations with the same force and effect as though paid or performed by such Unit Owner.

Section 4. **Examination of Books.** Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

Section 5. **Selling and Leasing.** Except as provided in Section 10 of this Article VI no Residential Unit Owner or Parking Space Unit Owner may sell or lease his Residential Unit or Parking Space Unit, without complying with the following provisions ("Right of First Refusal Provisions"):

Any such Residential Unit Owner or Parking Space Unit Owner, as the case may be, who receives a bona fide offer to (a) purchase his Residential Unit or Parking Space Unit, as the case may be, covered by the provisions of this Section 5 ("Offeree Unit") together with its Appurtenant Interest or (b) lease his Offeree Unit (such offer to purchase or lease an Offeree Unit, as the case may be, is called an "Offer", the party making any such Offer is called an "Offeror" and the owner of the Offeree Unit to whom the Offer is made is called an "Offeree"), which he intends to accept shall give notice by certified or registered mail to the Condominium Board of the receipt of such Offer. Said notice shall also state the name and address of the Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or the intended occupancy date in the event of a lease) and such other information as the Condominium Board may reasonably require. The giving of such notice to the Condominium Board shall constitute an offer by such Unit Owner to sell (or lease, as the case may be) his Offeree Unit to the Condominium Board, or its designee, on behalf of all Unit

Owners, upon the same terms and conditions as contained in such Offer and shall also constitute a representation and warranty by the Offeree who has received such Offer, to the Condominium Board on behalf of all Unit Owners, that such Offeree believes the Offer to be bona fide in all respects. The Offeree shall submit in writing such further information with respect thereto as the Condominium Board may reasonably request. Not later than ten (10) business days after receipt of such notice together with such further information as may have been requested, the Condominium Board may elect, by sending written notice to such Offeree before the expiration of said ten (10) business day period, by certified or registered mail, to purchase such Offeree Unit together with its Appurtenant Interest or to lease such Offeree Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Offer and as stated in the notice from the Offeree.

In the event that the Condominium Board shall timely elect to purchase such Offeree Unit together with its Appurtenant Interest or to lease such Offeree Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Condominium Board, in accordance with the terms of the Offer, within forty-five (45) days after the giving of notice by the Condominium Board of its election to accept the aforesaid Offer, and the Condominium Board shall then be required to perform or cause to be performed all of the terms of the Offer (except as otherwise expressly set forth in this Article VI) including, but not limited to, payment of a down payment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be and such closing of title or the commencement of the term of the lease shall be on the date set forth in the notice to the Condominium Board referred to in this Section 5 of Article VI as the intended closing date or commencement date, as the case may be. If pursuant to such Offer, the Offeror was to assume, or take title to the Offeree Unit subject to, the Offeree's existing mortgage or mortgages, the Condominium Board may purchase the Offeree Unit and assume, or take title to the Offeree Unit subject to, said existing mortgage or mortgages, as the case may be. At the closing, the Offeree, if such Offeree Unit together with its Appurtenant Interest is to be sold, shall convey the same to the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-0 of the Real Property Law of the State of New York with all tax and/or documentary stamps affixed at the expense of such Offeree, who shall also pay all other taxes arising out of such sale. Real estate taxes, mortgage interest, if any, and Common Charges shall be apportioned between the Offeree and the Condominium Board, or its designee, corporate or otherwise, as of the closing date. In the event such Offeree Unit is to be leased, the Offeree shall execute and deliver to the Condominium Board, or its designee, a lease between the Offeree, as landlord, and the Condominium Board, or its designee, as tenant, covering such Offeree Unit, for the rental and term contained in such Offer.

In the event that the Condominium Board, or its designee shall fail to accept such Offer within ten (10) business days after receipt of notice, as aforesaid, then the Offeree shall have an additional ninety (90 days) immediately following the end of such ten (10) day period to accept the Offer by executing and delivering a contract of sale or lease, as the case may be and if (A) the Offeree shall not, within such ninety (90) day period, accept in writing the Offer and enter into the lease or contract of sale, as the case may be and (B) in the case of an offer to sell, if although the Offeree shall accept the Offer within such ninety (90) day period but such sale shall not be consummated on or before 90 days after the intended closing date, which is set forth in

the notice to the Condominium Board referred to in this Section 5 of Article VI, then, in either case, should such Offeree thereafter elect to sell or lease such Offeree Unit, as the case may be, the Offeree shall be required to comply again with all of the terms and provisions of this Section.

Any deed to an Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

Any lease executed in connection with the acceptance by an Offeree of any Offer to lease an Offeree Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Condominium Board, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board and that the Condominium Board shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by tenant in the performance of its obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

Any lease executed by the Condominium Board as tenant shall provide that the Condominium Board may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of an Offeree Unit in violation of this Section 5 of Article VI shall be voidable at the election of the Condominium Board and if the Condominium Board shall so elect, the Offeree shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Offeree as the purported landlord. Said Offeree shall reimburse the Board of Managers for all expenses (including, without limitation, attorneys' fees and disbursements) incurred in connection with such proceedings.

Section 6. Consent of Unit Owners to Purchase or Lease of Offeree Units by Condominium Board Not Required. The Condominium Board may, in its discretion, exercise any option hereinabove set forth to purchase or lease any Offeree Unit without the prior approval of a Majority in Common Interest of Unit Owners and shall have the right to release or waive such option without the prior approval of a Majority in Common Interest of Unit Owners.

Section 7. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his or her Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

No Parking Space Unit may be leased by a Unit Owner, other than by Sponsor, an Unsold Unit Owner or a Marina Unit Owner, to other than a Residential Unit Owner, another resident of the Property or Sponsor, an Unsold Unit Owner or a Marina Unit Owner.

Section 8. **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.** If any Unit shall be acquired by the Condominium Board, or its 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 acquired Unit.

Section 9. **Financing of Purchase of Offeree Units by Condominium Board.** The purchase of any Offeree Unit by the Condominium Board of Managers or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board of Managers. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board of Managers may levy an assessment against each Unit Owner, in proportion to his respective Common Interest, as a Common Charge, and/or the Condominium Board of Managers may, in its discretion, finance the acquisition of such Offeree Unit, provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Offeree Unit to be purchased together with its Appurtenant Interest.

Section 10. **Exceptions.** The provisions of Section 5 of Article VI shall not apply to (A) any Marina Unit or any condominium units created by subdivision or combination of a Marina Unit from time to time, or any part thereof, (B) any Unsold Unit, (C) any Unit transferred by a Unit Owner by gift, devise, will or intestacy, or (D) any lease, sale or conveyance of any Unit together with its Appurtenant Interest by (1) the Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof; (2) any Marina Unit Owner, Sponsor, or any Unsold Unit Owner; (3) the Condominium Board; or (4) the sale, transfer or lease of a Unit by or to a mortgagee or its nominee (including, without limitation, by a foreclosure sale); provided, however, that each succeeding Offeree shall be bound by, and his or her Offeree Unit subject to, the provision of this Article VI. The term "affiliate", when used with respect to any Unit Owner, means an individual who (or entity which) owns more than 50% of the legal or beneficial interest in such Unit Owner, or any entity in which such Unit Owner owns more than a 50% interest, legal or beneficial.

Section 11. **Gifts and Devises, etc.** Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will or have his or her Unit pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit subject to, the provisions of this Article VI.

Section 12. **Payment of Assessments.** No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his or her Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed by said Condominium Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his or her Unit, other than any mortgages.

Section 13. **Mortgage of Units.** Each Unit Owner shall have the right to mortgage his or her Unit without restriction. However, the Unit Owner shall comply with the provisions of Section 1 of this Article VI.

Section 14. **Permitted Mortgage.** The term "Permitted Mortgagee" shall mean a holder of a Permitted Mortgage. The term "Permitted Mortgage" shall mean any mortgage of record against a Unit.

Section 15. **Mortgage Representatives.** As used herein, the term "Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of "Institutional Mortgages" (defined below) in accordance with the terms of this Article VI, Section 15.

Except as otherwise provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his or her mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any, designated pursuant to the terms of this Section 15 of Article VI, shall be deemed binding on the holders of all mortgages encumbering Units.

The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect designate not more than three Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this Article VI, Section 15, shall not be effective unless and until written notice of such designation shall have been given to the Condominium Board; provided that any such designation with respect to which such notice shall have been given shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by law, no holders of mortgages encumbering Units other than holders of Institutional Mortgages shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

The term "Institutional Mortgage" shall mean a Permitted Mortgage covering one or more Units and the initial holder of which is either the Sponsor, an Unsold Unit Owner or an Institutional Lender (as hereinafter defined). The term "Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or licensed mortgage bank or (ii) a federal, state, municipal, teachers' or union employee, welfare, pension or retirement fund or system having assets in excess of $300,000,000, in each case doing business in the State of New York; or (iii) any Governmental Authority including an agency of the City or State of New York.

Article VII

Eminent Domain

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 Condominium Board if such award amounts to $250,000.00 or less, and to the Insurance Trustee if such award amounts to more than $250,000.00. If 75% or more in Common interest of all Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Condominium Board shall arrange for the repair and restoration of such Common Elements, and the Condominium Board, 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. If the net proceeds of any such award are insufficient to cover the cost of any repairs or restorations, the deficit will be a General Common Expense. If 75% or more in Common Interest of all Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, or if there are excess proceeds remaining after such repair or restoration, then in such event the Condominium Board, or the Insurance Trustee, as the case may be, 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 V of these By-Laws. In the event of a partial taking by condemnation or by eminent domain which results in a disproportionate taking of the space of each Unit so that one Unit is left with proportionately less space compared to the other Unit than was the case prior to such taking, then the Common Interests of the Unit Owners shall be equitably adjusted by the Condominium Board.

Section 2. **Awards for Trade Fixtures and Relocation Allowances.** Where all or a part of the Building is taken in condemnation or by eminent domain, each Unit Owner shall have the exclusive right to claim all of the award made for trade fixtures installed by such Unit Owner, and any relocation, moving expenses or other allowance of a similar nature designed to facilitate relocation of a displaced business concern.

Article VIII

Records

Section 1. **Records and Audits.** The Condominium Board or the managing agent shall keep detailed records of the actions of the Condominium Board and the managing agent, minutes of the meetings of the Condominium Board, 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 each Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. An annual financial statement prepared in accordance with generally accepted accounting principles, certified by an independent certified public accountant, shall be rendered by the Condominium Board to all Unit Owners and to all mortgagees of Units who have

requested the same, within four (4) months after the end of each fiscal year. The cost of such report shall be paid by the Condominium Board as a General Common Expense.

Section 2. At the request of the Marina Unit Owner(s), the Condominium Board shall cooperate with the Marina Unit Owner(s) from time to time in connection with the preparation, filing and amendment from time to time of an amendment to the offering plan for this Property or related offering material (collectively, a "Marina Unit Offering") for the purpose of sale of Marina Units, which cooperation shall include without limitation, providing information and documentation as the Marina Unit Owner(s) may reasonably request and a written estimate of the Common Charges that will be payable by the Marina Unit(s) to the Condominium Board upon commencement of the operation of a Marina.

Article IX

Miscellaneous

Section 1. **Notices.** All notices hereunder shall be sent by registered or certified mail to the Condominium Board c/o the managing agent, or if there be no managing agent, to the office of the Condominium Board or to such other address as the Condominium Board may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail to the Property or to such other address as may have been designated by him from time to time, in writing, to the Condominium Board. All notices shall be deemed to have been given or served when sent as provided above as of the date of mailing, except notices of change of address which shall be deemed to have been given when received.

Section 2. **Severability.** If any provision of these By-Laws is invalid or unenforceable against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

Section 3. **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 hereof.

Section 4. **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 5. **Waiver.** No restriction, condition, obligation or provision contained in these By-Laws including without limitation the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. **Title to Units.** Title to Units may be taken in the name of an individual, the names of two or more persons as tenants in common, joint tenants or tenants by the entireties, in the name of a corporation, partnership, limited liability company, association, trustee or other legal entity, or any combination of any of the foregoing.

Section 7. **Successors and Assigns.** The rights and/or obligations of the Unit Owners as set forth in these By-Laws and the Declaration shall inure to the benefit of and be binding upon the Condominium Board and the Unit Owners and their successors and assigns.

Section 8. **Insurance Trustee.** A bank or trust company in the State of New York, designated by the Condominium Board and having a capital, surplus and undivided profits of $500,000,000.00 or more shall be the Insurance Trustee. In the event the Insurance Trustee resigns or is replaced by the Condominium Board, the Condominium Board shall appoint a new Insurance Trustee which shall be a bank or trust company having an office located in the State of New York having a capital, surplus and undivided profits of $500,000,000.00 or more. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a General Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the New York Real Property Law.

Section 9. **Consents.** Wherever in this Declaration or these By-Laws the consent of the Condominium Board is provided, such consent shall be sufficient and effective if given by the Condominium Board and the consent of the Unit Owners shall, unless otherwise provided in the Declaration or these By-Laws, not be required.

Article X

Amendments to By-Laws

Except as otherwise provided in these By-Laws or the Declaration with respect to a Marina Unit Owner, Declarant (or its designees) and Unsold Unit Owners, as the case may be (including without limitation, their rights, under certain circumstances, to amend these By-Laws and the Declaration without the consent of the Condominium Board or its Unit Owners), these By-Laws may be amended by vote of not less than seventy-five percent (75.0%) in Common Interest of all Unit Owners cast in person or by proxy at a meeting duly held in accordance with the provisions of these By-Laws, provided, however (i) any such amendment shall not be effective against a holder of a mortgage of record affecting a Unit if Mortgage Representatives shall have been designated in accordance with these By-laws (and the Condominium shall have received written notice of such designation as provided herein) and a majority of such Mortgage Representatives shall not consent thereto in writing, which consent shall not be unreasonably withheld or delayed; (ii) if the Declarant, the owners of a majority in common interest of the Unsold Units and the owners of a majority in Common Interest of the Marina Units shall not have voted in favor of such amendment, then same shall not be effective unless reasonably necessary or convenient to the conduct of the affairs of the Condominium and/or the operation of the Property and such amendment shall not reduce, impair or restrict the rights of any Unsold Unit Owner, the Sponsor, or any Marina Unit Owner or increase the obligations of Unsold Unit

Owner, the Sponsor or any Marina Unit Owner; and (iii) an amendment to the Declaration or these By-laws which constitutes a Marina Affairs Amendment may be adopted solely by the written consent or approval of a Marina Amendment Majority, without any requirement of obtaining the consent of any Unit Owner, the Condominium Board or any holder of a mortgage encumbering a Unit. Any such amendment shall be executed by the Condominium Board as attorneys-in-fact for the Unit Owners, coupled with an interest and granted for a valuable consideration, and the Condominium Board is hereby authorized by the Unit Owners so as to act as their attorney-in-fact; provided that nothing contained herein is intended to limited the rights of the Sponsor, its designees and the Marina Unit Owners, as provided in the Declaration or these By-laws, to execute certain amendments to the Declaration and the By-laws without the execution thereof by the Condominium Board. Notwithstanding anything to the contrary contained herein, no provision of the Declaration or these By-Laws relating to the use of the Units or appurtenant Common Interests may be amended without the consent of every Unit Owner affected by such amendment except as expressly provided in Section 9 or Section 11 of the Declaration. The provisions of this Article X may not be amended without the unanimous consent of all the Unit Owners.

Article XI

Conflicts

These By-Laws (including without limitation the Rules and Regulations) are intended to comply with the requirements of Article 9B of the Real Property Law of the State of New York and all other applicable laws. In case any these By-Laws or any provision of the Rules and Regulations shall conflict with the provisions of said statute, the provisions of said statute or any other applicable law shall control. In case of any conflict between provisions of these By-laws (including the Rules and Regulations) and the provisions of the Declaration, the provisions of the Declaration shall control.

Article XII

Arbitration

An arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. If the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by the Supreme Court of the State of New York, in the County of Kings. Each party to any such arbitration shall bear his or her own legal fees and expenses and other fees and expenses in prosecuting and/or defending, as the case may be, the arbitration. However the cost of the arbitrator shall be borne by the losing party. All costs and expenses of the Condominium Board in any such arbitration hereunder, including the fees and expenses of counsel and experts, shall be a General Common Expense.

SCHEDULE A OF THE BY-LAWS

RULES AND REGULATIONS OF THE CONDOMINIUM

1. Each Residential Unit Owner shall keep his or her unit in a good state of preservation and cleanliness. He shall not allow anything whatever to fall from the windows or doors of the Building, nor shall he sweep or throw from the Building any dirt or other substance into any of the corridors or halls, elevators, ventilators or elsewhere in the Building or upon any Exclusive Use Area. The Residential Unit Owners shall place their refuse in containers in such manner, at such times and in such places as the Condominium Board or its agent may direct. The Residential Unit Owners shall obtain extermination services for the Residential Units at such intervals as shall be necessary to maintain the Residential Units free of rats, mice, roaches and other vermin.

2. Except as otherwise expressly provided in the Declaration or the By-Laws (including, without limitation, the provisions thereof pertaining to the rights and prerogatives of the Sponsor, its designees, Unsold Unit Owners and the Marina Unit Owner(s)), the sidewalks, entrances, corridors, exits and other General Common Elements and Multi-Family Limited Common Elements shall not be obstructed or encumbered by refuse or otherwise.

3. Employees of the Residential Unit Owners' may not gather or lounge in the Common Elements.

4. Supplies, goods and packages of every kind for the Residential Units are to be delivered in such manner as the Condominium Board or its agent may reasonably prescribe and the said Condominium Board is not responsible for loss of or damage to any such property, including loss or damage that may occur through the carelessness or negligence of the employees of the Building.

5. No disturbing noises or objectionable odors may be produced upon or emanate from any Residential Unit or Exclusive Use Area including, without limitation, from any musical instrument, phonograph, radio, television, receiver or similar instrument if the same shall disturb or annoy any other Unit Owner. Corridor doors shall be kept closed at all times except when in actual use for ingress and egress.

6. Residential Unit Owners shall not permit or keep in their Residential Units or in any Exclusive Use Area any inflammable, combustible or explosive material, chemical or substance, except such products as are required in normal professional and business use.

7. Water closets and other water apparatus in the Residential Units shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish bags or other articles be thrown into same. Any damage resulting from misuse of any water closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Unit.

8. No vehicle belonging to a Residential Unit Owner or to an employee, or visitor of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building or Common Elements by any vehicle of any kind whatsoever.

9. Except as may be provided in Section 9 of the Declaration, no Residential Unit Owner shall (i) do or permit any act or thing to be done in or to his or her Unit or in or on any Exclusive Use Area which will invalidate or be in conflict with any public liability, fire, casualty or other policy of insurance at any time carried by the Condominium Board with respect to the Property, (ii) keep anything in his or her Unit or in or on any Exclusive Use Area which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (iii) permit a Residential Unit or Exclusive Use Area to be used in any manner (other than the use in effect on the date of the Declaration) which will increase the insurance rate for the Property over that in effect as of the date of the Declaration unless such Unit Owner pays the additional cost thereof as provided below.

Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a Residential Unit Owner's default hereunder or any increase in the premium charged for insurance carried by the Condominium Board resulting from a change in the insurance rate for the Property attributable to a use of a Residential Unit which is different from the use of the Unit in effect on the date of the Declaration, shall be assessed as a Common Charge against the Residential Unit Owner. In any action or proceeding relating to the foregoing, a schedule or "makeup" of rate for the Property issued by the New York Fire Insurance Exchange or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

Each Unit Owner may carry other insurance for his or her 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 Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by such Unit Owner; provided that nothing contained herein shall limit or restrict the amount or type of insurance which a Marina Unit Owner or the Marina Board (if any) may wish to carry.

10. No Residential Unit Owner shall place a load upon any floor of his or her Residential Unit exceeding the floor load per square foot area which it was designed to carry and which is allowed by law.

11. If any key or keys are entrusted by a Residential Unit Owner or occupant or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium Board, whether for such Residential Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner or occupant, and the Condominium Board shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith.

12. No Residential Unit Owner shall alter, impair or otherwise affect the Common Elements or any Exclusive Use Area without the prior written consent of the Condominium Board, except as expressly permitted herein or in the Declaration or the By-Laws.

13. Each Residential Unit Owner shall:

(a) obtain and keep in full force and effect any governmental license or permit required for the proper and lawful conduct of any business carried on in his or her Unit, and shall submit same for inspection by the Condominium Board;

(b) Keep clean at all times the interior and exterior of windows and doors (including in each case, the frames thereof) in his or her Unit, with all such work to be done in conformity with law;

(c) not store any possessions of such Unit Owner, including, without limitation, bicycles and carriages in or on any hallways, stairwells, roofs Exclusive Use Areas or Roof Terraces at the Building.

(d) Promptly replace any and all broken or damaged glass (including in windows) in his or her Unit and the frames for such glass, regardless of the cause of such damage, including the negligence of the Condominium Board, its agents or employees without waiving any claims which such Unit Owner may have by reason of any of the foregoing;

(e) Not at any time, either directly or indirectly, use any contractors and/or labor and/or materials in connection with alterations or improvements to his or her Residential Unit, if the use of such contractors and/or labor and/ or materials would or will create any difficulty with other contractors and/or labor engaged by the Condominium Board and/or the other Unit Owners in the maintenance and/or operation of the Building and/or the other Units;

14. Any amounts assessed against a Unit as Common Charges which are in addition to the regular monthly installments of Common Charges due and payable as provided in the By-Laws shall be paid to the Condominium Board upon demand or if not demanded then with the next monthly installment of Common Charges due and payable as provided in the By-Laws.

15. No servant or employee of the Condominium Board or its managing agent shall be sent out of a Building by any Residential Unit Owner at any time for any purpose.

16. Complaints regarding services or operation of a Building shall be made in writing to the Condominium Board or its managing agent.

17. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Condominium Board, except that, where a consent or approval may not be unreasonably withheld as herein elsewhere provided, then such consent may be added to, amended or repealed as set forth above provided such addition, amendment or repeal is not unreasonably made. A Unit Owner may apply to the Condominium Board for a temporary waiver of one or more of the foregoing Rules. Such temporary waiver

may be granted by the Condominium Board, for good cause shown, if, in the Board's judgment, such temporary waiver will not interfere with the purposes for which the Condominium was formed.

18. The fiscal year of the Condominium shall begin on the first day of January in each year or on such other date as the Condominium Board shall establish from time to time.

19. Except as provided in the Declaration no sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed from any Residential Unit on any part of the outside of the Building or in any Exclusive Use Area, hung from windows or placed on window sills in or on any Residential Unit, without the prior written consent of the Condominium Board, except that no such restriction shall apply to an Unsold Unit Owner, Declarant or its designees.

20. No pet (including without limitation, a dog, cat or bird) weighing more than 65 pounds may be kept in a Unit or in any Exclusive Use Area without the consent of the Board or the Managing Agent. Each Unit Owner who keeps any type of pet in his or her Unit or in an Exclusive Use Area, regardless of the pet's weight, will be required to (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium adopted with respect thereto. The Condominium Board may require that pet owners enter into an agreement with the Board confirming such owners' obligations with respect to their pets and, in any event, the Condominium Board may require the removal of a pet which causes a nuisance, health hazard or unsanitary condition.

21. No awnings, radio or television aerials or other projections shall be attached from any Residential Unit to the outside walls of the Building, and no blinds, shades or screens shall be attached to, hung or used on the exterior of any window or door of any Residential Unit, without the prior written consent of the Condominium Board, which consent shall not be unreasonably withheld or delayed. No blinds, shades, screens, draperies or drapery backing that are visible through the exterior windows shall be hung or used in any Residential Unit without the prior written consent of the Condominium Board.

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS

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CERTIFICATION OF SPONSOR AND
SPONSOR'S PRINCIPAL PURSUANT TO
SECTION 20 OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED.

May 16, 2005

Investment Protection Bureau
Real Estate Financing Section
New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
Breakers at Sheepshead Bay Condominium
3112, 3112A, 3114, 3114A, 3116, 3116A, 3118, 3118A,
3120, 3120A, 3122, 3124, 3126, 3128, 3130, 3132, 3134,
3136, 3136A, 3138, 3138A, 3140, 3140A and 3144
Emmons Avenue, Brooklyn, New York 11235

Ladies and Gentlemen:

We 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; and

(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.

Sworn to before me this 16 day of May, 2005

Notary Public

SPONSOR:

EMMONS-SHEEPSHEAD BAY DEVELOPMENT LLC

By: _____
Jacob Pinson, Manager

SPONSOR'S PRINCIPAL:

Sworn to before me this 16 day of May, 2005

Notary Public

Jacob Pinson

CERTIFICATION OF SPONSOR'S ARCHITECTS

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August 23, 2005

NYS Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10217

Re: Emmons Avenue
Brooklyn, NY

Tax Block Number: 8815

Tax Lot Numbers F/K/A: 86, 97, 98, 99,100, 509, 510,513,514,515,516, 518, 519,520.

Current Tax Lot Number F/K/A: 86.

Brooklyn, New York

Gentlemen:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We visually inspected the property under construction on 5-12-05, and we examined the building plans and specifications that were prepared by us with the latest revision dated 3/14/05; and prepared the Report dated 5/17/05, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

We are a registered architect in the State in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that

construction is in accordance with the plans and specifications that we prepared and examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we prepared and examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

ELENA KALMAN ARCHITECT

By: _____

Name: Elena Kalman, AIA
Title: Sole Proprietor

Sworn to before me this
31 day of August, 2005

_____ Notary Public

SHARON M. SABATELLE
NOTARY PUBLIC
MY COMMISSION EXPIRES JUNE 30, 2006

CERTIFICATION OF SPONSOR'S EXPERT
CONCERNING ADEQUACY OF BUDGET

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BUCHBINDER & WARREN, LLC
One Union Square West, Room 402
New York, New York 10003
(212) 243-6722
Fax: (212) 645-0985

CERTIFICATION OF ADEQUACY OF BUDGET

August 31st, 2005

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

Re: The Breakers at Sheepshead Bay Condominium
Emmons Avenue
Brooklyn, NY 11235 (the "Premises")

The Sponsor of the Condominium Offering Plan for the captioned property retained the undersigned to prepare Schedule "B" and prepare Schedule "B1" (the "Schedules") containing projections of income and expenses for the first year of the condominium operation of the Premises starting July 1, 2006 and ending June 30, 2007. Buchbinder and Warren's experience in this field includes managing or operating cooperatives, condominiums and rental properties for at least 30 years. We currently manage more than fifty cooperatives and condominiums in Manhattan.

Undersigned understands that the undersigned is responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules "B" and "B1".

Undersigned has prepared the Schedules 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. Undersigned also has relied on undersigned's experience in managing residential buildings.

Undersigned certifies that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the first year of condominium operation.

Undersigned certifies that the Schedules:

(i) sets forth in detail the projected income and expenses for the first year of the condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgement 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 undersigned:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statements made.

Undersigned further certifies that undersigned is not owned or controlled by the Sponsor. Undersigned understands that a copy of this certification is intended to be incorporated into the Offering Plan. The statement is not intended as a guarantee or warranty of the income and expenses of 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. Undersigned understands that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

BUCHBINDER & WARREN, LLC

By: _____

Print Name: Rosemary Paparo
Print Title: Director of Management

Sworn to before me this 31st day
of August, 2005

_____
Notary Public

JACQUELINE PABTERNACK
Notary Public, State of New York
No. 01PA6006779
Qualified in Kings County
Commission Expires May 4, 2006

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE MARINA UNIT OWNER(S)

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BUCHBINDER & WARREN, LLC
One Union Square West, Room 402
New York, New York 10003
(646) 637-9038
Fax: (212) 645-0985

CERTIFICATION OF EXPERT CONCERNING THE ADEQUACY OF COMMON CHARGES PAYABLE BY THE MARINA UNIT OWNER(S) PURSUANT TO SEC. 20.4 (e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

August 31st, 2005

State of New York Department of Law
Investment Protection Bureau, Real Estate Financing Section,
120 Broadway – 23rd Floor
New York, N.Y. 10271

Re: The Breakers at Sheepshead Bay Condominium
Emmons Avenue
Brooklyn, New York 11235 (the "Premises")

Dear Sir/Madam,

The Sponsor of the Condominium Offering Plan for the captioned property has retained Buchbinder & Warren to prepare Schedule B, which includes projections of common charges payable by the owner(s) of the Marina Unit(s). Our experience in this field includes managing or operating cooperatives, condominiums or rental properties, including loft buildings, in New York for more than 30 years. We currently manage more than fifty cooperatives and condominiums in Manhattan.

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 the Marina unit(s) listed in Schedule B.

I have reviewed the Schedule as it impacts upon the Marina Unit(s) and investigated the facts underlying it with due diligence in order to from a basis for this certification. I have also relied on my experience in managing residential buildings.

I certify that the projections in Schedule B for common charges payable by the owner(s) of the Marina Unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Marina Unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the Marina Unit(s) also reflects special or exclusive use or availability or exclusive control of particular common areas.

I certify that the estimates in Schedules B for the common charges payable by the owner(s) of the Marina Unit(s):

(i) set forth in detail the projected common charges for the Marina Unit(s) for the first year of the condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgement concerning common charges payable by the owner(s) of the Marina Unit(s) for 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 we, the undersigned:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representations or statements 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 common charges fairly attributable to the Marina Unit(s) 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.

BUCHBINDER & WARREN, LLC

By: _____
Rosemary Paparo
Director of Management

Sworn to before me this 31st day
of August 2005

_____
Notary Public

JACQUELINE PASTERNACK
Notary Public, State of New York
No. 01PA6006779
Qualified in Kings County
Commission Expires May 4, 20 0 6